

EASTERN UNIVERSITY, SRI LANKA
FACULTY OF COMMERCE & MANAGEMENT
THIRD YEAR SECOND SEMESTER EXAMINATION IN BBA
(SPECIALIZATION IN MARKETING) – 2005/ 2006
MKT 3233 CONSUMER BEHAVIOUR



Answer all questions

Time : Three Hours

01. JOLT COLA

In the world of Colas, two stand out in our minds and have dominated the cola industry for many – users – Coke and Pepsi. Therefore, if you want to enter the cola wars, you had better have something unique about your cola that attracts people's attention. The cola's name had better jump out at the audience so they will not forget that it is not Coke or Pepsi.

How about JOLT Cola? The name JOLT (with a lightning bolt going through the O) should stand out in everyone's mind. The name is symbolic of the contents in JOLT.

"Loaded with sugar and caffeine" is the claim that JOLT producers make in their promotions.

Some in the industry think that there are consumers who need a 'kick' in a good – tasting soft drink. JOLT was proudly introduced as an alternative cola with substantial amounts of sugar and caffeine.

In selecting the name JOLT, the management team considered many things. One important factor was that every cola has been concerned about caffeine since 7 up made famous the slogan: "Never had it, never will", Coke and Pepsi have also introduced and promoted the no-caffeine brands to the market. It occurred to JOLT management that these cola giants were taking their soda concepts too seriously. Too much emphasis was being placed on the ideas of less sugar and no caffeine.

JOLT's philosophy was that all cola consumers are not-highly concerned about the sugar and caffeine levels of their cola. In fact, it was thought that many people probably drink their colas to get an added "boost".

Therefore, the philosophy was that at least one group of consumers need a good tasting soft drink without such a serious attitude about its ingredients. Consequently, instead of taking such a serious approach, the people at JOLT took a fun – loving, crazy approach. They emphasized the fact that their cola had lots of sugar and a heavy dose of caffeine. The ingredients and the advertising led to the name JOLT. The lightning bolt through the 0 in JOLT gave it that extra pow!

Advertisements feature such themes as dancing JOLT cans and people having a good time at a beach party. Each version includes a high – energy jingle emphasizing the sugar and caffeine that JOLT possesses.

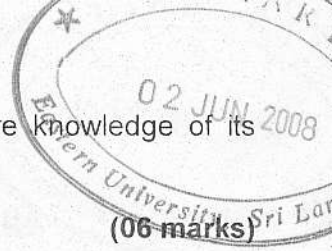
JOLT is sold in six – packs and 2 – litter plastic bottles at prices that are competitive with Coke and Pepsi. Everyone knows that it is extremely difficult to carve a niche in the cola market dominated by Coke and Pepsi. Therefore, the people at JOLT are hoping that at least a portion of the market will be attracted to the name JOLT and what it represents.

Questions

- (i) What type of segmentation strategy does JOLT appear to be using? (06 marks)
- (ii) Is there any research that you could suggest to JOLT managers? (06 marks)
- (iii) What motives might be important influences on consumers interested in JOLT? (08 marks)
- (iv) Can you suggest any advertising appeals based on these motives? (08 marks)

(Total 28 marks)

02. (i) What is meant by Consumer Behaviour? Are customer and consumer related? (06 marks)
- (ii) How does the study of Economic Theory help in understanding the Consumer Behaviour? (06 marks)



(iii) Choose a nonprofit organization and suggest areas where knowledge of its 'consumers' might improve the services it provides.

(06 marks)

(Total 18 marks)

03. (i) Explain the usual steps of the buying processes?

(05 marks)

(ii) How are changing female or male family roles influencing the marketing approaches necessary to reach & sell our prospects effectively?

(05 marks)

(iii) Illustrate with food products how the marketer might promote to youths in order to take advantage of their secondary influence on family purchase decision.

(08 marks)

(Total 18 marks)

04. (i) Why is the study of culture important to the marketer?

(05 marks)

(ii) Explain the most important characteristics of culture.

(05 marks)

(iii) Name three products that are presently culturally unacceptable. What marketing strategies would you use to overcome their cultural resistance?

(08 marks)

(Total 18 marks)

05. (i) Discuss the use of social class as a market segmentation approach.

(05 marks)

(ii) Discuss the relationship of social class and consumption.

(05 marks)

(iii) Write notes on : (a) Life Style (b) Perception (c) Reference Groups

(08 marks)

(Total 18 marks)