higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N1000**(E)**(J)H
JUNE EXAMINATION

NATIONAL CERTIFICATE

MARKETING MANAGEMENT N5

(4030065)

6 June 2014 (Y-Paper)
13:00–16:00

This question paper consists of 9 pages.

BUSINESS STUDIES

Copyright reserved

DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
MARKETING MANAGEMENT N5
TIME: 3 HOURS
MARKS: 200

NOTE: If you answer more than the required number of questions, only the required number of questions will be marked. All work you do not want to be marked must be clearly crossed out.

INSTRUCTIONS AND INFORMATION

1. Section A is COMPULSARY.
2. Answer any THREE questions in Section B.
3. Read ALL the questions carefully.
4. Number the answers according to the numbering system used in this question paper.
5. Write neatly and legibly.

BUSINESS STUDIES

Copyright reserved

SECTION A (COMPULSORY)

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 (1.1–1.15) in the ANSWER BOOK.

1.1 Which ONE of the following is NOT a marketing mix element?

A People
B Price
C Place
D Obsolete

1.2 Carducci suit and a Ferrari sports car are good examples of:

A industrial products
B speciality products
C shopping products
D convenience products

1.3 An assurance to the client of the performance, quality of a product or service by a manufacturer is known as ...

A product obsolescence
B product testing
C product positioning
D product guarantee

1.4 Wholesalers with a single product range, speciality wholesalers, industrial distributors, shelf-wholesalers and co-operative store are types of:

A limited service wholesalers
B full-service wholesalers
C self-service wholesalers
D mail-order wholesalers

1.5 These shops have a limited product range, few product lines (narrow product range)and a wide variety of product in every line (deep product range)

A Department stores
B Family stores
C Discount stores
D Speciality stores

BUSINESS STUDIES

1.6 ... is a verbal and personal presentation of need satisfying products, services, institutions or ideas, to one or more potential buyers.

A personal selling
B sales promotion
C advertising
D publicity

1.7 Which ONE of the following statements about hypermarkets is TRUE?

A Hypermarkets are usually smaller than supermarkets.
B Hypermarkets offer only manufacturers' brands at premium prices.
C Hypermarkets have large parking areas and target markets extending beyond the immediate vicinity.
D Hypermarkets are a relatively old concept, having been in existence since the 1870's.

1.8 The idea that people pay extra for quality and status is the idea behind ... pricing.

A bait
B prestige
C leader
D demand-backward

1.9 Which of the following is the correct order of stages in the adoption process?

A awareness, interest, evaluation, trial, adoption
B interest, awareness, evaluation, adoption, rejection
C rejection, adoption, interest, awareness, evaluation
D acceptance, awareness, interest, evaluation, trial

1.10 What type of discount is given to a purchaser for performing activities such as transporting, storing and selling?

A quantity discount
B cash discount
C seasonal discount
D trade discount

1.11 This pricing objective is established by a firm to maintain or increase its product' sales in relation to total industry sales.

A cash flow
B product quality
C status quo
D market share

BUSINESS STUDIES

Copyright reserved

1.12 Which of the following statements refers to product simplification?

A Elimination of product items or product lines from the existing product
B mix in order to narrow the mix.
C A strategy used to expand the product mix by adding new (more)
D product items or product lines to the existing mix.

1.13 is an effective source of ideas at the idea generation stage of the new-product development process

A products found in international markets
B products of the competitors
C complaints by customers
D all the above-mentioned

1.14 When a consumer is looking for a specific trademark and is not prepared to accept a substitute, it is called a (an) ...

A awareness
B recognition
C insistence
D preference

1.15 Which ONE of the following is NOT an internal factor which must be considered in choosing an advertising media?

A type of product
B nature of advertising message
C accessibility and availability of the medium
D nature of marketing

(15 x 2) **[30]**

QUESTION 2

Give ONE word/term for each of the following descriptions by choosing a word/term from the list below. Write only the word/term next to the question number (2.1 Barcoding)in the ANSWER BOOK

kaleidoscopic packaging; bar coding; cost plus pricing method; yield or return value; combination packaging; promotional discount; specialisation; depth of the product range; variable price strategy; adjustable price strategy; copy structure; labelling

2.1 It refers to a payment to a dealer for promoting the manufacturer's products

2.2 Packaging characterised by products that are packed together

2.3 The content and extent of the text which is to be used in the advertisement

2.4 The price strategy whereby the buying power and the ability of the consumer to negotiate are taken into consideration

BUSINESS STUDIES

2.5 It is the special numbering of product items in order to make them readable by electronic devices

2.6 The cost of buying a product from the producer plus amounts for profit and for expenses not otherwise accounted for.

2.7 Packaging that can be identified by the layout on the packaging constantly changing.

2.8 The maximum amount which the consumer is willing to pay to extract a need satisfaction from the product.

2.9 Elimination of product items, product lines or product ranges in order to narrow the product mix.

2.10 The number of product items that exist in a product line.

(10 x 2) **[20]**

TOTAL SECTION A: 50

SECTION B: Answer any **THREE** questions in this section.

QUASTION 3

CASE STUDY: QUICKSTOP

Quickstop is a chain of small retail stores selling a wide range of everyday products. Its organisational ethics says that the welfare of its customers is the most important thing in the business, and that the natural environment must be protected.
When Quickstop decides on its marketing strategy, its organisational ethics will lead to decisions like the following

* We will not sell poor quality products.

* We will not sell products for more than double the price they cost us.

* We will not promote face creams in a way that suggests light skin is more attractive than dark skin.

* We will make sure that our stores have enough stock of the essential products our customers need.

(Barrett J. et.al , Marketing Level 4, 2009, p.75)

3.1 Are Quickstop retailing stores selling convenience or shopping products?

Substantiate with evidence from the case study. (2 x 2) (4)

BUSINESS STUDIES

Copyright reserved

3.2 From the case study, identify the company's set of rules and beliefs in relation to their pricing and placement. (2 x 2) (4)

3.3 Briefly explain how the organisation can apply the following price strategies and retailing methods:

3.3.1 Unit price strategy

3.3.2 Variable price strategy

3.3.3 Uneven prices

3.3.4 Prestige prices

3.3.5 Self-service

3.3.6 Vending machines (6 x 3) (18)

3.4 Name FOUR key tasks in retail management and planning for Quickstop. (4 x 2) (8)

3.5 Suggest FOUR advantages of bar coding and electronic scanning for this organisation. (4 x 2) (8)

3.6 Why do you think these retail stores should use intermediaries? (4 x 2) (8)
[50]

TOTAL SECTION B: 50

QUESTION 4

4.1 Explain the following terms:

4.1.1 Product

4.1.2 Product line

4.1.3 Product range

(3 x 2) (6)

4.2 Mega Music Company manufactures sound equipment.

Why is it important that they constantly develop new products? (5 x 2) (10)

4.3 The final step in the new product development process is commercialisation, the decision to market a product.

Name FIVE sets of tasks to put in motion when the decision is made to commercialise. (5 x 2) (10)

BUSINESS STUDIES

Copyright reserved

4.4 Clearly distinguish between durable and non-durable products. (2 x 2) (4)

4.5 List FIVE factors influencing the length of a distribution channel. (5 x 2) (10)

4.6 When determining a price, a logical and systematic process of pricing is required.

List the steps in formulation of a price strategy. (5 x 2) (10)
[50]

QUESTION 5

5.1 Give a brief description of the following distribution methods:

5.1.1 Intensive distribution (2 x 2) (4)

5.1.2 Selective distribution (2 x 2) (4)

5.1.3 Exclusive distribution (2 x 2) (4)

5.2 You are a manufacturer of sports shoes. You are determined to enter the competitive leisure shoe market by means of a market penetration price strategy

Explain this strategy and the circumstances under which it would be a success. (8 x 2) (16)

5.3 Name SIX characteristics of the growth phase in the life cycle of a product. (6 x 2) 12)

5.4 State five factors influencing the promotional mix. (5 x2) (10)
[50]

QUESTION 6

6.1 Give one example of each of the following that can be marketed

6.1.1 A product

6.1.2 An organisation

6.1.3 A service

6.1.4 An idea (4 x 2) (8)

6.2 Briefly discuss the convenience products. (3 x 2) (6)

6.3 What are the benefits of brands for the consumer? (6 x 2) (12)

BUSINESS STUDIES

6.4 The choice of the appropriate transportation method is a basic decision in physical distribution management.

State FIVE factors that influence the method of transportation to be used in the distribution channel. (5 x 2) (10)

6.5 The channel members in a distribution system are equally important and all interdependent upon one another. Therefore when the combination on intermediaries is executed, horizontal and vertical systems/dimensions exist.

Briefly explain the difference between vertical and horizontal dimension. (2 x 3) (6)

6.6 List EIGHT steps in the choice of a distribution channel. (8 x 1) (8)

TOTAL SECTION B: 150
GRAND TOTAL: 200

BUSINESS STUDIES

Copyright reserved