

VPM's
DR VN BRIMS, Thane
Programme: MMS (2021-23)
Third Semester Regular Examination February 2023

Course Name: Consumer Behaviour		Course Code	MMS- M-306
Roll No.		Marks	60
Total No. of Questions	6	Duration	3 Hours
Total No. of printed pages	4	Date	10-02-2023

Course Outcome Statements:

CO1: Recall the factors influencing consumer behaviour

CO2: Understand consumer behaviour theories, models, and conceptual knowledge

CO3: Apply the knowledge of consumer behaviour to marketing, branding and strategy application

CO4: Analyse business-relevant Strategic Consumer Insights for problem solving

CO5: Evaluate consumer behaviour key learnings for marketing applications

CO6: Formulate a project Report/ presentations based on consumer behaviour concept application to a real-life product/service to develop a deeper understanding and appreciation for Consumers

Instructions: - Pls read the questions carefully

Q. No 1 (All Questions are Compulsory)

		Marks	BL	CO
Q. No.	Questions			
Q. 1	Case Study			
	<p>KELLOGG'S: FROM TASTELESS TO TASTEFUL:</p> <p>Kellogg's is one of the most successful Global brands from U.S. which was world's leading producer of cereal and convenience foods. It is hugely popular breakfast cereal brand that is being sold in 160 countries with sales turnover of over \$9 billion. On its initial entry into the Indian market, it used similar marketing mix which it had been using in other Global markets. When Kellogg's first entered India in 1994, it heavily bet on transforming the Indian breakfast cereal market through switching breakfast habits of Indian consumers who were used to hot breakfast foods. The company wanted the Indian consumer to change its traditional habits of having either Idli Dosas or Paranthas in their breakfast and these habits too varied from region to region with the northern region preferring Paranthas and southern region preferring Idlis, and Vadas etc. and the western region preferred alternatives like Poha. They wanted them to make an instant switch from their own traditional habits to start having the healthier breakfast cereals which was a huge challenge for the company. India became extraordinarily tough market for Kellogg's because it had to change ingrained eating habits of consumers. It passed through</p>			

different though difficult phases of life-cycle before it has become the strongest player in breakfast cereal category in India. Presently, Kellogg's is estimated to hold about 60-65 percent of India's Rs. 400 crore worth of breakfast cereal market. While introducing a new product category, it was not easy for Kellogg's to establish a foreign brand into Indian market where food habits of people change after a few kilometres . The snapshot of Kellogg's journey from failure to success is briefly discussed in the following section:

INITIAL BLUNDERS:

In its initial advertisements, Kellogg's showed that what Indian public was having in their breakfast was not at all healthy which hurt the sentiment of the typical India ladies who had been serving traditional breakfast for ages to their families. The advertisement negatively affected the mindset of major influencers and initiator groups in the Indian families. Also the kind of breakfast which Indians were having was available in many varieties at cheaper prices than Kellogg's modern breakfast of corn flakes. It was enormously difficult for the company to convince them to leave their traditional food or breakfast options and replace it with cereals which was a cultural practice. In addition to this, the company could not understand another cultural aspect that Indian consumers have had warm milk in their breakfast whereas; the corn flakes (cereals) were preferably used with cold milk. Even when they consumed it, they found that crispiness of flakes were completely eroded as soon as they were dipped into the warm milk, thereby losing the points of positioning which promised the flakes to remain crispy when it is to be consumed. Due to all the problems that Kellogg's was suffering from, its sales declined by 25 percent in April, 1995 as compared to the sales of previous month March, 1995.

INDIA SPECIFIC STRATEGIES: A TURNAROUND:

After learning several lessons from the initial mistakes, Kellogg's completely revamped its marketing initiatives as well as brand building programs and made it India-specific. First of all, to overcome the price sensitivity of Indian consumers, it launched small sized pack at Rs. 10 only for Indian market. Then, they decided to tap the Indian public's love for Hollywood superstars by launching a limited edition Kellogg's Chocos *Spider Man 2* "web-

designed cereal”. The use of few specific words taken from Indian language – Hindi, such as Corn Flakes with *Iron Shakti* and *Calcium Shakti* in the launch of new variants gave it a local feel which was a good initiative taken by the management. Packaging was used as an effective tool for brand communication with consumers which gave the brand an on-shelf differentiation from, though a handful number of, its competitors. It also started some other brand building initiatives by portraying itself as a socially responsible citizen, whereby it started recycling and reusing materials, improving the access to health and human services in the local communities. These moves have shown that the brand was customized specifically for the Indian market, and new variants were introduced for the Indian consumers. It also launched the sugar coated Froasties as Indians wanted to have food that was good in taste. Moreover, it launched Chocos Wheat Loops coated with chocolates to widen the product choices. The company reduced its costs to be able to make its offerings affordable for the price sensitive Indian customers by localizing the whole raw material and packaging material requirements. Also the company decided to appeal to the larger masses in order to increase its presence in the Indian market. It set up its manufacturing facilities in India in Taloja near Mumbai, to reduce the overall transportation costs and undertook many other steps to be able to succeed in Indian market. To make the brand more acceptable among the female consumers the brand launched a new product *Kellogg’s Special K* for women who want to regain their fitness levels and chose Lara Dutta (a famous Bollywood actress) as their brand ambassador for this variant, whom female consumers could identify with as women aspired to be fit like her.

All these initiatives taken by the Kellogg’s for repositioning of its brand helped it in gaining around 60-65 percent of the market share of the breakfast cereals market and hence became a market leader. To expand its business further, the company has decided to promote the brand as an evening snack as well.

	a.	Examine the initial blunders of Kellogg’s to comment on important consumer insight.	6	Level 4	CO4
	b.	Evaluate the turnaround strategies of Kellogg’s for repositioning its brand from tasteless to tasteful.	6	Level 5	CO5
Q. 2		Answer Any one from the following.			

	a.	Determine the influence of core cultural values towards following product categories 1) buying ready to eat products 2) Vacation travel	6	Level 5	CO5
	b.	Explain how the product manager of a breakfast cereal might change consumer attitude toward the company's brand by changing beliefs about the brand , changing beliefs about competing brands, changing the relative evaluation of attributes and by adding an attribute.	6	Level 5	CO5
Q. 3		Answer Any one from the following.			
	a.	List how do consumers reduce post-purchase dissonance? Analyse how marketers provide reinforcement to consumers after the purchase to reduce their dissonance?	6	Level 4	CO4
	b.	Classify the five stages of tradition family life cycle and which of the five stages of FLC constitute the most lucrative segments?	6	Level 4	CO4
Q. 4		Answer Any two from the following.			
	a.	Construct three attitudes change strategies for the new dishwashers in the Indian markets?	6	Level 3	CO3
	b.	Identify three types of motivational conflict with examples of each?	6	Level 3	CO3
	c.	Apply social class concept for fast food product consumption category. Does it differ with social class? Explain with examples.	6	Level 3	CO3
Q. 5		Answer Any two from the following.			
	a.	Explain the relationship between cultural settings and choice criteria of food products	6	Level 2	CO2
	b.	Explain the factors that influence the "information search stage" in the consumer decision making process?	6	Level 2	CO2
	c.	Illustrate the consumer learning process of a consumer for buying a new laptop buying situation.	6	Level 2	CO2
Q. 6		Answer Any two from the following.			
	a.	What is Enculturation and Acculturation	6	Level 1	CO1
	b.	What is id , superego, & ego ? How is it related to personality?	6	Level 1	CO1
	c.	Define selective exposure, selective retention and selective distortion	6	Level 1	CO1