

UNIVERSITY OF SWAZILAND
DEPARTMENT OF BUSINESS ADMINISTRATION
FIRST SEMESTER EXAMINATION DECEMBER 2015

TITLE OF COURSE: **MARKETING RESEARCH (BA 419)**
DEGREE AND YEAR: **BACHELOR OF COMMERCE YEAR 6 – IDE**
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: 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% from last year. 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. (2007) Marketing. 5nd 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

INSTRUCTIONS

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

- a. Discuss the two main types of marketing research experiments by showing the research design in each case. Comment on the similarities and differences between the two types of experiments. (15)
- b. Discuss the five projective techniques that a marketing research manager can use when conducting exploratory research. (10)

TOTAL: 25 MARKS

QUESTION 3

- a. Discuss the major advantages and disadvantages of using observation as a method of data collection. (15)
- b. Define marketing research. Briefly discuss the 4Cs of marketing research (10)

TOTAL: 25 MARKS

QUESTION 4

- a. Discuss the advantages and disadvantages of using personal interviews in a survey research (15)
- b. Discuss five types of product research, giving an example in each case. (10)

TOTAL: 25 MARKS

QUESTION 5

- a. Define test marketing? Discuss the advantages and disadvantages of test marketing as one of the methods of conducting research? (15)
- b. Discuss five types of measurement error in survey research. (10)

TOTAL: 25 MARKS