

Seat No.: \_\_\_\_\_

Enrolment No. \_\_\_\_\_

## GUJARAT TECHNOLOGICAL UNIVERSITY

MBA - SEMESTER- III EXAMINATION – WINTER 2020

Subject Code: 1539311

Date: 06/01/2021

Subject Name: Specialization-Marketing\_ Global Perspectives on Consumer Behaviour (GPCB)

Time: 10:30 AM TO 12.30 PM

Total Marks: 47

### Instructions:

1. Attempt any THREE questions from Q1 to Q6.
2. Q7 is compulsory.
3. Make suitable assumptions wherever necessary.
4. Figures to the right indicate full marks

- Q.1 (a) Define following terms briefly 06
1. Brand Extension
  2. Market segmentation
  3. Learning and memory
- Q 1 (b) Define following terms briefly 06
1. Pre-purchase process
  2. Family
  3. E-Commerce
- Q.2 (a) Describe three cultural differences in nonverbal behaviors and explain how they might cause problems in international business negotiations. 06
- (b) How would you advertise differently to consumers from a high-context culture versus a low-context culture? 06
- Q.3 (a) Explain the purchase decisions associated with the consumer decision making process. Justify your answer with example 06
- (b) Define motivation and its implications in understanding the consumption of foreign brands in apparels 06
- Q.4 (a) Write a note on the Bettman's information model. 06
- (b) Do you think some socio-historical settings are more prone to encourage resistance between older and younger generations than others? If you think so, then why? 06
- Q.5 (a) What do you think about boycotts as consumers' response to what is perceived as companies' unethical behaviour? 06
- (b) Describe the family Buying Decision model 06

- Q.6 (a) Why is it so difficult to control consumer prices when selling overseas? 06  
 (b) How does the study of a foreign consumers' behaviour help the marketer to formulate market segmentation and positioning strategies? 06

Q.7 Discuss the case with answers of following questions.

### **Nestle: The Infant Formula Controversy**

Nestle (MNO) is marketing infant formula to developing countries in which misuse is leading to unhealthy results. Most of the charges against infant formulas focus on the issue of discouraged breast feeding among Third World mothers and have led to misuse of the products, thus contributing to infant malnutrition and death.

- In northern Peru where water come from a highly contaminated river.
- Throughout the Third World, many parents dilute the formula to stretch their supply. The children had never been breast fed, and since birth their diets were basically bottle feeding.
- In rural Mexico, the Philippines, Central America, and the whole of Africa, there has been a dramatic decrease in the incidence of breast feeding.

For over 20 years, Nestlé has been directly and indirectly charged with involvement in the death of Third World Infants in 1974, a report with a pamphlet entitled "Nestlé kills babies" is published.

The new twist: NO Sampling, NO mother craft workers, NO Point-of-sale advertising, & NO infant pictures on labels. The mothers may continue breast feeding to avoid being stigmatized once bottle feeding becomes a badge of HIV infection. • In Thailand, pregnant women are given free milk powder after founding HIV positive. • Demand for infant formula in South Africa grew 20% in 2004, and the Government investigated the shortages as Nestlé scrambled to catch up with demand.

In 2001, it was believed that some 3.8m children around the world has contracted the HIV virus at their mother's breasts. • Majority of women in developing countries doesn't know whether they are HIV infected or not. Healthy mothers make their child safer by bottle feeding.

- (a) What are the responsibilities of companies in this or similar situations? 5.5  
 (b) What could Nestlé have done to have avoided the accusations of "killing Third World babies" and still market its product? 5.5

OR

- (a) After Nestlé's experience, how do you suggest it, or any other company, can protect itself in the future? 5.5  
 (b) What advice would you give to Nestlé now in light of the new problem of HIV infection being spread via mothers' milk? 5.5

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