

presently relies on e-commerce portals. Most new companies cannot kickoff things with a fully developed distribution system which require time, effort and huge investment.

**Questions :**

- (i) Analyse the case. 5
- (ii) "Indian consumers find Chinese mobile phones as cheap but with poor quality."

Comment on view point of Indian Consumers on China made products. 4

- (iii) Has strategy of offering affordable and high quality feature phones by Chinese companies helped in changing behaviour of Indian Consumers ? Give reasons. 5

**AQ-1350A**

**M.B.A. (Semester – III) Examination**

**CONSUMER BEHAVIOUR**

**Paper-MBA/3203/M**

Time—Three Hours]

[Maximum Marks—70

**N.B. :—** (1) Attempt **ALL** questions.

(2) Figures to the right indicate marks.

**SECTION—A**

1. (A) "An understanding of Consumer Behaviour acts as foundation for developing effective marketing strategy". Discuss. Also describe briefly the concept of 'Consumer Involvement'. 9+5

**OR**

- (B) What is consumer behaviour ? Explain in detail the evolution of concept of consumer behaviour over the years. 4+10

## SECTION—B

2. (A) "Motivation is the outcome of a state of tension which arises because of unfulfilled needs and desires." Discuss. 7
- (B) State and justify whether a consumer will use compensatory or non-compensatory decision rules while purchasing a laptop for personal use. 7

OR

- (C) Explain with a neat sketch the stages in the process of 'Consumer Decision Making'. 7
- (D) Give one example each for the following types of risks perceived by a consumer while purchasing a product/service.

Justify your answer :

- (i) Physical risk
- (ii) Functional risk
- (iii) Financial risk 7

with low build quality and poor design. Not too many people aspiring to own the real iphone would be seen with 'China maal' ! Then home grown companies like 'Micromax' and 'Karbonn' saw an opportunity, importing phones from China and marketing them under their brand in India, strategy that works wonders for them. Micromax which had only 1% share before six years compared to 29% of Samsung reached number 2 position with a share of 18% in smartphone category. Till about five years ago Chinese companies were stamped as selling cheap, poor quality phones in India. Chinese brands realised that they could enter the Indian market themselves considering they have a strong manufacturing ability. But all Chinese companies like Xiaomi, Gionee or OPPO agree the importance of great product, innovation and competitive pricing.

CEO of OPPO Mobiles, India Mr. Tom Lu said "Any user looking for a great device and an incredible experience will choose a product based on its features, specifications, look and ROI. Affordability is and always has been the weakness of Indian buyers." Chinese phones cost 10% less than Indian make phones and 40% less than 'Samsung' in same category. India Head of Xiaomi, Mr. Jain said "Buyers tend to forget their biases when they get value for money." Majority of Chinese brands

3. (A) What is 'Personality' ? Discuss 'Trait Theory' of personality. 7

- (B) It is an accepted fact that 'smoking is injurious to health, but it is also true that cigarette smokers hardly quit smoking. Suggest some attitude change strategies for changing attitudes of smokers. 7

**OR**

- (C) Describe 'Cognitive Dissonance Theory' of attitude. What strategies a marketer should adopt to reduce post purchase consumer dissonance ? 7

- (D) State at least three advertisements that attempt to link consumption of products with a specific life-style. Justify your answer. 7

4. (A) What is 'Diffusion of Innovation' ? Discuss the steps in the process of Diffusion and Adoption of innovation. 7

- (B) Explain the roles played by members of a nuclear family with two young college going children involved in purchasing following products :

(i) A Luxurious Car

(ii) An Airconditioner for Home. 7

**OR**

- (C) "Opinion leaders possess distinct characteristics and can influence consumer's product related decisions." Discuss. 7

- (D) A company wants to launch an innovative novel product belonging to wearable technology category. The product category includes wearable fitness tracker in the form of wrist bands, bracelets, wrist watches etc. These products will provide update information on eating pattern, sleep, energy expenditure etc. As a consultant, suggest the strategy for market segmentation, diffusion and adoption of this innovative product. 7

**SECTION—C**

5. If you told Indian buyers five years ago that high-end 'Made in China' phones would occupy a significant share in Indian smartphone market, they would thank you for good laugh. For long, phones from across the border meant just one thing – rip-offs of Apple and Samsung