

UNIVERSITY OF SWAZILAND
DEPARTMENT OF BUSINESS ADMINISTRATION
SUPPLEMENTARY EXAMINATION JULY 2013

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: DAVID BECKHAM THE PROFESSIONAL ENDORSER

David Beckham may just be the most famous sports personality in the world. Is it because of his performance as a footballer for Manchester United and Real Madrid? Is it because of his celebrity lifestyle? Or is it because every inch of the man is endorsed by big name corporate brands? In reality, it is probably a combination of the three. But the endorsements certainly have not hurt Beckham's brand recognition. Early in his professional career Beckham secured a number of lucrative sponsorship deals with Adidas, Vodafone and Diesel. Since then he has continued to add to his endorsement portfolio with such brands as Rage Software, Castrol, Brylcreem, Police sunglasses, Gillette razors, and Pepsi. While Beckham has not surpassed Michael Jordan and Tiger Woods in endorsement deals, he has certainly joined these celebrities as one who has transcended his sport to become a super brand.

The question is – Does the brand make the player or does the player make the brand? While it can be argued that the marketing power of global giant corporations can launch an athlete's image, the reverse can also be true. Michael Jordan is often credited for establishing Nike as one of the world's most powerful brands. With the most recent contract between David Beckham and Adidas, which includes plans for a personalized line of merchandizing, Adidas executives hope Beckham will do for the German sportswear company what Michael did for Nike.

Beckham may be on his way of doing just that. Already the Beckham image has sold more than 3 million pairs of soccer shoes. "We think he can sell anything," said Herbert Hainer, Adidas CEO. Hainer goes on to say that Beckham "has a lot of things coming together. He is a very good footballer, he is passionate, good looking, very professional, not arrogant, and the fans believe in what he says." Some would argue that all money aside, Beckham does not need the image of Adidas or the other brands because the man himself is an icon. Since 1999 he has been married to former Spice Girl, Victoria, and the couple has become a symbol of lavishness. David Beckham's good looks have earned his influence into the realm of the fashion. Even allegations of extra-marital affairs have not scuffed the image of the superstar.

"When you ask people about David Beckham's credibility, his family values are not the main appeal, says Stephen Cheliotis of branding consultants, Super brands. "Beckhams fashion appeal, his footballing skills and good looks are what appeal to people. His family is not the primary function of the Beckham brand."

Obviously endorsers recognize the power of the Beckham brand. Adidas CEO has asserted that just as Beckham's first pair of shoes were Adidas, so will his last pair be. We can't work with him much longer than his playing career but that is up to him."

QUESTIONS

1. Discuss the reason why companies such as Adidas would want to be endorsed by David Beckham in the context of source credibility. (10)
2. Considering how attitudes are formed, what are the potential positive and negative consequences of endorsements for both the company and the celebrity? (15)

TOTAL: 25 MARKS

SECTION B

INSTRUCTIONS

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

- a. Discuss the three theories of learning as they apply to the study of consumer behaviour. (15)
- b. Briefly identify the ten factors that determine perception. (10)

TOTAL: 25 MARKS

QUESTION 3

- a. Discuss the reasons that make opinion leaders to be effective in diffusion of innovations. Illustrate your answer by using practical examples. (15)
- b. Failure to meet needs results in consumers being frustrated. Identify the ten forms of frustration. (10)

TOTAL: 25 MARKS

QUESTION 4

- a. Discuss five neo-Freudian theories of personality as they relate to the study of consumer behaviour. Indicate your level of agreement or disagreement with each theory. (15)
- b. Discuss five criticisms that are levelled at the use of the traditional Family Life Cycle concept in the study of consumer behaviour. (10)

TOTAL: 25 MARKS

QUESTION 5

- a. Discuss five marketing variables that help a marketer to enhance persuasive communication, giving practical examples to illustrate your argument. (15)
- b. Which social class variable is appropriate for the following:
 1. Fat free foods
 2. Personal computers
 3. Cell phones
 4. Vacations
 5. Health clubs (10)

TOTAL: 25 MARKS