

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306

**POST GRADUATE DIPLOMA IN MANAGEMENT (2023-25)**  
**END TERM EXAMINATION (TERM -V)**

Subject Name: **Consumer Behaviour**

Time: **02.00 hrs**

Sub. Code: **PGM52**

Max Marks: **40**

**Note: All questions are compulsory. Section A carries 12 marks: 6 questions of 2 marks each, Section B carries 18 marks having 3 questions (with internal choice question in each) of 6 marks each and Section C carries 10 marks one Case Study having 2 questions of 5 marks each.**

<b><u>SECTION - A</u></b>		
Attempt all questions. All questions are compulsory.		<b>2×6 = 12 Marks</b>
Questions	CO	Bloom's Level
<b>Q. 1: (A).</b> What does post-purchase dissonance mean? <b>Q. 1: (B).</b> Which learning theory is associated with reinforcement and punishment? <b>Q. 1: (C).</b> What is green consumerism? <b>Q. 1: (D).</b> Name any two components of attitude. <b>Q. 1: (E).</b> What is meant by sustainable consumption? <b>Q. 1: (F).</b> What is consumerism?	CO1 and CO2	L1, L2 and L4
<b><u>SECTION – B</u></b>		
All questions are compulsory (Each question has an internal choice. Attempt anyone (either A or B) from the internal choice)		<b>6 x 3 = 18 Marks</b>
Questions	CO	Bloom's Level
<b>Q. 2: (A).</b> How can a luxury fashion brand use aspirational reference groups to enhance desirability among young consumers? <b>Or</b> <b>Q. 2: (B).</b> A legacy brand struggles to attract Gen Z consumers who prefer digital-first brands. How can it reposition itself while maintaining existing brand equity?	CO3	L4
<b>Q. 3: (A).</b> A company notices a high cart abandonment rate on its e-commerce site. What strategies can it use to convert these customers? <b>Or</b> <b>Q. 3: (B).</b> Why do some consumers hesitate to buy high-ticket items online, and what psychological techniques can e-commerce companies use to reduce this hesitation?	CO3	L4
<b>Q. 4: (A).</b> A well-established cosmetic brand launches a sustainable, cruelty-free sub-brand. How can it avoid cannibalizing its main product line while still attracting ethical consumers? <b>Or</b> <b>Q. 4: (B).</b> A fast-food company is criticized for misleading advertising about healthy ingredients. How should it rebuild consumer trust?	CO4	L5

### SECTION - C

Read the case and answer the questions

5×02 = 10 Marks

Questions	CO	Bloom's Level
<p><b>Q. 5: Case Study: The Struggle of a Luxury Brand in Emerging Markets</b></p> <p><b>Background:</b> LuxeTime, a <b>Swiss luxury watch brand</b>, has been a <b>symbol of prestige</b> for over a century. Its watches, priced between <b>\$10,000 and \$50,000</b>, are handcrafted and marketed as <b>status symbols</b> for business leaders, celebrities, and royalty. Recently, LuxeTime decided to expand into <b>emerging markets like India and Brazil</b>, where a growing middle class has shown interest in <b>premium brands</b>. However, despite substantial marketing efforts, LuxeTime's sales in these markets have been <b>underwhelming</b>.</p> <p><b>Challenges Faced:</b></p> <ol style="list-style-type: none"><li>1. <b>Price Sensitivity:</b> While many consumers in these markets aspire to own a luxury watch, they find the price point too high.</li><li>2. <b>Competition from Smartwatches:</b> Younger consumers prefer <b>Apple Watches and Samsung Smartwatches</b>, which offer both <b>technology and style</b> at a fraction of LuxeTime's price.</li><li>3. <b>Marketing Strategy Misalignment:</b> LuxeTime relies on <b>traditional print media and exclusive brand ambassadors</b>, whereas consumers in these regions engage more with <b>digital influencers and social media content</b>.</li><li>4. <b>Cultural Differences:</b> In Europe, owning a Swiss watch is about <b>heritage and craftsmanship</b>, whereas in India and Brazil, consumers often associate <b>technology and innovation</b> with premium products.</li></ol> <p><b>The Dilemma:</b> LuxeTime is considering launching an <b>entry-level watch collection (\$2,000 - \$5,000)</b> to attract aspirational buyers. However, executives worry that this may <b>dilute the brand's exclusivity</b> and alienate its core high-end consumers.</p> <p><b>Questions:</b> <b>Q. 5: (A).</b> What psychological and social factors influence <b>consumer resistance</b> to LuxeTime's products in emerging markets? <b>Q. 5: (B).</b> How can LuxeTime modify its <b>branding and marketing strategy</b> to appeal to aspirational yet price-sensitive consumers while maintaining exclusivity?</p>	CO5	L6

Kindly fill the total marks allocated to each CO's in the table below:

COs	Question No.	Marks Allocated
CO1	1A, 1B, 1C	6 marks
CO2	1D, 1E, 1F	6 marks
CO3	2 & 3	12 marks
CO4	4	6 marks
CO5	5	10 marks