**Rajasthan Institute of Engineering & Technology, Jaipur**

**University Roll No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_**

2nd Year MBA 4th Semester  I Mid-Term Examination, Feb – 2019

Subject: -Consumer Behaviour & Market Research  **SET- A**

Time: - 2 Hrs. [Maximum Marks: -20]

[Min. Passing Marks: 08]

Instructions to the Candidates:

Attempt any 4 questions from Section A and Section B is Compulsory.

**Section A**

1. **Explain the importance of cultural factors in determining consumer behavior? (3)**

**Cultural factors comprise of set of values and ideologies of a particular community or group of individuals**. It is the culture of an individual which decides the way he/she behaves. In simpler words, culture is nothing but values of an individual. What an individual learns from his parents and relatives as a child becomes his culture.

Example - In India, people still value joint family system and family ties. Children in India are conditioned to stay with their parents till they get married as compared to foreign countries where children are more independent and leave their parents once they start earning a living for themselves.

Cultural factors have a significant effect on an individual’s buying decision. Every individual has different sets of habits, beliefs and principles which he/she develops from his family status and background. What they see from their childhood becomes their culture.

1. **Describe the process of decision making?** (3)

**Step 1: Identify the decision**

**Step 2: Gather relevant information**

**Step 3: Identify the alternatives**

**Step 4: Weigh the evidence**

**Step 5: Choose among alternatives**

**Step 6: Take action**

**Step 7: Review your decision & its consequences**

1. **Write about consumer motivation**? (3)

**Consumer motivation** is an internal state that drives people to identify and buy products or services that fulfill conscious and unconscious needs or desires. The fulfillment of those needs can then **motivate** them to make a repeat purchase or to find different goods and services to better fulfill those needs.

1. **Write down the process of opinion leadership?** (3)

Opinion Leadership is the process by which the opinion leader informally influences the actions or attitudes of others, who may be opinion seekers or merely opinion recipients. Opinion receivers perceive the opinion leader as a highly credible, objective source of product information who can help reduce their search and analysis time and percieved risk.

Opinion leaders are motivated to give information or advice to others, in part doing so enhances their own status and self image and because such advice tends to reduce any post purchase dissonance that they may have.Other motives include product involvement, message involvement or any other involvement.

1. **What are the elements of learning?** (3)

The **Elements** Of**Consumer Learning**  Motivation: Motivation is important to **learning** theory. ... In the marketplace price, styling, packaging, advertising, and store displays all serve as cues to help consumers fulfill their needs in productspecific ways.

1. **What is social class?** (3)

A social class is a set of subjectively defined concepts in the social sciences and political theory centered on models of social stratification in which people are grouped into a set of hierarchical social categories, the most common being the upper, middle and lower classes.

**Section B**

1. **Write short note on Diffusion of innovation? (4)**

Diffusion of innovations is a theory that seeks to explain how, why, and at what rate new ideas and technology spread. Everett Rogers, a professor of communication studies, popularized the theory in his book Diffusion of Innovations; the book was first published in 1962, and is now in its fifth edition.

**2. What is Howard-Sheth decision making model (4)**

The first level describes the**extensive problem solving**. At this level the consumer does not have any basic information or knowledge about the brand and he does not have any preferences for any product. In this situation, the consumer will seek information about all the different brands in the market before purchasing.

1. The second level is**limited problem solving**. This situation exists for consumers who have little knowledge about the market, or partial knowledge about what they want to purchase. In order to arrive at a brand preference some comparative brand information is sought.
2. The third level is a **habitual response behavior**. In this level the consumer knows very well about the different brands and he can differentiate between the different characteristics of each product, and he already decides to purchase a particular product.