

development and new models. It also undertook an advertising campaign, of momentous proportions, that excited the admiration of all in the promotion business. Ten years later, in 2001, VW took total control of the business and such was its success, Skoda had become one of the fastest-growing car brands in the UK motor industry, increasing sales in the first two years by over 60 per cent. Although sales in 2004 have fallen slightly, in line with other car manufacturers, the story is one of remarkable success not least in being able to understand and alter and turn around such deeply ingrained consumer ridicule and opposition.

Questions :

1. Summarize the part that an understanding of consumer behavior played in the success of Skoda.
2. Write, what were the major problems that VW had to solve to overcome consumer antipathy to Skoda ?

MB-202(M2)

M. B. A. (SECOND SEMESTER) MID SEMESTER

EXAMINATION, April, 2023

CONSUMER BEHAVIOR AND INSIGHTS

Time : 1½ Hours

Maximum Marks : 50

Note : (i) This question paper contains two Sections—Section A and Section B.

(ii) Both Sections are compulsory.

(iii) Answer any *two* sub-questions among (a), (b) and (c) in each main question of Section A. Each sub-question carries 10 marks.

(iv) Section B consisting of Case Study is compulsory. Section B is of 20 marks.

Section—A

1. (a) What is Consumer Behavior ? Discuss its nature in detail with examples.(CO1, CO2)

(2)

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- (b) "People don't buy for logical reasons. They buy for emotional reasons." Examine your opinion on the above statement with suitable reasons and examples.

(CO1, CO2)

- (c) Explain various factors determining consumer behavior in detail. (CO1, CO2)

2. (a) Explain various elements of Consumer Learning with examples. (CO3)

- (b) "Social perception is a very important attribute that influences the buying behavior of an individual." Interpret the above statement with suitable reasons and examples. (CO3)

- (c) Assess scope of studying consumer behavior in detail. (Use examples). (CO3)

3. (a) Evaluate the impact of Personality in consumer decision making process. (CO4)

- (b) Write the various reasons why Consumer behavior is important to study. (CO4)

- (c) Discuss consumer motivation with the help of Maslow's need hierarchy theory.

(CO4)

(3)

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Section—B

4. Case Study :

(20 Marks)

Skoda had a monopoly in car manufacturing in Czechoslovakia until the 1989 'Velvet Revolution'. During this time it had developed a fearful reputation as possibly the worse built, worst designed car in the world. Jokes about its notoriety were ruthless, unrelenting and widespread. The only place it sold in any number was in the country of manufacturer. After the fall of communism the Czech government started looking for a commercial partner in the West to revitalise its Skoda factories. Most respected commentators felt strongly that there would never be a business prepared to take on the acquisition because of the huge task of transforming the name from risible rejection to amiable acceptance. In 1991, however, Volkswagen took a 30 per cent stake in Skoda and started work in training and educating the workforce to Western quality standards in the hope of completely turning the business around, making the name of Skoda synonymous with quality and reliability. It invested over billion in the plant, research,

P. T. O.