



Eastern University, Sri Lanka
Faculty of Commerce & Management

Third Year First Semester Examination in BBA / Specialization in Marketing

Management – 2009/2010 (Proper/Repeat)

MKT 3033 - Consumer Behaviour

Answer all Questions

Time: Three Hours

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

Buying a Personal Computer

We had fretted over the decision for more than a year. My husband and I were reluctant to add this stress to our already harried lives. Sure, nearly all our friends had one and boasted about how rewarding the little darlings were. But we also knew it would demand time we couldn't spare. And it would probably need its own room and special furniture.

Despite our anxieties, we decided it was time to buy our first home computer. Although we both used PCs at work, our technical knowledge didn't go much beyond working the on-off switch. So, armed with advice from friends, Rich and I headed to a nearby mall.

The friendly salesman in the computer department at Dillard's asked what we wanted to do on our PC. "Writing," I replied. He regarded me quizzically. "Writing," I repeated. He stood silent. "Rating?" he finally asked, wrinkling his brow. My Wisconsin accent may sound weird to Texans, but I hadn't figured on miscommunicating so soon.

He seated me in front of IBM's new PS/1, ignoring the bulky \$2300 Magnavox nearby. He popped off the top and babbled about memory, VGA, expansion cards, and disk drives. The talk made me dizzy, but the PC seemed downright friendly. With a few clicks of the mouse, I was creating files. When we figured out what we'd really need, including a printer, the \$1999 price soared by \$600. But the promise of IBM's service and the salesman's enthusiasm were appealing. "I used to be afraid to sell computers," he said. "With IBM, I'm not."

Before our next outing, we figured more homework was in order. Computer catalogs, with their lists of megahertz and I/O ports, proved worthless. One brochure rhapsodized about "disk-caching, ROM shadowing, and LIM 4.0 EMS support in ROM." Stacks of computer magazines didn't offer much enlightenment either. Suddenly, the idea of plugging in a cuddly PS/1 seemed good.

Still, we now were confident that we knew our RAM from our ROM. So off we went to Radio Shack. After asking which word processing program we liked, the salesman

dismissed Tandy Corp.'s new home PC, the 1000 RL. "Your needs rule that out right away," he said. He suggested a Tandy 1000 TL/2, which we could have for \$1899, with a dot-matrix color printer. But when we added a modem, a 5 1/4-inch disk drive, and a 40-megabyte hard drive, the ticket soared to \$2943.16, including tax.

As with the PS/1, the sales approach for the Tandy PCs emphasized fun and easy software, including programs to balance our budget and plan our meals. With the "stereo system of the month" blaring nearby, I didn't catch all the details. But a handy chart comparing the Tandy PC to the IBM PS/1 showed that with Tandy we'd save hundreds and have 7000 Radio Shack stores to help us in a crisis.

After Radio Shack, we were beginning to feel like old hands. At dinnertime, Rich and I would debate the merits of the Intel Corp. 80286 chip versus the 80386SX. We scoffed at PCs with less than 1 megabyte of memory.

Our confidence was soon dashed at Mr. Micro. Wandering through the small shop, we attracted little notice until a casually dressed employee approached. He was perplexed when we couldn't specify a computer brand. "I'm a technician, not a salesman," he explained. His advice? Buy a Macintosh. He said the Mac would be simpler to operate than IBM-compatible PCs. Maybe, but I couldn't bear expanding my search to a whole new universe of computers.

By now, we were itching to spend. And what better place than a "computer superstore" that boasted more than 5000 computer-related items? At first sight, Soft Warehouse seemed part chaos, part carnival: Families strolled the store with children and computer gear in tow. A salesman recommended a machine based on the 80286 or 80386SX chip. He pointed us to his "system of the week--a \$1463.99 IBM clone. With the extras we wanted, the price came to \$1855.

The price sounded good. But one of our magazines had warned against falling for in-house specials. And Rich had doubts about the monitor's sharpness. Finally, we took the easy way out. A friend in the computer business put together an Acer Technologies 80386SX system for us. He's even loading the software. Now if only he sold computer furniture.

QUESTIONS

1. What factors are most influential in this couple's buying process? (06 Marks)
2. Describe the consumer decision process stages identified in this scenario? (07 Marks)
3. How did the couple's evaluation process change over time? What was the ultimate deciding factor? (07 Marks)
4. What are the implications of post-purchase behaviour for this couple and other computer buyers? (08 Marks)

(Total 28 Marks)

Q2. a) What does it mean by 'Consumerism'? Briefly cite the reasons for consumer dissatisfaction.

(05 Marks)

b) Briefly describe the five classes of situational influences on consumer behaviour.

(06 Marks)

c) Green consumers often make purchase decisions based on information about the product and the producer rather than a catchy advertising campaign. Identify the nature of the green consumers and their behaviour.

(07 Marks)

(Total 18 Marks)

Q3. a) What are the sources of information available to the marketers for their marketing campaign?

(05 Marks)

b) Post-purchase behaviour involves all the consumers' activities and the experiences that follow the purchase. Briefly describe the stages in Post-purchase consumer behaviour.

(06 Marks)

c) Explain how Global Demographic Variations have changed the South Asian's consumer behaviour.

(07 Marks)

(Total 18 Marks)

Q4. a) The consumer buying process is a complex matter as many internal and external factors have an impact on the buying decisions. Identify the major types of consumer behaviour with suitable examples.

(05 Marks)

b) Briefly explain different models of consumer choice during alternative evaluation.

(06 Marks)

c) "Perception can be created through the number of stages from the acquisition of marketing stimuli". Explain how perception can be built upon specific marketing stimuli.

(07 Marks)

(Total 18 Marks)

Q5. a) Critically examine how marketing strategies incorporates with consumer's problem identification.

(05 Marks)

b) VALS was developed specifically to measure consumer buying patterns and goal of VALS is to identify specific relationships between consumer attitudes and purchase behaviour. Describe the branches of VALS with certain buying behaviours.

(06 Marks)

c) "Organization buying is the decision-making process by which formal organizations establish the need for purchased products and services and identify, evaluate, and choose among alternative brands and suppliers." Identify the key phases of organizational procurement and the participants involving in such processes?

(07 Marks)

(Total 18 Marks)