

**VPM's
DR VN BRIMS, Thane
Programme: MMS (2023-25)
Third Semester Regular Examination December 2024**

Course Name:	Consumer Behaviour	Course Code	M-306
Roll No.		Marks	60
Total No. of Questions	6	Duration	3 Hours
Total No. of printed pages	4	Date	05.12.2024

Course Outcome Statements:

CO1: Recall the basic terminologies of Consumer Behaviour

CO2: Illustrate Conditioning techniques and understand cultural influence on buying behaviour

CO3: Apply Personality traits, Perception of consumer and Post purchase evaluation

CO4: Analyse Impact of Reference Groups and Segmentation techniques in detail

CO5: Evaluate Industrial Selling techniques and Cognition experience of the customer post purchase

Instructions: -

Q. No 1 (All Questions are Compulsory)

Q. No.	Questions	Marks	BL	CO
Q. 1	Case/Case-let Study			

Case Study: Luxury Product Marketing and Consumer Behavior with a Focus on Cognitive Dissonance

Introduction

Luxury products hold a unique position in the marketplace, appealing to consumers' desire for exclusivity, prestige, and self-expression. Brands such as Gucci, Chanel, and Rolls-Royce craft their marketing strategies around creating an emotional connection with their target audience. However, luxury purchases often involve significant financial investments, which can trigger cognitive dissonance—a psychological conflict arising when a consumer's beliefs, attitudes, or actions clash. This case study explores how luxury brands address consumer behavior and mitigate cognitive dissonance to enhance customer satisfaction and loyalty.

Understanding Cognitive Dissonance in Luxury Purchases

Cognitive dissonance often occurs after the purchase of high-value items, as consumers may question whether their decision was rational or justified. For luxury products, dissonance arises due to:

- 1. Financial Commitment:** The high price tag can make consumers wonder if they could have allocated the money better.

2. **Social Perception:** The concern about being perceived as materialistic or frivolous by peers can create internal conflict.
3. **Quality Expectations:** Any deviation from expected quality can amplify feelings of regret or doubt.

Marketing Strategies to Address Cognitive Dissonance

1. **Pre-Purchase Assurance**

Luxury brands emphasize quality and exclusivity in their communication to reassure potential buyers. For example, brands like Hermès highlight the craftsmanship and heritage of their products, reducing doubts about their worth. Testimonials from celebrities or satisfied customers also help validate the purchase decision.
2. **Post-Purchase Engagement**

Brands focus on creating a positive ownership experience to prevent dissonance. For instance:

 - **Personalized Follow-Ups:** Louis Vuitton sends personalized thank-you notes or exclusive offers to recent buyers.
 - **Customer Service Excellence:** High-touch service, including repair and customization options, reinforces the value of the purchase.
3. **Social Validation**

Sharing luxury experiences on social media is encouraged by brands through hashtags, contests, and exclusive events. This allows customers to showcase their purchase and receive social affirmation, reducing feelings of regret.
4. **Experiential Value**

Luxury brands emphasize the experience over the product. For example, Rolls-Royce offers bespoke customization options and factory tours, allowing buyers to immerse themselves in the brand's legacy and feel a deeper connection.

The Role of Cognitive Dissonance in Consumer Loyalty

Effectively managing cognitive dissonance not only prevents buyer's remorse but also fosters brand loyalty. A customer who feels validated in their purchase decision is

		<p>more likely to return for repeat purchases and advocate for the brand. Conversely, unresolved dissonance can lead to dissatisfaction, negative word-of-mouth, and lost sales.</p> <p>Conclusion</p> <p>Luxury brands must recognize that cognitive dissonance is a natural part of consumer behavior in high-stakes purchases. By addressing this psychological phenomenon through targeted marketing strategies, they can build stronger, more enduring relationships with their customers. Crafting experiences that reinforce the emotional and functional value of luxury products is essential to mitigating dissonance and enhancing brand equity.</p>			
	a.	Analyse how can luxury brands leverage experiential marketing to address post-purchase cognitive dissonance among consumers?	6	Level 4	CO4
	b.	Determine what role does social validation play in reducing cognitive dissonance in the context of luxury products, and how can brands optimize it?	6	Level 5	CO5
Q. 2		Answer Any one from the following.			
	a.	Estimate the segmentation procedure for an industrial generator manufacturing company and describe how it differs from standard segmentation.	6	Level 5	CO5
	b.	Measure in-depth how an enterprise software development company can deal with cognitive dissonance using any one theory.	6	Level 5	CO5
Q. 3		Answer Any one from the following.			
	a.	List the ways that reference groups affect consumer behavior. Do you know of any two product categories where group behavior has a significant influence on purchases?	6	Level 4	CO4
	b.	Examine how VALS aids in the classification of Psychographic Segmentation to make comprehension easier.	6	Level 4	CO4
Q. 4		Answer Any two from the following.			
	a.	Identify how certain brands have studied perception using Zaltman Metaphor Identification Techniques.	6	Level 3	CO3
	b.	Select a consumer that isn't brand loyal and prefers variety, and describe how difficult it is to meet their needs.	6	Level 3	CO3
	c.	Utilize the Post Purchase Evaluation options to learn about the situations a consumer may encounter after purchasing an electric vehicle for the first time.	6	Level 3	CO3
Q. 5		Answer Any two from the following.			
	a.	Describe how you comprehend the "Product Form" line of Dettol hygiene products and the concept of classical conditioning (CC).	6	Level 2	CO2

	b.	Explain the characteristics of personality and how they are used. Which personality attribute application would Motorola's wrist-wrap able cell phone fall under? Motorola came up with this device a while back.	6	Level 2	CO2
	c.	Pizza Hut China has come up with a Deep Fried Frog on top of a pizza to lure the Chinese audience, please elaborate what cultural study they must have performed to address the cultural challenges faced here?	6	Level 2	CO2
Q. 6		Answer Any two from the following.			
	a.	How will you interpret the formation of intentions in the decision-making process and list the factors that affect it.	6	Level 1	CO1
	b.	Recall and discuss your comprehension of the Nicosia Model in detail.	6	Level 1	CO1
	c.	What is perceptual mapping and how to make one.	6	Level 1	CO1