higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

CONSUMER BEHAVIOUR
NQF LEVEL 3

(3041033)

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This question paper consists of 9 pages.

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)
CONSUMER BEHAVIOUR
NQF LEVEL 3
TIME: 3 HOURS
MARKS: 150

INSTRUCTIONS AND INFORMATION

1. Answer all the questions.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Start each section on a new page.
5. Use only a black or blue pen.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

Various options are given as possible answers to the following questions. Choose the correct answer and write only the letter (A–D) next to the question number (1.1–1.10) in the ANSWER BOOK.

1.1 Which one is not an example of a business consumer?

A Shoprite
B UNISA
C Bafana Bafana soccer team
D Home of Hope old people's Home

1.2 They buy raw materials and other products to make new products that they sell.

A Service business
B Industrial business
C Institutions
D Government departments

1.3 The process stage is made up of the following stages except …

A problem recognition.
B information search.
C buying decision.
D evaluation of alternatives.

1.4 Where people live, how much they earn, and their standards of living explain the type of market context.

A Socio-economic context
B Personal context
C Organisational context
D Demographic context

1.5 Which statement describes a consumer market?

A This market buys to resell.
B This market consists of end users only.
C This market buys for others to use.
D None of the above

1.6 An advantage of multi-segment marketing.

A It costs less to manufacture.
B The organisation will know exactly how to advertise.
C The organisation can sell many more products and make higher profits.
D None of the above.

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1.7 The promotion mix combination.

A Promotion, price, place, people
B Sales promotion, advertising, personal selling, discounts
C Discounts, allowances, credit terms, advertising
D Advertising; sales promotion; public relations, direct marketing

1.8 Changing the position of a product in the market:

A Product repositioning
B Perceptual mapping
C Product positioning strategy
D Product positioning

1.9 Pick the odd one out among the qualitative research methodologies.

A Depth interviews
B Pocus groups
C Projective techniques
D Observation

1.10 Negative consequences of not following the safety and security policies and procedures.

A Accidents are prevented.
B The organisation's money is saved.
C Things will be left lying around on a shop floor.
D All employees follow the same procedures.

(10 × 2) **[20]**

QUESTION 2

Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (2.1–2.10) in the ANSWER BOOK.

2.1 Visual aids are not important as they do not help in understanding during a presentation.

2.2 Ergonomic dangers refer to stress resulting from illness.

2.3 Umbrella positioning creates an image of separate products an organisation sells.

2.4 Price is the only element of the marketing mix that directly brings income to the organisation.

2.5 Mass marketing is the marketing of a product to the biggest possible market.

2.6 Marketing researchers are responsible for carrying out market segmentation.

2.7 The equilibrium price is found where supply and demand curves meet.

2.8 A customer market is a subset of the consumer market.

2.9 A consumer is a person, group of persons or organisation that buys and uses products and services.

2.10 The pre-purchase information search is the stage where consumers look at all possible products that will meet their needs.

(10 × 1) **[10]**

TOTAL SECTION A: 30

SECTION B

QUESTION 3

Read the scenario below and answer the questions.

EDGARS

Edgars Stores Limited is **a retailer offering clothing and merchandise**. The Company's segments include Edgars, Jet, Manufacturing and Corporate. Its core business is the retailing of clothing, footwear, sportswear, textiles and accessories. The Company's business is organized into two units: manufacturing and retailing.

Edgars Consolidated Stores Ltd. (Edcon) is South Africa's leading retail group. The Johannesburg-based company operates more than 650 stores under a variety of fascia throughout southern Africa, including South Africa, Botswana, Swaziland, Lesotho and Namibia.

[Source: https://www.referenceforbusiness.com/history2/79/Edgars-Consolidated-Stores-Ltd.html#ixzz7YoqCeRpW]

3.1	3.1.1	List and explain THREE types of consumers that buy from Edgars stores. (3 × 2)	(6)
	3.1.2	Which type of consumer is Edgars?	(2)
	3.1.3	Give THREE characteristics of Edgars as a consumer. (3 × 2)	(6)
	3.1.4	Name and explain THREE types of buying decisions Edgars make use of. (3 × 2)	(6)
	3.1.5	Distinguish between *centralised buying centres* from *decentralised buying centres*. (2 × 2)	(4)
3.2	3.2.1	Define the term *market*.	(2)
	3.2.2	Identify FOUR types of customer markets in which Edgars operate. (4 × 1)	(4)

[30]

QUESTION 4

Lloyd and Sammy are both 1st-year students at a local TVET college. Lloyd and Sammy met during orientation and made friends. Sammy attends school from home. Lloyd's parents are renting a two-bedroom apartment in a well-known nearby suburb. Lloyd receives a monthly allowance of R6 000. Sammy stays in an informal settlement and walks to college every day. Lloyd has a car and drives to school.

4.1 4.1.1 Explain the concept *Context of markets.* (2)

4.1.2 From the scenario above, in THREE points, summarise how the personal and socio-economic contexts of Sammy and Lloyd differ. (3 × 2) (6)

4.1.3 State TWO reasons why marketers are interested in knowing the socio-economic contexts of their consumers. (2 × 2) (4)

4.2 4.2.1 Explain the difference between a *customer market* and a *consumer market*. (2 × 2) (4)

4.2.2 State TWO reasons why buyers in the customer market buy. (2)

4.3 List FOUR main role players in the supply side of the market. (4)

4.4 Complete the following sentences/paragraph(s) by filling in the missing word(s). Write only the word(s) next to the question number (4.4.1–4.4.4) in the ANSWER BOOK.

4.4.1 … is part of the overall market that consists of consumers with similar characteristics and needs.

4.4.2 … is the market segment with similar characteristics and needs that an organisation decides to aim its products and services at.

4.4.3 … is a process by which the total market is divided into smaller parts that have similar characteristics, needs, and wants.

4.4.4 … is a market that consists of basically everybody, men and women, young and old, with different characteristics needs and wants.

(4 × 2) (8)

[30]

QUESTION 5

5.1 Read the case study and then answer the following questions.

MILADYS - Our Story

Making women feel wonderful for over 70 years

In 1947, Mrs Bailey and Mrs Elison opened a dress shop in Pinetown, KwaZulu-Natal and named it Miladys. Since then, we have been creating quality women's fashion that fits well, at good value for money, in stores across South Africa, and now through online shopping at miladys.com

We get women

As a brand that employs over 1 500 women of all shapes, ages, and backgrounds, we know what's important to our customers, and we interpret trends in a way that feels right for you. From feminine dresses and versatile tops to good quality jeans that fit well, and everything else you need to build your wardrobe, all of our clothing is comfortable and carefully considered for real women.

[Source: *www.google/images.co.za*]

5.1.1 Who is the target market for Miladys? (1 × 2)

5.1.2 Give TWO competitors of Miladys. (2 × 1)

5.1.3 Which type of target market segment is Miladys focusing on? (1 × 2)

5.1.4 Give ONE reason for your answer to QUESTION 4.1.3. (1 × 2)

5.1.5 Suggest TWO ways that Miladys can use to monitor its positioning strategy. (2 × 1)

(5 × 2) (10)

5.2 Identify FOUR things they have to know about the behavioural characteristics of their consumers. (4)

5.3 Explain any THREE positioning strategies that Miladys can use. (3 × 2) (6)

5.4 State THREE reasons why Miladys may find a need to reposition its brand. (3 × 2) (6)

5.5 Describe in FOUR points what happens in the growth stage of the product lifecycle. (4)

[30]

QUESTION 6

6.1 Miladys wants to carry out market research. They are not sure of the methodology to use.

6.1.1 Distinguish between *qualitative research methodology* and *quantitative research methodology*. (2 × 2) (4)

6.1.2 Miladys has opted to use quantitative research methods.

Explain TWO quantitative research methods they can use. (2 × 2) (4)

6.1.3 Suggest to the management of Miladys any TWO data analysis techniques suitable for the methodology used. (2)

6.1.4 State TWO ways of collating data that Miladys can use. (2)

6.2 Identify which profiles the following represent:

6.2.1 Some people prefer buying their own timber, designing, and making their own cabinets.

6.2.2 Some consumers occupy big positions at work and are prepared to spend on good quality clothes. They are prepared to work hard to afford these things.

6.2.3 Young consumers spend most of their money on music, entertainment, clothing, and fast food.

(3 × 2) (6)

6.3 Miladys has to guard against shoplifting and make sure their buildings are safe for both the customers and employees.

6.3.1 Discuss FOUR areas in which security procedures are important in their organisation. (4 × 2) (8)

6.3.2 Advise Miladys management on the importance of carrying out inspections. (2 × 2) (4)

[30]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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