



III Semester M.B.A. Degree Examination, Jan./Feb. 2018  
(CBCS) (2014-15 and Onwards)  
MANAGEMENT  
Paper – 3.4.2 : Consumer Behaviour

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any five** of the following, **each** question carries **five** marks : (5×5=25)

1. What is consumer behaviour ? Explain difference between consumer and customer.
2. Explain the dynamics of perception.
3. Explain formation of consumer attitude.
4. Explain the elements of perception.
5. Discuss the Bettman's model.
6. Explain the factors influencing in cognitive dissonance.
7. Explain attribution theory.

SECTION – B

Answer **any three** of the following, **each** question carries **ten** marks : (3×10=30)

8. Explain the four views of consumer behaviour model.
9. Explain the stages in the consumer buying decision process.
10. Explain consumerism in Indian perspective in current era.
11. Write an explanatory note on buy Grid model.

SECTION – C

12. **Compulsory** case study : (1×15=15)

Boeing's management feels the subsidies given to air bus by European governmental sponsors, now totalling over \$ 15 Billion, create an uneven competitive situation. On the other hand without support it is unlikely that



any organisation would invest the time and money necessary to enter the air line manufacturing business. And most observers would contend that the competition between Boeing and air bus has resulted in better products for the air lines and ultimately flying public. The questions now seem to be how much is air reasonable subsidy and how long should subsidies be continued ?

Boeing also has other challenges. Recently the firm has lost several loyal customers (air lines that were flying Boeing plans almost exclusively) to air bus. For example air Berlin Germany's second largest carrier, is replacing aging Boeing 737s with 110 air bus jets. Critics of Boeing contend it is because the firm has not adjusted its prices to the reality of the market place. With excess capacity and high operating cost and many air lines are either in or on the verge of bankruptcy. As a result, they are not willing to pay a premium for new planes. After decades as the world's dominant manufacturer, Boeing management argues that buyer should consider the quality of its products and their long term operating efficiency ahead of purchase price. Boeing's chief executive, feeling that a company's sales force had not done enough to build relationships with the air lines, fired the company's sales manager. He observed, "If you get down to where price is the only discriminator, then you lost the campaign long before (you began)".

#### Questions :

- 1) As the air travel industry is increasingly dominated by discount air lines, can Boeing continue to operate as a premium quality manufacturer.
- 2) Which of the factors that influence the business buying decision process are likely to be most important in the sale of commercial passengers jets ?