higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

NOVEMBER EXAMINATION

MARKETING MANAGEMENT N5

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This marking guideline consists of 6 pages.

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SECTION A

QUESTION 1

1.1 A
1.2 D
1.3 A
1.4 C
1.5 B
1.6 C
1.7 D
1.8 B
1.9 B
1.10 D
1.11 C
1.12 A
1.13 B
1.14 C
1.15 D

(15 × 2) **[30]**

QUESTION 2

2.1 High
2.2 Inelastic
2.3 Public relations
2.4 Have a time span
2.5 Standardisation
2.6 Wholesaler
2.7 External
2.8 Cost-plus
2.9 Physical
2.10 Grading

(10 × 2) **[20]**

TOTAL SECTION A: 50

SECTION B

QUESTION 3

3.1 Speciality Products

- Consumer goods with unique characteristics and/or brand name insistence✓✓ and for which a significant group of users are willing to make a special purchasing effort.✓✓ The consumer has considerable product knowledge before searching for the best deal.✓✓ (Any appropriate 3 × 2) (6)

3.2 Manufacturer has only one outlet in an area or a target market and he deals directly with the chosen retailer.✓✓ Brands and trademarks play a vital role✓✓ and it is necessary to market aggressively.✓✓ Usually the manufacturer assists retailers with marketing.✓✓ (Any 3 × 2) (6)

3.3

- Product – BMW i3/BMW i8
- Price – Full electric i3 @ R 525 000/i3 range @ R595 000/i8 @ R 1 755 000
- Promotion – Motor show
- Place – Supertech, Durban/SMG, Cape Town/Sandton Auto, Johannesburg/Club Motors Fountains, Pretoria

(4 × 2) (8)

3.4 Exclusive Distribution

- Middlemen are limited on purpose.
- Used for both speciality and shopping goods.
- Only the retail point per geographic area.
- Has the sole right to buy, sell and distribute the product in that area.
- Mainly used in franchise agreement. (5 × 2) (10)

3.5

- Opportunity to act as an independent business person.
- Gaining of specialised management services.
- Product with a positive image.
- Cheaper purchases.
- Learning of management abilities.
- Gaining of exclusive sales rights. (Any 5 × 2) (10)

3.6

- Nissan Leaf
- Mercedes Benz
- Lexus
- Audi
- Acura (Any appropriate 5 × 2) (10)

[50]

QUESTION 4

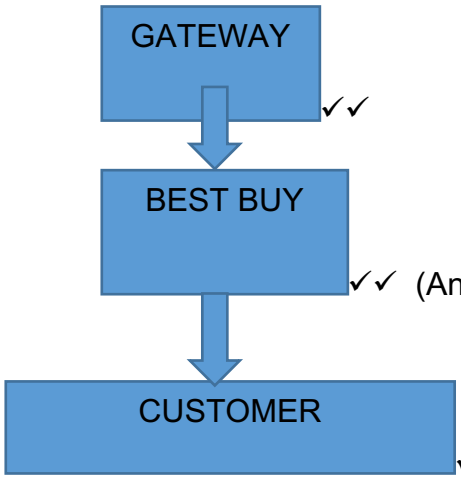
4.1 Gateway changed its distribution strategy because of their acquisition by Acer✓ and Acer uses indirect distribution.✓ (2 × 1) (2)

4.2 The difference between direct distribution and indirect distribution is that direct distribution uses no middlemen whereas indirect distribution goes through intermediaries.✓✓ With direct distribution conflict should not arise as the responsibilities fall all on the manufacturer.✓✓ (2 × 2) (4)

4.3
- Best Buy
- Circuit City
- CompUSA
- Costco
- HSN
- Newegg
- Tiger Direct
- Office Depot
- OfficeMax
- Wall-Mart

(Any 5 × 1) (5)

4.4



✓✓ ✓✓ (Any of the retailers listed in the case study) ✓✓ (3 × 2) (6)

4.5 STEP 1: Determine the target market.
STEP 2: Determine buying habits
STEP 3: Determine geographical distribution
STEP 4: Formulate channel objectives
STEP 5: Evaluate channel alternatives
STEP 6: Choose channel members
STEP 7: Persuade channel members
STEP 8: Methods of persuasion
STEP 9: Evaluation (9 × 1) (9)

4.6
- Providing point-of-sales advertising for intermediaries.
- Help with the planning of activities (forecasting, research, promotions).
- Management assistance can be provided to intermediaries.
- Giving training to personnel concerning conflict handling.
- Eliminating intermediaries refusing to cooperate.
- Service representatives can be used to identify problems.
- Organising competitions for intermediaries.
- Free samples can be presented to intermediaries to be transferred to consumers. (Any 5 × 2) (10)

4.7
- It shows where a product is too expensive or too cheap.
- Attitude changes toward price changes can be detected quickly.
- Product failure can be eliminated.
- Potential marketing opportunities can be identified.
- Effects of price changes on sales volume and market share can quickly be determined.
- Price band of an acceptable price is determined.
- Market share and present market price of individual brands can be shown.
- Can be used to predict what the possible sales of a new product will be.
- Consumer satisfaction concerning the ruling price can quickly be determined. (Any 7 × 2) (14)

[50]

QUESTION 5

5.1 5.1.1 Seasonal Discounts
- Mainly granted to buyers who purchase products out of season.
- Storage function shifted to purchaser.
- Producers able to maintain a constant schedule year-round.

NOTE: Any 2 explanations with the name (3 × 2) (6)

5.1.2
- Improves cash flow
- Lowers stock-keeping costs
- Higher sales in off-season
- More equal occupation of product capacity. (4 × 2) (8)

5.2
- Attention – Dongane Holiday Resort/The picture
- Interest – Snorkelling/Deep sea fishing/Scuba diving/Swimming/ Hiking trials/Bird watching/Dhow trips/Salt water fly fishing
- Desire – 450 km north of Maputo, camp site situated around on the shores of Lago Dongane, a 36 km crystal clear lake separated from the ocean by a range of high forested dunes.
- Action – 082 569 3436/Email: info@dongane.com/www.dongane.com

(Any 4 × 2) (8)

5.3
- Advertising – Placing an advertisement in a newspaper.
- Personal selling – A sales representative of the holiday resort can go door to door and talk to potential customers about the resort.
- Sales promotion – Giving the customer a 25% discount if they book for a week.
- Publicity – Resort can donate money to a children's hospital and invite the newspaper to cover it. (Any appropriate 4 × 2) (8)

5.4
- Snorkelling
- Deep sea fishing
- Scuba diving
- Swimming
- Hiking trials
- Bird watching
- Dhow trips
- Salt water fly-fishing (any 4 × 2) (8)

5.5
- Accessibility and availability
- Degree of versatility
- Cost per thousand target audience
- Price decisions
- Cost of medium
- Coverage, frequency and continuity which is derived (Any 6 × 2) (12)

[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200

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