

SRINIVASAN ENGINEERING COLLEGE, PERAMBALUR

DEPARTMENT OF MANAGEMENT STUDIES

BA9255 CONSUMER BEHAVIOUR

TWO MARKS QUESTIONS AND ANSWERS

Unit 1

1. What do you mean by consumer behaviour?

It is the study of why, how, what, where, and how often do consumers buy and consume different products and services. In other words it refers to the behaviour that consumers display in searching for, purchasing, using evaluating, and disposing of products and services that they expect will satisfy their needs.

2. What is the significance of consumer behaviour?

The goods we purchase and the manner in which we use them significantly influence how we live our daily lives.

3. Who is an esteem buyer?

The one who prefer to purchase in prestigious stores and to purchase for impressing others.

4. What do you mean by Black Box (in consumer behaviour)

A term used by marketing researchers to describe the consumer's mind and to indicate that what goes on inside is largely hidden from the researcher's view.

5. What do you mean by impulse buying?

A type of low-involvement decision-making; purchases made with little or no advance planning. Eg: buying a Ice cream while seeing the ice cream parlour.

6. What is demarketing?

The term demarketing refers to all such efforts to encourage consumers to reduce their consumption of a particular product or service.

7. What is evoked set?

The specific brands a consumer considers in making a purchase choice in a particular product category.

8. What do you mean by compulsive buying?

Most consumers engage in buying as a normal and routine part of their everyday lives. But when buying becomes compulsive, the goal shifts from obtaining utility from the purchased item to achieving gratification from the purchasing process itself. Compulsive buying is chronic, repetitive purchasing that

becomes a primary response to negative events or feelings. It becomes very difficult to stop and ultimately results in harmful consequences to the individual and/or others.

9. What do mean by shoplifting?

Shoplifting is an example of a fraudulent or criminal type of deviant consumer behaviour that involves the theft of retail merchandise during store hours by someone who is shopping or pretending to shop.

10. List down the approaches to study the consumer behaviour?

- Managerial approach
- Holistic approach

11. Can you predict behaviour of consumers?

No. Behaviour is constantly changing.

UNIT II

1. What is an attitude? Explain.

Attitudes are an expression of inner feelings that reflect whether a person is favourably or unfavourably predisposed to some “object” (e.g., a brand, a service, or a retail establishment). Attitudes are not directly observable but must be inferred from what people say or what they do.

2. What is personality?

Personality can be defined as those inner psychological characteristics that both determine and reflect how a person responds to his or her environment.

3. Define the term ‘consumer life style’.

Life style can be viewed as a unique pattern of living which influences and is reflected by one’s consumption behaviour. It refers to the goal a person shapes for himself and the ways he uses to reach it. Many products today are “life style” products, that is, they portray a style of life sought by potential users. In other words it is a Intrinsic psychological, socio cultural, and behavioral characteristics that reflect how an individual is likely to act in relation to consumption decision.

4. Explain the term ‘motivation’.

The driving force within individuals that impels them to action. (for eg., being hungry motivates them go for food).

5. What is Emotional motives?

The selection of goals according to personal or subjective criteria eg. The desire for individuality, pride, fear, affection, status etc.

6. What is Rational motives?

Motives or goals based on economic or objective criteria, such as price, size, weight or miles-per-liter.

7. What do you mean by perception?

The process by which an individual selects, organizes and interprets stimuli into a meaningful and coherent picture of the world. In other words giving meaning to the environment.

8. What is selective perception?

Consumers actively seek out messages that they find pleasant or with which they are sympathetic, and they actively avoid painful or threatening ones. Eg., heavy smokers avoid articles that link cigarette smoking to cancer.

9. What do you mean by subliminal perception?

It means perception of stimuli that are below the level needed to reach conscious awareness.

10. What do you mean by learning?

It is the process by which individuals acquire the purchase and consumption knowledge and experience that they apply to future related behaviour.

11. What do you mean by distributed Learning?

Learning spaced over a period of time to increase consumer retention.

12. What is massed learning?

Compressing the learning schedule into a short time span to accelerate consumer learning.

13. Differentiate needs with wants.

A need is a basic requirement without which one cannot survive.

Eg: Food , water, Shelter. A want is a additional requirement other than need. In other words when a need is being specified that becomes want.

E.g.: Bisleri bottled water, Kellogg's corn flakes.

14. What is AIOs?

They are psychographic variables that focus on activities, Interests, and Opinions. It is also referred to as Life style.

15. What is classical conditioning or conditioned learning?

According to Pavlovian theory, conditioned learning results when a stimulus paired with another stimulus that elicits a known response serves to product the same response by itself.

16. What is Instrumental conditioning?

A behavioural theory of learning based on a trail-and-error process, with habits formed as the result of

positive experiences (reinforcement) resulting from specific behaviours.

17. What do you mean by cues?

It is a stimuli that give direction to consumer motives (i.e., that suggest a specific way to satisfy a salient motive)

18. What are external cues?

Cues external to the product (such as price store image, or brand image) that serve to influence the consumer's perception of a product's quality.

19. What are intrinsic cues?

Physical characteristics of the product (such as size, color, flavour or aroma) that serve to influence the consumer's perceptions of a product quality.

20. What is dogmatism?

A personality trait that reflects the degree of rigidity a person displays toward the unfamiliar and toward information that is contrary to his or her own established beliefs.

21. What do you mean by foot-in-the Door technique?

A theory of attitude change that suggests individuals form attitudes that are consistent with their own prior behaviour.

22. What do you mean by self concept?

Consumers have a variety of enduring images of themselves. These self images or perceptions of self, are very closely associated with personality in that individuals tend to buy products and services. In other words consumers seek to depict themselves in their brand choices – they tend to approach products with images that could enhance their self-concept and avoid those products that do not.

23. How does family life cycle influence consumer behaviour?

At each stage of the family life cycle needs different products and product styles.

24. What is emotional buying motive?

Any factor which contributes to a customer's impulse to buy certain merchandise which is rooted in the customer's self image and personal feelings rather than in logical thought.

25. What do you mean by self image?

The individual has an image of himself or herself as a certain kind of person, with certain traits, skills, habits , possessions, relationships, and ways of behaving.

26. What is visual communication?

It is non-verbal stimuli such as photograph commonly used in advertising to convey meaning to message.

27. What is semiotics?

It is the study of symbols and the meanings they convey. It is used to discover the meanings of various consumption behaviours and rituals.

28. What is advertising Resonance?

Wordplay, often used to create a double meaning, used in combination with a relevant picture.

29. Who are called as visualisers?

Consumers who prefer visual information and products that stress the visual, such as membership in a videotape cassette club.

30. What are called as verbalisers?

Consumers who prefer verbal or written information and products, such as membership in book clubs or audiotape clubs.

31 . What do you mean by inner-directedness

Consumers who tend to rely on their own “inner” values or standards when evaluating new products and who are likely to be consumer innovators.

32. What do you mean by other-directedness?

Consumers who tend to look to others for direction and for approval.

Unit III

1. What do you mean by family?

A group of two or more people related by blood, marriage, or adoption, living together in a household.

2. What do you mean by family life cycle?

The series of life stages that a family goes through starting with young single people, progressing through married stages with young and then older children, and ending with older married and single people. At each stage needs, income and family composition change.

3. What is called as Reference group?

Those persons from whom an individual derives his values, standards, tastes, etc. and on whom the individual moulds his attitudes and behaviour, i.e., group that forms a basis of comparison for the individual.

4. What do you mean by consumer conformity?

The willingness of consumers to adopt the norms, attitudes, and behaviour of reference groups.

5. What is meant by ‘socialclass’?

Social class is defined as the division of members of a society into a hierarchy of distinct status classes, so that members of each class have relatively the same status and members of all other classes have either more or less status.

6. What is Social comparison theory?

Individuals quite normally compare their own material possessions with those owned by others in order to determine their relative social standing.

7. What do you mean by culture?

A way of living that distinguishes one group of people from another. Culture is learned and transmitted from one generation to another.

8. What is Enculturation ?

The learning of the culture of one's own society.

9. What is Acculturation.?

The learning of a new or "foreign" culture.

10. What do you mean by consumer socialization?

The process, started in childhood, by which an individual first learns the skills and attitudes relevant to consumer purchase behaviour.

11. What do you mean by subculture?

A clearly distinguishable subgroup existing within a larger surrounding culture. Subcultures may be based on such factors as age or race or upon a form of distinctive behaviour. In a marketing context subcultures may be used as a basis for marketing segmentation.

12. What is cross cultural consumer analysis?

Research to determine the extent to which consumers of two or more nations are similar in relation to specific consumption behaviour.

13. Explain Consumer Ethnocentrism.

A consumer's predisposition to accept or reject foreign-made products. A person with high ethnocentrism means he will reject the foreign made products and if a person with low ethnocentrism means he will accept the foreign made products.

14. What is consumer Retention?

Providing value to customers continuously so they will stay with the company rather than switch to another firm.

15. What is customer satisfaction?

An individual's perception of the performance of the product or service in relation to his or her expectations.

Unit IV

1. Who is an opinion leader?

Opinion leader is a person who informally influences the actions or attitudes of others, who may be

opinion seekers or merely opinion recipients.

2. Who is an opinion Seekers?

An individual who actively seek information and advice about products sometimes are called opinion seekers.

3. What do you mean by post purchase dissonance?

Dissonance or discomfort that occurs after a consumer has made a purchase decision. He / She will try to reduce the dissonance by adopting various ways based on their wisdom of their choice.

4. What do you mean by adoption process?

The stages through which an individual consumer passes in arriving at a decision to try (or not to try), to continue using (or discontinue using) a new product. The five stages of the traditional adoption process are awareness, interest, evaluation, trail and adoption.

5. What do you mean by diffusion process?

It is concerned with how innovations spread, that is, how they are assimilated within a market. More precisely, diffusion is the process by which the acceptance of an innovation (a new product, new service, new idea, or new practice) is spread by communication(Mass media, sales people, or informal conversations) to members of a social system(a target market) over a period of time.

6. What are the categories of adopters?

A sequence of categories that describes how early (or late) a consumer adopts a new product in relation to other adopters. There are five categories of adopters they are;

- a. Innovators
- b. Early adopters
- c. Early majority
- d. Late majority
- e. Laggards

7. Who is an innovator?

They are very few in numbers, but extremely adventurous people. About 2.5% of innovators are always eager to try new ideas. They are risk loving sociable cosmopolitan people who communicate a lot.

8. Who is an Early adopter?

They are generally the opinion leaders and role models. They have the capability of influencing others, but, these people (about 13.5%) are not as adventurous as the innovators. Innovators seek novelty, the early adopters will checkout before accepting the innovation.

9. Who is an Early majority?

They are 34% of people adopt just prior to when gentry adopts. They actually follow the opinion leaders, they are the followers of the opinion leaders, and themselves can ever take up the position of influencer or leader.

10. Who is a late majority?

They are exactly another 34% of people are extremely skeptical in adopting anything new. Their adoption takes place after the product is established in the market. They are sometime guided by economic necessity, pressure for family and other influencing group in adopting the innovative product.

11. Who is a Laggard?

They are about 16% of the people are laggards who are so traditional in their attitude that they are unwilling to go through the learning process that is required to understand the new product. It is very difficult to change their attitude and their fixed concept that “old is gold” and new things should be dealt with suspicion.

12. What is Engel - Kollat-Blackwell Theory?

A theory of buyer behaviour in which the individual's psychological makeup (his personlaity, emotions, attitudes, etc) is believed to affect his mental process and thus his behaviour in the market place.

13. What is Howard - Sheth theory?

A theory of buyer behaviour in which consumer buying is treated as rational and systematic behaviour. The Howard Sheth theory attempts to describe the process occurring in an individual between the time stimuli (advertising messages, etc.) are received and some form of buying response is initiated.

14. What is product disposition?

Disposing a product - keep it, get rid of it permanently, get rid of it temporarily.

15. What is consumer loyalty?

It is the degree to which consumer is sticking to a particular brand or a Particular company.

16. What are the levels of Consumer decision making?

There are three levels of consumer decision making, they are extensive problem solving, limited problem solving, and routinized response behaviour.

17. What is extensive problem solving?

When consumers have no established criteria for evaluating a product category or specific brands in that category or have not narrowed the number of brands they will consider to a small, manageable subset, their decision making efforts can be classified as extensive problem solving.

18. What is limited problem solving?

At this level of problem solving, consumers already have established the basic criteria for evaluating the product category and the various brands in the category. However, they have not fully established preferences concerning a select group of brands.

19. What is routinised response behaviour?

At this level, consumers have experience with the product category and a well established set of criteria with which to evaluate the brands they are considering. In some situations, they may search for a small amount of additional information; in others, they simply review what they already know.

Unit V

1. How does marketers do on-line marketing?

E-mail, web casting, bulletin boards and web communities.

2. What do you mean by online marketing?

It includes placing ads in on-line, selling products in online. In other words it is Creating an electronic presence on the Internet.

3. List out the advantages of online marketing?

Convenience, Information, Fewer hassles, Quick adjustments to market conditions, Low costs, Relationship building, audience sizing.

4. List out the disadvantages of online marketing?

Not for every company, Not for all products, Expensive.

5. What is e shopping?

Consumer buying his goods and services through online. Eg. Rediff.com

(Shopping), indiavarth.com enables the consumer to buy products through online.

6. Differentiate personal consumer and Organisational or Industrial consumer.

Personal consumer

Personal consumer buys goods and services for his/ her own use, for the use of his/her household, or as a gift for someone, e.g., tooth paste, TV, Books et. The personal consumer is sometimes also referred to as end user or ultimate consumer.

Organisational or Industrial consumer

Organisational buyers/industrial buyers are those who buy goods and services for the purpose of further production, resale and redistribution. The industrial buyer buys goods and services for the purpose of increasing sales, cutting costs and supplying their products to the customers at the lowest costs consistent with quality. Organisational consumers include profit and non-profit businesses, government agencies and institutions, etc.,

7. Who are the participants in the consumer buying process?

- Ø Initiator
- Ø Influencer
- Ø Decider
- Ø Buyer
- Ø User

8. List out the stages of buying process.

- Ø Need recognition
- Ø Product awareness or information search
- Ø Evaluation
- Ø Purchase decision
- Ø Post purchase decision

9. Who are the participants in the industrial buying process?

- Ø Initiators
- Ø Users
- Ø Influencers
- Ø Deciders
- Ø Approvers
- Ø Buyers
- Ø Gatekeepers

10. Who is called as gatekeepers?

The people in a buying center within a firm who control the flow of purchasing information within the organisation as well as between the buying firm and potential vendors.

11. List out the industrial buying process.,

- Ø Problem recognition
- Ø General need description
- Ø Product specifications
- Ø Supplier search
- Ø Proposal solicitation
- Ø Supplier selection
- Ø Order routine specifications
- Ø Performance review

12. What are the different buying situations?

- a. Straight rebuy
- b. Modified rebuy
- c. New task.

13. What do you mean by consumerism?

It is a movement to inform consumers and protect them from business malpractices.

14. What do you mean by virtual personality or self?

A notion that provides an individual with the opportunity to “try on” different personalities or different identities, such as creating a fictitious personality in an online chat room.