

MANAGEMENT PROGRAMME

Term-End Examination

December, 2010

03860

MS-61 : CONSUMER BEHAVIOUR

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

Note :

- (i) *This paper consists of two sections A and B.*
 - (ii) *Section-B is compulsory. Attempt any three questions from Section-A.*
 - (iii) *All questions carry equal marks.*
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SECTION - A

1. As a marketer of the following products, what aspects of consumer behaviour would you need to know well, before you can start planning your marketing strategy. Explain.
 - (a) Toys for preschool children.
 - (b) Health insurance.
2. (a) How do marketers utilise the concept of stimulus generalisation ? Taking suitable examples, illustrate the possible applications of the concept.
 - (b) Differentiate between classical and operant conditioning.

3. (a) Describe the different types of reference groups and the types of influence they exert.
- (b) What is the type of reference group influence you would expect in case of purchase of a car and why ?
4. (a) What are the factors that are likely to increase information search for products and services ?
- (b) Based on the concepts studied by you would you expect a high or a low degree of pre purchase information search in case of the purchase of a new laptop computer Justify your answer.
5. Write short notes on *any three* of the following :
- (a) Nicosia model of consumer decision making.
- (b) Influence of culture on consumer behaviour.
- (c) Hypothetical constructs in Howard Shelli model.
- (d) Choice heuristics.
- (e) Post purchase evaluation.

SECTION -B

6. Read the case given below and answer the questions at the end of the case.

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, with the faster penetration of microwave ovens and the pizzas and popcorn cooked in them by the college going youth as alternative snacks, Chunky faces increasing challenges from alternatives. 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 flavours 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 corn 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 a 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 brandsimage 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 behaviour.

Question

- (a) What in your view are the consumer behaviour variables that the company should study before rolling out its detailed marketing effort ?
- (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.
- (c) Advise the company about appropriate promotional appeals to use for the product for the target segment of college student.