Several companies offer software applications that design avatars to greet and guide visitors Some of these avatars take the form of famous people, including rock stars, actors, and historical figures. Research indicates that these avatars might increase user satisfaction with the sites and affect purchases.

Organizations and educators are just beginning to realize the impact of avatars and virtual worlds on consumer behaviour. Many companies now host their business meetings online, and they encourage employees to develop their own avatars when they attend the meetings. Several university presidents in the United States hold online forums with students and create avatars to discuss current issues of concern. The world of avatars and virtual worlds will continue to challenge marketers in the years to come.

(a) Critically analyze the roles of Avatars in shaping the consumer behavior.

(b) Are Avatars a big challenge for the marketers or a big boon? Give reasons.

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Enrollment No......................................

Faculty of Management Studies
End Sem (Even) Examination May-2019
MS5EM07 Consumer Behaviour

Programme: MBA   Branch/Specialisation: Management / Marketing

Duration: 3 Hrs.   **Maximum Marks: 60**

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

Q.1 i. Social Class is a part of –   1
(a) Social factors   (b) Cultural factors
(c) Personal factors   (d) None of these

ii. Lifestyle specifically denotes-   1
(a) Personality   (b) Pattern of living
(c) Roles   (d) None of these

iii. The first stage in consumer's decision-making process is –   1
(a) Evaluation of alternatives (b) Information search
(c) Need recognition   (d) None of these

iv. Innovators account differs from _____ in adoption process-   1
(a) 13.5%   (b) 34%   (c) 16%   (d) 2.5%

v. The Howard Sheth model of consumer behavior suggests following   1
decision Making levels
(a) Extensive problem solving
(b) Limited problem solving
(c) Habitual response behaviour
(d) All of these

vi. Buyer's black box consist of –   1
(a) Buyer's characteristics (b) Buyer's decision-making process
(c) Buyer's induction   (d) Both (a) and (b)

vii. A member of reference group who exerts influence on others is-   1
(a) Born leader   (b) Political leader
(c) Opinion leader   (d) None of these

viii. A process by which people interpret the information to form meaningful picture of the world is known as- **1**
(a) Selective absorption   (b) Perception
(c) Dissonance   (d) None of these

ix. Supplier selection is a part of – **1**
(a) Individual Consumer buying process
(b) Business buying process
(c) Both (a) and (b)
(d) None of these

x. The type of buying situation in organizational buying includes- **1**
(a) Straight rebuy   (b) Modified rebuy
(c) New task   (d) All of these

Q.2 i. Define 'Culture' with suitable examples in context of consumer behaviour. **2**

ii. What do you mean by Marketing stimuli? **2**

iii. Explain different social factors influencing consumer behaviour. **4**

OR iv. Explain 'Brand Equity' and 'Brand Loyalty'. **4**

Q.3 i. Explain cognitive dissonance. **3**

ii. What are the major steps involved in consumer decision making process? **5**

OR iii. Explain Desires congruency model. **5**

Q.4 i. What are the traditional models of consumer behavior **3**

ii. Briefly explain Nicosia model of consumer behaviour. **5**

OR iii. Write a summary on Howard Sheth model of consumer behaviour. **5**

Q.5 i. Explain Perception in context of consumer behaviour. **2**
Attempt any two:

ii. What do you mean by Reference groups? **3**

iii. Explain role of opinion leadership in transmission of information. **3**

iv. Briefly explain family life cycle concept in context to consumer behaviour. **3**

Q.6 Attempt any two:
i. What are the factors which influence organizational buying? **4**
ii. Write short note on Consumerism in India. **4**
iii. Explain buy grid model of organizational buying. **4**

Q.7 Analyze the case and answer the questions. **10**

DO OUR AVATARS LEARN?

When he ventures online, he's a muscular, bronzed, 23-year-old surfer. But after a few hours chilling in the virtual world of Second Life, it's time for this 110-pound shy student to get back to work. Sound weird? It's not. He is one of the 38 000 "residents" who are logged into Second Life at any given time. Welcome to the world of avatars! Marketers are just beginning to understand how the time people spend in virtual worlds influences the way they learn about brands.

Second Life, which Linden Labs first launched in 2002, is one of the largest virtual worlds. It's free to use the site although there is a premium membership of $9.95 a month that is required for some online activities. In Second Life and other sites, users create an avatar to represent themselves online. Some people create avatars that look a lot like them in the real world, but many residents choose avatars that represent the person they would like to be, fantasy creatures, or even individuals of the opposite gender. With these alternate personalities they go out and explore virtual worlds. So what does this mean to marketers? Many things. Avatars interact with real brands in these virtual worlds. They can purchase products such as jeans for their avatars, and they can attend events such as concerts or lectures.

But it's not just virtual worlds like Second Life that want to understand how to make money from the legions of avatars out there. Website designers and developers also realize the importance of avatars that interact with visitors on corporate websites.

Marking Scheme
MS5EM07 Consumer Behaviour

Q.1 i. Social Class is a part of – **1**
(b) Cultural factors

ii. Lifestyle specifically denotes- **1**
(b) Pattern of living

iii. The first stage in consumer's decision-making process is – **1**
(c) Need recognition

iv. Innovators account differs from _____ in adoption process- **1**
(d) 2.5%

v. The Howard Sheth model of consumer behavior suggests following **1**
decision Making levels
(d) All of these

vi. Buyer's black box consist of – **1**
(d) Both (a) and (b)

vii. A member of reference group who exerts influence on others is- **1**
(c) Opinion leader

viii. A process by which people interpret the information to form **1**
meaningful picture of the world is known as-
(b) Perception

ix. Supplier selection is a part of – **1**
(b) Business buying process

x. The type of buying situation in organizational buying includes- **1**
(d) All of these

Q.2 i. Definition Culture   1 mark   **2**
Examples   1 mark

ii. Marketing stimuli   **2**
iii. Social factors influencing consumer behaviour.   **4**
OR iv. Brand Equity   2 marks   **4**
Brand Loyalty   2 marks

Q.3 i. Cognitive dissonance.   **3**
ii. Major steps involved in consumer decision making process   **5**
1 mark for each step   (1 mark * 5)
OR iii. Desires congruency model.   **5**
Diagram   2 marks
Explanation   3 marks

Q.4 i. Three traditional models of consumer behaviour   **3**
1 mark for each model   (1 mark * 3)

ii. Nicosia model of consumer behaviour.   **5**
Diagram   2 marks
Explanation   3 marks

OR iii. Howard Sheth model of consumer behaviour.   **5**
Diagram   3 marks
Explanation   2 marks

Q.5 i. Perception in context of consumer behaviour.   **2**
Attempt any two:

ii. Reference groups   **3**
Three types 1 mark for each   (1 mark * 3)

iii. Role of opinion leadership in transmission of information.   **3**
iv. Family life cycle concept in context to consumer behaviour.   **3**
Parts (stages) 1 mark for each   (1 mark * 3)

Q.6   Attempt any two:
i. Factors which influence organizational buying   **4**
1 mark for each   (1 mark * 4)

ii. Consumerism in India.   **4**
Explanation   3 mark
Example   1 mark

iii. Buy grid model of organizational buying   **4**
Diagram   2 marks
Explanation   2 marks

Q.7   Analyze the case and answer the questions.   **10**
(a) Critically analyze the roles of Avatars in shaping the consumer
behavior.   5 marks
(b) Are Avatars a big challenge for the marketers or a big boon? Give
reasons.   5 marks

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