

PGDM 15-17
Consumer Behaviour
DM-432

Trimester – IV, End-Term Examination: September 2016

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.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

Section A

Q1. Explain the buying process for 'Education loan'.

Q2. Considering the purchase of 'Home Theatre' in your family, illustrate the role(s) being played by various members of the family in the whole process.

Q3. Myths are part of a culture. How have Indian marketers utilized myths to market their offerings? Illustrate with two examples.

Q4. Under what conditions would the use of classical conditioning produce positive results as a part of marketing strategy? Explain with examples.

Q5. A marketer of breakfast cereals is attempting to segment the market on the basis of self image of consumers. Discuss how the marketer can proceed.

Section B

Q6. Explain the lifestyle segments of Indian male population in the context of choosing cosmetics. As a marketer of male fairness cream, what promotion strategy you would design which may have mass appeal.

Q7. Hindustan Unilever Limited has been tapping rural India through 'Project Shakti'. How can they modify rural customers' attitude towards branded FMCG products and their brand evaluation parameters.

Q8. Explain the process of perception of consumers about 'Coke' after witnessing a cricket match sponsored by Coca Cola.

Section C

Read the case on "Onsore Vittooles" and answer the questions at the end.

Onsore Vittooles—The Flop Noodle Brand

Dinesh Thakur, the national brand manager of the *Onsore* Group—a leading multi-national health drinks brand, was in a pensive mood just after the colourful celebration of *Holi*. The end of the sales quarter as well as the financial year is nearby and he knew that the sales manager would submit the performance report of the brand in the forthcoming board meeting scheduled just 15 days later. Note that Dinesh was the head of the planning committee for brand extension and was the instrumental person for designing and launching *Vittooles*.

Last year, his company had designed and launched a new extension in the noodles category. They named the brand extension as *Vittooles*. To sound distinct in the market led by *Boogie* noodles and to some extent *Top Notch* noodles, *Vittooles* was positioned as healthy noodles. The brand resorted to capitalize on unique selling proposition of 'health cooker' sachet. The company claimed that the *masala* was full of multivitamins and iron. At the end of the year, it was revealed that *Vittooles* failed to capture even 3% of the total market share in spite of spending crores of rupees in promotional activities. *Onsore* showered their promotion mix throughout the last sales year with huge advertisements in the leading channels and roped in a celebrity as the brand endorser. They resorted to massive test marketing by distributing free smaller packs in the selected areas for a month just after the brand was launched.

Dinesh tried to recall the struggle with this brand over the past 12 months. As the brand was not successfully selling in the market in the first three sales quarters (April–June and July–September and October–December), Dinesh was pretty anxious. In January, he asked the sales manager Sumedh Verma to use his sales teams to carry out small disguised surveys on middle-income customers in four metropolitan cities—Kolkata, Mumbai, Chennai, and Delhi.

Sumedh had just submitted the survey report, envisaging the responses of almost 1,000 customers across these four cities. Dinesh was surprised to see the findings based on four major parameters in the report. The report consisted of the following graphs.

- *Rate of recall of the advertisement*: It was found during the disguised survey that 73% of the respondents could recall almost 80% of the content of the commercial (Fig. 14.3) and felt that it was a catchy advertisement. This suggested that the advertisement was attention-getting to attract the prospective customers initially. General observations revealed that the customers actually recalled the portrayal and dialogues of their favourite superstar Bollywood actor Mayank Khan, who endorsed the brand.
- *Awareness and comprehension about Vittooles*: The sales manager's report clearly demonstrated that *Vittooles* was a well-known brand (80% of the respondents knew what it was) (Fig. 14.4).
- *'Generic brand' image of Boogie in the category*: In Fig. 14.5, it was quite obvious that *Boogie* acted as almost a 'generic brand' in the noodles category. *Vittooles*, in spite of its rigorous promotion, failed to break that myth.

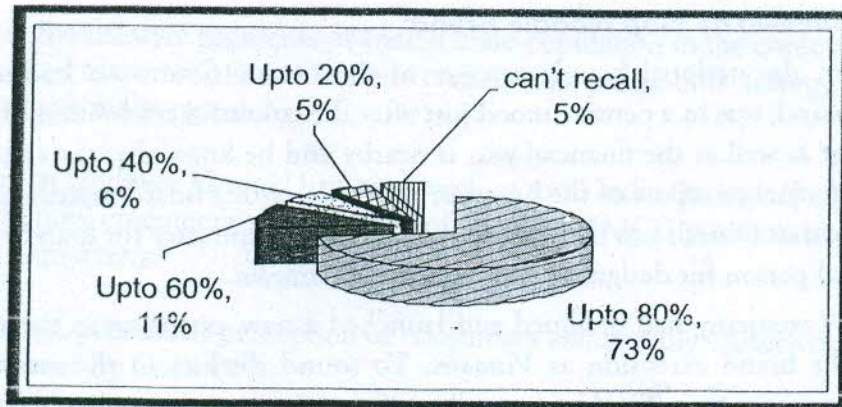


Figure 14.3 Recall rate of the Vittooles

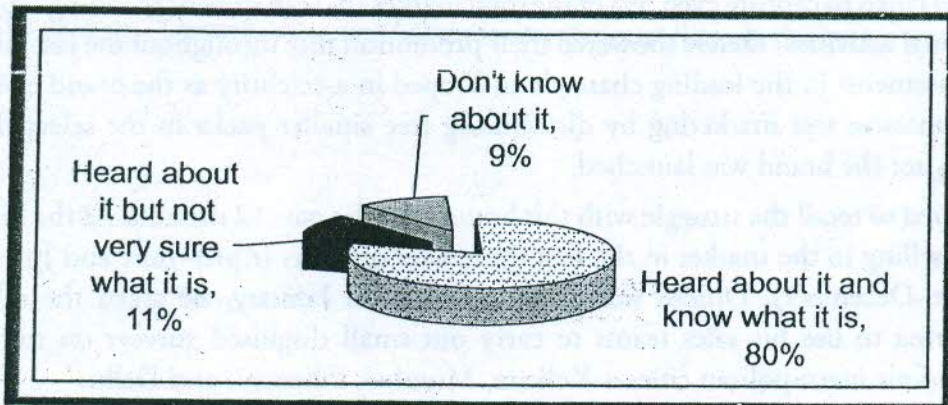


Figure 14.4 Awareness about Vittooles

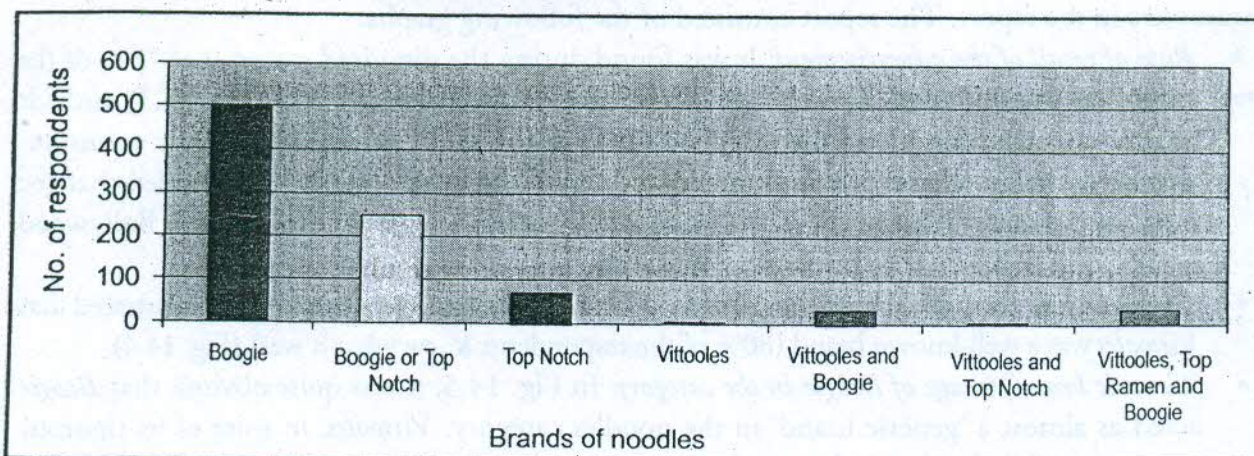


Figure 14.5 Generic identity of various brands of noodles

- *Received free initial packs at any point of time:* It can be clearly observed in Fig. 14.6 that in spite of so much expenditure on sales promotion (free sample distribution), the packs were received by a small percentage of people. The most surprising observation was that 55% of the respondents did not know about the offer. This was really surprising to both Dinesh and Sumedh.

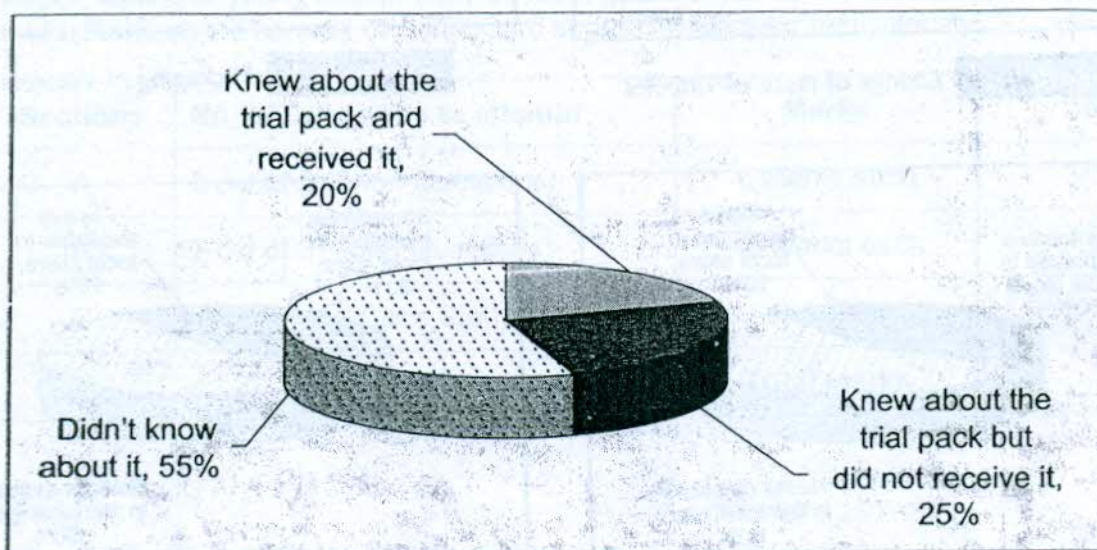


Figure 14.6 Received trial packs

- *Opted for a trial purchase:* The most interesting observation was that even if the respondents did not know about the free offer, the brand sponsorship by *Onsore* did the magic of reaching at least to the segment of innovators. It was observed that almost 50% of the respondents made a trial purchase of *Vittooless* and 85% of them indicated that they opted for a trial purchase as it was an *Onsore* product and they were the consumers of *Onsore* health drinks. Nonetheless, surprisingly just 6% of the trial purchasers opted for a repeat purchase.

The surveyors who conducted the disguised survey at this point concentrated on the customers who made the trial purchase (501 in number) and found the following observations.

While taking into considerations the perception of those 501 customers regarding taste, packaging, store visibility, and availability, some very interesting results were revealed. Dinesh and Sumesh had a close look at the following graphs of the integrated report submitted by the sales teams.

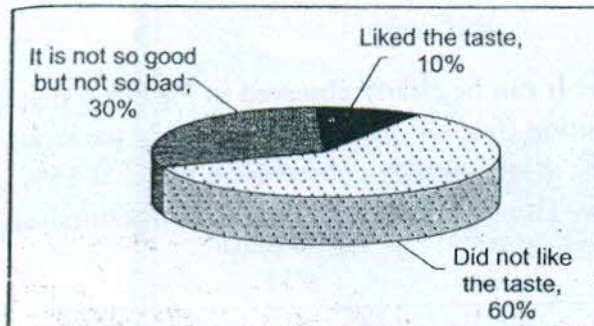


Figure 14.7 Likings of taste of Vittooles

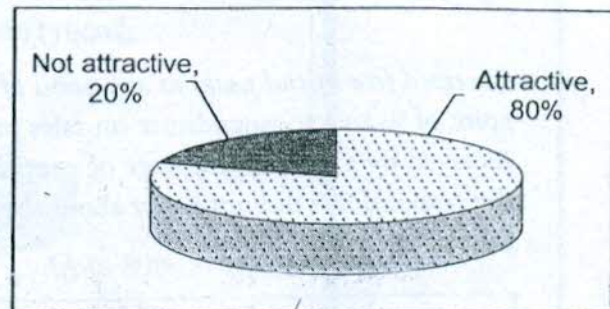


Figure 14.8 Packaging of Vittooles

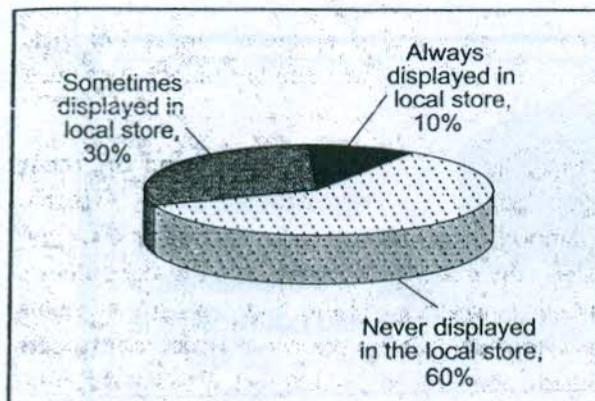


Figure 14.9 Visibility in the local stores

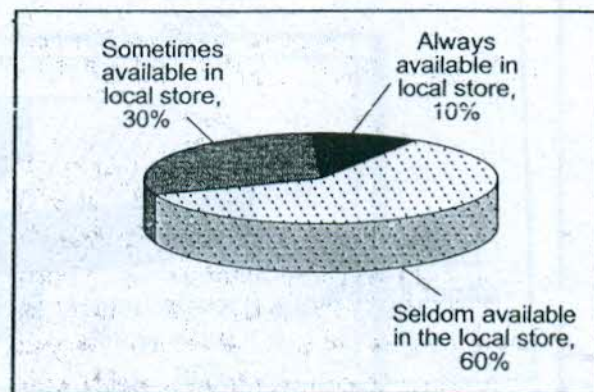


Figure 14.10 Availability at the local stores

Dinesh was perplexed and sat down on his desk to develop further strategies.

(This is a fictitious case developed in order to stimulate classroom discussions at MBA level. Any resemblance with any person or organization is purely coincidental.)

Questions

1. In spite of so much promotion and strong umbrella brand of *Onsore*, why did *Vittooles* failed to succeed in the market?
2. Had you been Dinesh, what strategies would have you taken to convert the interest of the consumers into purchase?