

Eastern University, Sri Lanka

Faculty of Commerce & Management

Third Year First Semester Examination in Bachelor of Business Administration  
(Honours)

in Marketing Management

2021/2022 (Proper/Repeat) February/March 2024

MKT 3043 – Consumer Behaviour

Answer all questions

Time: 03 Hours

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**Q1. Read the following case study and answer the questions given below..**

**Strategic Realignment: Navigating Consumer-Centric Modernization in Martin Incorp.**

Martin Incorp., a company entrenched in the cosmetics and perfumes industry, initially operated without embracing the marketing concept. Their approach was rather insular, focusing solely on producing goods without considering the evolving tastes and preferences of their target market. Essentially, they were manufacturing products without a deep understanding of consumer needs and desires.

However, the dynamic changed when Mr. Ash, a marketing graduate, joined the company. Recognizing the significance of adapting to changing consumer preferences, Mr. Ash advocated for a shift in the company's strategy. He emphasized the importance of considering factors such as income levels and social trends in shaping consumer behaviour. Implementing his insights, he spearheaded a comprehensive modernization effort, investing a substantial sum of 30 lakhs into revamping product packaging and other aspects of the brand's presentation.

Despite Mr. Ash's earnest efforts and the significant investment made in upgrading the company's offerings, Martin Incorp., failed to witness a commensurate increase in sales even after six months of these transformative changes. This lackluster response to the revamped products left the assistant manager and product manager disheartened. While they acknowledged the positive strides made in aligning the company with contemporary market trends, they couldn't shake the feeling that something crucial had been overlooked in the process.

Their discontent stemmed from a belief that Mr. Ash's approach while modernizing the products superficially, failed to delve deeply into the intricate nuances of consumer behaviour.

They felt that the focus on income and social factors, while undoubtedly important, neglected other critical aspects that influence consumer decision-making. It was as if they had addressed only part of the equation, leaving out essential elements that drive consumer preferences and purchasing behaviour.

In their assessment, they identified several potential areas where the company's marketing strategy fell short. Perhaps there was a mismatch between the revamped products and the brand's core identity, resulting in a lack of resonance with the target market. Additionally, they speculated that the messaging and positioning of the products may not have effectively communicated their value proposition to consumers. Moreover, they questioned whether adequate research had been conducted to truly understand the intricate psychographic and behavioural traits of the target audience.

Despite the initial setback, the assistant manager and product manager remained optimistic. They viewed this as an opportunity for introspection and refinement rather than a definitive failure. Recognizing the complexity of consumer behaviour, they resolved to adopt a more comprehensive approach that considers all facets of the consumer experience. With a renewed focus on understanding their audience on a deeper level and refining their marketing strategy accordingly, they were determined to chart a path towards sustainable growth and success for Martin Incorp. in the ever-evolving cosmetics and perfumes market.

### Questions

- i. Why did Martin Incorp.'s initial marketing approach fail to yield significant sales growth despite catering to its existing target market?  
(Marks 04)
  - ii. What factors did Mr. Ash emphasize when advising Martin Incorp. on adapting to changing consumer preferences?  
(Marks 02) ii.
  - iii. Do you agree with the steps taken by product managers? Justify.  
(Marks 06)
  - iv. What other factors, if any, could have been considered? Elaborate in detail.  
(Marks 10)
- (Total Marks 27<sup>iii.</sup>)**

### Q2.

- i. What do you mean by "Brand Personification"?  
(Marks 04)

ii. "Perception is individuals' interpretations and opinions of products or brands shaped by experiences and information". Explain the dynamics of perception.

(Marks 06)

iii. "Consumer behaviour draws insights from a convergence of four disciplines, enriching its understanding and application". Express your views with this statement.

(Marks 08)

**(Total Marks 18)**

**Q3.**

i. "Attitudes in consumer behaviour shape preferences, guide decisions, and influence purchasing behaviour in various ways". Illustrate the four basic functions of Attitudes.

(Marks 04)

ii. "Behavioural Learning is the learning that takes place as the result of observable responses to external stimuli". Briefly explain the Behavioural Learning theories.

(Marks 06)

iii. Define "Stimulus Generalization" and explain the strategic application of Stimulus generalization in Marketing with examples.

(Marks 10)

**(Total Marks 20)**

**Q4.**

i. Distinguish "Impressed targeting" from "Segment-based targeting", with a brief description.

(Marks 06)

ii. "Numerous obstacles make barriers to consumers' ability to interpret messages accurately. Among these, selective exposure and psychological noise stand out as prominent barriers". Appraise selective exposure and psychological noise with examples.

(Marks 06)

iii. "Standardization can be regarded as a powerful marketing tool, in which environment, safety and health are crucial elements". What do you mean by "Standardization" and illustrate its benefits?

(Marks 08)

**(Total Marks 20)**

**Q5.**

- i. "Cultural Aspects play a crucial role in shaping Consumer Behaviour, Business Practices, and Overall Market Dynamics in these regions". Briefly explain the Key Cultural Aspects of Emerging Markets.

(Marks 08)

- ii. Demonstrate the following
- a. Cross-Cultural Acculturation
  - b. Observational Learning
  - c. Freudian and Neo Freudian Theory.

(3x4=Marks 12)

**(Total Marks 20)**