# S. S. Jain Subodh Management Institute MBA IV Semester

M-420

# Consumer Behaviour Sample Questions

Part A: Short answer question (up to 25 words)

Part B: Analytical/problem Solving questions

Part C: Descriptive/ Analytical/ Problem Solving/ Case questions.

# Part A

# **Short Answer questions**

#### **Unit I: Consumer Behavior**

- 1. Explain the nature of Consumer Behavior.
- 2. Define Consumer Behavior.
- 3. Why we need to study consumer behavior?
- 4. Which factors influence consumer behavior the most?
- 5. What do you mean by Consumerism?
- 6. Explain concept of Consumer with example.
- 7. Write any four benefits of Consumerism.
- 8. List any two characteristics of Consumer Behavior.
- 9. What do you mean by Consumer Movement?
- 10. List any four rights of consumers.
- 11. Name any four responsibilities of consumer.

#### Unit II: Individual Determinants of Consumer Behavior I

- 12. Outline the concept of 'Consumer Perception'.
- 13. What do you understand by consumer motivation?
- 14. What are different factors affecting motivation?
- 15. Name the types of personality.
- 16. List the steps in consumer perception process.
- 17. What is meant by attitude?
- 18. Differentiate between need and want.
- 19. Name the types of Buying Motives.

#### **Unit III: Individual Determinants on Consumer Behavior II**

- 20. What do you mean by 'Learning'?
- 21. Name the important brand extensions with examples.
- 22. Write any four advantages of brand loyalty.
- 23. Write any four characteristics of brands.
- 24. Name types of consumers on basis of brand loyalty.
- 25. Highlight significance of learning.

#### **Unit IV: Social and Cultural Determinants**

- 26. What do you understand by 'culture'?
- 27. Highlight the role of customs in consumer behavior.

- 28. What is a subculture?
- 29. Why studying culture is important in determining consumer behavior?
- 30. List problems of cross-cultural consumer analysis.

#### **Unit V: Group Influences**

- 31. Explain the types of family.
- 32. What is a reference group?
- 33. Name the factors that affect reference group influence.
- 34. How celebrities affect consumer behavior?
- 35. List any four benefits of reference groups.
- 36. Discuss the role of family in consumer decision making.

# **Unit VI: Consumer Decision Making Models**

- 37. What is diffusion of innovations?
- 38. What is meant by consumer adoption?
- 39. List any four models of consumer decision making.
- 40. Name the adopter categories.
- 41. Explain concept of drive and cue.
- 42. Name the levels of consciousness explained by Sigmund Freud.
- 43. Differentiate between primary and secondary group.
- 44. What is overt search?
- 45. List the decision variables considered under Engel-Kollat-Blackwell Model.

#### **Unit VII: Organizational Buying**

- 46. Differentiate between industrial market and consumer market.
- 47. List the types of decision making in organizational buying.
- 48. Discuss the significance of organizational buying.
- 49. Why organizational buying is important to study?
- 50. Name the steps of organizational buying process.

#### **Unit VIII: Consumer Behavior Analysis and Marketing Strategy**

- 51. What is meant by product strategy?
- 52. What is pricing strategy?
- 53. What is understood by promotion strategy?
- 54. What do you mean by distribution channel strategy?
- 55. Explain the significance of product strategy in consumer behavior.
- 56. How distribution channel strategies affect consumer behavior?
- 57. List the various types of promotion tools.

#### Part B

# **Analytical/Problem solving questions**

#### **Unit I: Consumer Behavior**

- 1. Explain the concept of Consumer Behavior in detail.
- 2. Describe the important Psycho-Demographics factors of Consumer Behavior.
- 3. What is Consumerism? Explain its benefits.
- 4. 'Consumer Behavior involves more than Buying.' Discuss.
- 5. Describe the consumer movements in India.
- 6. What is the impact of digital revolution and mobile phone revolution on consumer behavior? Explain.
- 7. 'Consumerism is defined by the never-ending pursuit to shop and consume'. Comment.
- 8. What rights are available to consumers?
- 9. Discuss the nature and importance of consumer behavior.

#### Unit II: Individual Determinants of Consumer Behavior I

- 10. How does a company enhance consumer motivation by making itself personally relevant to customers?
- 11. What are internal influences on consumer buying behaviors?
- 12. What determines the ranking of needs in Maslow's hierarchy?
- 13. There are different roles that a consumer plays while making a purchase decision. Explain the process and the various roles that a consumer or household assumes.
- 14. What is attention, and what are its key characteristics?
- 15. Explain levels of consumer decision making.
- 16. Explain the types of risks associated with consumer decision making.
- 17. What is motivation and what are the outcomes of motivation?
- 18. Explain why consumers' motivation and ability to process information, make decisions, or engage in behaviors are important to marketers.
- 19. What is perception, and what methods do we use to perceive stimuli?
- 20. Identify the influences and outcomes of consumer motivation on buying behavior.
- 21. Discuss the theories of consumer motivation.
- 22. How perception affects the consumer behavior?
- 23. Discuss principles of perceptual organization and explain why marketers need to know about them.
- 24. Why there is need for analyzing individual determinants of consumer behavior.

#### **Unit III: Individual Determinants on Consumer Behavior II**

- 25. Describe the different factors that impact consumer behavior. Which of these factors do you believe would have the greatest impact on how consumers behave?
- 26. Define Learning. What do you understand by learning constructs and perceptual constructs?
- 27. Explain the concept and importance of brand loyalty.
- 28. How consumer behavior affects the society? Explain.
- 29. How does recognition differ from recall?
- 30. Discuss the concept of brand extensions with examples.

#### **Unit IV: Social and Cultural Determinants**

- 31. What is "VALS"? What are the key characteristics of VALS?
- 32. What are the determinants of social class?
- 33. What are the different ways in which social class can affect consumer behavior? Provide specific examples of products or services.
- 34. Discuss the role of values and beliefs on consumer behavior.
- 35. Explain the concept of cross-cultural consumer analysis.

#### **Unit V: Group Influences**

- 36. Define the different types of reference group. Give examples of each of these groups as they relate to you.
- 37. Discuss the role of family in consumer decision making.
- 38. How does marketing implications differ for family decision making?
- 39. What are benefits of reference groups?
- 40. Elaborate the factors that affect reference group influence.
- 41. Throw light on the power exerted by reference groups.
- 42. Why do companies sometimes target opinion leaders for marketing attention?
- 43. Why is word of mouth so important for marketers?

#### **Unit VI: Consumer Decision Making Models**

- 44. Describe the Howard Sheth Model of consumer behavior.
- 45. Explain the relevance of Nicosia Model in buyer behavior.
- 46. Discuss the stimulus response model.
- 47. What are the various steps in consumer decision making process? Explain.
- 48. Write a note on diffusion of innovations.
- 49. Explain the consumer adoption process briefly.

# **Unit VII: Organizational Buying**

- 50. Differentiate between organizational and consumer buying.
- 51. Explain the buying decisions in organizational buying process.
- 52. Briefly explain the organization buyer's decision making process.
- 53. How industrial market differs from consumer market?
- 54. Discuss the types of decision making.

#### **Unit VIII: Consumer Behavior Analysis and Marketing Strategy**

- 55. What is compulsive buying, and why is it a problem?
- 56. What influences environmentally conscious consumer behavior?
- 57. What can consumers do to resist marketing practices that they perceive as unwanted or unethical?
- 58. Explain the distributional channel strategy with example.
- 59. Discuss the relationship between consumer behavior and product strategy.
- 60. Describe the components of promotion strategy.



#### Part C

# Descriptive/ Analytical/ Problem Solving/ Case questions

#### **Unit I: Consumer Behavior**

- 1. Describe the rights and responsibilities of Consumers.
- 2. Explain the concept of consumerism, its significance and impact.
- 3. What are factors that influence the Consumer Behavior? Describe Psycho-Demographics of Consumer.
- 4. What is consumerism? Explain with examples. Is consumerism bad for Society?
- 5. Write short notes on:
  - (a) Consumer Movement in India
  - (b) Nature of Consumer Behavior
  - (c) Benefits of Consumerism
  - (d) Rights of Consumer

#### **Unit II: Individual Determinants of Consumer Behavior I**

- 6. Describe in detail the concept of personality and its impact on consumer decision making.
- 7. Explain the concept of perception and its process in detail.
- 8. 'Consumers use products and services for a reason; some are easy to articulate and others are not.' Comment.
- 9. Marketers have targeted all of our senses in their attempts to reach consumers. Can you give any personal examples of how marketers have used vision, smell and color to enhance your perception of their offerings?
- 10. What are the characteristics of personality? How could these characteristics affect the ways consumers behave?
- 11. Discuss why marketers are concerned about consumers' exposure to marketing stimuli and what traditional and nontraditional tactics they use to enhance exposure.
- 12. Describe the major senses that are part of perception and outline why marketers are concerned about consumers' sensory perceptions.
- 13. Men and women are motivated by different types of goals. Describe these goals and explain how they could impact on how consumers behave in the marketplace.

#### 14. Case Study

From upside-down bottles and wacky-colored to unusual store displays and customer-created television

Commercials, H. J. Heinz is definitely looking for attention. Although Heinz sells 650 million bottles of ketchup each year, the company is anything but complacent about keeping its brands and products in the public eye. One way it does this is by using special in-store displays. To catch the eye of tailgaters browsing in Sam's Club and other warehouse stores, the company has created cardboard displays shaped like the back of a pickup truck and filled them with grab-and-

go picnic packs of Heinz ketchup, mustard, and relish. When Heinz introduces new products and packaging, it gains more shelf space, attracts attention, and highlights each item's appeal to the senses. Its E-Z-Squirt Ketchup, in vivid, child-friendly colors like green, purple, and blue, was a standout on store shelves. Its organic ketchup comes in an upside-down squeeze bottle with a green lid that sets the product apart while linking it to the category of natural and organic foods.

Heinz is also developing a sweeter variety of tomato for future ketchup products. However, what appeals to consumers' taste buds in one country may not appeal in those in another country. "Consumer tastes are still very local," observes a Heinz executive, "[which is the reason why] we still like our recipes to be very locally tweaked, even in ketchup." Chefs, scientists, designers, engineers, and marketers work together to create and taste-test new ketchups and other food products at the Heinz Global Innovation and Quality Center outside Pittsburgh, Pennsylvania. The result is untraditional new flavors keyed to specific markets, such as the chili ketchup and sweet onion ketchup recently launched in U.K. stores. The center also hosts a "supermarket" where marketers can observe how consumers behave as they walk down aisles filled with products by Heinz and competing fi rms. With so many food products vying for attention in advertising media and on supermarket shelves, getting consumers to notice a ketchup ad—let alone act on it—is another key challenge. Heinz communicates through numerous messages running in print and broadcast media as well as online; it also uses in-store and in-restaurant communications to reinforce brand image and loyalty. Heinz has also sponsored Top This TV contests in which consumers submit homemade 30- second commercials featuring Heinz ketchup, which are then posted on YouTube for viewing and voting. The top prize is \$57,000 (a play on "Heinz 57 varieties") and a spot on national TV for the winning commercial. To encourage participation and wave the brand banner, Heinz promotes these contests on its ketchup labels, on TV, in print, and online. Hundreds of consumers uploaded entries to the first two contests; many of these commercials, including those created by the finalists, are still available on YouTube and on Heinz's topthistv.com website. Media coverage and word-of-mouth buzz spread the contest message quickly and kept people talking about the homemade commercials even after the voting was over and the winners had been announced.

Heinz also mounted a contest to gain community attention and involve U.S. students and teachers with the brand and its communications. The Ketchup Creativity contest invited students in grades 1 through 12 to submit artwork for Heinz single-serve packets. From more than 15,000 entries, the judges chose 12 winners to have their artwork displayed on millions of Heinz ketchup packets. Each winner received a \$750 scholarship; each winner's school received \$750 worth of Heinz ketchup and \$750 worth of art supplies. Student created artwork made the winning ketchup packets stand out and added to the visual appeal of a product that rarely gets the spotlight to itself.

#### **Case Ouestions**

- **Q1.** Explain how Heinz has been successful in generating exposure and capturing attention. What other ideas would you suggest Heinz try to foster exposure, attention, and perception?
- **Q2.** In terms of exposure, attention, and perception, what are some of the potential disadvantages of Heinz's Top This TV contests?
- **Q3.** Do you think that Heinz will gain long-term benefits from holding a contest for students that focused on the visual appeal of designing single-serve ketchup packets? Give your opinion.

#### Unit III: Individual Determinants on Consumer Behavior II

- 15. Discuss the various learning theories and their applications in consumer behavior.
- 16. Explain the concept and types of brand extensions with examples.
- 17. Describe the relationship between consumer behavior and society.
- 18. Why brand loyalty plays a significant role for marketers?
- 19. Is cognitive learning theory more effective than other theories of learning? Give justifications for your answer.

#### **Unit IV: Social and Cultural Determinants**

- 1. Give details about Indian perspective on factors affecting culture.
- 2. Discuss the role of customs, values and beliefs on consumer behavior.
- 3. Describe the problems and strategies of cross-cultural consumer analysis.
- 4. 'The effectiveness of being touched in sales situations differs from culture to culture.' Comment.

# **Unit V: Group Influences**

- 5. Describe the types of consumer-related reference groups. Do you or anyone you know belong to any? How could membership in such a group impact your behavior? Describe the concept and significance of brand value chain.
- 6. Discuss the marketing implications of celebrity endorsement.
- 7. How marketing strategy differs in case of products requiring family buying decision?

8.

# Case study: 'Who Makes the Call to Switch Carriers?'

Whether they go with Sprint, T-Mobile, AT&T, Verizon Wireless, or another cell phone service carrier, consumers often choose and use a calling plan based on what their friends use. Although brand loyalty may play a role, many people are particularly concerned about whether they can call or text other in-network customers for free and when they can make or receive other calls without charge. It is a matter of dollars and sense: On some service plans, the cost of calling or texting friends who use other carriers— especially during periods of peak pricing—can add up quickly. A growing number of consumers are making purchase and consumption decisions based on who is switched into or out of a carrier's network. These decisions are complicated by the fact that carriers usually require customers to sign a one- or two-year contract and pay a hefty fee if they want to switch carriers before the end of the contract. Once their contracts are up, however, some consumers will follow their friends from carrier to carrier, switching phones in the process, so that they can talk and text whenever they like. Friends who do not switch may wind up getting fewer calls and text messages, keeping their calls and messages short or waiting to talk or text until off-peak hours.

For example, after a friend switched from Sprint to T-Mobile because so many in her group were using the carrier, one college student observed, "We used to talk every day all day. Now I only hear from her after 9 p.m. so that she doesn't use her minutes." To stay connected without spending a fortune, this student plans to sign with T-Mobile as soon as her contract with Sprint

expires. Carrier choices can bring in-network friends closer while impeding communications with out-of-network friends. "I try not to talk to those who don't have Sprint. I don't have minutes to waste," explains a 23-year-old Sprint customer. On the other hand, this customer became better friends with a casual acquaintance after both realized that with the Sprint network in common, they could call each other as often as they liked. For their part, the carriers recognize that these dynamics can greatly influence decisions and usage. Sprint, for instance, moved the start of its "night" period up to 7 P.M. instead of using the 9 P.M. start time that many competitors have set, giving customers two additional hours of lower-priced, off-peak calling time.

T-Mobile began offering a plan that allows customers to specify five out-of-network phone numbers that they can then call free at any time. More carriers are also introducing fl at-rate plans with unlimited calling. Not everyone wants to talk, however. Verizon Wireless examined its records and found that a growing number of its 66 million customers were using cell phones more for texting rather than for calling. In any given month, customers were sending more than 10 billion text messages (New Year's Day is Verizon Wireless's busiest text day of the year while Halloween is its busiest day for video and photo messages). On the basis of this research, the company introduced plans that allow for unlimited text, video, photo, and instant messages. Users on these plans pay for voice phone calls by the minute. Because most cell phones are preset to work only on a specific network, switching carriers generally means switching phones. This change is not a big obstacle for consumers who want the latest technology, but it represents an extra expense—and a bit of a learning curve—for those who like their current cell phone. Because of this cost, Verizon Wireless recently opened its network to allow customers to "bring their own phones" (as long as the phones have been tested for compatibility).

# **Case Questions**

- Q1. What characteristics of the reference group are likely to be involved when consumers switch to the cell phone service carrier used by most of their close friends?
- Q2. How does normative influence affect carrier choice? What are the marketing implications for Sprint and other carriers?
- Q3. What role is informational influence likely to play in a consumer's decision to switch carriers after his or her friends have switched?

#### **Unit VI: Consumer Decision Making Models**

- 9. Innovations can bring about changes in acquisition, consumption, and disposition patterns. Give your opinion.
- 10. How can innovations be described in terms of degree of novelty and types of benefits? How does the degree of novelty affect consumers' behavioral change?
- 11. What is the product life cycle, and how does it differ from product diffusion?
- 12. What is the difference between adoption and diffusion? How does the concept of *resistance* relate to adoption?
- 13. Discuss the various models of consumer decision making in detail.

# **Unit VII: Organizational Buying**

- 14. Discuss the concept and types of decision making in organizational buying.
- 15. Explain:
  - a) Organization Buyer's Decision-making process
  - b) Consumer buying vs Organisational Buying

#### **Unit VIII: Consumer Behavior Analysis and Marketing Strategy**

- 16. Discuss the relationship between consumer behavior and product strategy.
- 17. How Consumer Behavior affects Marketing Strategy? Discuss.
- 18. The marketer has to decide which method would be most suitable to effectively reach the consumers. Should it be advertising alone or should it be combined with sales promotion techniques? Give your opinion.
- 19. Case Study

A car making company is deciding to make flying cars in India. You are required to

- a) Explain the motivation of consumer in buying this car and your way to promote it.
- b) Segment, targeting and position the flying car in Indian market.
- c) Explain how the diffusion of the idea will be facilitated by you?

