UNIVERSITY OF SWAZILAND

DEPARTMENT OF BUSINESS ADMINISTRATION

FINAL EXAMINATION MAY 2007

TITLE OF COURSE:

MARKETING RESEARCH (BA 422)

DEGREE AND YEAR:

BACHELOR OF COMMERCE YEAR 4/ IDE BACHELOR OF COMMERCE YEAR 6

TIME ALLOWED:

THREE (3) HOURS

INSTRUCTIONS:

1. TOTAL NUMER OF QUESTIONS ON

THE PAPER IS 6

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: SCHEMED CHEMICAL COMPANY

Schemed Chemical Company was an old company that was still managed and directed by its founder, Jeff Schemed, and his wife Carol. Jeff served as president and Carol as chief research chemist. The company, which was located in Savannah, Georgia, manufactured a number of products that were used by consumers in their homes. The products included waxes, polishes, tile cement, spray cleaners for window and other surfaces, aerosol room sprays, and insecticides. The company distributed its products regionally. It had a particularly strong consumer following in the Florida and Georgia areas.

The company had not only managed to maintain but had increased its market share in several of its key lines in the past years in spite of increased competition from the national brands. Jeff had done this largely through product innovation, particularly innovation that emphasized modest product alterations. Jeff and Carol both believed that the company should stick to the things it knows best rather than trying to be all things to all people and in the process getting the company's resources spread too thin, particularly given its regional nature. One innovation the company was now considering was a new scent for its insect spray that was rubbed on a person's body. The new scent had undergone intensive testing in the laboratory and in the field. The tests indicated it repelled insects, particularly mosquitoes, as well as, or even better than the two leading brands. One of the things that the company was particularly concerned about was what to call it.

The Insecticide Market

The insecticide market had become a tricky one over the past years. While there had been growth in purchase of insecticides in general, much of this growth had occurred in the liquid market. The household spray market had decreased. Jeff had not suffered from the general sales decline, though, but had managed to increase its sales of spray insecticides slightly over the past three years. The company was hoping that the new scent might allow it to make even greater market share gains.

The company's past experience in the industry led it to believe that the name that was given to the new product would be a very important element in the product's success, because there seemed to be some very complex interactions between purchase and usage characteristics among repellent users. Most purchases are made by women for their families. Yet repeat purchase is dependent upon support by the husband that the product works well.

The name must appeal to both the buyer and the end user, but the two people are not typically together at the time of purchase. To complicate matters further, past research had indicated that a product with a name that appeals to purchaser and end user will be rejected if the product's name and scent do not match. In sum, naming a product like this that is used on a person's body is a complex task.

Research Alternatives

The company followed its typical procedure in developing possible names for the new product. First, it asked those who had been involved in the product's development to suggest names. It also scheduled some informal brainstorming sessions among potential customers. A list of 20 possible names was generated. Those in the product group had the responsibility of developing a research design by which the final name could be chosen.

The people in the product group charged with the name test were considering two different alternatives for finding out which name was preferred, both alternatives involved personal interviews at shopping malls. More specifically, the group was planning to conduct a set of interviews at one randomly determined mall in Atlanta, Savannah, Tallah, and Orlando. Each set of interviews involved 100 respondents. The target respondents were married females, aged 21 to 54, who purchased the product category during the past year. Likely looking respondents were to be approached at random and were to be asked if they used any insect pray at all over the past year and asked their age. Those that qualified would be asked to complete the insecticide-naming exercise using one of the two alternatives being considered.

Alternative 1 involved a sort of the 20 tentative names by the respondents. The sort would be conducted in the following way. First, respondents would be asked to sort the 20 names into two groups based on their appropriateness for an inset repellant.

Group 1 was to consist of the ten best names and Group 2 the ten worst. Next, respondents would be asked to select the four best from Group 1 and the four worst from Group 2. Then they would be asked to pick the one best from the four best and the one worst from the subset of the four worst. Finally, all respondents would be asked why they picked the names they did as best and as worst.

Alternative 2 also had several stages. All respondents would first be asked to rate each of the 20 names on a seven-point semantic differential scale with end anchors "Extremely inappropriate name" and "Extremely appropriate name." After completing this rating task, they would be asked to spray the back of their hands or arm with the product and would then be asked to repeat the task using a similar scale, but this time one in which the polar descriptors referred to the appropriateness of the name with respect to the specific scent.

Next they would be asked to indicate their interest in buying the product by again checking one of the seven positions on a scale that ranges from "Definitely would not buy it" to "definitely would buy it." Finally, each respondent would be asked why she selected each of the names she did as being the most appropriate for insect repellents in general and the specific scent in particular.

Questions:

- 1. Evaluate each of the two methods being considered for collecting the data. Which would you recommend and why? (15)
- 2. Do you think personal interviews in shopping malls are a useful way to collect the data? If not, what would you recommend as an alternative? (10)

TOTAL: 25 MARKS

SECTION B

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

- a. Discuss the components of a research report. (15)
- b. What are the advantages of using secondary data? (10)

TOTAL: 25 MARKS

QUESTION 3

- a. Discuss the advantages and disadvantages of open ended and closed ended questions. (15)
- b. Discuss five advantages of using mail in conducting survey research. (10)

TOTAL: 25 MARKS

QUESTION 4

- a. Distinguish between probability and non probability sampling. Cite types of each sampling method. (15)
- b. Discuss five mechanical devices used in observation indicating how each is used. (10)

TOTAL: 25 MARKS

QUESTION 5

- a. What are the unethical practices done by field workers and how can the researcher minimize the effect of these practices? (15)
- b. What factors should one consider in choosing a scale to measure attitudes? (10)

TOTAL: 25 MARKS

QUESTION 6

- a. Describe the types of extraneous variables that may jeopardize the validity of an experiment. (15)
- b. What are the three major categories of pilot studies? (10)

TOTAL: 25 MARKS