

**UNIVERSITY OF SWAZILAND**  
**DEPARTMENT OF BUSINESS ADMINISTRATION**  
**SUPPLEMENTARY EXAMINATION JULY 2014**

**TITLE OF COURSE:**        **MARKETING RESEARCH (BA 319/BA 422)**  
**DEGREE AND YEAR:**    **BACHELOR OF COMMERCE YEAR 3**  
                                      **IDE BACHELOR OF COMMERCE YEAR 6**  
**TIME ALLOWED:**        **THREE (3) HOURS**

- INSTRUCTIONS:**
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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: CITY LODGE**

The hotel glut produced a tremendous windfall for business travelers. Service is up but prices are not. Because of overbuilding, hotel chains are engaging in an all-out service war to pamper the business travelers. Business travelers spend about E34 million a year at hotels and motels and account for nearly all the occupancy except at resorts.

The number of available hotel rooms increased by 40 percent in 2000. This resulted in an average occupancy rate of 63.8 percent by the end 2010. The break-even point for the industry is 65 percent, thus about 60 percent of South Africa's hotels lost money in the early 2010s. To make matters worse for the profit margin, corporate discounts have become popular and the size of the discount is going up. In the past 3 years, the average corporate discount rate rose from 18 percent of the regular rates to 25 percent.

Yet, despite this difficult environment, economy hotels are thriving. When corporations began tightening expense accounts for lower level employees, demand surged. The low end segment of the market was once bypassed by highways.

The big chains like Sun International hotel, stymied by lower growth in their traditional markets, moved into the economy market segment and began upgrading its market. Sun International's entry into the business market was the City Lodge. For a price lower than most hotels, the business traveler receives a double size bed, a large work area, free television, and a bathroom with a separate dressing area so that the traveler will not fog up the mirror with steam from the shower.

When guests check out of a City Lodge room, they can rate their stay at either end of the reception desk. Four questions pop up on the screen dealing with cleanliness, service, value for the price, and overall rating. The guest punches a key to indicate excellent, average, or poor. Employee bonuses are pegged to these ratings.

**QUESTIONS:**

1. Would you say that the data collected at the two computers at the reception desk was marketing research?(15)
2. Now that the City Lodge is a viable ongoing operation, do you see the need for other marketing research information? Give reasons for your answer.(10)

**TOTAL: 25 MARKS**

**SECTION B**

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

**QUESTION 2**

- a. Discuss the three major criteria that are used to evaluate a measurement instrument. In your answer, discuss how a marketing researcher can test each measuring instrument. (15)
- b. Briefly discuss five types of product research giving an example in each case. (10)

**TOTAL: 25 MARKS**

**QUESTION 3**

- a. Discuss five types of closed ended questions giving an advantage and a disadvantage in each case. (15)
- b. Discuss ten practical rules that a fieldworker should follow every time when he or she collects data. (10)

**TOTAL: 25 MARKS**

**QUESTION 4**

- a. Discuss the two types of experimental research giving examples of each type of design in words and in symbols. (15)
- b. Discuss the five types of response bias in survey research. (10)

**TOTAL: 25 MARKS**

**QUESTION 5**

- a. Identify and explain the types of mechanical devices that a marketing researcher can use in observation research. (15)
- b. Briefly discuss the ten characteristics of focus groups. (10)

**TOTAL: 25 MARKS**