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**UNIVERSITY OF ESWATINI  
FACULTY OF COMMERCE  
DEPARTMENT OF BUSINESS ADMINISTRATION  
SECOND SEMESTER EXAMINATION  
CONSUMER BEHAVIOUR  
BUS422/BA436  
NOVEMBER 2021**

**TITLE OF COURSE: CONSUMER BEHAVIOUR BUS 422/BA436**

**DEGREE: BACHELOR OF COMMERCE / IDE BACHELOR OF COMMERCE**

**YEAR: 4FT AND 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**

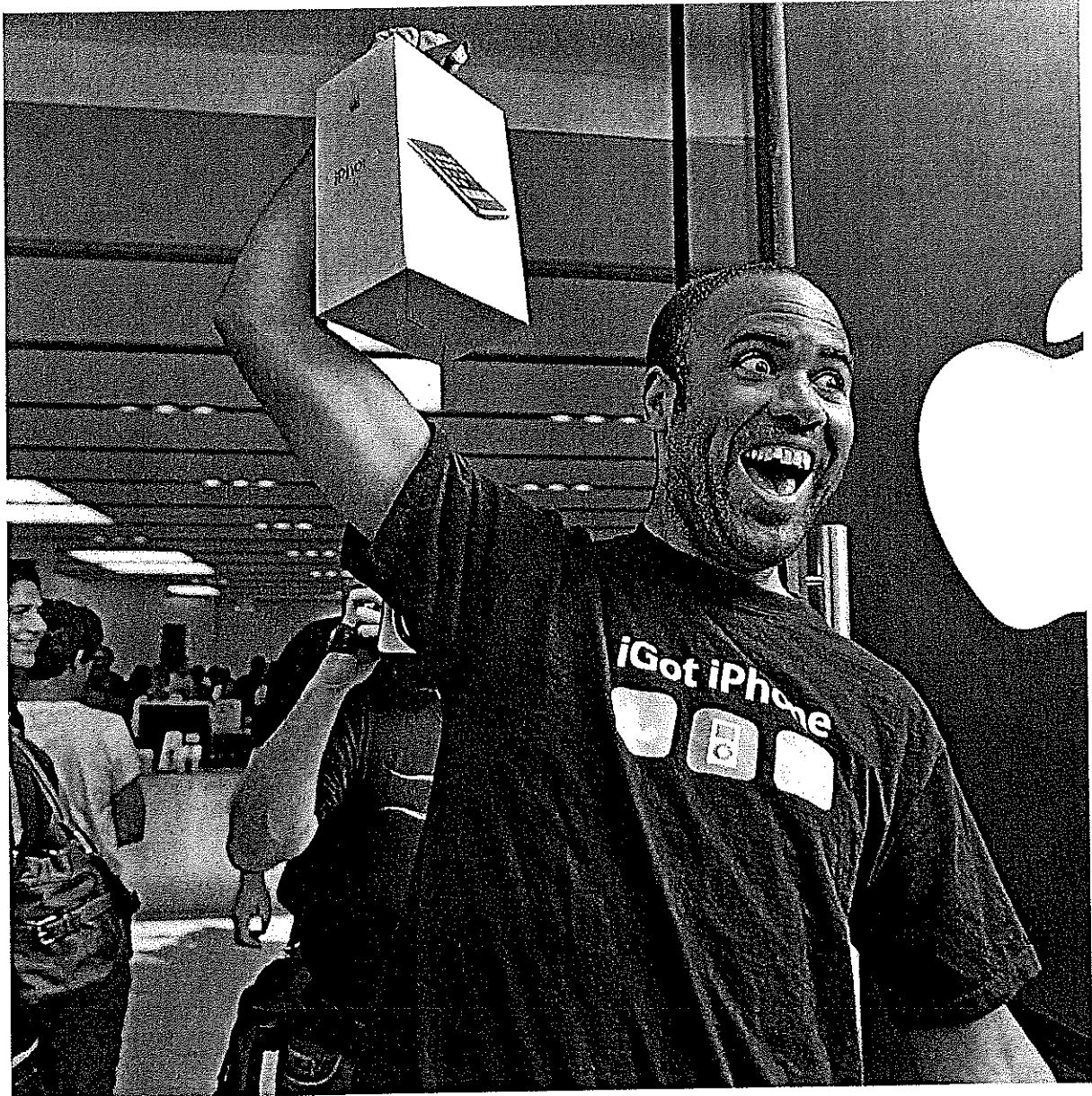
**THIS PAPER IS NOT TO BE OPENED UNTIL PERMISSION HAS BEEN  
GRANTED BY THE INVIGILATOR.**

SECTION A IS COMPULSORY

QUESTION 1:

Apple's iPhone

Background



Apple's iPhone  
*Hundreds of people lined up – some for up to fi ve days – outside Apple stores and outlets of AT&T for the launch of Apple's much-hyped iPhone.*

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On 29 June 2007 Apple launched the iPhone in the US amid much fanfare about its touch screen interface, Internet capability and iPod features. In spite of its hefty price tag (\$499–\$599) 170,000 iPhones were sold in the first two days and sales topped one million units by September 2007. However, Apple received hundreds of complaints from early iPhone purchasers when the company reduced the price by \$200 two months after the launch. Apple responded immediately with \$100 store credit to any Apple store or the Apple website.

The launch of the iPhone illustrates some of the questions that can be answered through the study of consumer behaviour. Which consumer needs were met by the iPhone? What motivated consumers to line up for days outside of Apple and AT&T stores to ensure that they were able to purchase the phone? Why was the phone so successful?

Why did consumers react so negatively to the drop in price? Why did Apple react by offering iPhone owners \$100 worth of credit? Finding answers to these questions and understanding why consumers behave the way they do is critical to any firm's success.

## QUESTIONS

- a. Relate to the above case and define Consumer behaviour and why it is important for the company (Apple) to understand it? Describe what kind of an innovation is the iPhone and also give examples of other innovations? **(20 Marks)**
- b. Define motivation relating it to an iPhone buyer. Explain the motivation process for an iPhone buyer which led some of them to lining up for about 5 days waiting for the launch of the iPhone. **(20 Marks)**

## **SECTION B**

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

### **QUESTION 2**

- a. Define a family. Briefly discuss the key functions of a family .(10 Marks)
- b. Discuss the family life cycle indicating its significance to the study of consumer behaviour. (10 Marks)

**TOTAL: 20 MARKS**

### **QUESTION 3**

- a. Define social class. Briefly discuss the methods that a marketer can use to measure social class. (10 Marks)
- b. Define a family and discuss the eight (8) roles played by family members in decision making. (10 Marks)

**TOTAL: 20 MARKS**

### **QUESTION 4**

- a. Define personality. Discuss the Freudian theory of personality. (10 Marks)
- b. Define attitude. Discuss the criticisms of attitudes. (10 Marks)

**TOTAL: 20 MARKS**

### **QUESTION 5**

- a. Brand adoption is critical for any new brand. Briefly explain with examples the brand characteristics that facilitate adoption? (10 Marks)
- b. Define a reference group. Identify and briefly discuss the types of reference group appeals that can be used by marketing managers. (10 Marks)

**TOTAL: 20 MARKS**