

KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

MAIN EXAM

2020/2021 ACADEMIC YEAR

THIRD YEAR FIRST SEMESTER

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCM 311

COURSE TITLE: CONSUMER BEHAVIOUR

DATE: 19/07/2021

TIME: 2.00PM-4.00PM

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**INSTRUCTIONS TO CANDIDATES**

- 1) Answer Question **ONE**(Compulsory) and **ANY OTHER TWO** Questions
  - 2) Candidates must hand in their answer booklets to the invigilator while in the examination room
  - 3) Credit is given for legibility, clarity and use of relevant examples
  - 4) Question **ONE** is **30 marks** while Questions **2-5** carry **20 marks** each
  - 5) Clearly write your **Registration Number** on each answer sheet used
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**TIME: 2 Hours**

KIBU observes **ZERO** tolerance to examination cheating

### QUESTION ONE

“Marketers should understand the whole notion of perception and its related concepts to more readily determine what factors influence consumers to buy because individuals make decisions and take actions based on what they perceive to be reality. However it is important to note that individuals are subject to a number of influences that tend to distort their perceptions” says the CEO of Zanga Bank at the recent management meeting. In response to these comments your head of department has asked you to prepare a report on the following:

- a) Discuss any four major factors that influence consumer buying behavior? (12 marks)
- b) Explain reasons why consumer perceive things differently? (8 marks)
- c) Discuss three reasons why it is more expensive to gain new customers compared to retaining existing customers. Use examples to support your answer. (10 Marks)

### QUESTION TWO

- a) Discuss how children may influence the way families make decisions as consumers. (6marks)
- b) Discuss why an understanding of consumer needs is important for marketing strategy. Explain specific ways in which an understanding of needs can be used to influence consumers. Provide an example to illustrate your answers. (14 Marks)

### QUESTION THREE

- a) Briefly explain the three theories of personality. Which one is most appropriate for consumer research and why (10 Marks)
- b) If you are in a business selling products such as autos, microwave ovens and other sophisticated high-tech items, what two elements must you consider to ensure consumer satisfaction in the post-purchase behavior? (10 Marks)

### QUESTION FOUR

How consumers buy products may be regarded as a decision – making process beginning with the recognition that a problem exists. Discuss the marketing implications of each of the following stages of the consumer decision making process.

- a) Need recognition (5 marks)
- b) Information search (5 marks)
- c) Evaluation of alternatives (5 marks)
- d) Post purchase evaluation of the decision: (5 marks)

### QUESTION FIVE

Abraham Maslow proposed a hierarchy of needs in explaining needs that direct our behavior.

- (a) In their order, mention and briefly explain the five levels of needs as identified by Maslow. (15 marks)
- (b) Which one of the five needs is the most important of them all? Explain the reason for your answer. (5 marks)