

UNIVERSITY OF SWAZILAND
DEPARTMENT OF BUSINESS ADMINISTRATION
SUPPLEMENTARY EXAMINATION JULY 2008

TITLE OF COURSE: CONSUMER BEHAVIOUR (BA 521)
DEGREE AND YEAR: BACHELOR OF COMMERCE YEAR 5/
IDE BACHELOR OF COMMERCE YEAR 6
TIME ALLOWED: THREE (3) HOURS

INSTRUCTIONS:

1. TOTAL NUMER OF QUESTIONS ON THE PAPER IS 5
2. ANSWER QUESTION 1 IN SECTION A AND ANY THREE (3) QUESTIONS 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: ELDIN INCORPORATED

Marjorie Miele, a former vice president of marketing at General Dynamics of England, was often dismayed at the clutter on her desk. The paper work was bad enough, she reasoned, but the telephone, calculator, and other things only contributed to the lack of order.

Miele informally researched the problem and found that she was not alone in her thoughts about the need to have a more organized desk. She left the General Dynamics to start Eldin Incorporated. After engaging in a formal research project, where she studied the office equipment needs of executives, Miele found a definite need for a desktop organizer. Her solution to the problem was the Mark 3 Exec system.

The Mark 3 incorporated the more cumbersome office devices into a single unit. The system had a built-in digital clock with alarm and calendar. Other components of the Mark 3 included a radio, calculator, computerized filing system, and a telephone with an automatic dialer. The telephone was a hands-free model with a mute button, ideal for those conference calls where occasional privacy was needed while conferring with other people in the office. The Mark 3 was 24 by 38 inch, weighed 15 pounds, and was made of black leather with nickel trim.

The profile of potential customers included the following characteristics: college educated, married, and male, age 35 – 49, title of vice president or director, and income about \$100 000 a year.

The selling price of the Mark 3 was \$685.00 and she calculated her first year break even point to be 425 units. The potential demand was many times this number as she planned to market the product using mail order world wide. Competition at this level was non existent. While many companies produced executive desk products, not one had the features of the Mark 3.

Source: Kotler, Phillip., and Armstrong, Gary. (1990) Marketing. 2nd Edition. Prentice Hall. New Jersey.

Questions:

1. Which requirement(s) for effective market segmentation is (are) evident in this case? (5)
2. Which base(s) of marketing segmentation did Marjorie use in segmenting her market? (5)
3. Critically analyze the marketing mix used by Eldin Incorporated. (15)

TOTAL: 25 MARKS

SECTION B

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

- a. Discuss the strategies that can be used to change attitudes. (15)
- b. What are the requirements for marketing segmentation to be effective? (10)

TOTAL: 25 MARKS

QUESTION 3

- a. Discuss the changing role of women and how marketers should take this into account in developing their strategies. (15)
- b. Discuss three aspects that are important in the study of personality. (10)

TOTAL: 25 MARKS

QUESTION 4

- a. Discuss five key elements of consumer behavior, giving examples in each case. (15)
- b. Discuss the five ways in which culture can be learned. (10)

TOTAL: 25 MARKS

QUESTION 5

- a. Explain the family life cycle concept and its significance to marketers. (15)**
- b. Discuss five factors that influence the receiver in his understanding of persuasive communication. (10)**

TOTAL: 25 MARKS