Name: **Enrolment No:**	UPES — UNIVERSITY OF TOMORROW

UPES
End Semester Examination, May 2025

Program: Integrated BBA MBA (Marketing) — **Semester: VI**
Course: Consumer Buying Behaviour — **Time: 03 Hours**
Course Code: MKTG 3022 — **Max. Marks: 100**

SECTION A
10Qx2M=20Marks

S. N.		**Marks**	**CO**
Q1 (i)	In family decision-making, when the purchase is made primarily based on the preferences of the children, this is referred to as: a) Family-oriented buying behavior b) Parental influence c) Joint decision-making d) Pester power	**2**	**CO1**
(ii)	Net Promoter Score is a metric that measures: a) Customer satisfaction based on the number of purchases made b) The likelihood of customers recommending a company to others c) Brand awareness within a target market d) The frequency of complaints received by a company	**2**	**CO1**
(iii)	The process of learning one's own culture is known as __________, while __________ is the process of learning the culture of others. a) Enculturation, Acculturation b) Acculturation, Enculturation c) Ethnocentrism, Xenocentrism d) Xenocentrism, Ethnocentrism	**2**	**CO1**
(iv)	Which of the following is an example of big data analytics in consumer analysis? a) Analyzing historical sales data for a single store b) Analyzing millions of social media posts to identify consumer sentiment c) Conducting a focus group to gather consumer opinions d) Observing consumer behavior in a physical retail environment for a few hours	**2**	**CO1**
(v)	Underdog Effect occurs when: a) Consumers prefer brands that are perceived as powerful and dominant b) Consumers empathize with the brands that are seen as struggling or disadvantaged c) Large brands lose market share due to new competitors d) Companies reduce prices to increase consumer appeal	**2**	**CO1**
(vi)	Which of the following is an example of cross-cultural influence on consumer behavior? a) Standardizing marketing messages without considering cultural nuances b) Designing products to cater to local religious and cultural practices c) Offering the same product range in all global markets without modification d) Ignoring local tastes and preferences in international markets	**2**	**CO1**
(vii)	From January 2025, a new generation name is officially being assigned. This generation is referred to as: a) Gen Gamma b) Gen Alpha c) Gen Beta d) Gen Z+	**2**	**CO1**

(viii)	___ conditioning is based on the notion that learning occurs through a trial-and-error process, with habits formed because of rewards received for responses or behaviors. a) Classical b) Operant c) Social d) Cognitive	**2**	**CO1**
(ix)	____________ are the information collected through friends, relatives, and neighbors. a) Pre purchase search b) Commercial sources c) Personal sources d) Post purchase search	**2**	**CO1**
(x)	Which of the following is an example of freemium pricing? a) A software company offers a 30-day free trial of its product, after which customers must pay to continue using it. b) A streaming service offers a basic version with limited content for free, but customers must pay for access to the full library. c) A ride-sharing app charges a different price based on the distance of the trip. d) A restaurant offers a free appetizer with the purchase of an entree.	**2**	**CO1**
SECTION B **4Qx5M= 20 Marks**			
Q2	Identify some key characteristics of the Gen Z and Gen Alpha consumers in India.	**5**	**CO2**
Q3	"Psychographic segmentation is more appropriate than demographic segmentation in present scenario." Comment and justify with suitable example.	**5**	**CO2**
Q4	Discuss how consumer awareness of environmental issues has influenced the trend toward sustainable products.	**5**	**CO2**
Q5	Describe FOMO (Fear of Missing Out) and discuss why it is especially relevant to young consumers in the digital age.	**5**	**CO2**
SECTION-C **3Qx10M=30 Marks**			
Q6	"The family life cycle affects not only what consumers buy, but also when and how they buy." Explain this statement with relevant examples from Indian households. Identify the most suitable family life cycle stage(s) for each of the following products or services and justify your reasoning: (a) Children's Educational Apps (b) Patanjali Yoga Camps (c) Luxury Travel Packages	**10**	**CO3**
Q7	(a) What advantages do nano-influencers have over mega influencers in building consumer trust? Give examples to support your answer. (b) What role does nostalgia play in shaping consumer preferences, and how can brands use nostalgia to enhance customer value?	**10**	**CO3**
Q8	Discuss the role of perceptual mapping in brand positioning and how it helps marketers understand consumer perceptions. Create a perceptual map for different Over-the-Top (OTT) platforms based on relevant dimensions. Explain how these dimensions influence the competitive positioning of each company. **OR**	**10**	**CO3**

	Analyze how understanding consumer personality traits contributes to the creation of effective branding strategies. Give examples of brands that have successfully aligned their brand personality with the personality traits of their target consumer segments and discuss how this alignment has strengthened their brand's appeal.		
	SECTION-D **2Qx15M= 30 Marks**		
Q9	Develop a strategic plan to address the challenge faced by Spotify, where a large percentage of users rely on the free, ad-supported version rather than subscribing to the premium plan. Your plan should aim to increase premium subscription adoption while safeguarding customer retention and preserving the brand's image. Suggest actionable recommendations, including marketing, pricing, and user experience strategies, with a focus on long-term sustainability and success. **OR** India's skincare and beauty industry is experiencing robust growth, fuelled by rising disposable incomes, increasing beauty consciousness among Gen Z and millennials, and greater exposure to global beauty trends via social media and e-commerce. As per estimates, the Indian beauty and personal care market was valued at $16.5 billion in 2022 and is projected to reach $28 billion by 2027, growing at a CAGR of 11%. Within this booming market, celebrity-owned beauty brands - once expected to ride on star power - are witnessing mixed results. While some like Kay Beauty by Katrina Kaif have found loyal audiences, others such as brands promoted by Kriti Sanon, Deepika Padukone and international celebrities like Kim Kardashian have struggled to make a lasting impact in India. Experts attribute this to lack of product differentiation, inconsistent marketing, and overdependence on celebrity status rather than delivering value, innovation, or aligning with Indian consumer needs (like Ayurveda, skin tone inclusivity, or budget-friendliness). Moreover, Indian consumers increasingly seek authenticity, ingredient transparency, and sustainable practices over mere glamour endorsements. The evolving digital landscape and increasing influence of beauty influencers, dermatologists, and skincare educators have further shifted power away from traditional celebrity-led brand pull. D2C (Direct-to-Consumer) startups like Mamaearth, Plum, and Minimalist are outperforming many celebrity brands by offering science-backed, transparent, and affordable skincare solutions. **Questions:** **a)** What are the key drivers behind the growth of India's skincare and beauty industry, and how are consumer expectations evolving? **b)** How are new-age D2C brands positioning themselves differently to succeed in India's beauty market? Discuss using relevant brand examples. **c)** As a brand consultant, suggest a repositioning strategy for a struggling celebrity beauty brand to rebuild consumer trust and relevance in today's market.	**15**	**CO4**

Q10	**Read the case carefully and answer the questions given at the end.** **The Rise, Fall, and Reimagining of Dating Apps** In 2019, dating apps were at their peak. With nearly 250 million global users, online platforms like Tinder, Bumble, and Hinge reshaped how people connected romantically. The swipe-right culture was booming, accounting for nearly 1 in 5 relationships worldwide. The pandemic further accelerated this trend, locking people indoors and online. Bumble seized the moment, going public in 2021 with a market cap of $13 billion. Investors were hopeful; love seemed like a lucrative business. However, by 2024, the industry's story had changed dramatically. Bumble's valuation had nosedived to $720 million, while Match Group - the parent of Tinder, Hinge, and OKCupid - lost nearly 80% of its market value. Despite more than $3.5 billion in revenue, Match Group's growth was stagnant, and its paying user base shrank by 5%. Bumble fared no better, with widened losses and predicted annual revenue shrinkage of 1.3% over the next three years. What went wrong? The freemium model that once drove profits now discouraged users. Dating apps were designed to keep people swiping, not finding meaningful connections. As a result, users experienced "dating app fatigue." Profiles felt repetitive, misrepresentation was rampant, and trust diminished. Combined with the paradox of choice, users - especially Gen Z - began abandoning apps in favour of authentic, offline connections. Recognizing the shift, dating platforms are evolving. Match Group has started organizing offline events such as running clubs and cooking classes to foster natural interactions. It's also focusing on niche apps with targeted user bases - such as Hinge for serious relationships and Grindr for LGBTQ+ users. Hinge alone saw 39% revenue growth in 2024, with Average Revenue Per User (ARPU) rising to $29.94. Bumble, too, has pivoted - acquiring Geneva, a platform for interest-based real-world communities, and Fruitz, catering to the French market. The new strategy? Specialization, authenticity, and real-world integration. With declining downloads (from 287M in 2020 to 237M in 2023), the challenge is to rebuild trust and renew relevance in users' lives. The question now is: can dating apps reinvent themselves - not as swiping platforms - but as facilitators of real, meaningful connections? **Questions:** a) What are the key challenges dating apps facing today. b) Discuss the changing behaviour of Gen Z consumers towards dating apps post-pandemic. What psychological and social factors contribute to their declining interest in online dating platforms? c) Suggest three innovative strategies dating app companies can adopt to revive user engagement and restore consumer trust.	**15**	**CO4**