

**UNIVERSITY OF SWAZILAND**  
**DEPARTMENT OF BUSINESS ADMINISTRATION**  
**FINAL EXAMINATION MAY 2009**

**TITLE OF COURSE:**       **MARKETING RESEARCH (BA 422)**

**DEGREE AND YEAR:**   **BACHELOR OF COMMERCE YEAR 4**  
                                  **IDE BACHELOR OF COMMERCE YEAR 6**

**TIME ALLOWED:**       **THREE (3) HOURS**

**INSTRUCTIONS:**

- 1.    TOTAL NUMER OF QUESTIONS ON THE PAPER IS 6. ANSWER QUESTION 1 IN SECTION A AND ANY THREE (3) QUESTIONS FROM SECTION B**
- 2.    MARKS AWARDED ARE INDICATED AT THE END OF EACH QUESTION**
- 3.    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: CARLSON'S SUPERMARKET**

**Bud Carlson, owner of a small chain of supermarkets headquartered in Minnesota, was surveying his company's financial statements when he noticed what he considered disturbing information. Dog and cat food sales dropped an additional 8% on top of last years drop.**

**Carlson pondered his situation and figured he either needed to get out of pet food sales altogether or to expand his offerings considerably. According to a recent article he read in American Demographics Magazine, supermarkets held a 95% share of the market in the early 1980s, while in the mid 90s their share of the market was hovering around 10%.**

**According to the article, three changes in the pet product industry were responsible for the shift. The first involved super premium pet foods which were originally sold through veterinarians and pet stores. The new foods claimed to offer a healthier alternative to traditional pet food. In time, pet owners concerned about their pet's nutrition and health, began to buy the super premium food in increasingly greater quantities.**

**The second challenge was posed by mass marketers such as Target, Wal-Mart, and K Mart. A wide array of pet products, along with discount prices on pet food resulting from volume purchasing, attracted buyers in significant numbers. Pet owners slowly shifted their buying behaviour from the supermarkets to the mass merchandisers further eroding market share.**

**The most recent assault has come from pet food superstores. These outlets offer lower prices and a wider variety of pet foods, toys, accessories, clothing, and furniture than even the mass merchandisers. And as an added twist, pets are welcome to join their owners as they peruse store offerings.**

**Two weeks later, a disgruntled Carlson began his senior staff meeting by stating "Carlson Supermarkets has experienced another drop in pet food sales and the problem is we are losing sales to those discount stores, and I want to know what we are going to do about this issue."**

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

**Questions:**

1. **If Carlson conducts a marketing research project to investigate the decline in pet food sales, the article he mentioned and the financial statements would be considered secondary data and would be reviewed as part of the research plan. What is secondary data and what are the relative advantages and disadvantages of its review as part of the research project? (15)**
2. **Explain why Carlson was mistaken when he stated that “..... The problem is we are losing sales to those discount stores....” (10)**

**TOTAL: 25 MARKS**

**SECTION B**

**ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION**

**QUESTION 2**

- a. **Discuss the five steps that are involved in the sampling process. (15)**
- b. **Which of the following products is likely or not likely to be test marketed? Why or why not? (10)**
  1. **Computerized robot lawn mower.**
  2. **A line of 1kg servings of meat dishes for old people.**
  3. **Forklift trucks.**
  4. **A new brand of eye drops especially for brown eyed people.**
  5. **An advertising campaign for drinking Coca Cola in the morning.**

**TOTAL: 25 MARKS**

**QUESTION 3**

- a. **Discuss five factors that may influence the internal validity of an experiment, giving an example in each case. (15)**
- b. **Discuss the major advantages and disadvantages of using test markets. (10)**

**TOTAL: 25 MARKS**

#### **QUESTION 4**

- a. Briefly outline the research design for each of the following situations: (15)
1. A bank wishes to collect data on the number of customer services and frequency of customer use of those services.
  2. The Commissioner of Police wishes to determine the driving public's use of seat belts.
  3. Kentucky Fried Chicken wishes to determine how long a customer entering the store has to wait for his or her order.
  4. The Drum Magazine Editor wishes to determine exactly what people see and what they pass over while reading the magazine.
  5. A food manufacturer wishes to determine how people use snack foods in their homes.
- b. Briefly discuss the difference between the following terms: (10)
1. Validity and reliability
  2. Pooled data and syndicated data
  3. Criterion validity and construct validity
  4. Likert scale and stapel scale
  5. Quota sampling and stratified sampling

**TOTAL: 25 MARKS**

#### **QUESTION 5**

- a. Discuss the ways in which a marketing research report presenter can ensure he is a first rate presenter. (15)
- b. Briefly discuss five characteristics that you would look for when you hire a field worker, indicating your reason in each case. (10)

**TOTAL: 25 MARKS**

#### **QUESTION 6**

- a. Discuss five types of product research, giving an example in each case. (15)
- b. Briefly discuss ten principles of questionnaire design. (10)

**TOTAL: 25 MARKS**