



G.L. Bajaj Institute of Management & Research

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.)-201306
 POST GRADUATE DIPLOMA IN MANAGEMENT (2017-19)
 End Term Examinations (Term-III)

Paper Name-Consumer Behavior
 (Paper Code)- PG-18

Time: 02:00 hours
 Max Marks: 50

Note:

1. Writing anything except Roll Number on question paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.
2. All questions are compulsory in Section A, B & C. Section A carries 2 Case Studies, 10 marks each. Section B carries 2 questions of 10 marks each and Section C carries 5 questions 2 marks each.
3. Use relevant corporate examples, wherever possible.
4. Please state the assumptions (if any) clearly.

SECTION A

(10×02 = 20 Marks)

Q. 1: Case Study: Consumer Research by MarkServ:

According to a recent report by MarkServ, a service that specializes in optimizing the post-purchase experience, revealed that shoppers' preferences for communication with retailers are amidst great changes — and their preferences may also speak volumes about what's to come. In an effort to understand what consumers truly want, MarkServ surveyed 1,290 shoppers who had made an online purchase within the past six months. Among key findings were that advanced technology is on the rise (think voice assistants and bots driven by artificial intelligence), with the data having revealed that 79 percent of shoppers have used text, messenger apps, or voice devices, and 74 percent have used live chat while shopping. Moreover, 65 percent of customers who interacted with a bot (knowingly or unsure) reported a positive experience. Still the report cautioned retailers to be judicious in their use of AI and to add it strategically to ensure that it adds value to the shopping experience, rather than running the risk of frustrating customers further.

The results also revealed that shoppers (more than 80 percent) generally prefer to hear from retailers via email, but consumers -especially Millennials — are becoming increasingly open to texts and push notifications (especially if a message is critical and involves order confirmation or tracking information). Overall, post-purchase messages were among the most probable to be appreciated through text or push notification. The report noted that at least 38 percent of shoppers want to hear from retailers on various channels. When a problem arises, the study's results also found that most shoppers today will try and resolve it by themselves first. Shoppers under 30 (at 88 percent) are most likely to prefer to take the task on themselves (i.e., using the retailer's web site or chat technology) - meaning, in the future, retailers should incorporate appropriate technology for enhanced self-service options. While there may be no silver bullet ('Customer communications are never one-size-fits-all', the report's results and recommendations confirmed that the way people shop is changing- and retailers must, too.

As technology and consumer behavior converge to inform an increasingly complex retail landscape, it is imperative that brands and retailers acclimate to the relevant- and, at times, drastic – shifts. How, according to you, Retailers must respond to these Consumer Behavior shifts in order to survive in a technology infused world?

Q.2: Case Study: Attracting the Youth segment

'Soupit' Company introduced its line of Chunky soups in Asia in 2010. The product was geared to young people who were found to avoid the standard clear soup lines and were looking for something that tasted more like a meal. This heartier version of the soup containing more vegetables or meat in a heavier broth had done very well over the years with teens, particularly the young males in the U.S market, where it was the leading ready to serve food in super market.

However, youth in Asia has been found to turn very often from soups to other foods for lunch and snacks, because of a high degree of prevalence of street food both traditional and contemporary. Cultural variable like food preferences and taste are also creating barriers for the product. In addition, with the faster penetration of microwave ovens and the pizzas and popcorn cooked in them by the college going youth as alternative snacks, Chunky faces increasing challenges' from alternatives. In addition, competitive ready-to serve soups both from international and local providers are gaining prominence, either on the plank of being an internationally known name or supplying local flavors to suit the Asian palate.

Soupit has resolved to reach the youth and college market. It conducted specialized research on the college market, resulting in several interesting findings. First, only about 1/3rd students use college food facilities for lunch and only about one in four eats there for dinner. With 70% of students having access to a heater or oven, the potential exists for heating up soup. In addition, this group likes soup and therefore is willing to consume chicken noodle soup or a variant of the common soup rather than having a heavy, full plate lunch. The trends of consumption are also changing. Six out of 10 college students in the metropolitan cities are more involved in buying prepared food than in the past. The students are usually short of time, especially during semesters. Thus, these patterns would indicate that heating up soup for a snack or a quick meal could be perceived as being fast and easy and would be an attractive food choice for these students.

College youth are an attractive market segment for several reasons. First, they are a sizeable population in a lot of the Asian countries, especially the South Asian countries. Second, compared to the others in their age group students typically have a larger discretionary income. Third, because this is the time that many individuals are for the first time trying independent living and making consumption decisions by themselves, attracting them to Soupit brand could help develop a lifetime of brand loyalty. Moreover, as university students, these consumers should become the leaders and innovators of tomorrow, enhancing the brands image in the future. Soupit executives are also aware, however, that college students can be very difficult to reach and can be noticeable fickle in their brand choice behavior.

Do you agree with the company's identification of the college going students as the most attractive segment? If the reference was specifically to the Indian market, which other segment would you suggest as being attractive for the company?

SECTION B

(10×02 = 20 Marks)

Q. 3: According to the CEO of Verto Analytics (a consumer marketing research firm), the consumer mobile journey and multitasking are two significant factors to consider for 2018 and beyond. How will you use this insight to engage with consumers throughout their digital day?

Q. 4: Consumer-controlled privacy- a Marketing trend for 2018 that will make life very grim for Marketeers locked in the Status Quo. Explain.

SECTION C

(02×05 = 10 Marks)

Q.5 A): Explain the demographic and psychological factors influencing consumer behavior with relevant examples.

B): 'A unique Positioning Strategy is the need of all business organizations.' Do you agree with the statement? Justify.

C): Compare and Comment on the positioning strategy of Reliance Jio v/s Airtel.

D): What is the significance of personality in understanding Consumer Buying Behavior process?

E): Explain the term diffusion of innovation.