higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

MUSIC BUSINESS AND STYLES N6

12 NOVEMBER 2018

This marking guideline consists of 7 pages.

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SECTION A

QUESTION 1

1.1 B
1.2 C
1.3 A
1.4 B
1.5 B
1.6 D
1.7 A
1.8 B
1.9 D
1.10 B
1.11 C
1.12 C
1.13 A
1.14 D
1.15 B
1.16 A
1.17 C
1.18 C
1.19 D
1.20 A
1.21 C
1.22 A
1.23 B
1.24 B
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 False
2.7 False
2.8 True
2.9 True
2.10 False
2.11 True
2.12 True
2.13 False
2.14 True
2.15 False
2.16 True
2.17 True

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

(25 × 2) **[50]**

QUESTION 3

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

(15 × 2) **[30]**

QUESTION 4

4.1 packaging
4.2 Digital
4.3 Exposure
4.4 Press
4.5 Middleman
4.6 Rights
4.7 Design
4.8 Maturity
4.9 Intermediaries
4.10 product
4.11 target
4.12 Messages
4.13 Label
4.14 pitching
4.15 competition

(15 × 2) **[30]**
TOTAL SECTION A: 160

SECTION B

QUESTION 5

5.1 5.1.1 Music distribution is how music gets delivered to the listener.✓ Traditionally, distributors entered into agreements with record labels to sell to stores.✓ Digital distribution has changed all of that by cutting the middleman✓ and that allows the artist to distribute music directly to online stores while keeping 100% of their royalties.✓ (4)

5.1.2 Intensive distribution is a form of marketing strategy under which a company tries to sell its products from small vendors to big stores. (2)

5.1.3 Market coverage is the evaluation of the market place✓✓ and determination of how much of it you should cover with your promotional strategy of a product or business.✓✓ (4)

5.1.4 Digital marketing is the use of internet and other digital media and technology to support modern marketing.✓ It mainly makes use of data to access internet in laptops, mobile phones, tablets to display advertisements and any other digital medium.✓ It is called digital marketing, Internet marketing, e-marketing and web marketing and these alternative terms have varied through time.✓ Digital marketing also known as data-driven marketing, is an umbrella term for the marketing of products or services using digital technology.✓ (4)

5.1.5 E-commerce is the buying and selling of goods and services✓ over an electronic network, primarily the internet.✓ (2)

5.2 Unless customers are buying a product directly from the company that makes it, sales are always facilitated by one or more marketing intermediaries, also known as middlemen.✓ Marketing intermediaries do much more than simply take a slice of the pie with each transaction.✓ Not only do they give customers easier access to products,✓ they can also streamline a manufacturer's processes.✓ (4)

5.3.1 Undifferentiated marketing: its goal is to focus on the most common need of consumers.

5.3.2 Differentiated marketing: it is specialised for each individual target market.

5.3.3 Concentrated marketing: it focuses on a section of the market place.

(3 × 2) (6)

5.4
- Artist get to keep 100% of the royalties they make from any sales and music listened to.
- Digital music sells best and continues to rise the sales. The revenue of the industry attest to that.
- Fans can access your music wherever they are, in this way you are able to reach your fans at all times.
- The middleman's cost is cut out.
- It saves the cost of manufacturing and packaging of the physical product.
- For new artist it gives them the opportunity to build their audience and name with digital releases.
- The artist gets to keep their musical rights, because digital distributors don't have exclusivity deals. (7 × 2) (14)

[40]

QUESTION 6

6.1 The advancement of technologies brought about challenges to the record labels, the demand of physical products sales dropped drastically.✓✓ Technologies such as peer to peer file sharing, torrents and the establishment of sites such as YouTube and sound cloud reinvented the way media is shared and distributed, including music distribution.✓✓ It made the distribution of content more efficient but reduced the demand of physical products.✓✓ This made the middleman to lose the revenue that they got from distributing physical products.✓✓

Record sales dropped straight down at high speed and the industry lost millions. ✓✓The music industry was in shock and had to adapt to survive, but could not make it close to the rate at which the tech industry kept developing.✓✓ The major labels had become big corporations, bureaucratic and slow in nature, whereas the tech start-ups were driven by young coders that innovated at rapid rates.✓✓ Everyone had underestimated the threat of digital and the speed with which the common user would adopt.✓✓ To this date the industry has still not caught up.✓✓ The good about digital distribution is that manufacturing and distribution costs are minimized.✓✓ (20)

6.2 Digital merchandising is a crucial part of a successful e-commerce business.✓✓ It is the secret of how to engage shoppers and guide them towards making a purchase on the website.✓✓ When it is done intelligently, shoppers are not only more likely to buy the goods you are promoting, but they will actually enjoy engaging with your digital store✓✓ and handing over their hard earned money.✓✓ For retailers that means significantly increased conversions and higher AOV (average order value).✓✓ (10)

QUESTION 7

7.1 7.1.1 This is the phase where the new artist is introduced in the market.✓✓ New products takes time to gain momentum and as a new artist is in the market, people don't know you as a recording artist nor music. Your record Company must create awareness using advertising which is paid for that is media coverage and publicity which is free media coverage.✓✓ You must make sure your music gets radio and television airplay, draw the attention of entertainment journalists, and make sure that they write positive articles and reviews about you and your music.✓✓
Your record company must organize a lot of interviews, appearances, and performances, of which some might free performances in exchange for free publicity.✓✓ During this phase, gigs are very scarce. Your agent and manager are begging promoters to book you, but promoters are reluctant sighting that you are unknown.✓✓ Even if they finally agree to book you, they pay you peanuts. When you finally make it to the stage, you perform as an opening artist.✓✓ Do expect that people will not pay attention while you blast your favourite tunes unless you have real stoppers.✓✓ The worse thing they might shout that you get off stage so that their favourite artist can start. You must also expect to perform to chairs in empty auditoriums and local venues should you try to be smart, and embark on staging your own concerts, because no one wants to spend their hard earned cash on a nobody artist.✓✓ On the distribution side, retailers are also reluctant to purchase your record, let alone give you shelve space in their stores.✓✓ All this happens during introduction phase, the challenge is to educate consumers about the benefits of this new product and make them see its value.✓✓ (20)

7.1.2 After a while, often 10 to 20 percent of the potential market is reached, the new artist gains momentum.✓✓ The product life cycle enters its growth stage. Consumers accept the new artist, and begin to adopt the artist in greater numbers.✓✓ Growth rates shoot upwards as many consumers begin to purchase your records and attend your shows in numbers.✓✓ Radios and television stations begin to play your music.✓✓ Retailers begin to realize that after all they did not make a mistake by purchasing your records as your records begin to fly off the shelves.✓✓ Media also begin to have interest in your affairs.✓✓ Newspaper and magazines build interest in writing articles and reviews about you.✓✓ (14)

7.1.3 After reaching 10 to 20 percent of the potential market, the new artist kicks in. Then the entire potential target market is reached.✓✓ Everybody knows about you and your music and they continue to buy your records like hotcakes. Your bank balance swells and busts with money.✓✓ You are well because the wheel has turned around. The promoters who were reluctant to book you are now chasing after you for bookings.✓✓ Your agent and manager's telephone lines are jammed due to the flooding of promoter's calls who all want to book you. Your agent and manager's now tell them you are unavailable, because you are fully booked for the whole year.✓✓ Those who are lucky to get your services, pay good money. You are now in demand.✓✓
Retailers are no longer begged for shelve space and to purchase more records. They voluntarily order your records in bulks and gladly display them on the most visible racks for customers to see and buy.✓✓ Your music is in demand now, it's a matter of demand-and-supply. Copies of your CD are flying off the shelves.✓✓ Customers push each other to get themselves a copy. You are the "in-artist" and you got the hits, hence everybody wants a piece of you.✓✓ The media can't get enough of taking pictures and writing everything they hear about you. Your records sales have sky rocketed.✓✓ You have won numerous awards for the bestselling album, best male or female artist, best new comer artist, etc. with superstar status come invitations.✓✓ You are invited in every prominent function or event. Even if you are not there to perform, people just dig your presence. You are doing well, and you have reached superstar stardom.✓✓ (22)

7.1.4 Finally, the product life cycle model says: what goes around comes around, and everything comes to an end. People stop buying your records, because something even better has come along.✓✓ There is this new artist they are now crazy about. They have turned their backs on you, they no longer feel your music. In fact, they now think your music is outdated and old fashion.✓✓ Retailers begin to put your records in clearance sales baskets.✓✓ This is if you are lucky, otherwise, some retailers will pack all your unsold records and return them to your distributing company for a full refund.✓✓
Promoters are once again running away from your agent or manager, because they are no longer keen to book you. They literally duck and hide each time they see your agent or manager. No media is interested in you anymore.✓✓ They are all chasing the new sensation, the one that kicked you out of the market.✓✓ The records sales drop, the profits fall, the recording artist bows out and the curtain closes.✓✓ (14)

[70]

TOTAL SECTION B: 140
GRAND TOTAL: 300

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