

**INSTITUTE OF BANKERS IN MALAWI**

**DIPLOMA IN BANKING EXAMINATION**

**SUBJECT: CONSUMER BEHAVIOUR (D214)**

**Date: Friday, 9th May 2014**

**Time Allocated: 3 hours (13:30 – 16:30 pm)**

**INSTRUCTIONS TO CANDIDATES**

1 This paper consists of **TWO** Sections, A and B.

2 Section A consists of 4 questions, each question carries 15

marks. Answer **ALL** questions.

3 Section B consists of 4 questions, each question carries 20 marks. Answer **ANY TWO** questions.

4 You will be allowed **10 minutes** to go through the paper before the start of the examination, when you may write on this paper but not in the answer book.

5 Begin each answer on a new page in Section B.

6 **Please write your examination number on each answer book used. Answer books without examination number will not be marked.**

7 All persons writing examinations without payment will risk expulsion from the Institute.

8 DO NOT open this question paper until instructed to do so.

**SECTION A (60 MARKS)**

Answer **ALL** questions from this section.

**QUESTION 1**

1. In most research, the researcher may use both primary and secondary data. What do you understand by secondary data? *(2 marks)*
2. Name any **four** sources of secondary data that would help in building and maintaining long-term relationship with customers. *(8 marks)*
3. Most companies and marketers are now buying the idea of using mystery shoppers to obtain more information for decision making in marketing activities. Who are mystery shoppers?  *(5 marks)*

**(Total 15 marks)**

**QUESTION 2**

1. Giving an example of your choice, explain the difference between positive and negative motivation. *(6 marks)*
2. Values are said to be different from beliefs: Name **any three** of the differences *(9 marks)*

**(Total 15 marks)**

**QUESTION 3**

1. Why is viral marketing also known as “buzz” or “wildfire” marketing?

*(3 marks)*

1. People in any social class possess values, attitudes and behavioral patterns.

Describe **any three** special characteristics of each of the following social class groups:

1. The lower- lower class-rock bottom
2. The upper-upper class-country club establishment

*(12 marks)*

**(Total 15 marks)**

**QUESTION 4**

1. When planning for an advert design, the marketer must know that customers may be visualisers and/or verbalisers. What do you understand by these two terms: visualisers and verbalisers? *(6 marks)*
2. It is easy for customers to evaluate the quality of goods like bread, sugar, bathing soap than evaluating the quality of services. Mention **three** characteristics that make it difficult to judge quality of services.  *(9 marks)*

**(Total 15 marks)**

**SECTION B (40 MARKS)**

Answer **ANY TWO** questions from this section

**QUESTION 5**

1. The digital revolution has brought changes in the way business is conducted. Explain any **four** drastic changes brought in by the digital revolution in the business environment. *(12 marks)*
2. Your boss is contemplating on collecting information about Visa credit cards that the bank has introduced some six months ago. Advise your boss on the difference in collecting information using focus groups and depth interviews for him to plan well on how to get information from customers who have used these credit cards. *(8 marks)*

**(Total 20 marks)**

**QUESTION 6**

1. What lesson is drawn from the 80-20 Pareto rule? *(2 marks)*
2. Explain the following type of risks the consumer may perceive in any purchase situation:
3. Social risk
4. Financial risk
5. Performance risk *(9 marks)*
6. Name **four** ways you may reduce risk involved in any purchase action.

*(8 marks)*

**(Total 20 marks)**

**QUESTION 7**

1. If you were carrying out a research and you decide to use a questionnaire to collect your data, mention **four** factors would you take into consideration when drafting your questionnaire to make it more interesting for the target respondents*. (8 marks)*
2. You have been asked to assist in designing a questionnaire to find out about customer experiences over a number of products your bank has just introduced on the market. Explain to your colleagues (using one example on each) the following attitude scales so that they can use in the questionnaire:
3. Likert scale questions
4. Semantic differential questions
5. Rank-order scale questions *(12 marks)*

**(Total 20 marks)**

**QUESTION 8**

1. Customers in most buying occasions search for information about the product they would want to buy before they make the actual purchase. Give any **three** benefits of search to show how important it is to have information about products before you buy. *(9 marks)*
2. A related factor concerning product set-up and use has to do with the product or service warranty.
3. What do you understand by product warrant? *(2 marks)*
4. Imagine you are in a business selling the following items:

* Cars/vehicles
* Clothes
* Carpets
* Computers
* Shoes

Which products will require you to provide a warranty or guarantee to the customer? Give **three** reasons to justify the need to provide a warranty or guarantee for the products chosen. *(9 marks)*

**(Total 20 marks)**

**END OF EXAMINATION PAPER**