



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, December 2018

Program: BBA-Logistics Management/BBA-Media Management

Semester – V

Subject (Course): Consumer Behavior & Market Research

Max. Marks : 100

Course Code : BBCM152

Duration : 3 Hrs.

No. of page/s: 3

Section A

Choose the correct alternative

Each question carries 2 marks

- 1) Many sub cultural barriers are decreasing because of mass communication, mass transit, and _____ **CO4**
 - a) The rising unemployment situation
 - b) An influence of political power
 - c) The use of new technology
 - d) A decline in the influence of religious values
- 2) _____ are factors that have been shown to affect consumer behavior. **CO1**
 - a) Brand name, quality, newness, and complexity
 - b) Advertising, marketing, product, and price
 - c) Outlets, strategies, concept, and brand name
 - d) Quality, advertising, product positioning, and strategy
- 3) _____ describes changes in an individual's behavior arising from experience. **CO1**
 - a) Modeling
 - b) Motivation
 - c) Perception
 - d) Learning
- 4) Motor car for a busy doctor is a: **CO2**
 - a) Necessity
 - b) Comfort
 - c) Luxury
 - d) None of these
- 5) Habitual buying behaviour occurs under conditions of low-consumer involvement and little significant brand difference. **CO1**
 - a) True
 - b) False
- 6) Research based on hypothesis suggestion and problem definition is classified as **CO1**
 - a) Casual Research

- b) Exploratory Research
- c) Descriptive Research
- d) Both a and c

7) The process of identifying a group of people similar in one or more ways is called: **CO1**

- a) Market research
- b) Target marketing
- c) Market analysis
- d) Market segmentation
- e) None of the above

8) Which kind of data should always be sought first as it is relatively cheap and fast to collect? **CO1**

- a) Preliminary Data
- b) Secondary Data
- c) Primary Data
- d) Raw Data
- e) First-hand Data

9) Data collection is rarely subject to error because only trained interviewers are used. **CO1**

- a) True
- b) False

10) The objective of exploratory research is to test the specific hypothesis and examine specific relationships. **CO1**

- a) True
- b) False

Section B

Attempt any 4 questions

Each question carries 5 marks

- a) What is Projective technique **CO1**
- b) Write short note on Diffusion of Innovation **CO1,CO2**
- c) Explain Qualitative and Quantitative research **CO1**
- d) Write short note on Tri-component Attitude model **CO1,CO2**
- e) What is subliminal perception **CO1**
- f) Write a short note on product positioning **CO2**

Section C

Attempt any 2 questions

Each question carries 15 marks

- a) Identify the kinds of information that a consumer may collect to form his or her attitude. How can it help his brand evaluation later? **CO2,CO3**
- b) Discuss the importance of market segmentation in marketing decisions and explain the basic methods of market segmentation. **CO1,CO2**
- c) What do you understand by extensive problem solving, limited problem solving and routinized response behaviour? What kind of decision process can you expect in the following cases and why? **CO1,CO2,CO4**
 - (i) Purchase of a greeting card for a close friend.
 - (ii) Purchase of an after shave lotion/moisturiser.

Section D 10*3

30 Marks

Case Study: Saturn is attempting to create committed customers. Saturn, a division of General Motors, advertises around the theme:

A different kind of company.

A different kind of car.

Though Saturn cars cost only \$10,000 to \$16,000, the firm attempts to provide its customers the same level of service and consideration typically associated with expensive luxury cars. Its stated objective is to be "the friendliest, best-liked car company in the world" The company states : "We're going to do more than what the customer expects, and in the long run, I think it will enhance our image."

Saturn's attempt to build an image of a high-quality car built by skilled, caring workers and sold in helpful, non-pressure dealerships, had received two small tests in its first two years. In one, it had to recall and replace 1,836 cars that had received improper coolant. In another, it had to repair 1,480 cars with faulty seat-back recliners. In the second case, the firm made a TV commercial showing a Saturn representative flying to location to fix the car of a resident who had purchased it in the first year of its launch. However, in 1993 Saturn began receiving reports of a wire short-circuiting and causing a fire. Thirty-four fires (no injuries) were reported. Saturn faced a dilemma. A recall would involve 350,000 cars and a direct expense of as much as \$ 35 million. Any negative publicity associated with the recall could seriously depress sales. Saturn had yet to break even and General Motors was under serious financial pressure.

Saturn managers decided to deal with the problem in a manner consistent with its company objective described early. It quickly notified all purchasers of the affected cars and asked them to contact their dealers to have the defective wire replaced at no charge. The dealerships extended their operating hours, hired extra personnel, arranged door-to door pickup and delivery, provided free car washes, and often provided barbecues or other festivities. All the repaired cars had a courtesy card placed inside that said:

"We'd like to thank you for allowing us to make this connection today. We know an event like this will test our relationship, so we want to repeat to you our basic promise - that everyone at Saturn is fully committed to making you as happy a Saturn owner as we can."

According to Steve Shannon, Saturn's director of consumer marketing, the decision to handle the recall in this manner was simple: "The measure of whether we are a different kind of company is how we handle the bad times as well as the good. We're trying to minimize the inconvenience and show that we stand behind the cars, so that our owners don't lose faith in us or the cars."

How have consumers responded to the recall? Mrs. K , a customer, learned of the recall from friends who had heard of it on news reports before she received her letter from Saturn. She took her car to the dealer who served her coffee and doughnuts during the 24-minute repair. Her response:

"I expected this would be my first bad experience with Saturn. But it was so positive, I trust them even more than when I purchased the car."

Questions:

- (a) Describe the evaluative process followed by the consumers and do highlight the outcome that Mrs. K went through. **CO2,CO3**
- (b) Evaluate the manner in which Saturn handled the recall. What options did it have? **CO2,CO3**
- (c) How will publicity about the recall affect Saturn's image among non-owners ? **CO2, CO4**

Roll No: -----



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Section A

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- 1) The relatively homogeneous and enduring divisions in a society, which are hierarchically ordered and whose members share similar values, interests, and behavior constitute _____. **CO1**
 - a) a culture
 - b) a subculture
 - c) a social class
 - d) a family

- 2) _____ refers to the information a consumer has stored in their memory about a product or service. **CO1**
 - a) Cognitive dissonance
 - b) Product knowledge
 - c) Product research
 - d) Marketing research

- 3) Even though buying roles in the family change constantly, the _____ has traditionally been the main purchasing agent for the family. **CO1,CO4**
 - a) Wife
 - b) Husband
 - c) Teenage Children
 - d) Grandparent

- 4) Primary reference groups include _____. **CO1**
 - a) College Students
 - b) Office Colleague
 - c) Family And Close Friends
 - d) Sports Groups

- 5) Wrist watch for a college student is a: **CO1**
 - a) Necessary
 - b) Comforts
 - c) Luxury
 - d) None of these

6) Tendency to which results of innovation are communicated to others is classified as : **CO1**

- a) Relative Advantage
- b) Divisibility
- c) Communicability
- d) Compatibility

7) Primary data which is gathered by observing relevant actions and people is called **CO1**

- a) Experimental Research
- b) Ethnographic Research
- c) Observational Research
- d) Survey Research

8) To gain a competitive advantage in today's environment; a firm should develop and communicate which of the following components to consumers? **CO2**

- a) Brand
- b) Price
- c) Product features
- d) a and b
- e) a, b and c

9) All of the following are uses of marketing research EXCEPT: **CO3**

- a) Monitor marketing performance
- b) Generate, refine, and evaluate potential marketing actions
- c) Maintaining a 24/7 flow of information from the external environment
- d) Improve marketing as a process
- e) Identifying market opportunities and problems

10) Whether the research design requires that respondents be asked questions or that their behavior be observed, the standardized forms used to record the information are called _____. **CO1**

- a) Surveys
- b) Questionnaires
- c) Logs
- d) Observation Forms
- e) Protocols

Section B

Attempt any 4 questions

Each question carries 5 marks

- a) What is opinion leadership **CO1**
- b) What is Cognitive Dissonance in consumer behavior **CO1**
- c) Write short note on functions of Consumer Attitude **CO1**
- d) Explain major objectives of Market Research **CO1**
- e) Discuss the stages of Adoption process **CO1**
- f) Write a note on primary and secondary data **CO1**

Section C

Attempt any 2 questions

Each question carries 15 marks

- a) ABC Company – A manufacturer of a simple, low priced and easy to handle camera, wishes to market it in rural areas. What will you suggest by way of modification of rural consumers' attitude towards camera and their brand? **CO2,CO3**
- b) “The changing economic scenario has opened the gateway of marketing research in India” comment. **CO3**
- c) You work for LG company that manufactures home appliances. A new product “Steam Washer” is being launched by the company. Steam not only gives cleaning a boost, but it sanitizes fabrics and removes dirt and grime better than conventional washing machines. Identify the market segment that you would like to target for the product. Explain **CO2,CO3, CO4**
- d) Which status-related variable-occupation, education or income is the most appropriate segmentation base for : (i) expensive vacations, (ii) Subscriptions, (iii) fat-free foods, (iv) pocket-size cellular telephones. **CO2,CO4**

Section D

30 marks

Case Study: Attracting the Youth segment

Campbell soup Company introduced its line of Chunky soups in Asia in late 80's. The product was geared to young people who were found to avoid the standard clear soup lines and were looking for something that tasted more like a meal. This heartier version of the soup containing more vegetables or meat in a heavier broth had done very well over the years with teens, particularly the young males in the U.S market, where it was the leading ready to serve food in super market.

However, youth in Asia has been found to turn very often from soups to other foods for lunch and snacks, because of a high degree of prevalence of street food both traditional and contemporary.

Cultural variable like food preferences and taste are also creating barriers for the product. In addition competitive ready-to serve soups both from international and local providers are gaining prominence, either on the plank of being an internationally known name or supplying local flavors to suit the Asian palate. Campbell has resolved to reach the youth and college market.

It conducted specialized research on the college market, resulting in several interesting findings. First, only about 1/3 students use college food facilities for lunch and only about one in four eats there for dinner. With 70% of students having access to a heater or oven, the potential exists for heating up soup. In addition, this group likes soup and therefore is willing to consume chicken noodle soup or a variant of the com soup rather than having a heavy, full plate lunch. The trends of consumption are also changing. Six out of 10 college students in the metropolitan cities are more involved in buying prepared food than in the past. The students are usually short of time, especially during semesters. Thus, these patterns would indicate that heating up soup for a snack or a quick meal could be perceived as being fast and easy and would be an attractive food choice for these students. College youth are an attractive market segment for several reasons. First, they are sizeable population in a lot of the Asian countries, especially the South Asian countries. Second, compared to the others in their age group students typically have a larger discretionary income. Third, because this is the time that many individuals are for the first time trying independent living and making consumption decisions by themselves, attracting them to Campbell brand could help develop a lifetime of brand loyalty. Moreover, as university students, these consumers should become the leaders and innovators of tomorrow, enhancing the brands image in the future. Campbell executives are also aware, however, that College students can be very difficult to reach and can be noticeable fickle in their brand choice behavior.

Questions

- (a) What in your view are the consumer behavior variables that the company should study before rolling out its detailed marketing effort? **CO1,CO2**
- (b) Do you agree with the company's identification of the college going students as the most attractive segment? If the reference was specifically to the Indian market, which other segment would you suggest as being attractive for the company? **CO2,CO3, CO4**
- (c) Advise the company about appropriate promotional appeals to use for the product for the target segment of college student. **CO2**