higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

JUNE EXAMINATION

MARKETING COMMUNICATION N6

3 JUNE 2014

This marking guideline consists of 7 pages.

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SECTION A

QUESTION 1

1.1
- Who advertises: Manufacturers of industrial goods such as machinery, spare parts, etc.
- What is being advertised: Products and services used in the manufacturing process of other goods and services, excluding goods intended for resale.
- The message is directed at industrial buyers.
- The target market is found country-wide or regionally, depending on the geographic concentration of the trade.
- Desired reaction: Use my product or service in your trade. (10)

1.2
- An increase in the awareness of the message
- The degree to which the target market can remember something about the message or the medium
- The degree to which the commercial has changed attitudes and opinions of the target market
- The credibility of the characters in the advertisement
- The number of enquiries received after the release of the advertisement

(5 x 2) (10)

1.3
- Formulate standards.
- Compare actual performance with standards set.
- Evaluate the differences.
- Take corrective measures to bring work performance back to standards set.
- Re-evaluation (10)

1.4
- A full service agency
- Agencies for consumable goods
- Agencies for industrial goods
- Agencies for financial services
- International agencies (10)

1.5 Before an advertising campaign can be launched, it should be tested, as costly mistakes can be eliminated in this way. Although only the advertising copy is normally tested, it can also be done for other strategic aspects of the campaign, such as media selection. In this section, pretesting of the advertisement itself will be analysed. Pretesting is done to determine the communication effectiveness of the advertisement in 'normal' conditions. (10)

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SECTION B

QUESTION 2

2.1

- The role of the ASA is essentially to make sure that advertising is honest, legal, truthful and decent.
- Advertising should have a sense of responsibility towards the consumer.
- Advertising should conform to the principles of fair competition in business.
- No advertising should bring advertising into disrepute by reducing confidence in advertising as a service to the industry and the public.
- The ASA is a corrective organisation.
- It endeavours to fix things that are wrong in advertising.
- A full-time secretariat administers the code under the control of an executive committee.
- Complaints received by the ASA are first dealt with administratively.
- The plaintiff looks at the complaint and responds.
- If it is a straightforward matter, the ASA simply advises that either there are no grounds for the complaint, or the advertiser is definitely at fault and must change his advertisement.
- If the plaintiff or defendant is unhappy with the decision of the ASA, he can ask for the matter to be brought before the Appeal Committee where it will be re-examined. (15)

2.2

- The financial state of the company and its state of liquidity play a vital role, affecting the media choice.
- If the company is relatively illiquid, the choice of media will naturally be restricted in terms of the funds available.
- In addition, top management's appreciation of the importance of advertising and its role in the marketing process plays an important role.
- Their attitude will affect the size of the advertising budget, which in turn will affect the media choice. (10)

2.3

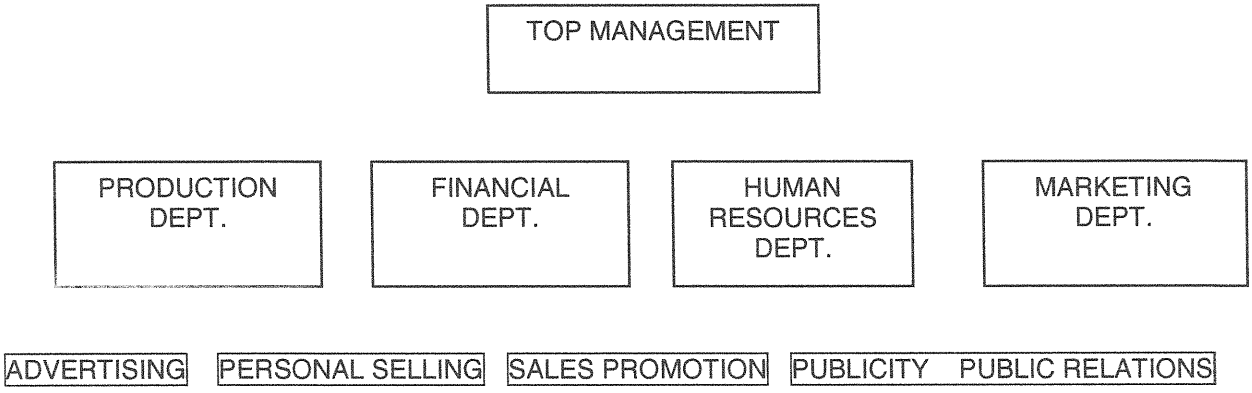
- To gain and retain the goodwill of the public.
- To assist management to act in the interest of the community.
- To promote understanding and acceptance of the company as well as to promote sales.
- To keep employees informed about the activities of the company.
- To communicate the roles of the company in the economy of the country.
- To promote the system of free enterprise.
- To educate the public regarding economic matters.
- To promote the name of the company as a leading concern/organisation.
- To develop new markets.

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- To promote the credibility of the company and show that it is worthy of the support of the community.
- To make government and financial groups aware of the company's value.
- To maintain good relations with the trade unions. (5 x 2)

(10)

2.4



(15)
[50]

QUESTION 3

3.1

- The accessibility of the practitioner for the advertiser; the range of services offered, and his compatibility with the client's business philosophy.
- The creative ability of the agency, the mutual co-operation within the agency and the dedication of the staff.
- The achievements of the agency in other campaigns, and the effectiveness of its research and planning in other campaigns.
- The maintenance of satisfactory client relationships and the degree of punctuality following up deadlines.
- The client's advertising budget.
- The consistency of the agency, its sense of responsibility and co-operation with the client.

(10)

3.2 Strengths

- Allow illustrations and explanations.
- Are suitable for high frequency.
- Are flexible and adaptable.
- Costs per reader are low.
- Are geographically selective.
- Buyers use them as a guide.

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Weaknesses

- Poor reproduction
- Short lifespan
- Rapidly read
- Reach general audience (20)

3.3 Combination offers differ from premium offers in that the items offered in combination may also be bought separately from the dealer. A combination offer combines two or more products in one selling unit at a price below that of the two items if purchased separately. There should be a relationship between the two items e.g. a toothbrush and toothpaste. (10)

3.4 Publicity in the context of marketing communication can be explained as the personal and impersonal stimulation of demand for a product, service, personality, place, institution or idea by making available their commercial news value to the mass media such as the press, radio, television, and where the sponsor normally does not pay for the placement/broadcasting of the message. (10)
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QUESTION 4

Situation analysis

No matter how effective a company's advertising, it can never compensate for weaknesses elsewhere in the organisation. An advertising campaign therefore starts with a critical analysis of the present situation, referring to the following:

a. the various functions of the company (internal), and
b. the environment in which the company functions.

The analysis is in the form of a business managerial investigation and provides a solid basis on which the advertising campaign can be built. Most advertising practitioners use this method to determine the present situation of a company and for doing forecasts.

When analysing a company's present situation a number of questions are asked:

- Is production done at the lowest possible cost?
- Is the staff well motivated and efficient?
- What is the attitude of the staff towards the company?
- How does the profitability, solvency and liquidity of the company compare with that of competitors?
- What is the image of the company with the public in the environment?

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An advertising manager does not necessarily do the business managerial analysis himself. Rather, his task is to collect the relevant information from his departments and staff. He requires this information to be able to manage the advertising campaign effectively and to retain perspective regarding the place of advertising in the company's overall activities – advertising can never be seen in isolation from the company's other activities. It is often the case that the advertising message is derived from information from other departments (.e.g. exclusive production).

Once the advertising manager has a clear picture of the situation in the company, he can give attention to the present marketing situation which will pave the way for his advertising planning.

The following aspects are analysed.

- The size, potential and share of the market
- The sales, cost and gross profit of the company's products
- The distribution channels
- The target audience: Industrial purchaser or final consumer
- The product

The purpose of the situation analysis is to find answers to the following questions:

a. Where is the company at this moment?
b. Why does the company find itself in this position?
c. Where would the company like to be?
d. Who does the company want to reach?

Thus the purpose of the situation analysis is primarily to determine the need for advertising this product, as well as the opportunities that can be utilised for advertising. The advertiser has to determine whether advertising has a role to play in the market environment.

The following factors will greatly contribute to the success of the advertising campaign:

a. A strong primary demand trend
b. Ample opportunity for product differentiation
c. Hidden product qualities
d. Adequate funds

In conclusion, it can be said that the advertising manager makes use of the SWOT analysis when doing the situation analysis: Strengths, Weaknesses, Opportunities and Threats. **[50]**

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QUESTION 5

5.1
- Sales are climbing.
- The initial investment in research, development and advertising is slowly being recovered.
- Distribution has improved; on the other hand more competitors will be around.
- The advertising strategy will be aimed at brand name promotion.
- Product differentiation should be stressed.
- Advertising strategy: Increased sales through word-of-mouth advertising, e.g. by well-known figures having already used the product. (11)

5.2 Visualisation refers to the images in the advertisement. It builds on the copy-writing, complementing it and rendering impact to it. The artist plays an important role here. The first objective is to draw attention. This can be achieved by action, realism, sentiment, sex, adventure and exceptional humour. The type of visualising that will be used will be determined by cost, reproduction and time available. Any of the following can be used: photography, wash drawings, line drawings. (15)

5.3 This is a variant of the percentage of sales method.
A specific amount for advertising is added to the cost of the product and then allocated to the advertising budget.
The amount is therefore determined by the number of units sold or produced.
This method may be incorporated with other methods.
It has the same weakness as the percentage of sales method. (10)

5.4 STEP 1: Tracing the consumer
STEP 2: Pre-approach (Preparation for contact)
STEP 3: The first contact
STEP 4: The presentation
STEP 5: Handling objections
STEP 6: Closing the transaction
STEP 7: Follow-up (14)
[50]

TOTAL: 200

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