

UNIVERSITY OF SWAZILAND
DEPARTMENT OF BUSINESS ADMINISTRATION
MAIN EXAMINATION MAY 2013

TITLE OF COURSE: MARKETING RESEARCH (BA 422/ BA 319)

DEGREE AND YEAR: BACHELOR OF COMMERCE YEAR 4
BACHELOR OF COMMERCE YEAR 3
IDE BACHELOR OF COMMERCE YEAR 6

TIME ALLOWED: THREE (3) HOURS

- INSTRUCTIONS:**
- 1. TOTAL NUMER 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: GREAT HAIR

Dave Jackson understands that hair is important to people because he has worked in the hair care business for many years. He formed his own business, Great Hair. He opened a branch in London offering a simple product: a hair cut for men or boys with a shampoo wash. Business quickly boomed and within three months he was employing three hair dressers and one trainee. There was ample parking space on the premises, eight chairs were available with mirrors and extra sitting for people who were waiting to be served.

The way most barbers work in the United Kingdom is not to have a reservation system but to serve people when they need a haircut. The problem with this method is that there are usually queues. As a result, customers take one look at the shop, consider whether they have time to wait and decide to stay or return. This is particularly bad during lunch time and holidays. The shop is closed on Sundays.

There is a problem because there are times when nobody comes at all. There are cases where a barber is so popular that there is a long queue for him while the others in the shop do nothing.

Dave thinks he can eliminate these quiet periods by introducing a reservation system. This will entail contacting local people on their cell phone when their favourite barber is free (or another method of communicating to them which is convenient). He has now bought a computer which sits in the store to add data records such as: customer name, address, email address, telephone number, date of haircut and amount charged. He does not use it for reservations yet but he intends to introduce a reservation system in the next few months.

You are a consultant and Dave knows that you are a Marketing Research expert. He has asked you to advise him on how to improve his business.

QUESTIONS

1. Prepare a document for Dave Jackson to explain what secondary data (external and internal) sources you would recommend and how this would be evaluated. (10)
2. Write a proposal outlining how you would collect research for Dave. The objective should be to determine the attitudes of consumers towards the idea of the reservation system at Great Hair. (15)

TOTAL: 25 MARKS

SECTION B

INSTRUCTIONS

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

- a. Discuss the type of experiment that is being described in the following situations. Indicate a major weakness of this experiment. (15)
1. Galp (Pty) Ltd is considering phasing out its premium unleaded petrol. They selected Swaziland as an experimental market where the product might be eliminated. They decided to monitor product line sales figures.
 2. Sweeto, a soft drink producer, puts the same brand of pineapple drink in two different glasses. One group is given the drink and asked to comment on the taste. Another group is given the drinks in an unlabelled package and asked the same question.
 3. Sibuko Advertising Agency pre-tested a television advert using a small TV simulating an actual TV program with the test advert inserted alongside other adverts. This advert was shown to a focus group after which there was a discussion.
 4. Cat More, a manufacturer of a new cat food tested their product sampling with a trial size package versus no sampling and three price levels simultaneously to determine which market penetration strategy to use.
 5. Pep, a mass merchandiser, conducted an experiment to determine whether allowing employees to choose their own working hours between 6am and 7pm is better than the traditional working hours of 8am to 5pm. Each employee in Manzini is asked if he or she would like to be in the experimental or control group. All the employees in Mbabane remain on the traditional method.
- b. You are a Marketing Research executive and you have been asked to produce a short guide on sources of external secondary data for a client. How would you execute this activity? (10)

TOTAL: 25 MARKS

QUESTION 3

- a. Comment on the following sampling designs: (15)
1. The Business Community is raising funds to build a swimming pool for the new university. They printed and distributed a questionnaire in the area newspaper. Readers returned the questionnaire by mail.
 2. Edgars wants to find out if they are gaining or losing customers. They draw a sample from their list of credit card holders by selecting every 5th name.
 3. Run Fast Motor Cycle (Pty) Ltd decided to find out the characteristics of their consumers. They sent out 100 questionnaires to each of their dealers. The dealers use sales records to track down buyers of their motor cycles and distribute the questionnaire to those buyers.

4. Top Class Advertising (Pty) Ltd is in the process of testing their advertising effectiveness in the real world. They use a magazine where one half of the page shows the advert and the other half shows a questionnaire requesting readers to comment on the advert. The first 100 respondents are given an incentive for participating.
5. In selecting a sample for a focus group, Top Hits Research Agency obtains the sample through churches, schools and clubs. The organizations are paid for recommending respondents but the respondents are not paid.
- b. Define exploratory research. What are the functions of exploratory research? (10)

TOTAL: 25 MARKS

QUESTION 4

- a. Discuss the methods that a marketing researcher can use in conducting observation research. (15)
- b. Define ethics. Outline the two basic approaches that have prevailed in developing ethics. (10)

TOTAL: 25 MARKS

QUESTION 5

- a. There are many ways of collecting data. Assess the advantages and disadvantages of using telephone and mail in survey research. (15)
- b. Briefly discuss the difference between the following: (10)
 1. Validity and reliability
 2. Pooled and syndicated data
 3. Criterion validity and contrast validity
 4. Quota sampling and stratified sampling
 5. Likert scale and stapel scale

TOTAL: 25 MARKS