



MBA DEGREE EXAMINATIONS: NOV/DEC 2024

(Regulation 2021)

Second Semester

MASTER OF BUSINESS ADMINISTRATION

P21MBE0136 & Consumer Insights

COURSE OUTCOMES

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|-------------|---|
| CO1: | Explain the rationale behind behaviour of consumers across segments. |
| CO2: | Exhibit analytical skills to address marketing challenges by analysing different aspects consumer behaviour. |
| CO3: | Relate the theories influencing consumer decision making process with the recent practices in persuading consumers. |
| CO4: | Evaluate the myths and reality in consumerism and contemporary practices in influencing consumers |

Time: Three Hours

Maximum Marks: 100

Case Analysis - Compulsory

PART A (1 x 20 = 20 Marks)

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| 1. | <p>Rahman, who had just turned 55, saw the several brands of motorcycles parked at the theatre complex. They ranged from the rugged models that were about 10 years old to the dazzling ones that could set the heart pounding among the yuppies. Rahman wondered if all these motorcycles were being used fully for their functionality (as a means of personal transport) or if there were symbolic reasons for the purchase of these motorcycles. These thoughts brought back to him the nostalgic memories of how the Yezdies and Jawas, the brands of the yesteryears, were always considered the “in thing” during his college days. The thoughts, of course, triggered memories of the film <i>Andaz</i> of the early seventies, which dramatized romance with its symbolic motorcycle association.</p> <p>Rahman was brought back to the realities of his current challenges when he noticed Keerthi coming over to meet him. Rahman, after his basic degree, had worked in the motorcycle industry for more than two decades, of which eight years had been with sales and marketing job profiles. His commitment and passion to work enabled him to move up to positions that involved branding and product management challenges that were normally the preserve of management graduates. Keerthi was the product manager of a new company and he had about 6 years of experience in both FMCG and durable product categories. Keerthi’s educational background in management, his conceptual and analytical abilities, and his thirst to succeed by fighting against the odds were the primary reasons for Windy Bikes Company to recruit him a few months back. The hardcore practical insight of Rahman, in combination with the marketing intellect of Keerthi, was probably the prerequisite to succeed in the Indian market, which had several complexities and nuances that reflected its developing nature. They had to meet the CEO of Windy</p> | | |
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Please indicate knowledge level (K₁toK₆) and Course Outcome level (CO1 to CO5) against each question for each subdivision.

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| <p>Bikes in about two weeks to finalize the positioning strategy for their brand.</p> <p>“The motorcycle industry has been catching up over the years and with our factory capacity, there will be no problems in catering to the demand; but the crucial aspect is going to be our positioning related to our brands” said Keerthi. “What about finding the right brand name?” asked Rahman more out of his enthusiasm than out of a disciplined conceptual thought. “Brand name is the last of our priorities, in my opinion” quipped Keerthi, confident that this topic would not surface again until they had made strategic progress with the issue on hand. “What I fail to read is a specific pattern in the positioning of motorcycles. There were only a few brands in the eighties, and by default they had positioned themselves in different ways to ensure that they entered the consumers’ psyche. There were just one or two bikes for style, one associated with adventure and probably one more for ruggedness. Today, the leading brands seem to have exhausted various positioning platforms” said Rahman mirroring Keerthi’s views on the selection of the brand.</p> <p>There are already several models positioned on functional features and psychological aspects. There are also celebrity endorsements. I wonder how a brand can break this kind of clutter in the market” said Keerthi . Rahman was reminded of the ways in which companies have changed their strategies in tune with the environmental changes and competitive moves. Rahman made an interesting observation that was applicable to the leading company, Hero Honda. “Yamaha, the Japanese brand that has just around 5 % in th Indian market (the brand was doing well in Japan and several other parts of Asia with a significant market share), had RX 100 brand with a strong image as a two-stroke offering before Hero Honda entered the Indian market with a four stroke engine. Yamaha today, is attempting to focus on higher-end offerings instead of being present in all the segments. It has launched Gladiator, a 125cc bike, to attract the urban youth segment, and priced it aggressively. Hero Honda had the first mover’s advantage in the four-stroke engine category in the eighties. The company has managed its product-line without getting complacent with its initial success, and its brands have done well over the last two decades. It has created and dropped several sub-brands without losing its focus on the respective segment.” Keerthi agreed and added “Feature combination and price points form an effective appeal. For instance models with and without self-starters, provide a choice to the consumer—those who can afford the feature and those who would like to own the brand and also make a saving”.</p> <p>Rahman took out a report from his briefcase and handed it overview of the motorcycle industry that Rahman had prepared, showing market shares of brands and specifically what he considered was competition to map the mind-space of the consumer—perceptual maps indicating the approach of different brands drawn on specific dimensions. Crucial to the report and to the strategy of Windy Bikes, were the results of a consumer and dealer survey that was commissioned by the company.</p> <p><u>URBAN MOTORCYCLE OWNERS</u></p> <p>The data was collected from 200 samples of a metropolitan city. The results are summarized in Exhibit 1,2,3.</p> | |
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Exhibit 1 : Segmentation of Motorcycles

| | Target Income Groups | Price Range (Rs.'000) | Fuel Efficiency | Margins |
|-----------|-----------------------------|------------------------------|------------------------|----------------|
| Economy | Low | Upto 38 | High | Low |
| Executive | Medium | 38-50 | High | Moderate |
| Premium | High | 50-60 | Moderate | High |

Source : CRISINFAC, www.crisil.com

Exhibit 2 : Ranking of Attributes considered during Purchase

| Options | Weighted Average | Ranking |
|---------------------|-------------------------|----------------|
| Price | 6.71 | II |
| Looks | 6.04 | III |
| Mileage | 7.21 | I |
| After-sales Service | 4.58 | VII |
| Technology | 5.05 | IV |
| Driving Pleasure | 5.02 | V |
| Maintenance Costs | 4.7 | VI |
| Features | 3.68 | VIII |
| Fun | 2.3 | IX |

Exhibit 3 : Occupation of the Respondents

| Occupation | Number of Respondants | Percentage |
|-----------------------------|------------------------------|-------------------|
| Student | 79 | 68 |
| Executive | 11 | 9.5 |
| Government employed | 6 | 5 |
| Professional (Dr/Er/CA,etc) | 20 | 17 |

Please indicate knowledge level (K₁toK₆) and Course Outcome level (CO1 to CO5) against each question for each subdivision.

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| 1.a | Elaborate various aspects and marketing strategies that Mr.Rahman and Keerthi have to finalize relating to the launch of the new bike. (10 Marks) | CO1 | [K ₅] |
| 1.b | Develop promotional campaign using VALS™ segmentation method, for the proposed new launch and help these marketers. (10 Marks) | CO1 | [K ₅] |
| PART B – Answer any 5 Questions (5Q x 8 Marks = 40 Marks) | | | |
| 2. | Consumers have various kinds of needs. Identify how businesses offer various products and services targeting each kind of needs. | CO2 | [K ₃] |
| 3. | It is common practice for bakeries to use additional/artificial aroma to attract customers. Analyze various arousal techniques that marketers use with examples. | CO2 | [K ₄] |
| 4. | Many Indian consumers believe that advertisement increases the cost of goods. Identify the attitude can be born out of this and how to counter them, as a marketer? | CO2 | [K ₃] |
| 5. | Examine any Nicosia model of consumer decision making with illustrations from B2B . | CO2 | [K ₄] |
| 6. | Mrs. Ramani bought a pressure cooker from a popular retail store in Coimbatore. The cooker, just after a few weeks of purchase, did not work as promised by the manufacturer. All mails sent to the manufacturer remained unanswered. Plan the steps that she can take and the redressal she can expect if it is upheld as per consumer protection law. | CO4 | [K ₃] |
| 7. | Examine the applications of Neuromarketing in marketing the technology products. | CO4 | [K ₄] |
| Part – C Answer Any 2 Questions Only (2Q x 20 Marks =40 marks) | | | |
| 8. | Explain how businesses offer various products and services targeting each kind of needs | CO2 | [K ₅] |
| 9. | Appraise the models of consumer decision making with reference to the category based decision making (Durables and nondurables). | CO3 | [K ₅] |
| 10. | Judge the business and consumer ethics towards Green Marketing with suitable examples | CO4 | [K ₅] |

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