

(Following Paper ID and Roll No. to be filled in your Answer Book)

Paper ID : 270313

Roll No.

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MBA

(SEM. III) THEORY EXAMINATION, 2015-16

CONSUMER BEHAVIOUR & CUSTOMER LOYALTY

[Time : 3 hours]

[Total Marks : 100]

Note : Attempt questions from each sections as per the instructions.

SECTION - A

1. Attempt **all** of the following questions: (2x10=20)
 - (a) What are the factors that determine the extent of information search when looking for a hospital for taking a child for consultation ?
 - (b) Enlist two examples of Celebrities used as experts in Indian media for advertisements.
 - (c) Why must marketing manager be aware of separate types of group influence ?
 - (d) Differentiate customer loyalty & customer retention.

- (e) Explain the factors responsible for social stratification.
- (f) Elucidate on the relevance of Customer loyalty ladder for marketer.
- (g) Define categories of adopter when a consumer goes to purchase a product.
- (h) Discuss the role of customer satisfaction in building customer loyalty.
- (i) Elucidate on Behavioural & Attitudinal loyalty.
- (j) Suggest ways to build customer affinity in the context of automobile industry.

SECTION - B

2. Attempt **any five** questions : (10x5=50)

- (a) How does the Howard Sheth model explain the consumer decision process ? Describe in detail, using the example of the last consumer durable purchased by your family.
- (b) Describe the influence of Culture on Consumer Behaviour and evaluate the Core Value of Indians.
- (c) Identify any one advertisement of your choice and explain how it utilizes the Cognitive theory of learning.

- (d) "Customer Engagement is reverse cold calling where a customer decides and company follows", Comment.
- (e) Customer loyalty through customer service starts from booking of tickets to collection of baggage. Classify the point of customer interaction in the aviation industry and design a plan so that customer loyalty with your airline can be maximized.
- (f) Elucidate how a company assess customer loyalty? What are the different models for its measurement?
- (g) With the help of suitable example, describe Rai - Srivastava model of customer loyalty formation.
- (h) As a Customer Relations Manager in a life insurance company design a set of programmes for building loyalty for its customers.

SECTION - C

3. Attempt **all** questions (3x10=30)

C.G. Electronics Ltd. was a company incorporated in 1983 by Mr. Atul Seth and over the years had emerged as one of the frontrunners in the growing segment of the electronics and home appliances market in India. Presently it has a market share of 30 percent of the home appliances market. The company's product strategy has been to offer a wide product range right from mono

stereo, two-in-ones, sophisticated music system, televisions, refrigerators, washing machines and microwave ovens. C.G. Electronics marketing strategy also included offering the above products so as to match the needs and budget of the middle class and upper strata of the society.

In 1991 Rahul, son of Mr. Atul Seth took over as the Managing Director of the company. Seeing the intense competition in the market in the post liberization scenario, Rahul was keen to go by the principle that once you have targeted your customer, you follow him/her relentlessly with attractive offerings. In 1994 he started with a well focused promotion and distribution strategies. The promotion included spending Rs.10 crores in advertising through holding exhibitions, organizing special training programmes for their sales force, using mass media appeal, offering freebies and various other sales promotion techniques. For distribution, Rahul went about the task of selecting exclusive showrooms and franchisees to display their wide range of products. The location for the exclusive retail outlets was also selected so as to match the perception of the consumers as an "exclusive showroom" for them.

Even after two years of the operating the new promotion and distribution strategy, the sales of C.G. Electronics, was not picking up to the extent the company had thought it would. Rahul directed the marketing manager to do a

study of the other retail outlets to know the trend. The results indicated that there was a change in the consumer's perception about purchasing consumer durables. There was seen a preference for purchasing goods from retail outlets having more than one brand.

Questions:

- (a) Where do you think Rahul went wrong in his analysis of consumer behaviour?
- (b) Discuss the change in the role of consumers today as compared to the consumers five years ago.
- (c) Suggest measures which could be taken by C. G. Electronics to achieve its targets.

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