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Code No: BA1918

GEC-R14

MBA III Semester Supplementary Examinations, May 2017

CONSUMER BEHAVIOUR

(Master of Business Administration)

Time : 3 Hrs.

Max.Marks : 60

Note: Answer All Sections of Questions.

All Questions from SECTION-A are to be answered at one place.

SECTION-A

6 × 2 = 12M

1. Define Branding.
2. What do you meant by the term 'Positioning'?
3. What is a Social Class?
4. Write a short note on Attitude.
5. Define Marketing Ethics.
6. Explain the stage 'Problem recognition'.

SECTION-B

3 × 12 = 36M

1. a) Define consumer behaviour. What is the significance in studying consumer behaviour?

(OR)

- b) Briefly explain influence of culture, social class, sub culture, social group on consumer behaviour.
2. a) Discuss various steps of consumer decision making process.

(OR)

- b) Discuss consumer segmentation, targeting & positioning.
3. a) Explain how consumers' attitudes can lead to behaviour and how behaviours can lead to attitudes?

(OR)

- b) Write a detailed note on roots of consumerism, consumer safety and marketer responses to consumer issues.

SECTION-C

1×12= 12M

Case Study (Compulsory)

Honey, they've shrunk the kids chocolate bar

You may not have noticed it, but you may be getting less bang for your buck. The price of your favorite brand of noodles or biscuits may have remained constant despite inflation, but what about the quantity? When Abhishek Mathur, a student, was told by his friends that the ubiquitous Rs:10 Maggi pack now had 20% less quantity, he was less than amused, although he had not noticed the change. Chances are most people are buying soaps, bread and biscuits thinking companies have not passed on to the consumer the higher prices in packaged goods, but to protect margins amid rising costs, food and fast moving consumer goods companies are cutting down on quantity-grammage in trade parlance.

Product	Price (Rs)	Weight (grams)
Then Now Lays Chips	20 68	61
Good Day Biscuits	10 100	84.5
Dairy milk chocolate	20 50	38
Britannia Bread	12 400	375
Maggi	10 100	80
Haldiram Snacks	10 52	48
Lux soap	10 75	65

Experts say reducing quantity while maintaining a constant price helps companies protect their volumes. "The FMCG category is highly price sensitive. Prices of items can be increased only to some extent. Reducing grammages (quantity) will help these companies retain their customers as well as their market shares," said Pratiche Kapoor, associate director for retail at consulting firm Technopak. For retailers across cities, the move has hardly spelt a difference over the past 6 months since the trend started. Most retailers continue to witness significant growth, despite price rises and quantity cuts. Food and personal care items are rarely potential areas of compromise for consumers, they reason. "It's the consumers in the middle of the pyramid that are not much affected by these cuts in grammages. If the company succeeds in communicating better value proposition to this section, the strategy is sustainable for them. Impulse items, especially, can protect their volumes by going for grammage reductions," said Raj Hosahalli, executive director, Nielsen India. So, the next time you go shopping, make sure you don't end up buying smaller quantities while staying within budget.

Questions:

1. Why has this strategy of grammage reduction by marketers gone unnoticed by the consumers? Base the answer on your understanding of the consumer behaviour variable of perception.
2. Will such a strategy be useful in another category of products? Give reasons for your answer.
3. How will this knowledge of quantity reduction affect the future behaviour of the consumers of these products?
