



**NATIONAL UNIVERSITY**  
OF COMPUTER & EMERGING SCIENCES  
LAHORE



Course MM marketing management Answer Sheet No. 06286  
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### Question-1

#### Factors Affecting Consumer Behaviour

[examples given in parenthesis]

Consumer behaviour is the culmination of personal traits, values, belief system, socio-economic background and personality. Factors affecting consumer behaviour are :-

• Social Factors :-

① Reference Groups : (Aspirational or dissociative)  
The communities of people who interact with the consumer periodically is called a reference groups. They may be :

Primary (informal & frequently interacting)

e.g. : Neighbours

Friends (Friends recommending a movie)

Partners (you will buy a flowers of your partner's liking)

★ Family & extended family  
(most important)

Secondary (formal & infrequently interacting)

e.g. :

Political affiliation (only people associated with PTI would buy Imran Khan branded items)

Religious groups & gathering (targeting)



items  
religious ~~goods~~ clothing?)

②

**Opinion leaders :-**

People of reasonable influence in society or locale who talk and openly communicate about a product / brand / product category. They maybe youtube reviewers, experts in their field or bloggers, etc.

e.g :-  
I always watch "Bilal Munir's" review video before purchasing a mobile phone.

**Personal factors :-**

**Age :** Buying habits change with age (candy company will only target a younger consumer base)

**Life Stage :** People have different needs at different stages of life (newly married couples are very likely to buy furniture, new parents need to buy baby items, etc.)  
Students purchase more stationary, etc.)

**Gender :** Men, women (& others) have gender specific needs and niche markets and different psychology.  
(Undergarment industry is very gender-segregated, automobile & super-car brands target men, cosmetic companies target women.)

**Personality traits :**

People prefer brand personalities that align with their self-concept or ideal perception (what they aspire to be).

(Nike's customers are likely to be sportsmen or fans of sports, clothing brands often have personality segregation)

**Income :** People buy according to their purchase power parity (spendable income vs savings vs debt)

(people with high spendable income go on foreign trips so tourist industry of expensive countries can only target high income foreigners)

**Occupation :** Aptitudes and attitudes vary from profession to profession.  
(Tech workers are likely to buy new gadgets, office workers and bankers buy more formal clothing, etc.)

**Personality :** brand identity should match personality.

**Conclusion :** All in all, personal & social factors combined with cultural ones determine what, when and why a customer would buy a certain product.



## Question #2

(10)

### Market Segmentation :-

Different individual

in society can be grouped together based on similar characteristics

(geographic, demographic, psychographic & behavioural) called a segment.

A segment responds :-

People in the same segment respond similarly to changes in marketing mix variables and other market dynamics and changes. Therefore, they can often be marketed to and accommodated by the same marketing strategy

### Target Market :-

Based on market

segmentation, the segments can be divided into various categories after ABC (activity-based customer analysis), such as :-

- 1) Most Profitable
- 2) (less) profitable
- 3) low profit but desirable
- 4) undesirable (-ve profits)

The aim of a marketer is to correctly identify these segments, categorize them and then select the most appropriate segment according to their product. The chosen segment called the target market must be :-

- Measurable
- Accessible
- Actionable
- Substantial (profitable enough)
- Differentiable (from others)

Ali's

(14)

### Based on Given Scenario :-

The market could be segmented into following market segmentation variable :-

#### ① Geographic :-

Company wants to first launch in Lahore so Lahore is our primary geographic boundary (extendable to Pakistan in near future)

So outlets and customer service centers should be opened in Lahore's most accessible commercial centers to cater everyone ; (Gulberg, ~~Phase~~ <sup>market town</sup>)

- Gulberg (model town, IT, financial town, township, etc)

- Phase 3-5 (one of these for all)

DHA phases

- Bahria town commercial centre (for Lahore West (Bahria, lake city, Valencia, etc.))

#### ② Demographic :-

- Age : people who are in their 30s, 30s, 40s are most likely to purchase a budget car. (Exclude children and older people)

- Life stage : Students, young salaried <sup>young not exist</sup> people (professional stage) and those who are starting a family are most likely to purchase and use budget cars.

- Income : low income cannot afford a car in Pakistan. Upper class buys expensive SUVs and high-end sedans



So, lower & upper middle class are our primary target income bracket.

Through upper class people also potentially buying it as an auxiliary car for a child or general use, so do not rule them out of the equation.

- Gender : In Pakistan (unfortunately) men control finances and are likely to make big purchase decisions like this. Though a budget can also be small target as a suitable choice for a secondary car for the housewife and for children.

-generation : Millennials and gen X are the target generation as they either already have the money or will be to have the money by buying their first car soon and afford budget hatchbacks are the first choice of most new users.

- Social class :-

As stated, lower & upper middle class is most conscious about fuel-economy & maintenance cost. So, the car be strong touch points for this category.

Psychopathologie

people with high self-esteem are less likely to share a budget-friendly life. The most range of our life may not be categorized as cheap and low quality or are people will be more comfortable to spend more money on computers (for work) or where to buy this for at all. This is what happen to "Tate Stone" or not with some women paying.

(4) Behaviour :-

Behavioural :-  
Innovators, risk takers,  
to buy a new model of a car.  
Example is determined by  
(risk). • knowledge of product (or  
trial) • attitude towards it  
~~innovator~~. Use of  
and response towards it  
is ~~very~~ ~~important~~

make sure post-purchase  
response is true (customer care  
& great service)