

PGDM (IB) 2016-18

Consumer Behaviour

IB-411

Trimester –IV, End-Term Examination: September 2017

Time allowed: 2 Hrs 30 Min

Max Marks: 50

Roll No: \_\_\_\_\_

**Instruction:** Students are required to write Roll No on every page of the question paper, writing **anything** except the Roll No will be treated as **Unfair Means**. In case of rough work please **use** answer sheet. All other instructions on the reverse of Admit Card should be followed **meticulously**.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	$3 \times 5 = 15$
B	2 out of 3 (Long Questions)	10 Marks each	$2 \times 10 = 20$
C	Compulsory Case Study	15 Marks	15
		<b>Total Marks</b>	<b>50</b>

**Word limit for each question is 250 words.**

- A1. How is selective exposure different from perceptual defense?
- A2. How are motivation and involvement related?
- A3. What is the significance of J.N.D for the marketers?
- A4. How does consumer learning takes place based on modelling approach?
- A5. What are the five stages of consumer decision making? How do these stages help a consumer in making rational choices?

## Section B

20 Marks

**Word limit for each question is 500 words.**

- B1. *Both parts carry equal marks*
- a. While shaping perceptions what stimulus factors do marketers need to consider? Discuss briefly with relevant examples
- b. What strategies can be used to change the three components of attitude? Provide one strategy for each of them.
- B2. Following is a list of popular brands of washing machine and the associated factors which are rated on a scale of 5. 1 indicates minimum performance and 5 indicates maximum performance. Using disjunctive rule to evaluate which brand(s) will be chosen by the consumers. In addition, select any one brand which is eliminated and suggest strategies to develop positive consumer attitude.

Factors	LG	Whirlpool	IFB	Samsung	Videocon	Godrej	Minimum Performance Required/ Cut Off	Attribute Rank
Capacity	1	3	2	1	1	4	5	4
Power Consumption	3	4	5	3	2	2	3	5
Washing System	1	2	2	5	4	3	3	1
After Sales Service	5	2	5	4	4	5	4	2
Body Strength	3	5	5	2	1	3	2	3

- B3. *Both parts carry equal marks*
- a. While designing marketing strategies based on consumer demographics viz., age and size of the household, would it be more suitable to analyse them together or separately. Discuss briefly.
- b. Ms. Sharma plans to decrease the price of the products she is marketing due to



ongoing competition in the market. One of the products is priced at Rs. 105 which she intends to change to Rs. 95. Another product is priced at Rs. 80 which she plans to reduce to Rs. 64. Using Weber's law, suggest Ms. Sharma to choose and/or drop which of the options. Give reasons to support your answer. Is there any other approach which can be more suitable to solve this dilemma? If yes, then suggest briefly.

Section C

15 Marks

**This case study has three questions and all are compulsory.**

**Case Study**

One of the earliest product placements was done by diamond industry. Diamonds were placed in movies and on the hands of stars, which affected a generation of movie watchers. In 1982, the blockbuster movie ET: The Extra Terrestrial showed an alien creature that was lured from its hiding place by Reese's candy. De Gregorio and Sung (2010) write that brand sales increased by 65 percent in just three months following the release of the movie. Some of the most successful product placements have been in James Bond movies with the brands being shown in them gaining tremendous consumer attitude, mainly because of the way they were presented. The Aston Martin for instance, is part of the storyline and is therefore remembered as a 'Bond' brand. The most successful product placement happens when the products are an integral part of the plot. Otherwise, they lurk in movie frames, hoping that someone will notice them.

Product placement has been done in Indian movies and television shows as well. One of the most successful product placements was in Raj Kapcor's film Bobby in which protagonist Rishi Kapoor is riding a Rajdoot motor cycle in several scenes.

In the promo of the movie, Zindagi Na Milegi Dohara, one of the protagonists Farhan Akhtar is seen taking a swig of Mountain Dew before trying to do some gravity defying adventure sport. Mountain Dew is associated with adventure and the movie was also about three friends embarking on an adventure trip. In another film, Chalo Dilli, Kellogg's is seen on the screen.

Another development is co-branded promotions. A hit song from the hit movie Dabangg made Emami's Zandu Balm suddenly popular. The company sued the producer of the movie but later agreed for an out of court settlement as the brand actually rode to the popularity on the song.

Television producers have also discovered that product placements can become revenue streams. Krishnamurthy (2011) writes that though product placement has been common since the 1980s in the US, Indian television viewers started seeing products as part of the program content from the early and mid-2000s. Products were placed unobtrusively in reality shows such as Bigg Boss, Indian Idol and even lately in Kapil Sharma Show, etc. Product placements during such shows include branded premises. In Bigg Boss 3, Vodafone placed its logo inside the pool in the Bigg Boss house. In fiction serials, products were integrated in storylines; serials like Bade Acche Lagte Ho had its characters talking about using Garnier products. Movies were also promoted in serials/ entertainment shows when the lead actors walked into certain episodes as in Kapil Sharma Show in which the anchor also takes a selfie by Lava mobile phone. However, how effective these tactics were is not known.

### Questions

- C1. Based on ELM what route to persuasion is used via product placements in movie/TV series. Comment on its effectiveness. **5 Marks**
- C2. Which component of attitude can be changed using the product placement in movies? Discuss briefly. **5 Marks**
- C3. Can product placement in movies aid in consumer decision making? Discuss briefly. **5 Marks**