higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

MARKETING MANAGEMENT N5

30 NOVEMBER 2018

This marking guideline consists of 7 pages.

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SECTION A (COMPULSORY)

QUESTION 1

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

(15 × 2) **[30]**

QUESTION 2

2.1 line
2.2 Homogeneous
2.3 tangibility
2.4 shorter
2.5 Differentiation
2.6 Retailing
2.7 value
2.8 Sales intermediaries
2.9 Marginal
2.10 convenience

(10 × 2) **[20]**

TOTAL SECTION A: 50

SECTION B

QUESTION 3

3.1 3.1.1 The core product:

- the benefit or need satisfaction that the user expects from the product.
- motivating factor may be contact with family and friends; or access to information; or status or admiration from friends

(2 × 2) (4)

3.1.2 The formal product:

- the actual physical object offered to the market.✓✓ market.✓✓
- built around the core product by means of a brand name, ✓✓ packaging,✓✓ design,✓✓ technical qualities✓✓ and material composition.✓✓ (Any 3 × 2) (6)

3.1.3 The augmented product:

- points to all the benefits that consumers experience when they perceive, purchase and use the formal product.✓✓
- The marketer offers attributes such as installation,✓✓ guarantees, after-sales service,✓✓ financing, delivery and storage.✓✓ (Any 4 × 2) (8)

3.2 Points to the way in which the consumer observes the product. (2)

3.3

- A computer is faster (faster processing).
- Typing documents on a tablet is generally more difficult. (2 × 2) (4)

3.4

- The same price.
- Higher price.
- Lower price. (3 × 2) (6)

3.5

- Portability.
- Productivity.
- Entertainment.
- Adaptability.
- Battery Life. (Any 4 × 1) (4)

3.6
- General tendency exists to a more diversified presentation of products.
- Impersonal retail sales by means of mail order or the Internet, will, as expected, increase largely.
- As the retail industry diversifies to an increased degree, traditional classifications will disappear.
- Striving for better decision making by retail management can be seen, as well as a general attempt for the increase of productivity.
- A process of polarisation is developing on the retail level.
- The growth in sales directly to the public by manufacturers.
- The use of own brands by retailers.
- Growth in direct marketing. (Any 6 × 2) (12)

3.7
- Entertainment.
- Battery life. (2)

3.8 Growth stage. (2)
[50]

QUESTION 4

4.1
- Describe the target market.
- Develop the product.
- Create image and promotional strategy.
- Select the correct store location.
- Determine price levels.
- Control the retail mix. (Any 5 × 2) (10)

4.2
4.2.1 Maturity stage.
4.2.2 Introduction stage.
4.2.3 Maturity stage.
4.2.4 Decline stage.
4.2.5 Introduction stage.
(5 × 2) (10)

4.3
- Advantages to the franchisee.
- The opportunity to act as an independent business person.
- Specialised management assistance by franchisor.
- Access to a brand with a positive image.
- Cheaper purchases due to bulk buying by franchisor
- Gaining exclusive sales rights. (Any 5 × 2) (10)

4.4
- More equal occupation of production capacity.
- Improvement of the cash flow position of the business.
- Lowering stock-keeping costs.
- Higher sales quantities in off-seasons
- Purchase patterns of buyers. (Any 3 × 2) (6)

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4.5
- Attaining special allowances for purchases out of season.
- Attaining special allowances for purchases out of season.
- Seasonal production.
- Varying demand.
- Speculation.
- Attaining special allowances for purchases out of season. (Any 3 × 2) (6)

4.6 Freight absorbing price strategy :
- characteristic when the seller pays for delivery of products to the buyer or (seller absorbs the delivery charges.)
- areas where the competition is severe

Freight equalising strategy:
- All buyers pay the same price regardless of their geographical location.
- Total transport cost is estimated (4 × 2) (8)

[50]

QUESTION 5

5.1
- Warehousing.
- Materials handling.
- Stock control.
- Order processing.
- Transport. (5 × 2) (10)

5.2
- The nature of the product.
- Prescriptions by authorities.
- The nature of the company.
- The nature of the need for transportation.
- The relative cost of the various transportation methods.
- The degree of service that the business wishes to render to the consumer.

(Any 5 × 2) (10)

5.3
- Advertising.
- Personal selling.
- Sales promotion.
- Publicity. (4 × 2) (8)

5.4
5.4.1 Multiple packaging.
5.4.2 Reusable packaging.
5.4.3 Combination packaging.
5.4.4 Unit packaging.
5.4.5 Speciality packaging.

(5 × 2) (10)

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5.5
- Inform.
- Persuade.
- Remind. (Any 2 × 2) (4)

5.6
- Organisation for product development.
- Development of ideas.
- Screening ideas.
- Product concept development.
- Profitability analysis.
- Physical product development.
- Test marketing.
- Commercialisations (Any 4 × 2) (8)

[50]

QUESTION 6

6.1
- Costs.
- The organisation.
- The other elements of the marketing mix. (3 × 2) (6)

6.2
6.2.1 Selective distribution.
6.2.2 Intensive distribution.
6.2.3 Exclusive distribution.
6.2.4 Exclusive distribution.
6.2.5 Intensive distribution.
6.2.6 Selective distribution.

(6 × 2) (12)

6.3 Depth: indicates the number of items in a product line.
Width: indicates the number of lines in a product mix. (2 × 2) (4)

6.4
- When there is large potential market for the product.
- Where a great degree of potential competition is present.
- When a low price can be used to keep potential new competitors out of the market.
- When the demand for the product is reasonably price elastic.
- If a market is present that is not prepared to pay high prices.
- If the business is capable of supplying the demand for the product.
- When an increase in production leads to a reduction in production cost.

(Any 5 × 2) (10)

6.5
- To make consumers aware of a new product.
- To convey information.
- To convince the consumer to purchase the product or service.
- To convince channel members to stock certain products.
- To increase turnover.
- To promote the image of the enterprise.
- To proclaim specific, important activities.
- To expand the product image.
- To inform consumers about the price of products or services. (Any 5 × 2) (10)

6.6
- Anticipating consumer needs and buying patterns.
- Sales and promotion.
- Financing.
- Storage.
- Buying in bulk (breaking bulk).
- Transport.
- Risk bearing. (Any 4 × 2) (8)

[50]

TOTAL SECTION B: 150
GRAND TOTAL: 180

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