

PGDM, 2016-18  
Consumer Behaviour  
DM-432

Trimester – I / 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**. All other instructions on the reverse of Admit Card should be followed meticulously.

Section A: Short Questions

Please attempt any 3 out of the 5 questions (5 marks each)

1. Select few segmentation variables that should be used jointly to segment the market for each of the following products:
  - a. Passenger cars
  - b. Biscuits(5 marks)
2. How are segmentation, targeting and positioning inter-related? Illustrate how these three concepts can be used to develop a marketing strategy for a product of your choice. (5 marks)
3. Do marketers create needs or does need preexist marketers? Discuss this statement and support with a justification. (5 marks)
4. a. How have marketers used traditional vs. emerging stereotypes in their marketing communication?  
b. Which of these approaches would you recommend and why?  
(5 marks)
5. Explain the inter-relationship between values, attitude and behavior. Support with a suitable illustration. (5 marks)

Section B: Long Questions

Please attempt any 2 out of the 3 questions (10 marks each)

1. Compare and contrast classical conditioning vs. instrumental conditioning vs. cognitive learning in the light of how they can be applied to the development of marketing strategies (10 marks)
2. You are the Product Manager of an oats and ragi breakfast meal which has gained very little acceptance in the Indian consumer's mind. How will you use the following strategies to change the consumer's attitude towards your brand?
  - a. change the consumers' beliefs about your brand
  - b. change the consumer's relative evaluation of attributes(10 marks)
3. For each of the following, discuss the core values that explain your choices:
  - a. Donating blood
  - b. Drinking green tea
  - c. Smoking
  - d. Purchasing gold(10 marks)

Turn Over

Section C: Case Study: Compulsory (15 marks)

**Mc Donald's Corp.**

Mc. Donald's Corp. is often used as an example of Americanism (and globalization) owing to its strict quality control and worldwide success. The company has highly detailed specifications and rules that must be strictly followed. In England, its high standard for coffee aroused the ire of a British coffee supplier, and the company built its own plant when it could not get quality hamburger buns. Mc Donald's provides assistance to Thai farmers for cultivation of Idaho russet potatoes. When suitable supplies are unavailable in Europe, the company does not hesitate to import French fries from Canada and pies from Oklahoma. As reported by Advertising Age, The Wall Street Journal, and Direct Marketing, the company, however, permits some degree of flexibility and creativity on the part of its franchisees. In Southeast Asia, it serves durian-flavoured milk shakes made from a tasty tropical fruit whose aroma is acceptable to Asians but is considered foul by Westerners. Coconut, mango and tropic mint shakes can be found in Hong Kong. Menu changes are also necessary in Europe. Mc Donald's sells near beer, which does not require a liquor license in Switzerland and chicken on the continent (to head off KFC). Mc Donald's on the Champs Elysees offers a choice of vin blanc or vin rouge, and the coffee comes in a tiny cup with about half-dozen spoonfuls of very strong black coffee.

In England, tea is available and will have milk in it unless black tea is ordered. Mc Donald's Australian outlets formerly offered mutton pot pie; outlets in the Phillipines, where noodle houses are popular, offer Mc Spaghetti. Likewise, in Mexico, Mc Donald's offers the Mc Pollo chicken sandwich and jalapeno sauce as a hamburger condiment. Because eating the Midwest American beef is like eating soft pebbles to the Japanese, Mc Donald's hamburger in Japan has a different texture and spices. In many countries, consumers consider fast food to be primarily a snack rather than a regular meal. Furthermore, the company's operating philosophy has to be altered as well. In order to attract foreign partners, who are well qualified and well financed, Mc Donald's grants territorial franchises instead of the usual practice of granting franchises store by store. Some managers of Mc Donald's, buoyed by the success in Asia and Moscow, want to "Mc Donaldise" the world.

**Questions**

1. Discuss the role of culture in McDonald's success story across various international markets (5 marks)
2. What aspects of the values and attitudes of the Indian consumer does McDonald's need to keep in mind? (5 marks)
3. Create a communication for the Indian target audience; keeping the core values and attitude in mind (5 marks)