

No. of Printed Pages : 10

MMPM-001

**MASTER OF BUSINESS
ADMINISTRATION
(MBA)**

**Term-End Examination
June, 2026**

MMPM-001 : CONSUMER BEHAVIOUR

Time : 3 Hours

Maximum Marks : 100

Weightage : 70%

Note : *This paper consists of two Sections A and B. Attempt any **three** questions from Section A. All questions in this Section carry equal marks (20 each). Section **B** is compulsory (40 marks).*

Section—A

1. (a) Taking examples from the current market scenario, discuss the applications of life style marketing.

(b) How would you apply your understanding of life style marketing to develop a new product concept for a retail chain specializing in ready to wear apparel for oversize consumers. Discuss and justify your response.
2. (a) How do marketers apply the concept of differential threshold and the principles of Just Noticeable Difference (JND) in marketing decisions ? Explain by taking an example.

- (b) Critically comment upon subliminal perception and its use by the Indian marketers, using selected examples.
3. How does reference group influence vary over different products and services ? What kind of reference group influence you can expect in case of the following and why ?
- (a) Highly distinctive and aspirational brand of mobile phones
- (b) household detergents
4. (a) Explain the factors that lead to problem recognition. How can marketers aid the problem recognition process ?
- (b) As a marketer how would you address the situations that inhibit a problem recognition situation from proceeding to buying decision stage ? Explain.

Section—B

5. Read the case given below and answer the question given at the end of the case.

Acing the Fitness boom

Rohan was a director of a state-run rehabilitation program. Running the program had given him great insights on the benefits of staying fit through exercise programs. He also saw that exercise clubs, health clubs, and gyms were not only growing but also seemed to be fully used throughout the day. Although nearing retirement, Rohan was only in his mid-50s and was interested in starting a gym in his city.

Rohan had observed the existing health clubs and gyms in his city for some time. He knew they had built new, large facilities with ample, modern equipment in the newer suburban areas of the city. In fact, the national chains had completely surrounded the city in the suburbs. He understood why they had moved out to the suburbs. He reasoned that the average age in the suburbs was much younger than in the main city. He figured the chains were trying to capture the youth market. He noticed their ads contained young models and youth-oriented copy. He noticed that the radio and TV strategies of the chains targeted the

younger generation. There was no question that the gym-chain managers knew what they were doing. At all six gym/health clubs located in the suburbs, the parking lots seemed to be filled from early in the morning until late at night.

Rohan decided to use a geodemographic information system (GIS) program that would allow him to examine demographic profiles in different areas of the city. The GIS program, confirmed his observations. The suburbs had lower average ages, about 30. But, while using the GIS program, he noticed that there was a fairly large, heavily populated area of the central city that had a

much higher income than any of the suburbs and that there were no health clubs or gyms near this area of the city. However, the residents in the area were older than those in the suburbs. The GIS program showed that the average age in the area Rohan defined was about 50. Would the older generation work out ?

Rohan's wife, Lavanya, showed him additional research conducted by Roper Starch Worldwide for the International Health, Racquet & Sportsclub Association (IHRSA), the objective in the research was to determine whether consumers have a different perception of fitness than they did

10 or 15 years ago when the emphasis on working out was to produce a hard-body look. The IHRSA felt that consumers today are more interested in the health and emotional benefits derived from exercise. The Roper Starch Worldwide research findings confirmed this change. More people were involved in exercise to reduce emotional stress and to prevent health problems. Also, the findings showed that, of the adults surveyed, 9 percent already were health club members and 18 percent were current members or had been members within the past five years. The research

provided the following table, which shows membership in health/fitness clubs by age.

Membership in Health/Fitness Clubs by Age

Age	Current Members	Never a Member/Not a Member for Years
18-29	10%	15%
30-39	33%	23%
40-49	22%	23%
50-59	17%	15%
60-69	9%	9%
70+	7%	15%
Median Age	41	44

Questions :

- (a) In order to plan his Gym option in the main city targeted at the age group of 40+, how should Rohan collect

information on consumer expectations of the Gym service and use these to conceptualise his service product.

- (b) What are the main promotional strategies that should be used to promote this service, given the older target segment.

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