



MANICALAND STATE UNIVERSITY OF APPLIED SCIENCES

FACULTY OF AGRIBUSINESS AND COMMERCE

Department of Business Management

CONSUMER BEHAVIOUR

MODULE CODE: HMM 226

SESSIONAL EXAMINATIONS

SEPTEMBER/OCTOBER 2021

DURATION: 3 HOURS

EXAMINER: MR F MAKUDZA

INSTRUCTIONS

- 1. Answer all questions in Section A and any three questions in Section B.*
 - 2. Section A carries 40 marks whilst Section B carries 60 marks.*
 - 3. Total marks 100.*
 - 4. Credit will be given for appropriate use of examples.*
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SECTION A: COMPULSORY

(Answer all questions in this section. Section A carries 40 marks)

Question 1:

CASE STUDY: CBZ service quality strides and challenges

The Commercial Bank of Zimbabwe (CBZ), arguably, is the largest bank in Zimbabwe in terms of account holders. CBZ is a wholly owned subsidiary of the diversified and listed financial services group called CBZ holdings. CBZ offers a wide range of banking services to the Zimbabwean market. Some of the banking services that it offers include retail banking, corporate banking, agribusiness wealth management and custodial services (CBZ, 2021).

CBZ Bank has been aiming at offering a differentiated service to its customers to develop consumer perception of quality which drives their intention towards more usage and favourable word of mouth. The bank has made considerable number of strides as it aims to disconfirm customer expectation. According to the CBZ Annual Report (2020), the bank runs the CBZ Rewardz Promo to reward their loyal clients who were actively connected with the bank using the digital platforms. The bank even launched the CBZ Youth Entrepreneurs Programme (YEP) to offer an augmented service above the customer expectation. The CBZ touch mobile application was also enhanced with 390 439 registrations in 2019 against only 37 396 new registrations in 2020. The bank has also engaged its clients on the social platforms. The Facebook platform recorded a 228% increase in CBZ fans from 2019 to 2020 to stand at 121 847 fans by June 2021. Some banking halls were renovated to give customers a whole dynamic and exquisite banking environment.

However, as the economic situation in Zimbabwe continues to plunge, the extent to which the customers of CBZ were perceiving the service of CBZ as quality left a lot to be desired. According to the Zimbabwe Banking Sector Customer Engagement Report (2020), more customers had the intention to move from local banks to international banks. In the same study, only 21% of CBZ Bank customers indicated their behavioural intention to stay at CBZ. The statistics were worrisome from CBZ point of view as 79% of the sampled CBZ customers had a negative behavioural intention.

The current cash crisis in Zimbabwe has seen long winding queues at CBZ banks with some customers spending several nights in queues, yet they go home without making the much needed cash withdrawal (Pariwa, 2018). At a time when other banks like Standard Chartered Bank and First Capital Bank suspended the opening of new accounts, so as to satisfy the existing clients with the few resources they have, CBZ has left its doors wide open, thereby allowing needy clients to overburden already over stretched few resources.

Source: Excerpt with adaptation from Chiwakata and Makudza (2018)

Required:

- a) Relate the following aspects to CBZ consumers:
 - i) Consumer's behavioural intention (3 Marks)
 - ii) Consumer perception (3 Marks)
 - iii) Augmented service (3 Marks)
 - iv) Consumer behaviour (3 Marks)

- b) Given the strides that CBZ did to exceed customers' expectations and the resulting challenges on customer service, discuss the likely consumer behavioural intention. (5 Marks)
- c) Debate the effectiveness of the CBZ strategy of opening new accounts whilst failing to service existing ones. (8 Marks)
- d) Discuss how CBZ can apply multi-sensory marketing to revive consumers' perceptions of their brand. (15 Marks)

[Total 40 Marks]

SECTION B

(Answer any 3 questions from this section. Each question carries 20 marks)

Question 2

- a) Discuss any three (3) key determinants of demand for consumer goods within consumer markets. (9 Marks)
- b) With the aid of examples, discuss the marketing implications of studying consumer behaviour. (11 Marks)

[Total 20 Marks]

Question 3

Discuss the marketing application of the B. F Skinner's instrumental conditioning model of consumer learning. **[20 Marks]**

Question 4

You have been hired as a specialist in consumer marketing to help improve the visibility of a consumer brand called XYZ. Upon a closer examination of the product, you realised that consumers were not buying merely because they had negative attitudes towards XYZ. Your contractor is convinced that the product is of high quality and that it is correctly priced. It just does not add up to him how mere consumer attitudes, not even disposable income, was a deterrent to his business fortunes.

- a) With the aid of any consumer attitude-formation model, advise your

contractor on how the negative consumer attitudes against his products may have developed. (10 Marks)

- b) Suggest logical consumer centric strategies that have potential to change the negative consumer attitudes towards XYZ. (10 Marks)

[Total 20 Marks]

Question 5

You are the marketing manager for Manicaland State University of Applied Sciences (MSUAS). You have made an application to your boss so that you invest in manipulating potential students' behavioural intention to study at MSUAS. Your boss asks you to make a presentation on what you intend to do.

Draft a presentation on how potential students make decisions to enrol with institutions of higher learning. In your presentation, discuss how you intent to manipulate potential students' behavioural intention to study at MSUAS at each stage of their decision making process. **[20 Marks]**

Question 6

You have been hired to develop an outdoor billboard concept to promote a newly introduced brand called ABC. The main worry of the company is whether your billboard will warrant the desired consumer attention, given that consumers are exposed to a lot of commercials daily.

Using your expert knowledge of consumer behaviour, discuss how you may develop the billboard concept which attracts consumers' attention. **[20 Marks]**

END OF EXAM