

UNIVERSITY OF FORT HARE
DEPARTMENT OF APPLIED MANAGEMENT, ADMINISTRATION AND ETHICAL
LEADERSHIP

ADVANCED MARKETING RESEARCH
BEC 516/516E

DEGREE EXAMINATIONS
JULY 2025

Time: DURATION: 3 HOURS
Subject: BEC 516/516E
Marks: 100

Internal Examiners

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External Examiners

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INSTRUCTIONS

1. Answer ALL QUESTIONS.
2. LABEL your ANSWER BOOKS correctly.
3. Enter the correct question number for each answer.
4. Enter the numbers of the questions answered on the front cover of your answer books.
5. Indicate the number of answer books handed in on the front cover of each book.
6. Write legibly.

QUESTION 1 (80 marks)

Read the following case study and answer the questions that follow:

Healthy soups: The new frontier

The company known as Campbell's Soup Inc., produced the global brand known Campbell's soup. Although the company is based in the USA, it distributed its products all over the world, including South Africa. However with the increased emphasis on healthy living, it was facing new challenges in the form of the introduction (by its opposition) ConAgra Inc. which had introduced a new soup called Healthy Choice Soup. Campbell's Soup Inc. hopes to meet the challenge from ConAgra Inc. by introducing a new soup range called Healthy Request, which promises to be lower in fat, salt and cholesterol than Campbell's Soup Inc. usual soups.

The Healthy Request launch, coming later this month, comes at a time when Campbell's Soup Inc. is under pressure and consequently David W. Johnson, who became Campbell's chief executive last year, has cut costs. But Campbell's still counts on soup for half its profits, and U.S. per capita soup consumption has stalled at about 43 bowls of soup per year, per capita. While the company still owns two thirds of the \$2.6 billion soup market, competitors have nibbled away at its dominance. Worse still, notwithstanding Campbell's attempts to persuade consumers that "soup is good for you" many of them not buying Campbell's soup because, David W. Johnson guesses, they are concerned about the traditional high salt content.

"We are very much trying to retain the loyalty of our customers," says Anthony Adams, Campbell's vice president marketing research. "Healthy Request" gets us out in front of their needs and out in front of the competition."

But Campbell's lead in healthy soups could be short-lived. ConAgra is about to roll out 10 low-salt soups under its powerful Healthy Choice brand. Other brands are also cooking up healthier soups of their own.

The contest between Campbell's and ConAgra, however, promises to be the most bitter. Although it has no experience in selling soup, ConAgra is nearly three times Campbell's size. The two companies have long been rivals in the supermarket frozen foods market but since the introduction last year of Healthy Choice frozen dinners, these have "eaten" into all other competitors' market share, including Campbell's.

Now ConAgra has similar aspirations in soup. "We breathe life into the markets we enter" boasts, Charles D. Weil, CEO of ConAgra Frozen Food's, the unit launching Healthy Choice soup. "If we didn't think we could do a sizable [soup] business over time, we wouldn't be entering the market."

Critics have already begun saying how wholesome the new soups are. And it's uncertain whether consumers will find them as pleasing to their taste as the salt laden

soups they grew up on. Campbell's has had a very low salt variety on the market for years, but consumers have been unmoved.

For the company that prevails, the prize is potentially large. The wholesome (low salt) varieties may eventually account for 30% of the whole market. Although consumers have largely ignored Campbell's low salt soups up to now they would buy them if they tasted better, speculates (guesses) Mona Doyle, an industry expert.

The fight between the two companies has already got nasty. The two went to court when ConAgra tried to block Campbell's use of the word, "healthy". Campbell's won the right to use the word healthy on its soups, but it cannot use it on, but it cannot use it on other products without the consent of ConAgra.

- 1.1 Discuss the management decision problem(s) facing Campbell's. [10]
- 1.2 Compile three possible research questions from the case study. In respect of each research question, you should justify why you think that the research question is appropriate within the context of the scenario set out in the case study. [12]
- 1.3 Provide both the null and the alternative hypothesis for each research question. [6]
- 1.4 Discuss the differences between primary and secondary data and explain how Campbells can use secondary data to minimise the costs associated with the collection of primary data to answer the research questions set out in your answer to Question 1.2 (above). In your answer, you should detail at least three types of secondary data that would be relevant to Campbells. [16]
- 1.5 Campbell's Marketing Director decides that they need to conduct market research by collecting primary data from South African consumers using a quantitative research approach. Discuss two sampling techniques and two data collection methods that would be most appropriate for this research. Justify your answers in the context of this case study. [20]

- 1.6 To conduct this market research, Campbell's are trying to decide between the cross-sectional and longitudinal research designs. Explain each design and advise them on which one you think would be most appropriate for their purposes, and why. [16]

QUESTION 2 (20 marks)

Assume that you have been briefed by an international organisation (such as General Motors) to conduct qualitative research into the perceptions of consumers about the feasibility of introducing a small three wheeled vehicle (also known as a Tuk-tuk) into sub-Saharan Africa. Critically evaluate the various qualitative techniques that you could use for this purpose.

[20]

End of Paper