

THE OPEN UNIVERSITY OF SRI LANKA
FACULTY OF MANAGEMENT STUDIES

BMSHONS IN MARKETING MANAGEMENT

MMU4571 CONSUMER BEHAVIOUR
FINAL EXAMINATION – 2023 / 2024
DURATION – THREE (03) HOURS



DATE: 31st AUGUST 2024

TIME: 09.30 am – 12.30 pm

INSTRUCTIONS:

- PART 1 consists of a Compulsory case study worth 40 marks.
- PART 2 consists of 4 questions. Each question carries 20 marks. You are required to answer Any Three (3) questions (60 marks in total).
- Marks have been mentioned at the end of each question.
- Start each answer on a new page.

PART 1: Compulsory Case Study (40 Marks)

Question 01. Case Study

The Rise of Eco-Friendly Products in Sri Lanka

In recent years, Sri Lanka has witnessed a significant shift in consumer behavior towards eco-friendly products. This change is fueled by growing environmental consciousness, increased media attention on sustainability issues, and the government's push towards greener policies. Consumers in Sri Lanka are becoming more aware of the environmental impact of their purchases and are seeking ways to support sustainable practices.

Royal Ceylon Goods (Private) Limited, a leading company in the consumer goods sector, has decided to tap into this growing market by launching a new range of eco-friendly products. These products feature biodegradable packaging, organic ingredients, and energy-efficient technologies. Despite the higher production costs, Royal Ceylon Goods (Private) Limited believes that the long-term benefits of attracting environmentally conscious consumers and contributing to sustainability will outweigh the costs.

A recent market survey conducted by Royal Ceylon Goods (Private) Limited revealed that 62.1% of their target market is concerned about environmental issues and is willing to pay a premium for eco-friendly products. However, the survey also highlighted several challenges:

- **Greenwashing:** Some companies falsely claim to offer eco-friendly products, leading to consumer skepticism.
- **Higher Costs:** Eco-friendly products are often more expensive to produce, resulting in higher prices for consumers.

- **Consumer Education:** There is a need for better consumer education about the benefits and authenticity of eco-friendly products.

Royal Ceylon Goods (Private) Limited has tasked you, as a marketing consultant, to analyze the current market scenario and provide strategic recommendations to successfully market their new line of eco-friendly products.

- Discuss the main factors that have led to the rise in consumer demand for eco-friendly products in Sri Lanka.
(10 marks)
 - Explain the concept of greenwashing and its impact on consumer trust, with examples from the Sri Lankan market.
(10 marks)
 - Analyze the role of consumer perception in the decision-making process for purchasing eco-friendly products in Sri Lanka.
(10 marks)
 - Propose strategies that Royal Ceylon Goods (Private) Limited can adopt to effectively market their eco-friendly products and build consumer trust.
(10 marks)
- (Total 40 Marks)**

PART 2: Answer Any Three (3) Questions (20 Marks Each)

Question 02

- Discuss the different types of consumer motivation and how they influence purchasing decisions. Provide examples from Sri Lankan context to illustrate your points.
(10 marks)
 - Explain how personality traits can affect consumer behavior. Use relevant theories to support your answer.
(10 marks)
- (Total 20 Marks)**

Question 03

- Define consumer perception and explain the perceptual process. Explain how marketers use perceptual mapping to position their products.
(10 marks)

- ii. Describe the role of learning in consumer behavior. Compare and contrast behavioral and cognitive learning theories with examples from Sri Lankan context.

(10 marks)

(Total 20 Marks)

Question 04

- i. Explain the tri-component attitude model and how it applies to consumer behavior, using an example.

(10 marks)

- ii. Discuss the different strategies that marketers can use to change consumer attitudes towards a product or brand. Provide examples from Sri Lankan context.

(10 marks)

(Total 20 Marks)

Question 05

- i. Analyze how cultural factors influence consumer behavior. Use Hofstede's cultural dimensions theory in your explanation.

(10 marks)

- ii. Discuss the impact of reference groups and family on consumer purchasing decisions. Provide relevant examples from Sri Lankan context to support your answer.

(10 marks)

(Total 20 Marks)

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