INSTRUCTIONS:
1. Read the following instructions carefully before answering the paper, as failure to act upon them will result in a loss of marks.
2. Write your answers in your answer book, which is provided in the exam.
3. Ensure that your name and student number are clearly indicated on your answer book.
4. Write your answers in either blue or black ink in your answer book.
5. Read each question very carefully before you answer it and number your answers exactly as the questions are numbered.
6. Begin with the question for which you think you will get the best marks.
7. Note the mark allocations for each question – give enough facts to earn the marks allocated. Don’t waste time by giving more information than required.
8. You are welcome to use diagrams to illustrate your answers.
9. Please write neatly – we cannot mark illegible handwriting.
10. Any student caught cheating will have his or her examination paper and notes confiscated. The College will take disciplinary measures to protect the integrity of these examinations.
11. If there is something wrong with or missing from your exam paper or your answer book, please inform your invigilator immediately. If you do not inform your invigilator about a problem, the College will not be able to rectify it afterwards, and your marks cannot be adjusted to allow for the problem.
12. This paper may be removed from the examination hall after the examination has taken place.

NOTE: FOR ADDITIONAL INSTRUCTIONS PLEASE TURN TO PAGE 2.
ADDITIONAL INSTRUCTIONS

1. QUESTION 1 is compulsory.

2. Answer any THREE of the five remaining questions.

3. Answer FOUR questions in total.

4. Questions must be answered in the correct sequence.

5. Answer ALL QUESTIONS in the answer book provided.

6. Answers should be legibly written and all rough work, as well as cancelled answers, must be crossed out.
Read the article below and answer the questions that follow.

**NEDBANK IS PAYING THE PRICE FOR 'EXCLUSIVE' CUSTOMER TAG**

Ingrid Johnson, Nedbank's group managing executive of retail and business banking, is trying hard to change consumer perceptions of the bank as being exclusively for elite and well-to-do people. SA's fourth largest bank's advertising aims to attract people in the low income bracket – a far cry from yesteryear's 'Who are these people?' campaign. At that time, the Nedbank board decided it needed 'the right customer', said Johnson. She recalled that 20% of clients generated 80% of the revenue, while the majority of the customers were costly to the bank. 'In their maths they didn't figure out about marginal costs, and actually you need big numbers to contribute to scale,' she said.

Nedbank holds the second largest Mzansi account client base after Post Bank, which next year will be a fully registered bank and is currently preparing to fight for market share. Johnson would ideally like to see Mzansi accounts become Ke Yona accounts, with some clients upgrading to the Nedbank Savvy bracket, an offer for middle-income earners. The bank's strategy includes signing up a high number of clients at the Nedbank Ke Yona soccer tournaments. The Ke Yona offering is available through more than 1 000 staffed outlets as Nedbank expands into communities that were not previously served. These include far-flung places such as Ngqeleni, Idutywa and Centane in the Eastern Cape; Acornhoek in Mpumalanga; and Thohoyandou in Limpopo. A branch was recently opened in Kuruman in the Northern Cape.

**New plan to attract low-income earners**

Ke Yona is Nedbank's answer to Standard Bank's bank shops, to FNB's Easy Plan, and to Capitec. With Ke Yona, a client can open a pay-as-you-use transaction account for R5, and with that comes funeral cover worth about R2000. Clients can withdraw cash for R1, the same price Capitec clients are charged. Johnson said Nedbank was the first bank to enable cash withdrawal at point of sale – via Nedbank's Go Banking Partnership with Pick n Pay. Nedbank decided to absorb Go Banking in 2008 after it realised that the facilities customer base of about 90 000 clients was not enough to sustain it as a separate business.

Clive van Horen, MD of Nedbank retailing banking services at the time, said Go Banking was not profitable despite being in operation for seven years. Nedbank was also the first bank in SA to pay interest on current accounts. It then had a multi-brand strategy, which also controlled Permanent Bank and Peoples Bank. Jonson reckoned it was a 'mistake' to choose for customers which bank they belonged to and forcibly remove them to other banks. 'Don't put somebody in a box,' she stressed. Capitec Bank saw an opportunity and capitalised on being a champion for the low-income market. According to Carl Fischer, Capitec Bank's Head of Marketing and Corporate affairs, it has rapidly gone past Nedbank to become the country's third largest bank in client numbers. The Stellenbosch-based bank has about 3.2 million active clients from the 4.6 million registered clients on its books. Nedbank added about 94 000 net new clients year on year and a 14.6% increase in overall client base to five million, assisted by the acquisition of Imperial Bank. It has signed about 170 000 Vodacom M-Pesa clients since the launch of the facility.

QUESTION 1

In the light of the information provided in the article, you are requested by NEDBANK to investigate the willingness of low income earners in South Africa (people earning R5000 or less a month) to open a NEDBANK account in 2012.

Discuss your proposed research study, focusing on the following aspects:

(a) Formulate a suitable research problem for the proposed research study. (2)

(b) Formulate two distinct objectives for the research study. (2 × 2 = 4)

(c) Formulate two distinct hypotheses for the research study. (2 × 2 = 4)

(d) What survey method(s) would you use if you were to conduct this study? Motivate your answer. (10)

(e) Identify and comment on any two major findings of this study. (5) [25]

AND / OR

QUESTION 2

(a) Discuss the steps in the marketing research process under the following headings:
   i. Define the marketing problem (6)
   ii. Construct a model (4)
   iii. Collect the data as specified in the model of the problem (2)
   iv. Analyse and evaluate the data obtained (2)
   v. Prepare the final report of the survey (3)

(b) Discuss the advantages of consumer panels as a research technique. (8) [25]

AND / OR

QUESTION 3

(a) Discuss test marketing under the following headings:
   i. Define the objective (3)
   ii. Integrate test marketing operations (3)
   iii. Decide on the number of test markets (6)
   iv. Establish the duration of the tests (3)

(b) Briefly discuss packaging research. (10) [25]
QUESTION 4

(a) Discuss motivational research under the following headings:

   i. Advantages (6)
   ii. Disadvantages (5)

(b) Discuss the different survey errors that a researcher may encounter, and recommend strategies that could be applied to minimise these errors. (14) [25]

AND / OR

QUESTION 5

(a) Develop a questionnaire that will measure the interest that the low income consumer has in joining NEDBANK from 2012. The questionnaire must meet the following requirements:

   • establish the demographics of the respondents
   • establish the willingness of low income consumers to open a NEDBANK account in 2012
   • establish the suggestions of respondents on what NEDBANK must do to interest them in opening a bank account with them in 2012

Your questionnaire must also be reflective of EACH of the following types of questions:

   • open ended question
   • dichotomous question
   • multiple-choice question
   • ranking question
   • grid question (20)

(b) Briefly discuss what must be included in the main body of a report. (5) [25]

AND / OR
QUESTION 6

(a) Differentiate between the following terms:
   i. probability and non-probability sampling  (4)
   ii. quantitative and qualitative research  (4)
   iii. exploratory and descriptive research  (4)

(b) It is important for the researcher to provide clear instructions to fieldworkers on how they should conduct an interview.

   Since you will be using fieldworkers for interviews in your area, indicate your instructions to them before they conduct their interviews.  (13) [25]

TOTAL: 100 MARKS