

**UNIVERSITY OF SWAZILAND**  
**DEPARTMENT OF BUSINESS ADMINISTRATION**  
**SUPPLEMENTARY EXAMINATION JULY 2012**

**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 NUMBER 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: CAMPBELL'S SOUP AT HAND

Traditional companies such as Campbell's are constantly trying to come up with new product offerings that will appeal to the ever changing nature of consumer markets. While Campbell maintains its position as the market leader for canned, condensed soups, it has found the size of that market shrinking in recent years. But thanks to Carl Johnson, Chief Strategy Officer at Campbell Soup Company, the company is introducing new products that are propelling a surprising turnaround at \$7 billion for a company that has long struggled to grow. Lifestyle changes in today's world have given rise to shopper classifications known to industry insiders as "grab and go," "immediate consumption," and "cook and carry." Given the activities that people are engaged in today, they are less and less likely to sit down at home and eat a prepared meal. One might think that opening a can soup, pouring it in a dish, and heating it in a microwave would not be too much for the average consumer in today's world. However, the fact that traditional canned soups are not seeing the growth they once enjoyed is a good illustration of just how fickle consumers can be. Among Campbell's new product offerings is the Soup at Hand line. Sometimes, the success of a new product can be as simple as changing the container of the old product. So, rather than a traditional can, Soup at Hand soups come in a single serving, contoured, high density polyethylene container. Easily removable pull ring metal tops make the soups instantly microwavable right in their containers. A plastic sipping cap fits neatly on top and allows for hot soup to be sipped without spilling. And, of course, this new container fits in any cup-holder found in your average car.

Among other new offerings from various packaged foods companies, Soup at Hand soups are finding a place in convenience stores. "Campbell recognizes changing consumer shopping behaviours and the role of convenience store channel in targeting the 'on-the-go' consumer," says George Loesch, Campbell's Vice President of national sales for convenience stores. "Products like Campbell's Soup at Hand and Chunky Soup in microwavable bowls have made it more convenient for consumers to enjoy microwavable soup that can be eaten anytime, anywhere." So, are Soup at Hand soups as good as traditional vegetable beef or chicken soup? That will be up to the consumer to decide. However, certain modifications had to be made to the products in order to work with the new packaging. For example, in order for soup to seep safely through the small opening of the plastic sipping cap, Campbell has made textural compromises. Chicken and beef are downsized to pellets and the noodles are round and small. Even the broth is different, having a slightly gluey texture.

Campbell's is experiencing a resurgence based on lines of on-the-go products that might have flopped 10 or 20 years ago. Today, they are just what the consumer ordered.

## **QUESTIONS**

1. What consumer needs are driving the success of products like Campbell's Soup at Hand? Consider both biological and learned needs. (15)
2. Are some needs more powerful than others? Illustrate this by discussing the needs that customers might be sacrificing in order to satisfy other needs. (10)

**TOTAL: 25 MARKS**

## **SECTION B**

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

### **QUESTION 2**

- a. Discuss the five major characteristics that influence diffusion of innovation in consumer behavior, giving a practical example in each case. (15)
- b. Briefly describe five consumer behavior strategies that can be used to resolve husband and wife conflicts in decision making. (10)

**TOTAL: 25 MARKS**

### **QUESTION 3**

- a. Define social class. Discuss the six categories of social class in relation to the study of consumer behavior. (15)
- b. Briefly describe five consumer relevant groups, giving a practical example of a product that is sold using these groups in mind. (10)

**TOTAL: 25 MARKS**

### **QUESTION 4**

- a. Define culture. Discuss the elements of culture as it relates to the behavior of consumers. (15)
- b. Discuss the five dimensions of attitudes in the context of consumer behavior, giving an example in each case. (10)

**TOTAL: 25 MARKS**

### **QUESTION 5**

- a. Define consumer behavior. Illustrate your understanding by discussing the key elements of consumer behavior. (15)
- b. In order to facilitate learning in consumer behavior marketers use models. What characteristics should the models possess to be effective? (10)

**TOTAL: 25 MARKS**