



Register Number:

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ST. JOSEPH'S COLLEGE (AUTONOMOUS), BANGALORE-27
B.Com - V SEMESTER
END SEMESTER EXAMINATION: NOVEMBER 2020
BCDEM5518 : CONSUMER BEHAVIOUR AND CUSTOMER
RELATIONSHIP MANAGEMENT

Time- 2 1/2 hr

Max Marks- 70

This paper contains THREE printed pages and FOUR parts

Section A

I. Answer any five of the following. **5X2=10**

1. Give an example of market segmentation done on the basis of behaviour.
2. State the meaning of consumer terrorism.
3. What is a brand community?
4. Who are laggards in innovation adoption?
5. Explain the brand personality of any brand of your choice.
6. Name any two Big Five personality traits.

Section B

II. Answer any three of the following **3X5=15**

7. As the world begins to move from COVID-19 crisis management to recovery and reopening of economies, it is clear that lockdown has had a major impact on how people live and has changed the way consumers behave. Explain any five new trends in consumer behaviour caused due to this pandemic.
8. Write a short note on classical conditioning.
9. *The social class (upper, middle or lower) one belongs to not only determines how much one spends but also how one spends. Discuss*
10. Explain the rights of a consumer in India.

Section C

III. Answer **any two** of the following **2X15=30**

11. What is a sub-culture? Explain the various types of sub-cultures and discuss how it affects consumer behaviour.
12. Explain the classification of reference groups? Why do people conform with reference group opinions?
13. Enumerate the various stages of the consumer decision making process and its implications for the marketer.

Section D

IV. Answer the following (Compulsory Question)

15x1=15

14. A visit to the Lush store is pure indulgence for the senses, and that's exactly what the store and its planners want its customers to expect, feel, and remember. Lush manufactures a range of cosmetics including soaps, bathing foams, bath oils, creams, moisturizers, massage bars, cleansers, makeup, perfumes, and deodorants. The company was established in 1994 in Poole, in the United Kingdom, to provide cosmetics that are fresh, natural, and fun.

Lush is passionate about being fresh and organic, and this passion drives the company. Their products are made of the freshest organic fruits and vegetables and the finest essential oils. The company's has a no-animal testing policy, environmentally friendly packaging and labeling, helpful and friendly staff, and a unique store design and ambiance.

The Lush experience starts even before one enters the shop. The exotic, natural fragrances of Lush products can be taken in from a distance, and shoppers are naturally drawn to the store. Once inside, all senses come alive within a few seconds. The colorful, unwrapped products are displayed like food on market stalls. The soaps are sold as chunky blocks that look like cheese, the Bath bombs are piled up like fruit, the face masks are kept in cold pots in salad-bar type tables, and butter cream is arranged like cake. The unusual forms of the products and the creative stocking style grab the customer's attention, and their enchanting scents drive consumers to look even further. The overall ambiance of the store is attractive and comfortable, with the walls and lighting creating a warm effect. The furniture is made of natural wood, and the flooring is done with natural stone that creates a very fitting environment for the fresh, natural products. The sounds in the store are a combination of background music and a market-type buzz created by the salespeople's active interaction and engagement with customers.

The location of Lush stores is mostly near high-end fashion stores, enabling them to target the latter's high-end customers and communicates a premium image. Lush hires and trains energetic and happy people who interact with the customers as if they are talking to their friends, showing them the things they love and encouraging them to touch the unwrapped products and smell them. The salespersons offer free skin and hair consultations and invite customers for a live demonstration or even a hand massage.

Lush carefully selects the words it uses on its labels, packages, store signage, websites, and advertising. The words "fresh," "natural," and "handmade" are used extensively. Labeling contains names of natural ingredients like chocolate, olives, sugar, cinnamon, coconut oil, and honey. The choice of words in different communications is creative, and this adds to its fun and green image; examples include the "Go Naked" campaign and the "Have a Sniff" point-of-purchase sign. The "Go Naked" campaign encouraged consumers to buy unpackaged products to help save resources that are wasted by over-packing products. More than 45 percent of Lush products are sold naked; that is, without packaging. Similarly, the "Have a Sniff" sign next to the unwrapped products promotes the package-less style of Lush while also inviting customers to take in the scent of the products.



Questions

- Discuss how Lush uses sensory marketing for its products.
- Identify characteristics of Lush's consumers
- The "Go Naked" campaign by Lush had staff members wearing nothing but a Lush apron (see image above) to campaign against excessive product packaging. Which Freudian system of this mind will respond to such a campaign? Explain.

(8+3+5)

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