



NATIONAL CERTIFICATE (VOCATIONAL)

SUBJECT GUIDELINES

CONSUMER BEHAVIOUR NQF Level 4

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CONSUMER BEHAVIOUR – LEVEL 4

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INTRODUCTION

A. What is Consumer Behaviour?

Consumers are exposed to various experiences and influences. Some consumers are more susceptible to change and influence than others. Some consumers respond to their environments as a result of their psychological make-up, as their situations change, opportunities emerge and they are subjected to a wider range of influence to which they may consciously respond in a positive or negative manner. Changes in circumstances may arouse inherent needs or promote new needs and wants in consumption patterns.

Consumer buyer behaviour is defined as:

“The acts of individuals directly involved in obtaining and using goods and services, including the decision processes that precede and determine these acts.”

B. Why is Consumer Behaviour important in the Marketing programme?

The task of marketing is to identify these needs and wants and develop products and services that will satisfy them. The role of marketing is not to “create” wants but to fulfil them. It is crucial to find out why something is required. Only by gaining a deep and comprehensive understanding of buyer behaviour can marketing goals be realised in terms of becoming better equipped to satisfy customer needs effectively. Satisfied customers should constitute a loyal group of customers with positive attitudes towards the company’s products.

C. The link between the Consumer Behaviour Learning Outcomes and the Critical and Developmental Outcomes

The underlying concept of consumer buyer behaviour relates to a system in which the consumer is the core, surrounded by immediate and wider environments that influence individual goals. Such goals are satisfied by consumers passing through problem-solving stages leading to purchase decisions. For this, one needs to understand that the world is a set of interrelated parts of a system to be explored, expressed and linked. Consumer buyer behaviour should be effectively and critically accessed using science and technology, effective communication through language skills and an inner awareness and responsibility of development in a global sense.

D. Factors that contribute to achieving the Consumer Behaviour Learning Outcomes

A student who is interested in marketing aims for an integrated approach that embraces new opportunities in a dynamic, action-driven manner, based on an overall business philosophy. Therefore it is not sufficient simply to provide satisfaction. Marketers, and hence students, must maintain and improve the level of satisfaction they provide. A marketing-orientated student must be influential using marketing strategies that concentrate on reducing anxiety and perceived risk.

1 DURATION AND TUITION TIME

This is a one year instructional programme comprising 200 teaching and learning hours. The subject may be offered on a part-time basis provided the candidate meets all of the assessment requirements.

Course preparation should consider students with special education needs (LSEN).

2 SUBJECT LEVEL FOCUS

- Explain the nature and impact of consumer behaviour

3 ASSESSMENT REQUIREMENTS

3.1 Internal assessment (50 percent)

3.1.1 Theoretical Component

The theoretical component will form 40 percent of the internal assessment.

Internal assessment of the theoretical component of Consumer Behaviour Level 4 will take the form of observation, class questions, group work (informal group competitions with rewards), individual discussions with students, class, topic and semester tests, and internal examination. Daily observations can be done when marking assignments from the previous day and class questions.

Assignments, case studies and tests can be done at the end of a topic. Tests and internal examinations must form part of internal assessment.

3.1.2 Practical Component

Practical components include applications, exercises and assignments. All practical components must be indicated in a Portfolio of Evidence (PoE).

The practical component will form 60 percent of the internal assessment.

Internal assessment of the practical component of Consumer Behaviour Level 4 will take the form of assignments, practical exercises, case studies, practical examination in a simulated business environment.

Students may complete practical assignments on a daily basis. Assignments and case studies can also be done at the end of a topic. Practical examination can form part of internal practical assessment.

- **Some examples of practical assessments include, but are not limited to:**

- A. Presentations (lectures, demonstrations, group discussions and activities, practical work, observation, role play, independent activity, syntheses and evaluation)
- B. Exhibitions by students
- C. Visits undertaken by students based on a structured assignment task
- D. Research
- E. Task performance in a simulated/structured environment

- **Definition of the term “Structured Environment”**

“Structured environment” for the purpose of assessment refers to an actual or simulated workplace, or workshop environment. It is advised that a practicum room is available on each campus for practical assessment.

- **Evidence in practical assessments**

All evidence pertaining to evaluation of practical work must be reflected in the student’s PoE. The tools and instruments constructed and used for the purpose of conducting such assessments must be clear from evidence contained in the PoE.

3.1.3 Processing of internal assessment mark for the year

A year mark out of 100 is calculated by adding the marks of the theoretical component and the practical component of the internal continuous assessment.

3.1.4 Moderation of internal assessment mark

Internal assessment is subject to both internal and external moderation procedures as contained in the *National Examinations Policy for FET College Programmes*.

3.2 External assessment (50 percent)

A national examination is conducted annually in October or November by means of a paper set, marked and moderated externally.

Details in respect of external assessment are contained in the *Assessment Guidelines: Consumer Behaviour* (Level 4).

4 WEIGHTED VALUES OF THE TOPICS

TOPICS	WEIGHTED VALUE
1. Determinants of consumer behaviour and consumer decision making	20%
2. The influence of branding, packaging and labelling	20%
3. Channels and logistics	20%
4. Identify customers of the business	10%
5. Liaise with a range of customers	10%
6. Take orders from customers	10%
7. Handle a range of customer complaints	10%
TOTAL	100

5 CALCULATION OF FINAL MARK

Internal assessment: Student's mark/100 x 50 = a mark out of 50 (a)

Examination mark: Student's mark/100 x 50 = a mark out of 50 (b)

Final mark: (a) + (b) = a mark out of 100

All marks are systematically processed and accurately recorded to be available as hard copy evidence for, amongst others, purposes of moderation and verification.

6 PASS REQUIREMENTS

The student must obtain at least fifty (50) percent in ICASS and fifty percent (50) in the examination.

7 SUBJECT AND LEARNING OUTCOMES

On completion of Consumer Behaviour Level 4 the student should have covered the following topics:

- Topic 1: Determinants of consumer behaviour and consumer decision making
- Topic 2: The influence of branding, packaging and labelling
- Topic 3: Channels and logistics
- Topic 4: Identify customers of the business
- Topic 5: Liaise with a range of customers
- Topic 6: Take orders from customers
- Topic 7: Handle a range of customer complaints

7.1 Topic 1: Determinants of consumer behaviour and consumer decision making

7.1.1 Subject Outcome 1: Differentiate between the concepts consumer behaviour and consumer buying behaviour.

Learning Outcomes:

- Explain basic consumer behaviour with examples as part of achieved knowledge in this field of study.
- Explain consumer buying behaviour with examples as part of achieved knowledge in this field of study.
- Explain organisational consumer behaviour with examples.

7.1.2 Subject Outcome 2: Describe the different determinants of consumer buying behaviour.

Learning Outcomes:

- Explain individual and psychological determinants.
Range: Motivation, perception, learning, personality, attitude.
- Explain social and group determinants.
Range: Culture, subculture, social class, reference groups, family and household.
- Explain information related determinants.
Range: Marketing sources, social sources.
- Explain situational determinants.
Range: When, where, why, and conditions under which consumers buy.

7.1.3 Subject Outcome 3: Demonstrate an understanding of the nature and extent of consumer decision making.

Learning Outcomes:

- Explain with an example, the problem-solving approach to decision making.
- Explain the mental stages of buying.
Range: Awareness, interest, desire, action (AIDA).
- Explain the different types of purchasing decisions.
Range: Extended, routine, limited, and impulsive.
- Explain steps in the consumer decision making process.
Range: Problem recognition, information search, evaluation of alternatives, purchase decision, post-purchase behaviour.

7.1.4 Subject Outcome 4: Demonstrate an understanding of the nature and extent on organisational consumer decision making.

Learning Outcomes:

- Identify three major types of organisational buying situations.
Range: New task, straight re-buy, modified re-buy.
- Describe the buying objectives of organisational consumers.
Range: Profit, return on investment, market share.
- Explain the buying centre, also referred to as Decision Making Unit (DMU).
Range: Users, buyers, deciders, influencers, gatekeepers.
- Describe constraints on purchase by organisational consumers.

7.1.5 Subject Outcome 5: Explain the the organisational buyers' decision process.

Learning Outcome:

- Explain the steps in the organisational buyers' decision process.
Range: Problem recognition, need description, product specification, supplier search, supplier selection, purchase routine specification, performance review.

7.1.6 Subject Outcome 6: Demonstrate an understanding of the adoption process.

Learning Outcomes:

- Explain the concept adoption process.
- Identify and explain the stages in the adoption process.
Range: Awareness, information or interest, evaluation, examination or testing or trial, adoption or acceptance, post adoption confirmation.
- Describe groups of acceptance of new products.
Range: Innovators, early adopters, early majority, late majority, laggards.
- Explain the concept consumerism.

7.2 Topic 2: The influence of branding, packaging and labelling

7.2.1 Subject Outcome 1: Explain the branding of products or services and examine the influence of branding on consumers' decision making.

Learning Outcomes:

- Demonstrate an understanding of branding terms.
- Explain branding decisions using examples.
- Give examples of branding.
- Explain the importance of branding to highlight consumer buying pattern.
- Identify and explain the influence of branding on consumer decision making so that buying patterns are taken into consideration.

7.2.2 Subject Outcome 2: Explain the packaging of products or services and examine the influence of packaging on consumers' decision making.

Learning Outcomes:

- Define packaging to demonstrate understanding.
- Choose a package for a target market and give reasons for the choice.
- Explain packaging decisions to show why certain packages are used.
- Identify different packaging types using examples.
- Explain the importance of packaging in enhancing sales.
- Explain the influence of packaging on consumer decision making so that sales are enhanced.

7.2.3 Subject Outcome 3: Explain the labelling of products or services and examine the influence of labelling on consumers' decision making.

Learning Outcomes:

- Define labelling terms to demonstrate understanding.
- Explain the importance of labelling to demonstrate understanding.
- Explain the influence of labelling on consumer decision making so that sales are enhanced.

7.3 Topic 3: Channels and logistics

7.3.1 Subject Outcome 1: Demonstrate an understanding of the nature and extend of distribution.

Learning Outcomes:

- Define the distribution concepts to demonstrate understanding.
Range: Distribution, distribution channels, logistics and middlemen.
- Explain distribution strategies.
Range: Intensive, selective, exclusive.
- Demonstrate an understanding of the types and functions of distribution.
- Demonstrate the role of middlemen within the distribution channels.
- Apply knowledge of cost factors in the selection of a channel for distribution purposes.
Range: Number of potential customers, concentration, buying habits, operation costs, transport, warehousing and stockholding.
- Demonstrate an understanding of physical distribution within the distribution channel.

7.3.2 Subject Outcome 2: Demonstrate an understanding of wholesalers and retailers.

Learning Outcomes:

- Define wholesalers and retailers.
- Describe and motivate the distinctive functions of wholesalers and retailers in the distribution channel.
- Examine and describe recent trends and innovations in the distributions, wholesale and retail industry.
- Explain the impact of wholesaling and retailing on the economy.

7.4 Topic 4: Identify customers of the business

7.4.1 Subject Outcome 1: Identify prospective customers and establish their needs.

Learning Outcomes:

- Develop sales contacts and networks.
- Identify customers in terms of established methods.
- Establish a consultation method to identify customers.
- Establish opportunities or assessment and qualification processes.

7.4.2 Subject Outcome 2: Establish and build the customer base.

Learning Outcomes:

- Identify prospecting methods to establish and build customer base.
- Establish information needs in accordance with present and prospective customer base.
- Establish processes for recording and assessing customer information.
- Establish and maintain the customer database to integrate customer and sales information.
- Assess customer profiles to identify factors in relation to the market place in which they operate.

7.5 Topic 5: Liaise with a range of customers

7.5.1 Subject Outcome 1: Initiate contact with a range of customers.

Learning Outcomes:

- Identify, assess and maintain current status of satisfaction.
- Inform customers of the business activities.
- Report back on the situation.

7.5.2 Subject Outcome 2: Maintain contact with a range of customers.

Learning Outcomes:

- Apply and establish communication processes with customers.
- Visit or phone customers at predetermined intervals.
- Establish a reason to contact the customers.
- Build partnerships with a range of customers.

7.5.3 Subject Outcome 3: Administer contact with a range of customers.

Learning Outcomes:

- Complete logbooks and/or reports as per company requirements.
- Present analysis/report.
- Grade customer according to A/B/C.

7.6 Topic 6: Take orders from customers

7.6.1 Subject Outcome 1: Accept and record customers order verbally.

Learning Outcomes:

- Describe and demonstrate the elements of the sales process in the workplace in accordance with organisational and customer requirements.
- Display attentive body language and a willingness to help.
- Assess the competitive environment in order to determine the implications for selling techniques to be used.
- Identify customer needs and offer goods and/or services in line with these needs.
- Identify add-on opportunities and communicate these to the customer and include in the order if approved.
- Clarify the order and ensure that details of the order are complete, accurate and agreed with the customer.
- Describe options for recording sales transactions to match specific customer needs and requirements.
- Describe and demonstrate factors required to complete the sales transactions.

7.6.2 Subject Outcome 2: Accept and record customer's written order.

Learning Outcomes:

- Describe and demonstrate the elements of the sales process in the workplace in accordance with organisational and customer requirements.
- Assess the competitive environment to determine the implications for selling techniques to be used.
- Confirm the order and ensure that the recorded details of the order are complete, accurate and agreed with the customer.
- Describe options for recording sales in order to match specific customer needs and requirements.
- Ensure that acceptance and recording of the customer's order complies with organisational, customer and legal requirements.
- Describe and demonstrate factors required to complete the sales transaction.

7.6.3 Subject Outcome 3: Complete and administer order procedures and documentation.

Learning Outcomes:

- Ensure that the order documentation is completed in detail and according to organisational and customer's requirements.
- Ensure that the order administration procedures are maintained in relation to recording, analysing and reporting processes in accordance with organisational requirements.
- Ensure that the order documentation information is fully and accurately recorded in the required format and kept available for reference purposes.
- Ensure that the order documentation is completed within the agreed time frames.
- Ensure that the body language and mannerisms are attentive and display a willingness to help while completing order documentation.

7.6.4 Subject Outcome 4: Confirm and distribute orders.

Learning Outcomes:

- Confirm orders and communicate the relevant parties within the agreed time frames.
- Approve orders obtained from authorised personnel according to established procedures.
- Ensure that documentation and processes relating to confirming of orders is complete, concise and in the required format and location.
- Ensure that relevant communication equipment is used to convey and distribute orders to comply with organisational requirements.
- Ensure that order delivery is aligned with customer delivery schedule and delivery time booked.
- Identify variances in the order and take corrective action as required.

7.7 Topic 7: Handle a range of customer complaints

7.7.1 Subject Outcome 1: Identify the customer's problem.

Learning Outcomes:

- Identify and assess the nature and the origin of the complaint.
- Take responsibility for action to solve the problem.
- Document the problem according to company regulations and requirements.

7.7.2 Subject Outcome 2: Commit to resolve the customer complaints.

Learning Outcomes:

- Demonstrate a commitment to resolve the complaint.
- Ensure total customer satisfaction with the complaint process up to date.
- Ensure company support to both the individual and the customer.

7.7.3 Subject Outcome 3: Arrange correct planning and solution to the customer's problems.

Learning Outcomes:

- Apply the correct solution to solve the customer's problems.
- Maintain contact with all relevant stakeholders.
- Apply the correct solution to the customer's complaint within the agreed timeframe.

7.7.4 Subject Outcome 4: Communicate with all stakeholders.

Learning Outcomes:

- Notify internal relevant parties of the complaint and its rooting.
- Notify immediate superior of the customer's complaint for further action.
- Communicate the outcome and progress of the solution to the customer.

7.7.4 Subject Outcome 5: Provide practical business solutions.

Learning Outcomes:

- Arrange partnership between suppliers and the organisation, which enhances the solution of the customer's problem
- Build relationships by resolving the customer's complaint and by building sales.

8 RESOURCE NEEDS FOR THE TEACHING OF CONSUMER BEHAVIOUR LEVEL 4

8.1 Physical resources

- **Structured Marketing environment**

Completely equipped with all necessary material, devices and equipment that represents the practical environment as found in the marketing sector, so that students can have hands-on training and can perform practical assignments for assessment purposes.

- **Technology and Research Centre**

- Computers, scanners and printers for students to complete assignments/case studies/projects and to do research
- Access to Internet
- Research software e.g. Encarta
- Subject related magazines/DVDs/videos
- Daily newspapers
- Reference books
- List of stakeholders involved in the training process for presentations/guest speakers/practical experience
- Applicable legislation/Acts
- Secure stockroom

8.2 Human resources

- **Lecturer**

- A qualification in marketing/degree in marketing/3 year teaching diploma/recognition based on prior learning in this field of study
- Facilitation skills
- Assessor- and moderator qualifications
- Training in Outcomes Based Education (OBE) methodology
- Ongoing upskilling in new developments and innovations

- **A full time Technology and Research Centre Manager**

8.3 Other resources

- Consumables e.g. stationery
- Student guides
- Assessment guides
- Logbooks
- Workbooks
- Files
- Calculators