

# higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

### NATIONAL CERTIFICATE (VOCATIONAL)

## CONSUMER BEHAVIOUR NQF LEVEL 4

(3041034)

22 November 2019 (X-Paper) 09:00–12:00

This question paper consists of 9 pages.

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TIME: 3 HOURS MARKS: 150

#### **INSTRUCTIONS AND INFORMATION**

- 1. Answer ALL the questions.
- 2. Read ALL the questions carefully.
- 3. Number the answers according to the numbering system used in this question paper.
- 4. Start each question on a NEW page.
- 5. Write neatly and legibly.

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#### **SECTION A**

#### **QUESTION 1**

1.1 Choose the correct word or words from those given in brackets. Write only the word or words next to the question number (1.1.1–1.1.10) in the ANSWER BOOK.

- 1.1.1 Customers' (complaints/queries) assist the enterprise in putting things right.
- 1.1.2 The greatest source of conflict in the distribution channel is (quantity/price).
- 1.1.3 (Lifestyle/Perception) is the result of the human mind selecting, organising and integrating stimuli into a meaningful and coherent overall picture.
- 1.1.4 The (real/false) objection is positive, because it shows that the customer is interested in buying, provided his/her problem can be solved.
- 1.1.5 (Referral/Non-referral) prospecting is also known as cold canvassing.
- 1.1.6 The (early majority/early adopters) tend to be opinion leaders and tend to be socially and geographically mobile.
- 1.1.7 The (showmanship/hesitation) technique is not meant to trick the customer, but to help the salesperson find out the customer's needs.
- 1.1.8 (Discount stores/Supermarkets) operate on a self-service basis, saving overhead costs by employing less staff.
- 1.1.9 (Verbal/Non-verbal) communication includes what customers are saying through the use of gestures.
- 1.1.10 The (centralised/decentralised) buying process exists when the purchasing of company input is controlled exclusively by one department in an organisation.

 $(10 \times 1)$  [10]

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- 1.2 Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question (1.2.1-1.2.10) in the ANSWER BOOK.
  - 1.2.1 Characteristics that are used in building partnerships between customers and organisations:
    - A. Punctuality
    - B. Reliability
    - C. Networking
    - D. Complexity
  - 1.2.2 Information on a label, which provides the dosage use of a product is called:
    - A. Direction
    - B. Nutrition
    - C. Ingredient
    - D. Additives
  - 1.2.3 Method that is used to gather prospects data is called:
    - A. Referral prospecting
    - B. Customer base
    - C. Field trial
- D. Moderation
- 1.2.4 Packaging can damage the image of the product through the following:
  - A. Elegancy
  - B. Wholesome images
  - C. Colourfulness
  - D. Loud, distracting designs
- 1.2.5 Common types of labels include:
  - A. Trademark label and compound label
  - B. Trademark and manufacturing label
  - C. Trademark label and informative label
  - D. Trademark label and care instruction label
- 1.2.6 Consumer behaviour comprises the following THREE fields of study:
  - A. Economic, Social and Cultural study
  - B. Economic, Social and Opinion study
  - C. Economic, Social and Individual study
  - D. Economic, Social and Lifestyle study

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- 1.2.7 Stage in brand acceptance include:
  - A. Brand tolerance
  - B. Brand preference
  - C. Brand remembrance



- D. Brand acknowledgement
- 1.2.8 Changing situations fall into the following categories:
  - A. Business wealth
  - B. Business responsibilities
  - C. Business policy
  - D. Business image
- 1.2.9 When a customer crosses one leg over the other, it shows that the customer is:
  - A. Tense
  - B. Feeling of protection
  - C. Stubborn personality
  - D. Lying
- 1.2.10 In a submissive hand shaking, the palm of the hand is turned:
  - A. Vertical
  - B. Upwards
  - C. Downwards
  - D. Sideways



 $(10 \times 1)$  [10]

- 1.3 Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'True' or 'False' next to the question number (1.3.1-1.3.10) in the ANSWER BOOK.
  - 1.3.1 Closing a deal is the end of the selling process.
  - 1.3.2 In business markets, purchases are usually higher in frequency.
  - 1.3.3 If a company receives no complaints, it is unlikely because its business is perfect. It is more likely that the customers believe that complaining is useless and that they are taking their business elsewhere.
  - 1.3.4 The aim of a product warranty is to provide potential buyers with an added level of confidence in the products to be purchased.
  - 1.3.5 Financing often occurs directly by paying on or before delivery and selling on credit and granting cash discounts.
  - 1.3.6 It is advisable to make assumptions about customers' needs.

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1.3.7 Successful prospectors believe in the value of their products and are enthusiastic about their potential to satisfy customers' needs.

- 1.3.8 If you are unhappy with something you have paid for, you have the right to complain to the seller and insist on a refund or replacement.
- 1.3.9 The aim of exclusive distribution is to decrease sales through the elimination of competitive brands at retail outlets.
- 1.3.10 Appearance, clothes and age should be used as indicators of the quality service customers will receive.

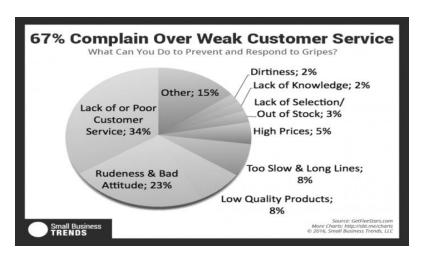
 $(10 \times 1)$  (10) **[30]** 

TOTAL SECTION A: 30

#### **SECTION B**

#### **QUESTION 2**

Study the following chart and answer the questions.



2.1 2.1.1 What is the percentage of customers who complain about high prices? (1)

2.1.2 According to the above chart, which TWO things do customers complain about the most? (2)

2.2 Briefly explain THREE strategies of dealing with customer complaints.  $(3 \times 2)$  (6)

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2.3



2.3.1 Name FIVE benefits that retailers derive from bar coding.  $(5 \times 1)$ (5) 2.3.2 Explain what the following digits in the barcode represent: 23456 (a) 78901 (b)  $(2 \times 2)$ (4) State FOUR rights of a consumer. 2.4  $(4 \times 1)$ (4) 2.5 Define the following prospecting techniques: Referral sales  $(2 \times 2)$ 2.5.2 Media scanning (4) 2.6 Give FOUR reasons why intermediaries are used. (4) [30]

#### **QUESTION 3**

3.1 Choose an item from COLUMN B that matches a description in COLUMN A. Write only the letter (A-G) next to the question number (3.1.1-3.1.5) in the ANSWER BOOK.

COLUMN A			COLUMN B		
3.1.1	Can also be cash-and-carry wholesalers	Α	merchant wholesaler		
3.1.2	Catalogues are mailed to potential customers who then place orders	В	brokers		
3.1.3	Wholesaler who offers selling and delivery services, usually perishable products	С	rack jobbers		
		D	drop shippers		
3.1.4	Administer shelf space in retail outlets	Е	mail order wholesalers		
3.1.5	Offer the retailer a similar service as they offer consumers by not keeping goods in	F	self-service		
Q	stock, contact producers who then deliver to consumers themselves	G	truck jobber		

 $(5 \times 1)$ (5)

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3.2 Study the brands below and answer the questions.

3.2

4.4.3

called ...





	3.2.1	Which ONE of the two brands shown above is a descriptive brand?				
	3.2.2	Define the term descriptive brand.	(2)			
	3.2.3	Are McDonald's and Burger King competitors? Substantiate your answer.	(2)			
3.3	Explain F	Explain FIVE ways of referral introductions.				
3.4	Give TW	Give TWO examples of manufacturer's brands.				
3.5	Give FIV	E examples of common complaints often made by customers.	(5)			
3.6	Give FIVE reasons why consumers hide their real objections.					
3.7	Name Th	HREE negative verbal signs.	(3) <b>[30]</b>			
QUES	TION 4					
4.1	State the last FIVE steps of the consumer decision-making process.					
4.2	State FIVE hints a salesperson should be aware of to know when to stop talking and to start listening to the customer.					
4.3	Briefly ex	Briefly explain FIVE techniques that can be used to solve a problem. $(5 \times 2)$ (10)				
4.4	•	Complete the following statements by providing the correct function or type of packaging:				
	4.4.1	Modified packages that make products safe from interferences such as seals are called				
	4.4.2	Packages that keep products, such as tomatoes, together so that				

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Packages that make perfumes to have an exclusive image are

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4.4.4 Changing some aspects of the packaging, such as putting World Cup soccer players' faces on it is called ...  $(4 \times 2)$ (8)4.5 Write down a statement that shows that the customers use 'recognition' as a means of brand acceptance. (2)[30] **QUESTION 5** 5.1 Briefly discuss FIVE functions of wholesalers.  $(5 \times 2)$ (10)5.2 Name and explain THREE types of conflict that can be found at all levels of the distribution channel.  $(3 \times 2)$ (6)5.3 State THREE economic determinants of consumer buying behaviour. (3)5.4 Explain the meaning of referral prospecting.  $(2 \times 2)$ (4) 5.5 Salespeople are criticised by consumers for not knowing how to make a good first impression. State SEVEN impression killers that will prevent customers from buying at certain retail shops. (7) [30] **TOTAL SECTION B:** 120 **GRAND TOTAL:** 150