higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

MUSIC BUSINESS AND STYLES N6

13 NOVEMBER 2019

This marking guideline consists of 10 pages.

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SECTION A

QUESTION 1

1.1	1.1.1	G
	1.1.2	K
	1.1.3	J
	1.1.4	O
	1.1.5	L
	1.1.6	N
	1.1.7	C
	1.1.8	B
	1.1.9	M
	1.1.10	A
	1.1.11	F
	1.1.12	H
	1.1.13	E
	1.1.14	I
	1.1.15	D

(15 × 2) (30)

1.2	1.2.1	False
	1.2.2	False
	1.2.3	True
	1.2.4	False
	1.2.5	True
	1.2.6	True
	1.2.7	False
	1.2.8	False
	1.2.9	False
	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	False
	1.2.22	True
	1.2.23	True
	1.2.24	True
	1.2.25	False

(25 × 2) (50)

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1.3	1.3.1	A
	1.3.2	D
	1.3.3	B
	1.3.4	A
	1.3.5	C
	1.3.6	B
	1.3.7	A
	1.3.8	D
	1.3.9	C
	1.3.10	D
	1.3.11	B
	1.3.12	A
	1.3.13	B
	1.3.14	D
	1.3.15	C
	1.3.16	C
	1.3.17	B
	1.3.18	B
	1.3.19	A
	1.3.20	D
	1.3.21	C
	1.3.22	B
	1.3.23	D
	1.3.24	D
	1.3.25	A

(25 × 2) (50)

1.4	1.4.1	Researching customer attitude and desires
	1.4.2	Buying and selling
	1.4.3	Breaking down bulk shipments for resale
	1.4.4	Setting prices
	1.4.5	Managing point-of-point promotions
	1.4.6	Advertising at a local level (pull advertising which is designed to bring people to a store or other business)
	1.4.7	Transporting products
	1.4.8	Inventorying products
	1.4.9	Financing purchases
	1.4.10	Locating qualifying customers
	1.4.11	Providing customer service and support
	1.4.12	Sharing the risk of doing business
	1.4.13	Combining your products with others to offer appropriate assortment

(Any 10 × 2) (20)
[150]

TOTAL SECTION A: 150

SECTION B

QUESTION 2

2.1 2.1 Product development

The product is the nucleus of any marketing effort. In music, the key product is a new recording; however, the core product also includes the performer. Product development involves all activities devoted to ensuring that the product is marketable.✓✓ The process includes identifying and enhancing the product's selling points, differentiating the product from the competition, choosing appropriate delivery formats, packaging the product effectively and setting the right price. ✓✓ (4)

2.2 At what stage of production development does marketing begin?

There are two scenarios:

Scenario 1: An artist comes up with a completed master recording and sells it to a record company. The company then sets out to identify a market for the already recorded music and to develop a programme for reaching the market.✓✓

Scenario 2: An enterprising label executive notices a lucrative new market, say a market of adolescent female fans of singer A. The executive finds such an artist and oversees the recording process to ensure that the CD matches the tastes of those adolescent female fans of singer A.✓✓

In the first scenario, the core product, the music, is created before marketing begins. In the second scenario, the creation of the product is included in the marketing.✓✓

Should marketing start only after the product has been developed or should the marketing process begin at the same time as, or before, product development?✓✓ In the case of art for art's sake – where the product embodies creative expression unencumbered by commercial considerations, marketing would begin after. However, in the commercial in the world, marketing is often an intrinsic part of the product development process.✓✓ The start of the marketing process depends on the artist's approach to music. What is the artist mostly interested in – pursuing an artistic vision or selling the product to whomever may be interested? In the latter instance one would consider the appeal of the music before it is performed and recorded.✓✓

Popular perception is when marketing is done only after the music has been created. Whether one does marketing before or after creating the product, it is vital to ascertain the workability of the commercial idea before committing money, time, and effort to a marketing project. One must know that the product has a chance of success in the marketplace – even if it is only small chance.✓✓ (16)

2.3 Identifying the target audience

The workability of any commercial venture depends on customers: Will people buy the product?✓✓ If so, who are they? How large is this group? The group of people identified as the probable customers for the record is the target audience.✓✓ One may wish to target broadly, aiming for a mass audience, known as market aggregation and undifferentiating marketing. One may wish to narrow the focus to target only a portion of the mass audience, known as marketing segmentation and target marketing. ✓✓ Such a portion of the larger market may consist of people in a particular age group, people who live in a particular region, people who subscribe to particular lifestyles, and so on.✓✓ For marketing purposes, it is essential that one has some sense of the audience for a given musical product. Ideally, 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.✓✓ (10)

2.4 Determining the product's selling points

The marketer must have 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 emphasized in packaging and serve as the basis for headlines and messages used in publicity and advertising.✓✓

When one determines the selling points, it is important to look beyond just the music. Audiences are attracted to more than melodies; they may also be attracted to the performer's personality and appearance. They may feel a kinship with the lifestyle and philosophy expressed by the performer's songs stance.

Music as product can be a powerful symbol for the tastes and beliefs of a defined group of people.✓✓ Those elements appeal primarily to listeners who imagine themselves as outside of mainstream culture. Successfully selling a product means controlling all sales points, both overt (the music and performer) and hidden (the underlying messages conveyed). The more one defines and communicates these aspects, the more accurately one will be able to market the product to the correct audience.✓✓ In a case of a classical string quartet, for example, the overt selling points might be these: the group has won several prestigious awards; it performs adventurous new music. Purchasing the group's recording will reinforce the customer's perception of him/herself as being culturally sophisticated and in tune with the *avant-garde*.✓✓ (8)

2.5 Differentiating the product from the competition
Part of establishing product value involves setting it apart from the competition. Why would someone buy this jazz CD instead of another? What makes the product unique? Again, these points may be emphasized in packaging and promotion.✓✓ (2)

2.6 Packaging the product
Having identified the products audience and selling points, 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 must be designed to emphasize 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.✓✓ The selling points can also be reinforced in advertising. Visual appeal is not the only factor in packaging. Other considerations are cost of production, speed of production, size and shape requirements for retail display, and legal requirements.✓✓ (8)

2.7 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.
Meanwhile if it is priced too low, the seller may not earn a profit. If prices differ from those of similar competitive products, the sales effect could be very significant: increased sales with lower-than-the-competition price; fewer sales with higher-than-competitor prices.✓✓ To cover all these bases, the seller needs 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 standardized: the top price for a 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).✓✓ For the music marketer, the focus in pricing will often be on (1) keeping costs down to ensure maximum profit on the generally accepted price, and (2) offering discounts on that price as sales incentives.✓✓ (8)

2.8 Distribution

How are products and customer connected? The answer lies in distribution. The product will not sell to the target audience if the marketer does not place the product in retail outlets that cater for that audience.✓✓ It is obvious that the product will sell in places where people go to buy such products. In the music field, identifying those places is not difficult. Most people buy records at large record stores, whether on the street or on the internet.

The process of getting records into that store, however, is not quite as straight forward.✓✓ Normally, the record seller must first secure the services of a distributor – a third party whose job is to serve as a one-stop distributor to numerous retail outlets.✓✓ For a price, the distributor sells the CDs to its retail accounts. The chain of entities involved in moving the product from the seller to the customer forms the distribution channel. Each part of chain, the seller, the distributor, and the retailer, functions as a member of the team. Approaches to setting up distribution channels and choosing the right one, and the right channel members, is a crucial part of marketing.✓✓ An order system will be set through the internet by using e-mail, a phone number, and/or an online order form. A brochure containing an order coupon will be mailed to all the contacts in a targeted mailing list.✓✓ (10)

2.9 Music promotion

An essential part of any marketing plan is a promotional strategy. Promotion boils down to informing the world about the product, persuading potential buyers of its value, and continually reinforcing public awareness of the artist and product.✓✓ Even if all other components of a product, distribution, and audience are in place or identified, without promotion, the enterprise would still go unnoticed by the public. In the world of music, promotion takes many forms, including live performances, radio play, television, internet activity, free media coverage (publicity) and paid advertising.✓✓ (4)

2.10 Managing the marketing programme

Once the marketing programme is in place, it can function as a well-oiled machine, with promotion 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. ✓✓

Changes in the market require changes in the marketing programme. For example, if an artist's style of music goes out of fashion, the musical direction might need adjustment to recast the tone and focus of the promotion. If the product becomes old, it will require a new set of tactics to ensure that it continues to generate sales.✓✓

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The marketer must be sensitive to the market to know when this is needed, 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 the various revenue streams, namely retail sales, television use, movie use, any other sources, executing accounts payable to any subcontractors, vendors and royalty participants.✓✓ While the financial division in a large company manages accounts receivable and accounts payable, the marketing people also monitor and scrutinize sales figures. The numbers are the bottom line, which is the final indication of the success or failure of product launch and the marketing plan.✓✓

For a small company like a small music business, this process may be an enviable position. With all the 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.✓✓ (10)

[80]

QUESTION 3

3.1 Engage your listener's imagination throughout by evoking pictures with spoken words and sound effect.✓✓ Ensure that the listeners can visualize the message conveyed.✓✓ (4)

The choice of sounds or music is very important because of the effect it has on the advert.✓✓ Use memorable sounds that ring in the listener's mind for a long time.✓✓ Find a cool sound and use an interesting voice to capture the listener's attention.✓✓Use a short, effective, catchy, musical phrase with sounds that are different in length.✓✓ (8)

Focus on and stick with one strong idea.✓✓ Radio adverts should aim to fight the tendency that audiences treat radio as background sound,✓✓ therefore the advert must have an incredible focus that mentally engages the listeners.✓✓ (6)

People listen to radio than any other form of media, but without paying more attention during most of their listening time.✓✓ That is why a radio advert should command the listeners' attention.✓✓ Get the audience/listeners' attention right away.✓✓ The introductory part of great radio adverts must help listeners to self-select to catch the attention of the right listeners.✓✓ (8)

Set direct goals for the advert.✓✓ One may want to use radio to create brand awareness through indirect action; therefore direct action advert calls for direct action.✓✓ (4)

Mention the brand name and the key elements thereof early on and often in the advert.✓✓ Listeners will remember the brand name that appears early in the advert.✓✓ Repeat the brand name throughout the advert.✓✓ (6)

3.2 3.2.1 Marketing is a way of generating fans and awareness for your music.✓✓ This can be done through a variety of different tactics such as content creation (curation), offering unique experiences, paying to reach fans (media coverage).✓✓ (4)

3.2.2 The record company's (record label's) job is to represent and exploit sound recordings (usually performance of a song). (2)

3.2.3 Music distribution is the way in which recorded music gets from the manufacturer to the consumer.✓✓ Traditionally distribution companies sign deals with record companies that give them the right to sell that company's products.✓✓ (4)

The distributor takes a portion of the income generated from the sale of each unit sold and then pays the balance to the label.✓✓ Most distributors expect record companies to provide them with finished, marketable products, but sometimes distributors also offer manufacturing and distribution deals.✓✓ (4)

[50]

QUESTION 4

4.1 4.1.1 Signs can direct people to a business location.

4.1.2 Signs can provide street advertisements.

4.1.3 Signs can build a business' image.

4.1.4 Signs can provide helpful information.

(4 × 2) (8)

4.2 4.2.1 SAMRO administer performing rights on behalf of its members. (2)

4.2.2 SAMRO licences music users such as radio and television,✓✓ broadcasters, live music venues, retailers, restaurants, promoters and shopping centres.✓✓ (4)

4.2.3 SAMRO protects the rights of composers and authors (music writers) both locally and internationally. (2)

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4.2.4 SAMRO funds and supports music and arts education through their foundation. (2)

4.2.5 SAMRO collects licence fees that are then distributed as royalties. (2)
[20]

TOTAL SECTION B: 150
GRAND TOTAL: 300

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