

AW-2792

**M.B.A. (Semester—III) Examination**

**CONSUMER BEHAVIOUR**

**Paper—MBA/3203/M**

Time : Three Hours]

[Maximum Marks : 70

**Note :—** (1) Attempt **ALL** questions.

(2) Figures to the right indicate marks.

**SECTION—A**

1. (A) How can the study of Consumer behaviour assist Marketers in their strategies of segmenting markets and positioning products ? Explain with suitable examples. 14

**OR**

- (B) Define Consumer behaviour. Discuss the stages of consumer decision making process. Explain in detail with suitable diagram and examples. 14

**SECTION—B**

2. (A) What is consumer motivation ? How Maslow's Hierarchy theory has relevance with consumer motivation ? 7

- (B) Explain the type of Decision rules you would use for the following products. Justify your answer :

(i) A Tea powder bag

(ii) A new sedan car. 7

**OR**

- (C) Explain information processing with the help of an example. 7

- (D) What type of information sources are important for consumers to have optimistic perception for purchasing the following products ? Justify your answer :

(i) Tata Indica Diesel Car

(ii) Branded Perfume of Titan. 7

3. (A) What is "Tri component model" ? How it is used in attitude formation ? 7

- (B) Indian consumers have developed a self image of being fashionable yet informal personality, a lifestyle which cuts across categories. On account of this Casual Wear Industry is growing very fast. Explain how this change from formal to informally formal dressing specifically in Men's Wear can be related to personality. 7

**OR**

- (C) How consumer life style plays an important role in defining market segmentation, communication and new product ideas ? 7
- (D) Referring the concept of cognitive dissonance assess the wisdom of any two advertisements in your knowledge which make exaggerated claims for a brand. 7

#### SECTION—C

4. (A) What is diffusion of innovation ? What are its influencing factors ? 7
- (B) "An opinion leader has different characteristics than others." Justify the statement. 7

#### OR

- (C) Explain in detail family buying decision making process. 7
- (D) Explain the process of Adaption and Diffusion of Innovation. 7

#### SECTION—D

5. Fashion Tanzania is a very old company. Its product line comprises of footwear and accessories like leather bags, belts, purses etc. Company's CEO, Mr. Rupesh Ranganathan while having his routine morning walk got a first hand feeling of consumer response to Fashion Tanzania shoes one fine day. The shoes were positioned as simple, no fuss yet elegant, targeted particularly for office wear purpose. It had a reputation of being comfortable and reasonably priced with good market share despite competition from brands like Windsor, Woodland, Liberty etc. During his observation Mr. Ranganathan noticed a very distinct shift in preference from elegant, no fuss shoes to heavy looking bold shoes. He realised that due to this shift in consumer perception and preference, market share of the Fashion Tanzania shoes declined by 10 % within last two years. This Trend was disturbing.

After having a detailed investigation a major decision was taken to shed off the "being traditional" and "become contemporary" image of Fashion Tanzania shoes. It was opined by the departmental heads that people perceive "high price means high quality" for branded products. Company decided to move away from "high quality-affordable price" to "high price-high quality", targeting the growing middle class consumers. They presumed that people view shoes as fashion accessory and lifestyle expression.

For the past few decades being known for making popular and affordable shoes, after this decision Fashion Tanzania took a 180° turn. It developed dedicated showrooms with premium priced shoes and other accessories. The results were completely unexpected, there was a decrease in market share despite new efforts. The company's changed image may have created confusion in consumer's mind. The main appeal was found to be missing. When consumers considered premium shoes other brands came to their mind.

#### Questions :

- (A) Analyse the case. 4
- (B) Explain the marketing implications of Ranganathan's decision about the new category of shoes. 5
- (C) Suggest an approach which might have been successful in changing consumer perception about Fashion Tanzania shoes. 5