

**INSTITUTE OF BANKERS IN MALAWI**

**DIPLOMA IN BANKING EXAMINATION**

**SUBJECT: CONSUMER BEHAVIOUR (IOBM – D214)**

**Date: Friday,13th May 2016**

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

**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, you may write on this paper but not in the answer book.

5 Begin each answer on a new page.

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

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

8 If you are caught cheating, you will be automatically disqualified in all subjects seated this semester.

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

**SECTION A (60 MARKS)**

Answer **ALL** questions from this section.

**QUESTION 1**

1. From the customer’s point of view, what do you understand by ‘perceived risk’?

*(2 marks)*

1. Write brief notes on a presentation you can make to a group of students doing the Banking course on the difference between diffusion and adoption. *(4 marks)*
2. If you are a marketer, selling the Toyota saloon vehicle, outline at least **two** types of information you would want to give to the following Decision Making Unit (DMU) members in order to make a sale:
3. Users *(3 marks)*
4. Influencers *(3 marks)*
5. Financiers *(3 marks)*

**(Total 15 marks)**

**QUESTION 2**

1. It is believed that the purchase decisions that consumers make play a very important role in the health of an economy. Explain briefly to a workmate **three** ways in which our purchase choices would affect the economy of Malawi. *(6 marks)*
2. Put forward **three** arguments to convince the General Manager of News Commercial Bank to focus on customer retention strategies, in an effort to maintain loyal customers. *(9 marks)*

**(Total 15 marks)**

**QUESTION 3**

1. Explain to a colleague:
2. What syndicated data is *(2 marks)*
3. Why organizations go for syndicated data *(2 marks)*
4. How online surveys are conducted *(3 marks)*
5. As a researcher for Zako Commercial Bank, discuss any **two** quantitative research data collection instruments you would use to collect data in a survey on ATM card usage and convenience. *(8 marks)*

**(Total 15 marks)**

**QUESTION 4**

1. What **three** possible outcomes can result from a dissatisfied customer who bought a pineapple flavoured yoghourt from Dairiaz company and did not like it. (*3 marks)*
2. The branch manager of Ziavee Commercial Bank wishes to segment the market using the usage variable. Using examples, explain **three** ways in which the manager can use the rate of usage to segment and serve the market. *(12 marks)* **(Total 15 marks)**

**SECTION B (40 MARKS)**

Answer ANY **TWO** questions from this section

**QUESTION 5**

You have been asked to make a presentation to all Customer Service Managers in all branches of your Bank on the importance of analyzing customer complaints. Prepare this presentation which should clearly explain the **five** characteristics of a good complaint analysis system these managers need to develop and monitor in their branches. *(20 marks)*

**(Total 20 marks)**

**QUESTION 6**

1. What is the difference between enculturation and acculturation? *(4 marks)*
2. What is the difference between halo effect and stereotyping? Explain your answer by giving **one** example of each of these two perceptual errors. *(6 marks)*
3. Customers are known to be influenced by a diverse range of people that they come in contact with or observe. Discuss the **five** types of groups that influence customers’ attitudes and behavior. *(10 marks)*

**(Total 20 marks)**

**QUESTION 7**

1. Your manager is not convinced that in an effort to woo customers on a product, opinion leaders can be identified and engaged in the exercise. Explain the **four** ways an opinion leader influences purchase decision of other individuals  *(8 marks)*
2. Giving examples, describe the **three** types of product innovations that are likely to disrupt established behavior . *(12 marks)*

**(Total 20 marks)**

**QUESTION 8**

1. What do you understand by a CETSCALE? *(2 marks)*
2. How would you interpret a low or high score on a CETSCALE? *(8 marks)*
3. The amount of consumer search customers engage in varies considerably and across individuals and purchase occasions. What do you think are the **five** benefits of search when opening a new bank account? *(10 marks)*

**(Total 20 marks)**

**END OF EXAMINATION PAPER**