

BA 422

UNIVERSITY OF SWAZILAND

DEPARTMENT OF BUSINESS ADMINISTRATION

FINAL EXAMINATION MAY 2006

TITLE OF PAPER (COURSE) : MARKETING RESEARCH

DEGREE AND YEAR OF STUDY: B. COM IV - MARKETING

TIME ALLOWED : THREE (3) HOURS

- INSTRUCTIONS :**
- 1. TOTAL NUMBER OF QUESTIONS ON THE PAPER IS 6**
 - 2. ANSWER QUESTION 1 IN SECTION A AND ANY
• THREE (3) FROM SECTION B**
 - 3. MARKS AWARDED ARE INDICATED AT THE END OF
EACH QUESTION**
 - 4. MARKS WILL BE AWARDED FOR GOOD
COMMUNICATION IN ENGLISH LANGUAGE AND
FOR ORDERLY PRESENTATION OF YOUR WORK.**

SPECIAL REQUIREMENTS: NONE

**THIS PAPER IS NOT TO BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE
INVIGILATOR.**

INSTRUCTIONS

ANSWER SECTION A AND ANY THREE (3) QUESTIONS FROM SECTION B.

SECTION A: (COMPULSORY)

QUESTION 1: ZAMANI'S SHOE STORE

Zama Dlamini is the founder of Zamani's Shoe Store located in the city of Mbabane. Zamani's has been in business since 1998, and its past success has been attributed to personalized service combined with quality leather footwear offered at reasonable prices. Tekhaya Dlamini, the owner's daughter, assumed control of the store when her father retired two years ago. Tekhaya immediately implemented several changes which included a shift in the store's promotion, favoring radio advertising over newspapers, an increase in the store's hours of operation, and an increase in the store's inventory (stock) by 10%.

Sales at Zamani's have increased at an average of 5% in each of the past two years, however, net profit has decreased slightly. According to industry data, shoe stores similar to Zamani's had experienced an average increase in sales of 12% and an average increase in net profit of 8% during the same two year period.

After casually speaking with the store manager, the salesman and several customers, Tekhaya concluded that the declining profits could be attributed to the low inventory turnover resulting from the prices charged.

In an effort to increase the store's profitability, Tekhaya contacted Mbuso, a distributor for the Easywear brand of footwear. Although the Easywear line is made of man-made materials, it has a good reputation in the industry. Mbuso assured Tekhaya that Easywear quality was comparable to her existing lines and that the retail prices would be lower than that of his merchandise. Mbuso also stated that Easywear would be willing to grant advertising allowances to 10% of Tekhaya's advertising budget of E 40 000 whichever was the lesser of the two.

Tekhaya is seriously considering Mbuso's proposal, however, she is unsure how her customers will react if she begins to substitute Easywear for her established line.

QUESTIONS

- 1. Which type of research would be best for Tekhaya? (5)**
- 2. Do you think Tekhaya needs to collect additional primary data before she makes a decision in this case?. (5)**

3. **List possible reasons for the decrease in the store's profitability during the past two years. (10)**
4. **What final suggestions should be made to Tekhaya regarding her situation. (5)**

TOTAL: 25 MARKS

SECTION B

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

- a. **Should all marketing problems be researched? What factors should a firm consider in deciding whether to conduct research or not? (15)**

- b. **Discuss the rights of a respondent in marketing research . (10)**

TOTAL: 25 MARKS

QUESTION 3

- a. **Discuss the characteristics of focus group interviews . (15)**

- b. **What are the basic types of response bias? (10)**

TOTAL: 25 MARKS

QUESTION 4

- a. **Discuss the types of scales that a researcher can use in measuring attitude. (15)**

- b. **“Sampling offers some major problems in marketing research”. Discuss. (10)**

TOTAL: 25 MARKS

QUESTION 5

- a. **Discuss how observation methods can be classified? (15)**

- b. **Contrast exploratory, descriptive, and causal research. Describe the role each may play in the resolution of a marketing problem. (10)**

TOTAL : 25 MARKS

QUESTION 6

- a. **Discuss the difference between reliability and validity. (15)**

- b. **Discuss the methods that can be used to determine sample size. (10)**

TOTAL: 25 MARKS