higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

MUSIC BUSINESS AND STYLES N6

16 November 2023

This marking guideline consists of 8 pages.

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SECTION A

QUESTION 1

1.1 B
1.2 D
1.3 C
1.4 C
1.5 D
1.6 A
1.7 B
1.8 B
1.9 D
1.10 A
1.11 C
1.12 B
1.13 C
1.14 D
1.15 A
1.16 C
1.17 D
1.18 B
1.19 A
1.20 D
1.21 B
1.22 C
1.23 A
1.24 C
1.25 D

(25 × 2) **[50]**

QUESTION 2

2.1 True
2.2 False
2.3 False
2.4 True
2.5 False
2.6 True
2.7 False
2.8 False
2.9 True
2.10 True
2.11 False
2.12 True
2.13 True
2.14 False
2.15 False
2.16 True
2.17 True

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2.18 False
2.19 True
2.20 False
2.21 True
2.22 True
2.23 True
2.24 False
2.25 False

(25 × 2) **[50]**

QUESTION 3

3.1 F
3.2 L
3.3 I
3.4 G
3.5 A
3.6 M
3.7 K
3.8 C
3.9 E
3.10 N
3.11 O
3.12 B
3.13 J
3.14 H
3.15 D

(15 × 2) **[30]**

QUESTION 4

4.1 promotion
4.2 reduce
4.3 intermediaries
4.4 curiosity
4.5 stream
4.6 single
4.7 awareness
4.8 gigs
4.9 displayed
4.10 performances
4.11 downloading
4.12 selective
4.13 product
4.14 fans
4.15 participation

(15 × 2) **[30]**

TOTAL SECTION A: 160

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SECTION B

QUESTION 5

5.1
- Researching customer attitudes and desires
- Buying and selling
- Breaking down bulk shipments for resale
- Setting prices
- Managing point-of-purchase promotions
- Advertising at a local level (pull advertising designed to bring people to a store or other business)
- Transporting products
- Inventorying products
- Financing purchases
- Locating qualifying customers
- Providing customer service and support
- Sharing the risk of doing business
- Combining products with others to offer appropriate assortment (10 × 2) (20)

5.2
- Signs can give directions to a business location.
- Signs can provide street advertising.
- Signs can build the business image.
- Signs can provide helpful information about a business. (4 × 2) (8)

5.3
- Newspapers
- Magazines
- Radio
- Television
- Direct mail
- Facebook
- Flyers (Any 4 × 2) (8)

[36]

QUESTION 6

6.1 6.1.1 Identifying and defining the target audience: The workability of any given commercial venture depends on customers.✓✓ The target audience for your music should therefore be clearly defined in the marketing plan, because knowing your fans is the key to success. The group of people identified as probable customers for the record is the target audience.✓✓ You may wish to target broadly, aiming for a mass audience, known as market aggregation and undifferentiating marketing, or you may wish to narrow your focus, precisely targeting only a portion of the mass audience, known as marketing segmentation and target marketing.✓✓ With this understanding, you will be able to identify where your fans exist and engage with them online (note: of all the people on Facebook, not everyone uses Facebook to engage as a fan) or offline. You will also know how to effectively communicate with your fans and, most importantly, you will know how to offer value to your fans to keep them happy and make them come back for more.✓✓ You should ask yourself some questions to develop a clear picture of your ideal fan,✓✓ namely the fan who is engaging, who can become a word-of-mouth-spreading super fan, who will buy your albums, merchandise and tickets. Think through all the different aspects of what can make your fan unique until you feel you have a strong grasp on the bigger picture.✓✓ The marketer should be able to define the audience in words on paper. That makes it possible to create sales messages and promotions tailored to the audience's interests and characteristics.✓✓ (14)

6.1.2 Determining the selling points of the product: Having a clear idea of the product's selling points, the matrix of qualities that the audience will find valuable and appealing, is vital for effective marketing.✓✓ The selling points can be emphasised in packaging and serve as the basis for headlines and messages used in publicity and advertising.✓✓ When you begin to determine the selling points, it is important to look beyond just the music.✓✓ Audiences are attracted to more than melodies; they may fall for the performer's personality and look. They may feel a kinship with the lifestyle and philosophy expressed by the performer's songs. Music as a product can be a powerful symbol for the taste and beliefs of a defined group of people.✓✓ Successfully selling a product means having a handle on all its selling points, both overt (the music and performer) and hidden (the underlying messages conveyed). The more you can define and communicate these aspects, the more accurately you will be able to market the product to the correct audience.✓✓ (10)

6.1.3 Packaging the product: Having identified the product's audience and selling points to whatever extent possible, the marketer needs to answer the following questions: Given the finished recording, what can be done to package it so that it appeals to the audience most likely to buy it?✓✓ The product packaging, the CD cover art for example, can be designed to emphasise the qualities that the target market will find attractive.✓✓ It can also be used to explicitly draw attention to the key selling points.✓✓ The main design and selling points can be reused on ancillary material such as posters, retail display items, websites and souvenir merchandise. They can also be reinforced in advertising.✓✓ Visual appeal is not the only factor in packaging, however other considerations are cost of production, speed of production, size and shape requirements for retail display and legal requirements.✓✓ (10)

6.1.4 Pricing the product: The price of a product has an important bearing on its sales. A product may be priced so high that it is beyond the reach of the targeted customers. On the other hand, if it is priced too low, the seller may not earn a profit.✓✓And if its price is different from the price of similar competitive products, the sales effect could be very significant: increased sales with lower than the competition price; fewer sales with higher than the competitor price.✓✓ To cover all these bases, the seller has to balance three factors when setting a price: the cost of production, the value of the product set by the customer and the price of competitive products.✓✓ In music, this is made easier by the fact that pricing is relatively standardised – the top price for new local CD is about R100,00 or R109,99. The industry, collectively, has found this to be a desirable price for covering costs and earning a profit; at the same time, it is a price that customers have been willing to pay, although options available on the internet have made standard CD pricing seem less attractive.✓✓ Therefore, for the music marketer, the focus in pricing will often be on keeping costs down to ensure maximum profit on the generally accepted price and offering discounts on that price as sales incentives.✓✓ (10)

6.1.5 Management of the marketing programme: Once the marketing programme is in play, it can function as a well-oiled machine with promotions and concerts fuelling new record sales and increased demand leading to more radio and television play, wider distribution, ever-expanding press coverage and even more sales.✓✓ But the machine needs constant attention and fine tuning. Changes in the market require changes in the marketing programme.✓✓ For example, if an artist's style of music goes out of fashion, there may be a need to adjust musical direction and to recast the tone and focus of promotion.✓✓ Similarly, once the product is no longer new, it will require a new set of tactics to ensure that it continues to generate sales. And finally, it may be that a product or artist is simply not catching on. The marketer has to have a sensitive hand on the pulse of the market to know when this is the case and to accurately assess when to curtail active promotion and begin winding down the enterprise.✓✓ Management of the marketing programme might also mean monitoring the incoming flow of money from various revenue streams from retail sales, television use, movie use and any other sources that have been tapped and executing accounts payable to any subcontractors, vendors and royalty participants.✓✓ While in a large company it is the financial division that administrates accounts receivable and accounts payable, the marketing people also monitor and scrutinise the sales figures. The numbers are the bottom line, the final indication of the success or failure of a product launch and marketing plan.✓✓ For a small company, this process may be hands on and entirely do-it-yourself. As such, it can be an accounting nightmare, but think of it this way: If you are in the enviable position of administering accounts receivable for your up-and-coming music business, it is the best nightmare you may ever have.✓✓ With all these bases to cover, it is helpful to begin the process with a rough blueprint of elements that will shape the marketing plan and guide the overall programme. It can serve as an ongoing point of reference and can be revised at any time needed.✓✓ (16)

6.2 6.2.1 Intermediaries are individuals or organisations that undertake the role of mediators or linkage between two parties.✓✓ Intermediaries are third parties and perform a function that is needed by two other parties to make a deal or to execute a given task or to distribute a product.✓✓ Intermediaries connect production with the distribution points. (4)

6.2.2 Advertisement is a notice or announcement in a public medium promoting a product, service or event. (2)

6.2.3 Marketing is the business process of identifying, attracting and satisfying customers' needs and wants.✓✓ Marketing is an activity and processes to create, communicate, deliver and exchange offers that have value for costumers, clients, partners and society at large. (2)

[68]

QUESTION 7

7.1 The intensive distribution strategy attempts to put every customer within reach of your products by using as many intermediaries and layers as needed to create maximum coverage.✓✓ It is a good strategy in mature markets where your competitors are trying to do the same thing✓✓ or markets where the customer makes a convenience purchase, because intensive distribution makes your product convenient.✓✓ In music, this means that a marketer will make sure that all major music retail chain stores have your music records✓✓ and will also make sure that the music is available online.✓✓ Basically, using every form of music distribution available online and offline to maximise market coverage.✓✓ This strategy is costly and may not be needed in other circumstances.✓✓ (14)

7.2 The selective distribution strategy targets the most desirable areas and members of the market.✓✓ For example, the business-to-business marketer may decide to target a geographic region where many users of their product are headquartered.✓✓ The consumer-product marketer may decide to market to ZIP code areas or countries where heavy users of their product are found.✓✓ In music, a marketer may decide to sell your records in a province that has more people who appreciate and like the type of music you make.✓✓ (8)

7.3 In the exclusive distribution strategy you cherry-pick to find the best intermediaries and customers.✓✓ This strategy is appropriate where you do not have any really serious competition and where you have a specialty product that you want to keep providing at the same profitable level.✓✓ This method will not grow your market or boost share significantly, but it will maximise profit margins. This strategy is also appropriate as you introduce an innovative new product.✓✓ You find a limited number of early adopters in any market, so a massive effort to mass market a new innovative product usually fails. Start with exclusive distribution as competition to those most interested in trying new ideas and then work up to selective distribution to those most interested in trying new ideas goes mainstream.✓✓ Finally, push towards intensive distribution as the market matures and your emphasis shifts from finding first-time users to fighting over repeat business. (14)

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TOTAL SECTION B: 140
GRAND TOTAL: 300

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