

Jagan Institute of Management Studies
End-Term Examination, April, 2017
Trimester III – PGDM 2016-18

Consumer Behaviour
ET_PG_CB_1804

Time: 3 Hrs.

M. Marks: 70

INSTRUCTIONS: Attempt any FIVE questions including Q1 & Q7 which are compulsory.

- Q 1** Give brief answers for any **THREE** of the following:
- a) Two friends who live in your locality, one living in traditional family and the other in a nuclear family. Compare the consumption behaviour of the two families with respect to clothes, furniture & entertainment.
 - b) For a consumer, an unfulfilled need is the outcome of difference between his/her desired state and actual state. Marketing stimuli has a role to 'create' this difference. How does this lead to the consumer's motivation to influence their buying process.
 - c) 'Washing Machines' as a category in India took longer than the 'Mobile Phones' to get accepted. What according to you was the reason for this?
 - d) Differentiate between social class and social status. What are the typical characteristics of social class that are of interest to a marketer in understanding consumer behaviour?
 - e) Write a short note on 'emotions' as influence on consumer behaviour. Write any three emotional appeals for promoting a rational product like a Laptop computer.
 - f) To promote a product, a marketer has to trigger elevating its consumer's 'actual self-concept' to anyone of so many other different types of the self-concept. Elaborate with suitable example/s. **15**

- Q 2** A company is planning to introduce a line of pre-cooked vegetarian food items. It is quite convenient and takes far less time to prepare meals within minutes. Keeping in mind the consumer behaviour of the target market how should the company segment the market, considering:
- i) Internal influences on consumer behavior.
 - ii) External influences on consumer behavior. **13**

- Q 3** What would be the role of perception in connecting with fragrances "for men" and "for women"? Take an example of your own and explain it with respect to the following aspects of consumer perceptions:
- a) Product Benefits
 - b) Perceived risks.
 - c) Price.

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d) Product Quality 13

Q 4 Deodorants, as a category is growing very fast in India. Choose a deodorant of your choice and create an advertisement copy each, stressing
i) Instrumental conditioning with positive reinforcement.
ii) Instrumental conditioning with negative reinforcement 13

Q 5 A person's personality is described in terms of a particular combination of traits. Discuss this in light of either Trait Theory or Big-Five theory of personality. What does it mean to a marketer? 13

Q 6 Explain any **TWO** of the following concepts of benefit to marketers for designing their marketing strategy, giving suitable examples:

- a) Subliminal perception.
- b) Life-style.
- c) Principle of Figure and Ground organization for perceptual interpretation. 13

Q 7 [Read the case and answer the questions given at the end.](#)

It is said that "*entrepreneurship is not about ideas; it's about making ideas happen*". Neeraj Kakkar, an ex-Coca-Cola employee and MBA degree holder, always had a belief that he could work upon his ideas and create something big. With the dominance of Coca-Cola and Pepsi in the Indian beverage industry, many wouldn't even dream of entering this industry. But it was Neeraj's sheer determination and passion for beverages that he started a venture called Paper Boat in August 2013. What started as a startup back then is all set to create a revolution.

Paper Boat is a product of Hector Beverages which also produces Tzinga (energy drink). Paper Boat rose funding from top investment firms which included the Narayana Murthy-led Catamaran Ventures, Footprint Ventures and Sequoia Capital. In July 2015, the Paper Boat brand was valued at \$100 million. Currently, Paper Boat has two manufacturing plants, one in Gurgaon with a production capacity of 80 units /minute and the other one in Mysore with a production capacity of 380 units /minute.

The company is planning to add one more production line at the Mysore plant which would increase the production capacity from 380 units /minute to 780 units /minute. Currently, Paper Boat has 12 drinks and their R&D team is working on developing 35 to 40 products in future. The company sells around eight million units per month with the top seven cities accounting for 80 percent of sales.

Paper Boat is currently sold through 1,00,000 retail points and the company aims to double it in a year's time. Apart from India, Paper Boat is being sold in places like Dubai, Malaysia, UK and US.

Paper Boat does not use any preservatives and each drink they produce has some functional benefits attached to it. Their drinks are not only tasty but healthy as compared to carbonated drinks. The company is manufacturing drinks which were lost somewhere in the past because

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of us got busy in our lives and we lack the time to produce them ourselves. Having said this, the company is basically targeting people who miss their childhood and the traditional drinks they used to consume. Hence, Paper Boat believes in ‘making people taste memories’. It is the only brand offering such varied ethnic flavours to its customers.

Paper Boat has been constantly innovating its products which are evident from the fact that within two years they have launched more than 10 flavours. Started with ‘Aam Panna’ and ‘Jaljeera’ back in 2013, they are currently offering 12 flavours to their customers including ‘Ginger Lemon Tea’, ‘Aamras’, ‘Kokum’, ‘Jamun’ etc.

Paper Boat has been able to build an emotional connect with its customers. Therefore, Paper Boat drinks are not just another beverage product for the customers but a medium to express and revive their childhood memories. The company has been smart enough to convert a utilitarian good to a hedonic good through its marketing and advertising.

The marketing team of Paper Boat has been very efficient and responsive. They are in constant touch with their customers through social networking pages be it Facebook, Twitter or Instagram. Not only do they give timely responses to their customers’ queries but invite them to share their memories which are later published on various social networking pages. Though it’s a small thing to do but it definitely engraves a positive brand perception in the minds of customers and hence increases brand loyalty.

Paper Boat has put a lot of time and investment in deciding the correct packaging for their product. Though the pouches are not recyclable, they have a 10% lower carbon footprint and generally lower overall environmental impact than glass, Tetra Pak or PET bottles. Moreover, they are lighter and more compact which also helps the company save the fuel cost for transportation.

Questions:

- a) Analyse as to how the Paper-Boats managed to form a favourable consumer attitude towards its products and comment on all the three components of this attitude.
- b) Explain the various elements that form of the culture which helped Paper-Boats achieve consumer-acceptance.
- c) Suggest some reference group influences that can be useful to Paper-Boats to influence its consumers’ behaviour.

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