

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA-SEMESTER-III-EXAMINATION-WINTER-2024

Subject Code: 4539211

Date: 13/12/2024

Subject Name: Consumer Behaviour

Time: 10:30 AM TO 01:30 PM

Total Marks: 70

Instructions:

- 1. Attempt all questions.**
- 2. Make suitable assumptions wherever necessary.**
- 3. Figures to the right indicate full marks.**
- 4. Use of simple calculators and non-programmable scientific calculators are permitted.**

- Q.1** Explain the following terms: **14**
- Consumer Behaviour
 - Consumer Value
 - Emotional Motives
 - Social Self- Image
 - Consumer Learning
 - Neuromarketing
 - Reference Group
- Q.2** (a) Describe the interrelationship between consumer research, market segmentation and targeting, and the development of the marketing mix. **07**
- (b) What is consumer motivation? How can Maslow's theory be used to understand consumer behavior at different levels, such as basic needs (food, shelter) versus self-actualization (luxury items)? **07**
- OR**
- (b) What is lifestyle? Do you find a difference in the lifestyle variables used by individuals of the current generation and those belonging to the earlier generations? Explain with examples. **07**
- Q.3** (a) What is the difference between cognitive learning, behavioral learning, and social learning? Discuss in detail. **07**
- (b) What do you understand by the term "Attitude"? Briefly explain the nature and characteristics of attitude. **07**
- OR**
- Q.3** (a) How do the stages of cognitive learning influence consumer behavior? **07**
- (b) What is attitude change? What strategies can marketers use to influence or change consumer attitudes of those who smoke? **07**
- Q.4** (a) What do you understand by the terms 'Culture', 'Sub- culture' and 'Cross culture marketing'? Discuss it in detail. **07**
- (b) Suppose a marketer is thinking of launching "instant ready mix and eat food items" in a market which already has other well-known brands. What type households should be targeted and what marketing strategy should the marketer work out? **07**
- OR**
- Q.4** (a) What do you mean by reference group? Can you identify the type of social groups which influence an individual's choice of a health club? **07**

- (b) What do you understand by the term decision making? Why is this term of great interest to marketers? Explain giving a real example of any brand.

07

Q.5

Case Study: The Rise of Ethical Consumerism and its Impact on Fashion Retail

Over the past decade, consumer awareness of environmental and social issues has significantly increased. A growing number of consumers are making purchasing decisions based on a company's commitment to ethical practices, sustainability, and corporate social responsibility. This shift is particularly evident in the fashion industry, where consumers are demanding more transparency about the production process, materials used, and the treatment of workers.

Fast fashion brands like H&M, Zara, and Forever 21 have faced backlash for their rapid production cycles, environmental waste, and allegations of poor working conditions in their supply chains. In response, these companies and others in the fashion industry have implemented more sustainable practices, such as using eco-friendly materials, offering recycling programs, and launching sustainable clothing lines. However, there is doubt among consumers about whether these efforts are genuine or simply "greenwashing"—a tactic to appear environmentally friendly without making significant changes.

At the same time, ethical fashion brands such as Patagonia, Reformation, and Everlane have gained popularity. These companies emphasize transparency, sustainable production methods, and fair labor practices, which resonate with consumers who value environmental stewardship and ethical business practices. Many consumers are willing to pay a premium for these brands, as they believe it aligns with their personal values.

Despite the rising demand for ethical products, many consumers still prioritize price and convenience over sustainability, particularly in economically challenging times. While some fashion brands invest heavily in sustainability efforts, they struggle to balance profitability with ethical practices. Meanwhile, consumer expectations continue to evolve, and companies must decide how to respond to these shifts while maintaining competitiveness in the market.

Ethical consumerism is shaping the future of fashion retail. Brands are under increasing pressure to be transparent, accountable, and socially responsible. The rise of online platforms that review and rate companies based on their sustainability and ethical practices has further amplified the focus on ethical consumerism.

Ethical Consumerism: The demand for ethically produced products and its effect on the fashion industry. Sustainability: The need for brands to adopt sustainable practices, including reducing waste and ensuring fair labor conditions. Consumer Expectations: How changing consumer preferences are influencing business strategies. Profitability vs. Ethics: The tension between profitability and ethical business practices.

- (a) What is ethical consumerism, and how has it influenced the fashion industry? How have consumers' attitudes toward fast fashion evolved over the past decade? 07

- (b) Do you think these steps are sufficient to address consumer concerns, or are they examples of greenwashing? Why? 07

OR

- (a) What factors influence a consumer's decision to prioritize ethical practices over price or convenience when making a purchase? 07

- (b) What marketing strategies could fast fashion brands adopt to shift consumer perception of their ethical practices? 07
