UNIVERSITY OF SWAZILAND

DEPARTMENT OF BUSINESS ADMINISTRATION

SECOND SEMESTER EXAMINATION MAY 2016

TITLE OF COURSE:

CONSUMER BEHAVIOUR (BA 436)

DEGREE AND YEAR:

BACHELOR OF COMMERCE YEAR 4

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: KLEENEX 'LET IT OUT' CAMPAIGN: INCREASING CONSUMER INVOLVEMENT WITH A LOW-INVOLVEMENT PRODUCT

INTRODUCTION

Banking on the euphoria associated with the Olympic Games, Kimberley Clark Corporation (KCC), a leading American consumer packaged goods company, released a documentary movie to coincide with the Olympics. The movie sought to build an emotional connection between KCC's super brand Kleenex and the target audience. This was part of its 'Let it out' (LIO) campaign launched at the end of the year with the aim of rejuvenating the brand.

According to Mark Zander, Marketing Manager for Kleenex, "The idea behind the 'Let it out' campaign is to try and create an emotional connection between the consumer and Kleenex tissues. By establishing this emotional bond we hope to make the tissue much more than just a product but rather an indispensable aid to help people let their emotions out. Marketing experts considered Kleenex to be a super brand. The brand identity was so strong that it had become a generic term for tissue paper. However, with the sales for the category shrinking lately, KCC decided to rejuvenate the Kleenex brand. The LIO campaign was launched and it tried to make an emotional connection with the target audience through the use of 'real people' in its adverts. The campaign was appreciated by many advertising experts for its use of real people in its adverts and for its attempt to increase consumers' involvement with the brand. The campaign was aimed at promoting Kleenex products such as facial tissues, bathroom tissues, paper towels, and diapers.

KCC was first established in 1924 and had remained at the top position in the facial tissue market since then. KCC had introduced several innovative products under the Kleenex brand and had adopted good promotional strategies to keep the brand in the number one position. The brand was so successful that it became synonymous with facial tissue products. The brand identity was strong and often used interchangeably with the commodity. Kleenex is encouraging the addition of the term "tissue" to their name. It's the "Kleenex brand" of tissues; tissues being the generic term. They clearly spent plenty of money just to define the category and protect their brand name.

BACKGROUND - KCC is a leading American consumer packaged goods company with a presence in 150 countries. The company's global headquarters is in Irving, Texas, USA. It is well known for its paper-based consumer goods and has a number of strong brands such as Kleenex, Kotex, Huggies, Depend, and Scott, to mention a few. Recently, low-priced private-label products from the big retailers started to affect the sales of Kleenex. The unit sales of Kleenex branded tissue products fell by 9.7% while the overall sales of tissue products of the industry fell by 6.1%.

LET IT OUT CAMPAIGN - The LIO advertising campaign features a vibrant blue couch put up on the sidewalks in big cities on which people (total strangers) were invited to sit down and express their emotions. They are asked to talk about something that had made them cry...

THE MOVIE - With the initial response to the campaign being good and some industry observers crediting it with improving the Kleenex brand's image, KCC has increased its ad spend further. It came out with a documentary based on its LIO campaign.

RESULTS - Kleenex derived good results from the LIO campaign. The new campaign helped KCC in reaching customers who had been hard to reach earlier. Industry observers said that the LIO campaign was a big success and that it had led to a significant growth of the Kleenex brand. But the new ad campaign has its share of critics. Some experts criticize the way the campaign was conducted. Some opined that it has missed the core goal of product advertising, which was to increase the acceptability of the product by the customer. Many experts have considered the LIO campaign an innovative one and said that the campaign would go a long way in increasing the target audience's involvement with the brand. However, others are not impressed and criticize certain elements of the campaign. Some feel that the real challenge facing Kleenex was the commoditization of the brand and they suggested that KCC has to come out with something more than the LIO campaign to address this issue.KCC is looking forward to launching a number of Kleenex products and expects the emotional connection it has created with the LIO campaign to result in the success of these new products.

QUESTION 1

- 1. What is the major challenge in promoting a low-involvement product such as the Kleenex tissue? (5)
- 2. Was the LIO campaign able to achieve its objectives? How? (5)
- 3. What are the pros and cons of using 'real people' in the adverts of Kleenex? (5)
- 4. What are the pros and cons of using the emotional appeal in the Kleenex ad? (5)
- 5. What strategy can KCC adopt in the future to promote the Kleenex brand? (5)

Source: http://www.acrwebsite.org

TOTAL: 25 MARKS

SECTION B

INSTRUCTIONS

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

- a. Define culture. Discuss the ways in which a marketing manager can measure culture giving a practical example in each case. (15)
- b. Briefly identify and discuss the five marketing variables that can enhance communication and influence consumer behaviour. (10)

TOTAL: 25 MARKS

QUESTION 3

- a. Consumers make a decision on which store they will buy their products. Discuss the factors that consumers consider when choosing the store. (15)
- b. Briefly explain five reasons that make opinion leaders effective. (10)

TOTAL: 25 MARKS

QUESTION 4

- a. Consumers are constantly bombarded by messages inducing them to change their attitudes. Explain how attitudes can be formed and how they can be changed. (15)
- b. Identify 5 types of reference groups and indicate how they influence consumer decision making, giving an example in each case. (10)

TOTAL: 25 MARKS

QUESTION 5

- a. Discuss the family life cycle indicating its significance to the study of consumer behaviour. (15)
- b. Define personality. Discuss the three aspects of personality giving an example in each case. (10)

TOTAL: 25 MARKS