Unit II - Consumer Behavior and Demand Forecasting - Practice

Q1: Discuss the limitations of the utility theory in predicting consumer behavior.

Q2: How does the budget line relate to consumer preferences in the indifference curve analysis?

Q3: What assumptions underlie the theory of consumer equilibrium?

Q4: How do changes in income affect the budget constraint?

Q5: What are the strengths and weaknesses of using regression analysis for demand forecasting?

Q6: Compare time-series analysis and exponential smoothing in terms of forecasting accuracy.

Q7: How do seasonal variations impact demand forecasting methods?

Q8: Discuss the impact of consumer trends on demand forecasting accuracy.

Q9: What role does consumer confidence play in predictive models of demand?

Q10: Evaluate the effectiveness of moving averages in a rapidly changing market.

Q11: How can businesses use demand forecasting to improve inventory management?

Q12: Discuss a case study where demand forecasting significantly impacted business strategy.

Q13: How do promotional activities complicate demand forecasting?

Q14: What are the implications of incorrect demand forecasts for a business?

Q15: How can technology improve the accuracy of demand forecasting?