higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

MUSIC BUSINESS AND STYLES N6

24 MAY 2019

This marking guideline consists of 7 pages.

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SECTION A

QUESTION 1

1.1

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1.1.15	C

(15 × 2) (30)

1.2

1.2.1	True
1.2.2	True
1.2.3	True
1.2.4	True
1.2.5	False
1.2.6	True
1.2.7	False
1.2.8	False
1.2.9	True
1.2.10	True
1.2.11	True
1.2.12	False
1.2.13	True
1.2.14	False
1.2.15	False
1.2.16	True
1.2.17	False
1.2.18	True
1.2.19	False
1.2.20	True
1.2.21	True
1.2.22	False
1.2.23	True
1.2.24	True
1.2.25	False

(25 × 2) (50)

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1.3.1 A
1.3.2 B
1.3.3 B
1.3.4 C
1.3.5 D
1.3.6 D
1.3.7 A
1.3.8 C
1.3.9 A
1.3.10 B
1.3.11 A
1.3.12 C
1.3.13 C
1.3.14 D
1.3.15 B
1.3.16 D
1.3.17 A
1.3.18 C
1.3.19 B
1.3.20 A
1.3.21 A
1.3.22 C
1.3.23 B
1.3.24 D
1.3.25 B

(25 × 2) (50)

1.4 1.4.1 Live presentation of music in concerts or clubs has become one of the most significant formats of selling music.✓✓ More artists realise that they should not depend on music promoters for live performances, but should organise their own gigs,✓✓ because they make more money from live performances than from record sales.✓✓ You can sell your merchandise and music at the venues where you are performing.✓✓ (8)

1.4.2 New product formats are always emerging, but the most widely accepted format is the compact disc (CD).✓✓ A recent format is wave files, and more people now prefer to buy music via downloads.✓✓ (4)

1.4.3 Music in digital form is becoming increasingly popular.✓✓ Buyers can stream it from an Internet site, download it to a personal computer, burn it onto a CD or copy it to a portable playback device, i.e. MP3, I-ports, et cetera.✓✓ (4)

1.4.4 Instead of, or in addition to releasing an entire album, you can release a disc with fewer songs.✓✓ Singles target those customers who may resist buying a complete album, but are willing to purchase a song they heard somewhere and liked.✓✓ (4)

[150]

TOTAL SECTION A: 150

SECTION B

QUESTION 2

2.1 During this phase, a new artist is introduced to the market.✓✓ People do not know the artist and his or her music (the new CD).✓✓ The record company uses advertising (paid-for media coverage) and publicity (free media coverage).✓✓ The music must get radio and television airplay and positive articles and reviews must be written about the music.✓✓ The record company must organise a lot of interviews, appearances and performances (of which some might be free in exchange for free publicity).✓✓

During this phase, gigs are scarce. Promoters are reluctant to sign on an unknown artist.✓✓ Even if promoters finally book the artist, they do not pay much for performing as an opening artist. ✓✓ The artist gets attention only for real showstoppers.✓✓ They sometimes want their favourite artist to start performing.✓✓ The artist must also expect to perform in empty auditoriums at local venues. If the artist tries to be smart and embarks on staging his or her own concerts, no one may want to spend his or her hard-earned cash on listening to an unknown artist.✓✓

On the distribution side, retailers will also be reluctant to purchase the artist's records, let alone give him or her shelf space in their stores.✓✓ All this happens during the introduction phase when the artist has to educate consumers about the benefits of this new product and convince them of its value.✓✓ (26)

After a while, 10% to 20% of the potential market is reached as the new artist gains momentum.✓✓ The product life cycle now enters its growth stage. Consumers accept the new artist and starts adopting the artist in greater numbers.✓✓ Growth rates shoot upwards as many consumers will start purchasing the artist's records and attend his or her shows in numbers.✓✓ Most radio and television stations start playing the artist's music.✓✓ Retailers start realising that they did not make a mistake after all by purchasing the artist's records as his or her records start flying off their shelves.✓✓ The media will also start taking an interest in the artist’s affairs.✓✓ Newspapers and magazines will build interest by articles and reviews with headlines such as 'A new R&B sensation is born…!'. (12)

After a while, sales often reach 10% to 20% of the potential market and the new artist kicks in when the entire potential target market is reached.✓✓ Everybody gets to know the artist and his or her music, and they continue to buy his or her records, which start selling like hotcakes.✓✓ The artist's bank balance swells and bursts with money.✓✓ Remember the promoters who were reluctant to book the artist? Well, they will now look for the artist to book him or her.✓✓ The artist's agent and manager's telephone lines are jammed due to all the promoters calling and wanting to book the artist.✓✓ The artist's agent and manager now tell them that the artist is unavailable because he or she has been fully booked for the whole year.✓✓ Yes, the whole year. Those who will be lucky enough to book the artist will pay a lot of money and the artist will smile all the way to the bank.✓✓ Gone will be the days that the artist was paid next to nothing as he or she will now be in demand.✓✓

The artist will no longer have to beg retailers for shelf space and to purchase more of your records. They will voluntarily order the artist's records in bulk and gladly display them on the most visible racks for customers to see and buy.✓✓ They will have no choice, because they will do all this as the artist's music is in demand.✓✓ It will now be a matter of supply and demand. Copies of the artist's CD will be flying off the shelves.✓✓ Customers will push each other away to get a copy of the artist's music.✓✓ He or she will be the 'in artist', will have the hits and everybody will want a piece of him or her.✓✓
The media will not be able to take enough pictures and write everything they hear about the artist, and even if the artist has a minor flu, it will make headlines.✓✓ The artist's record sales will skyrocket.✓✓

The artist will have won numerous awards for the best-selling album, best male or female artist, best new artist, et cetera.✓✓ Because of the artist's superstar status, he or she will receive invitations. He or she will be invited to every prominent function or event✓✓ and guess what? He or she will arrive in style in limousines and on red carpets.✓✓ Even if the artist does not have to perform at a venue, people will be aware of his or her presence.✓✓ He or she will be doing well for himself or herself, and he or she will indeed have reached superstar status.✓✓ He or she will be a celebrity and will have made it! (40)

Finally, following the product life cycle model, what goes around comes around and everything will end. People will stop buying your records, because something even better has come along. There will be a new artist who people are crazy about. They will turn their backs on the artist and will no longer like that artist's music.✓✓ In fact, they will now regard the artist's music as outdated and old-fashioned.✓✓
Retailers will start putting the artist's records in clearance sale baskets (if you are lucky. And remember the 100% return privilege?✓✓ Yes, some retailers will pack all the artist's unsold records and return them to the artist's distributing company for a full refund).✓✓
Promoters will once again ignore the artist's agent or manager, because they will no longer be keen to book him or her. They will literally duck and dive each time they see his or her agent or manager, because the artist will no longer be in demand.✓✓ No media will be interested in the artist anymore. They will all be looking for the new sensation, the one who kicked the previous artist out of the market!
The artist's records sales will drop, profits will fall, the recording artist will bow out and the curtain will close.✓✓ (Any other relevant answer) (12)

2.2 This strategy attempts to put every customer within reach of the artist's products by using as many intermediaries and layers as needed to create maximum coverage.✓✓ In mature markets where the artist's competitors are trying to do the same or in markets where the customer makes a convenience purchase, it is a good strategy because intensive distribution will make the artist's product convenient.✓✓ This means that a marketer will ensure that all major music retail chain stores, such as Look & Listen, Musica, Reliable, et cetera, and all other mom-and-pop stores stock the artist's music records.✓✓
They will also make sure that your music is available online.✓✓ In essence, they will use every form of music distribution available online and offline to maximise market coverage.✓✓ This strategy is costly and may not be necessary in other circumstances.✓✓ (12)

This strategy targets the most desirable areas and members of the artist's market geographic region where many users of their product are.✓✓ 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 the artist's records in the province that has more people who appreciate and like the artist's kind of music, for instance, the Maskandi group, such as Shwi NoMnthekhala (one of the best-selling traditional music groups in South Africa) who may not leave KwaZulu-Natal as this is where the majority of people live who like Maskandi music.✓✓ (8)

This strategy will cherry pick to find the best intermediaries and customers. This strategy is appropriate where the artist does not have any serious competition and where he or she has a specialty product that he or she would like to keep providing at the same profitable level.✓✓ This method will not grow the artist's market or boost share significantly, but it will maximise profit margins.✓✓
This strategy is also appropriate when the artist introduces an innovative new product, whether they are goods or services. The artist will find a limited number of early adopters in any market and, therefore, a massive effort to mass market a new innovative product will usually fail.✓✓ 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 and going mainstream.✓✓ Finally, the artist will push towards intensive distribution as the market matures and his or her emphasis shifts from finding first-time users to fighting over repeat business.✓✓

(Any other relevant answer) (10)
[120]

QUESTION 3

Effective marketing requires the artist to create an effective marketing plan for his or her music.✓✓ (2)

The artist must be able to define the audience for his or her music (e.g. age, gender, location, etc.).✓✓ Developing an effective marketing plan will require a comprehensive understanding of his or her audience.✓✓ (4)

Analyse the market. Understand the market place. The artist must understand what is happening in his or her local community and in his or her genre globally.✓✓ Understanding this will help him or her to understand where and how he or she fits in and what unique value he or she can offer his or her fans.✓✓ (4)

Develop a goal-orientated plan to accomplish whatever goals the artist had set for himself or herself.✓✓ When developing a marketing plan, it should be purposeful and not consist of simply posting music online.✓✓ Every goal the artist sets must be actionable, measurable and have a time frame.✓✓ Before creating a marketing plan, the artist should ask why he or she needs to create a marketing plan and what he or she wants to accomplish.✓✓

For example:
Does the artist merely want to start with an online presence and need to reach new fans or is he or she ready to head on a tour and need to sell tickets. Is he or she already on tour and need to sell more merchandise? Does he or she want to double the size of his or her mailing list, or is he or she putting out a new album and need to re-engage fans to generate awareness about the new project?✓✓ (10)

Develop an action plan. Work out a plan to put the marketing in action and the means to achieve the goals the artist has set.✓✓ The components of the plan are as follows: Advertising, content creation/curating, touring, social media/community management, networking.✓✓ Map out how the artist will handle each of these items.✓✓ (6)

Create a budget that will help the artist to achieve his or her marketing goals. It will cost money to develop the artist's career, but that is the only way to achieve growth.✓✓ Go through an action plan to identify the cost of each item in terms of time and money. All these are valid reasons to start marketing efforts.✓✓

(Any other relevant answer) (4)
[30]

TOTAL SECTION B: 150
GRAND TOTAL: 300

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