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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR**  
**THIRD YEAR, FIRST SEMESTER EXAMINATION**  
**FOR THE DEGREE OF BACHELOR OF SCIENCE**  
**(BUSINESS ADMINISTRATION)**

Date: 6<sup>th</sup> December, 2023  
Time: 11.30am –1.30pm

**KBA 317 - CONSUMER BEHAVIOUR**

**INSTRUCTIONS TO CANDIDATES**

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**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

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**QUESTION ONE (30 MARKS)**

Maasai Mara Lodge is one of Kenya's most famous hotels. In its own words it is the 'epitome of English style, the last word in luxury'. Visiting statesmen often stay there and whilst doing so use the hotel to entertain members of the British Royal family. Building on this exclusive reputation the hotel has teamed up with one of the KENYA's top chefs naming one of its restaurants 'Gordon Ramsay at Maasai Mara Lodge', thus positioning itself in the world of fine dining as well as that of luxury accommodation. Whilst enjoying the delights of Maasai Mara Lodge' celebrity created food you can choose to accompany your meal with not just an impressive selection of wine but also with a choice of waters. Maasai Mara Lodge' water list provides a collection of 30 of the worlds 'finest' bottled waters, with the most expensive costing the equivalent of £50 a litre. These waters are selected from around the world, from sources as exotic surroundings such as the icebergs of Canada, the volcanoes of New Zealand and the Nilgris mountains in India as well as locally identified natural springs. Described in terms more familiar to those reading a wine menu, the various waters make claims about their taste, health benefits and the foods to which they are best suited.

Renaud ole Mesut, the director of food and wine at Maasai Mara Lodge, is quoted as saying 'Water is becoming like wine. Every guest has an opinion and asks for a particular brand.' The last item on the water list is Kenya tap water, which is available in a glass or a jug free of charge. Costing less than 1 pence a litre, in a blind taste test this tap water was actually rated higher than many of the more exclusive brands on Maasai Mara Lodge' list. The consumption of bottled water is increasing rapidly and is, in fact, the fastest growing sector of the soft drinks industry. In Kenya, two billion bottles a year were consumed in 2003, an increase of 18% on the previous year. Yet in Kenya and other developed countries we have a ready supply of water, available at a much more reasonable cost in our taps. This growing preference for bottled water is not because the water in our taps is contaminated or otherwise unsafe to drink, or according to the blind taste test quoted above, because it does not taste good. So, whilst tap water is safe, functional and palatable, people are prepared to pay a premium for water brought to them in a bottle from Canada, New Zealand or India. How can this be explained? Drinking bottled water has become a lifestyle choice. Consumers might choose to drink it because they like the bottle, the convenience, or the values with which they perceive a particular brand to be associated. In short, the increase in consumption of bottled water can be explained by our concern with brands and the way in which they are used to make statements about the people we are, and the lifestyles we aspire to.

- a) With reference to the case study ‘Bottled water – A pure or guilty pleasure?’ above, highlight the benefits of globalization. (6 Marks)
- a) As a marketer in a water bottling company, enlighten member of your quality circle determined the appeal a customer was likely to consider when making a purchase decision of bottled water. (6 Marks)
- c) Suppose a family was having dinner in Maasai Mara Lodge name and explain the different people who might have played any of the several roles in the buying decision process of the bottled water. (6 Marks)
- d) Outline the four views of consumer decision-making that may have influenced the outcome of the choice in (c) above. (6 Marks)
- e) Explain why it is important for a marketers of the products under study should understand and apply consumer behaviour concepts and theories. (6 Marks)

**QUESTION TWO (20 MARKS)**

- a) Customers feel more appreciated and comfortable by the brands that tailor goods or services based on their cultural needs. Through localization and globalization, your business can reach your international target audience and win the trust of new clients. Explain the losers in globalization. (10 Marks)
- b) Highlight the three levels of consumer decision-making. (10 Marks)

**QUESTION THREE (20 MARKS)**

- a) Explain how an organization can use consumer behavior for decision making and marketing Decisions. (10 Marks)
- b) A number of different approaches have been adopted in the study of decision making, drawing on differing traditions of psychology. Explain the modern managerial approach to study consumer behavior. (10 Marks)

**QUESTION FOUR (20 MARKS)**

- a) Actual purchasing is only one stage of the buying process. Not all decision processes lead to a purchase and not all consumer decisions include all six stages. Explain these six stages. (10 Marks)
- b) Discuss the different factors that influence consumer behaviour. (10 Marks)

**QUESTION FIVE( 20 MARKS)**

- a) When consumer buys any product first time, it is called as Trial. Consumers try to evaluate the new brand and future repeat purchase would depend on perception of the consumer after using the product. Describe the nature of consumer behavior. (10 Marks)
- b) Describe and evaluate Freudian Theory in relation to consumer motivation and personality. (10 Marks)