

Eastern University, Sri Lanka

Faculty of Commerce & Management

Third Year First Semester Examination in BBA

Specialization in Marketing Management

2017/2018 (Proper/Repeat) July 2019

MKT 3033 Consumer Behaviour

Answer all questions

Time: 03 Hours

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Read the following case study and answer the questions given below.

**Disney brand has always been synonymous with quality entertainment**

Few companies have been able to connect with a specific audience as well as Disney has. From its founding in 1923, the Disney brand has always been synonymous with quality entertainment for the entire family. The company, originally founded by brothers Walt Disney and Roy Disney, stretched the boundaries of entertainment during the 20<sup>th</sup> century to bring classic and memorable family entertainment around the world. Beginning with simple black and-white animated cartoons, the company grew into the worldwide phenomenon that today includes theme parks, feature films, television networks, theatre productions, consumer products, and a growing online presence.

In its first two decades, Walt Disney Productions was a struggling cartoon studio that introduced the world to its most famous character ever, Mickey Mouse. Few believed in Disney's vision at the time, but the smashing success of cartoons with sound and the first-ever full-length animated film, Snow White and the Seven Dwarfs, in 1937 led, over the next three decades, to other animated classics including Pinocchio, Bambi, Cinderella, and Peter Pan, live action films such as Mary Poppins and The Love Bug, and television series like Davy Crockett.

When Walt Disney died in 1966, he was considered the best-known person in the world. By then the company had expanded the Disney brand into film, television, consumer products, and Disneyland in southern California, its first theme park, where families could experience the magic of Disney in real life. After Walt's death, Roy Disney took over as CEO and realized Walt's dream of opening the 24,000 acre Walt Disney World theme park in Florida. By the time of Roy's death in 1971, the two brothers had created a brand that stood for trust, fun, and entertainment that

resonated with children, families, and adults through some of the most moving and iconic characters, stories, and memories of all time.

The company stumbled for a few years without the leadership of its two founding brothers. However, by the 1980s, The Walt Disney Company was back on its feet and thinking of new ways to target its core family oriented consumers as well as expand into new areas that would reach an older audience. It launched the Disney Channel, Touchstone Pictures, and Touchstone Television. In addition, Disney featured classic films during 'The Disney Sunday Night Movie' and sold classic Disney films on video at extremely low prices in order to reach a whole new generation of children. The brand continued to expand in the 1990s as Disney tapped into publishing, international theme parks, and theatrical productions that reached a variety of audiences around the world.

Today, Disney is comprised of five business segments: The Walt Disney Studios which creates films, recording labels, and theatrical performances; Parks and Resorts which focuses on Disney's 11 theme parks, cruise lines, and other travel-related assets; Disney Consumer Products, which sells all Disney-branded products; Media Networks, which includes Disney's television networks such as ESPN, ABC, and the Disney Channel; and Interactive Media.

Disney's greatest challenge today is to keep a 90-year-old brand relevant and current to its core audience while staying true to its heritage and core brand values. Disney CEO Bob Iger explained, "As a brand that people seek out and trust, it opens doors to new platforms and markets, and hence to new consumers. When you deal with a company that has a great legacy, you deal with decisions and conflicts that arise from the clash of heritage versus innovation versus relevance. I'm a big believer in respect for heritage, but I'm also a big believer in the need to innovate and the need to balance that respect for heritage with a need to be relevant."

Internally, Disney has focused on the Disney Difference—"a value-creation dynamic based on high standards of quality and recognition that set Disney apart from its competitors." Disney leverages all aspects of its businesses and abilities to touch its audience in multiple ways, efficiently and economically. Disney's Hannah Montana provides an excellent example of how the company took a tween-targeted television show and moved it across its various creative divisions to become a significant

franchise for the company, including millions of CD sales, video games, popular consumer products, box office movies, concerts around the world, and ongoing live performances at international Disneyland resorts like Hong Kong, India, and Russia.

Disney also uses emerging technologies to connect with its consumers in innovative ways. It was one of the first companies to begin regular podcasts of its television shows as well as release ongoing news about its products and interviews with Disney's employees, staff, and park officials. Disney's Web site provides insight into movie trailers, television clips, Broadway shows, virtual theme park experiences, and much more. And the company continues to explore ways to make Mickey Mouse and his peers more text-friendly and virtually exciting.

According to internal studies, Disney estimates that consumers spend 13 billion hours "immersed" with the Disney brand each year. Consumers around the world spend 10 billion hours watching programs on the Disney Channel, 800 million hours at Disney's resorts and theme parks, and 1.2 billion hours watching a Disney movie—at home, in the theatre, or on their computer. Today, Disney is the 63rd largest company in the world with revenues reaching nearly \$38 billion in 2008.

### Questions

- i. **Illustrate** the way that Disney connect with its core consumers.  
(Marks 06)
  - ii. **Briefly explain** the Disney's customers and their lifestyles.  
(Marks 06)
  - iii. **Briefly discuss** the importance of Disney's characters and its influence on the minds of its customers.  
(Marks 06)
  - iv. If you are the CEO of the Disney **illustrate** the risks and benefits of expanding the Disney brand in new ways. And how do you influence on the consumer behaviour.  
(Marks 10)
- (Total 28 Marks)

- Q2. i) *'Repositioning involves changing the identity of the product, relative to the identity of competing products in the collective minds of the target market'.*

**Appraise** the need of brand repositioning.

(Marks 0)

- ii) *'Consumer behaviour is interdisciplinary' and 'it stems from four disciplines'.*

**Express** your views with this statement.

(Marks 0)

- iii) *VALS ("Values, Attitudes And Lifestyles") is a proprietary research methodology used for psychographic market segmentation.*

**Briefly describe** VALS with example.

(Marks 0)

(Total 18 Mark

- Q3. i) *'Operant conditioning shows us that reinforcement can be a very powerful way to create new customer behaviours'.*

**Illustrate** the importance of reinforcements in shaping consumer behaviour with a suitable example.

(Marks 0)

- ii) **Demonstrate** the followings:

a. Brand personification

b. Absolute Threshold and The Differential Threshold

(Marks 0)

- iii) Motivation drives consumers to buy and is triggered by psychological tension caused by unfulfilled needs.

**Distinguish** the Motivation Process with suitable example.

(Marks 0)

(Total 18 Mark

i) **Examine** the role of the family life-cycle in market segmentation and targeting with suitable example.

(Marks 04)

ii) Global marketing strategies-Selling the same product using the same positioning approach and globally communication.

**Describe** the global marketing strategies.

(Marks 06)

ii) Psychoanalysis is both an approach to therapy and a theory of personality. **Briefly discuss** the Freudian and neo Freudian theory of personality.

(Marks 08)

(Total 18 Marks)

*'A fear-based advertisement essentially attempts to persuade consumers to avoid a feared-self'.*

**Construct** your arguments on the fear appeals in marketing communications with examples.

(Marks 04)

*'Social media depend on mobile and web-based technologies to create highly interactive platforms through which individuals and communities share, co-create, discuss, and modify user-generated content'.*

**Recognize** the structure of social media

(Marks 04)

i) *In recent years, new marketing trend "word of mouth marketing" becomes crucial with the massive usage of internet by consumers'*

**Illustrate** unethical word of mouth marketing strategies with examples.

(Marks 04)

v) *'Attitude is a settled way of thinking or feeling about something'.*

**Analyse** the four basic functions of attitudes with example.

(Marks 06)

(Total 18 Marks)