higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N1080**(E)**(J13)H

NATIONAL CERTIFICATE

MARKETING MANAGEMENT N5

(4030065)

13 June 2019 (X-Paper)
09:00–12:00

This question paper consists of 9 pages.

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

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

INSTRUCTIONS AND INFORMATION

1. SECTION A is COMPULSORY and must be answered by all candidates in the ANSWER BOOK.

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.

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SECTION A (COMPULSORY)

QUESTION 1

Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1–1.15) in the ANSWER BOOK.

1.1 The last A in the AIDA principle stands for ...



A awareness
B action
C affective
D attention

1.2 The actual benefit or need satisfaction that the user expects from the product is known as a …

A formal product
B total product
C product image
D core product

1.3 A ... is a single object or one particular version of a product with a name particular to it.



A product line
B product range
C product item
D all of the abovementioned

1.4 Convenience products can best be described as ...

A those items that are somewhat expensive but easy to purchase.
B those items that make life easier and save time.
C those items that require some purchase planning and for which the buyer often will not accept substitutes.
D relatively inexpensive, frequently purchased items for which buyers only exert minimal purchasing effort.



1.5 … obsolescence occurs when competitive products give the consumer greater real or imaginary need satisfaction, even if the old product might be physically fit for intended use.

A Psychological
B Physical
C Planned
D Technical

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1.6 … is when an enterprise contracts or narrows its product range.

A Standardisation
B Differentiation
C Diversification
D Specialisation

1.7 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

1.8 Manufacturers' brands are also called ... brands.

A generic
B resellers
C national
D family

1.9 Product differentiation, product line extension and improved service usually occur during the … stage of the product life cycle.

A introductory
B growth
C maturity
D declining

1.10 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 service wholesalers

1.11 A wholesaler is a firm that primarily …

A sells goods or services to end users for non-business use.
B produces a product and sells it to a distributor.
C sells goods or services to other firms for resale or business use.
D produces a product and sells it through its own sales force.

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1.12 Exclusive distribution means selling through …

A fewer retail points.
B all responsible and suitable retailers or wholesalers.
C only one middleman in a particular geographic area.
D ALL retail outlets

1.13 ... means that an increase or decrease in price will nor significantly affect the demand for the product.

A Elastic demand
B Replacement value
C Yield or return value
D Inelastic demand

1.14 … is when the seller pays for delivering goods to the buyer.

A Free-on-board
B Freight equalising
C Multiple regional prices
D Freight absorption strategy

1.15 Which ONE of the following is NOT an example of a sales promotion?

A Point-of-purchase displays
B Free samples
C A '20 cents off' coupon
D A banner ad on the internet

(15 × 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 (2.1–2.10) in the ANSWER BOOK.

logistical function; persuasion; transaction function; vertical forward integration; mature phase; horizontal integration; learning; vertical backward integration; publicity; perception; advertising; facilitating function; sales promotion; growth phase

2.1 A stimulation of demand for a product.

2.2 A selection of stimuli from the environment to be organised and interpreted.

2.3 A phase in which competition causes product prices to be lowered a lot.

2.4 A retailer gains control of the manufacturing plant.

2.5 Intermediaries who function as a source of information and grant credit to buyers.

2.6 Occurs once the customer understands the message and makes it his own.

2.7 Distribution system that can achieve scale benefits.

2.8 Intermediaries keep stock and move the product to where it is needed.

2.9 Phase during which a distinct levelling in the product's price occurs.

2.10 Methods to persuade potential clients to buy the product.

(10 × 2) **[20]**

TOTAL SECTION A: 50

SECTION B

Answer any THREE questions in this section.

QUESTION 3

Read the case study below and answer the questions.

KitKat

KitKat (being owned by Nestlé, the world's largest nutrition and food company) was the first product to come up with a chocolate-wafer combination and, until now, is more popular than Cadbury's Time Out.

KitKat is a finger-shaped snack wafer bar that used advertising to promote a ritual for eating a KitKat.

The KitKat chocolate bar has a familiar red-and-white packaging (which has not changed for quite some time) and is a brand known the world over.

KitKat uses creative, simple and visible advertising. The slogan 'Have a Break, Have a KitKat' creates a hype among customers, especially children and youngsters, and creates high brand awareness.

Although chocolates are generally considered a substitute for sweets, most health-conscious people avoid it because of its high sugar and fat content.

Even though KitKat products are easily reachable in small grocery stores as well as huge hypermarkets, the brand still needs to expand, especially in small towns, rural areas and villages.

In comparison to other major brands, KitKat, being very competitive in price, is affordable to a wide range of its target market members.

In 2013, Google, in association with KitKat, launched an operating system called Android 4.4 KitKat, which powers more than a billion smartphones and tablets. This was the first ever chocolate brand labelled for an Android operating system. This campaign was well developed and generated a lot of interest.

[Adapted from: *www.scribd.com*]

3.1 Distinguish between *product repositioning* and *differentiation*. (3 × 2) (6)

3.2 Explain how KitKat positions itself as an 'anytime snack'. (2)

3.3 Recommend how KitKat can differentiate itself from competitive chocolate bars. (2 × 2) (4)

3.4 Besides 'product', briefly summarise the other THREE Ps of the marketing mix (4Ps) of KitKat. (3 × 3) (9)

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3.5 Identify FIVE advantages of brands for the marketer. (5 × 2) (10)

3.6 As part of a SWOT analysis, briefly describe TWO opportunities and TWO weaknesses of KitKat. (4 × 2) (8)

3.7 Explain what type of consumer product KitKat is. (3 × 2) (6)

3.8 How did the co-branding project of Android 4.4 KitKat benefit both Google and KitKat? (2 × 2) (4)

3.9 Which Cadbury product strongly competes with KitKat? (1)

[50]

QUESTION 4

4.1 Identify FIVE key tasks in retail management and planning. (5 × 2) (10)

4.2 Give SIX purposes that promotional methods serve. (6 × 2) (12)

4.3. Name FOUR elements in the promotional mix. (4 × 2) (8)

4.4 Give FIVE conditions in which the skimming price strategy would be applied. (5 × 2) (10)

4.5 Assess the FIVE steps that are followed when a final price is determined. (5 × 2) (10)

[50]

QUESTION 5

5.1 Discuss the following price strategies:

5.1.1 Lure prices

5.1.2 Traditional prices

5.1.3 Prestige prices

(3 × 2) (6)

5.2 Name THREE ways in which repositioning can be done. (3 × 2) (6)

5.3 Discuss FOUR functions of packaging. (4 × 2) (8)

5.4 Give FIVE advantages of barcoding and electronic scanning for the retailer. (5 × 2) (10)

5.5 Name TWO economic variables that influence prices. (2 × 2) (4)

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5.6 Show how any SIX market factors can influence the length of the distribution channel. (6 × 2) (12)

5.7 Distinguish between the following terms:

5.7.1 Brand

5.7.2 Trademark

(2 × 2) (4)
[50]

QUESTION 6

6.1 Name FIVE advantages of brands for the consumer. (5 × 2) (10)

6.2 Give FIVE reasons for the importance of stock-keeping. (5 × 2) (10)

6.3 Name FIVE disadvantages the franchisee could experience. (5 × 2) (10)

6.4 Give any FOUR steps in the product development process. (4 × 2) (8)

6.5 Name the THREE factors that determine consumers' reaction to price. (3 × 2) (6)

6.6 Assess any THREE benefits of seasonal discounts. (3 × 2) (6)
[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200

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