

BINDURA UNDIIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF MARKETING

PROGRAMME: Msc Digital Marketing

Consumer Behaviour

MMkt503

57 OCT 2019

TIME: 3 HOURS 15 MINUTES

INSTRUCTIONS TO CANDIDATES

1. Answer **QUESTION ONE (COMPULSORY)** and any other **THREE** questions.
2. Question one carries 40 marks and any other three questions carry 20 marks each.
3. Start each question on a new page.
4. NO cell phones are allowed in the examination room.

QUESTION ONE (COMPULSORY)

Read the case study and answer the following questions.

Determinants of purchase intentions in Saudi Arabia

Saudi Arabians consume all types of products, they are the largest consumers market in the MENA area. Many companies tailor their products to meet local consumers' standards and taste. For example McDonalds introduced McArabia, a pita bread sandwich to meet Saudi's and Emirates taste. Other companies change colour, names and packaging to appeal to Saudi's consumers and increase their perceived value.

Perceived value is different based on the culture and to ensure sufficient understanding of this abstract concept. Zeithamal (1996) defined perceived value from a marketing perspective as the consumer's overall assessment of the utility of a product based on the perceptions of what is received and what is given. Perceived value is an important element in the relationship of product quality and price. It has a high influence on the consumers' purchasing decision. In addition, Patrick, (2012)

has pointed the dimensions of what the consumers expect to receive from the purchasing services: quality, the emotional response, the reputation obtained from the services, the monetary price and the behavioural price. It is also an important indicator to the repurchase intention.

Most of the previous research have focused on quality and price as the major components of value. In addition, consumers compare what they get-products attributes-with what they give-money, time and effort-which means they are value driven. In fact, perceived value means more than that. Recently it is used as a competitive advantage for strategic thinking. Studies found that consumers who have different perceived value will have different purchase behaviour. Value creation is an essential concept for marketing practitioners and scholars. It is considered as a key to long-term success and delivering consumer value might be the only thing that matter in the new world. In fact, perceived value can create a good brand image when consumers receive trustworthy perceived value in the products and services consumption.

.(Source: Alhidari and Almeshal, 2017)

- a) Define term 'perceived value' in your own words (4)
- b) Describe the old elements of value. (8)
- c) Describe the new elements of value. (8)
- d) Discuss how companies tried to create value to Saudi Arabians consumers. (20)

[40 MARKS]

QUESTION TWO

You are planning to purchase a house in high density area. Discuss using relevant examples how reference groups can influence your buying decision. [20 MARKS]

QUESTION THREE

Justify using relevant examples, the rise of consumerism in Zimbabwe. [20 MARKS]

QUESTION FOUR

Discuss the usefulness of the model of the store loyalty with reference to supermarkets in Zimbabwe. [20 MARKS]

QUESTION FIVE

Discuss the characteristics of culture and their marketing implications. **[20 MARKS]**

QUESTION SIX

Summarise the importance of the Freudian personality theory and trait personality theory to the marketing of products and services. **[20 MARKS]**

END OF PAPER