

**UNIVERSITY OF SWAZILAND**  
**DEPARTMENT OF BUSINESS ADMINISTRATION**  
**FINAL EXAMINATION 2013**

**TITLE OF COURSE: CONSUMER BEHAVIOUR (BA 436/ BA 521)**

**DEGREE AND YEAR: BACHELOR OF COMMERCE YEAR 4  
FULL TIME  
BACHELOR OF COMMERCE YEAR 5  
FULL TIME**

**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: ECOSCOOT MANUFACTURERS PTY LTD**

**BACKGROUND - ECOSCOOT Manufacturers, a Gauteng based manufacturer of electric motors and accessories obtained the license to become South Africa's first manufacturer and distributor of an electric-powered (battery-driven) scooter.**

**The company can utilize its present production facilities on the West Rand but has to establish a distribution network of independent dealers who will be responsible for the sales function. The system to recharge batteries is generated with inexpensive, low grade South African coal which is abundant and does not use up any of the country's scarce foreign exchange.**

**The niche market suitable for electric vehicles include urban public transport operators, site transport operators, game viewing operators, farmers, miners, and others.**

**Exhaust fumes from vehicles are one of the greatest polluters of the urban environment and a leading cause of respiratory illness and other medical conditions. A change to electric vehicles will reduce or at least halt the growth of this air pollution, saving the country the millions that are currently used to treat these conditions.**

**THE ECOSCOOT - The ECOSCOOT is an electric-powered scooter which weighs between 60 and 80 kg driven by 24 volt motor creating 1 horse power on a continuous rating and a 2 horse power on an inter-sufficient and maximum rating.**

**RANGE AND SPEED -The ECOSCOOT has a range of up to 40 km. Rider weight, hilly terrain and cold temperatures can affect maximum range. The top speed is intentionally limited to 48 km/h to maximize range and allow the scooter to be registered and licensed as a motorized bicycle.**

**BATTERY CHARGING - The ECOSCOOT's built-in charger plugs into any 220 volt outlet. A full charge from 80% charged batteries takes about six hours but shorter trips will require much less charging time. A light on the dash comes on while the batteries are charging and flashes when they are completely charged. The scooter cannot be operated while plugged into the electricity mains.**

**MAINTENANCE** - The ECOSCOOT requires almost no maintenance compared to a petrol-powered scooter. Batteries will require topping up with distilled water about once a month with daily use in hot climates (less often in winter and with less use). The only maintenance is the occasional adjustment of brake cables and lubrication of the chain. Any bike or motor scooter shop can do these simple adjustments.

**BATTERIES** - The scooter is designed for lead acid batteries available at most battery retailers. They retail for R180 each depending on the location and quality. Battery life could vary from six months to two years depending on the extent of repeated deep discharging and the lack of periodic maintenance.

**RIDING THE ECOSCOOT** - Anyone who can ride a bicycle can ride an ECOSCOOT. In fact, it is simpler. Insert the key, turn that accelerator grip and away you go, smoothly and silently. Never any hard starting, jerky shifting or clutch work: the ECOSCOOT is completely automatic. To slow down, back-off the accelerator and drive at the speed desired. To stop, gently squeeze the handbrakes to activate powerful front and rear drum brakes. While riding, the ECOSCOOT makes very little noise. When it is stationary, it is completely silent. Best of all, the ECOSCOOT creates no pollution as you ride and uses less energy and costs less per kilometer than any other form of powered transportation.

**WHO WILL BUY THE ECOSCOOT** - Market research showed that there is a relatively high interest in this product among the youth (school going children and college students) as well as amongst industrial users such as businesses, manufacturing plants, holiday resorts and gold clubs. The markets are interested in using the ECOSCOOT for deliveries, internal transport, game viewing, fun vehicles and golf carts, respectively. It appears, furthermore, that the ECOSCOOT appeals less to males than to females. This is mainly due to a lack of speed, performance and "macho" image.

**QUESTION**

How will each of the following factors influence the individual consumer's decision to buy the ECOSCOOT and what are the implications for the marketing of the ECOSCOOT?

- 1. Perception (5)
- 2. Lifestyle (5)
- 3. Culture (5)
- 4. Family (5)
- 5. Reference groups (5)

**TOTAL: 25 MARKS**

**SECTION B****INSTRUCTIONS****ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION****QUESTION 2**

- a. Define consumer decision making. Which of the views of consumer decision making are most useful to marketers? Support your selection. (15)
- b. You are the owner of two furnisher stores: one catering to the middle class consumers and the other to the lower class consumers. How would your consumer's social class differences influence each store's product lines and advertising media selection? (10)

**TOTAL: 25 MARKS****QUESTION 3**

- a. Define opinion leaders. Discuss the methods that can be used to measure opinion leadership. In your answer, highlight one advantage and one disadvantage of each method. (15)
- b. Describe how you, as a marketer, can use the elements of learning to persuade a person to buy Herbex slimming products. (10)

**TOTAL: 25 MARKS****QUESTION 4**

- a. Discuss the factors that are important when developing the message strategy for persuasive communication. (15)
- b. One of the major concepts of motivation is that consumers are motivated to achieve goals. Failure to achieve the goals often results in frustration. Briefly discuss the ten strategies that consumers use to solve such frustration giving an example in each case. (10)

**TOTAL: 25 MARKS****QUESTION 5**

- a. Discuss the basic functions of the family in relation to consumer behavior, highlighting the recent changes in the functions of the family. (15)
- b. Communication is one of the issues to consider in diffusion of innovations. Briefly discuss how communication is crucial in diffusion of innovation. In your answer, discuss four other issues that a marketer needs to consider in diffusion of innovations. (10)

**TOTAL: 25 MARKS**