higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

MARKETING MANAGEMENT N5

6 NOVEMBER 2019

This marking guideline consists of 7 pages.

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SECTION A (COMPULSORY)

QUESTION 1

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

(15 × 2) **[30]**

QUESTION 2

2.1 source
2.2 Encoding
2.3 Perception
2.4 conative
2.5 inelastic
2.6 variable
2.7 Leader
2.8 Desk jobbers
2.9 Discount stores
2.10 transaction

(10 × 2) **[20]**

TOTAL SECTION A: 50

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SECTION B

QUESTION 3

3.1
- Width consists of the number of product lines✓✓
- Nivea Crème,✓ Nivea Visage,✓ Nivea Sun,✓ Nivea Body,✓ Nivea Hand and Nivea for Men,✓ Nivea Visage Young skin care✓ (8)

3.2
- Family brand (2 × 2)

Preferable when:
- the quality of the products is virtually similar
- the same distribution channels are used
- similar marketing communication methods are used
- the product range is narrowly related (Any 3 × 2) (8)

3.3
- Organisation for product development
- Development of ideas
- Screening ideas
- Product concept development
- Profitability analysis
- Physical product development
- Test marketing
- Commercialisation (8)

3.4 'targets girls who want a regime for their normal skin as opposed to medicated products offered by competitors' (1 × 2) (2)

3.5 'Nivea Cares for Your Skin' (2)

3.6
- aims to reduce packaging and waste by using larger pack sizes
- uses more natural products
- by using recyclable plastic in its containers (3 × 2) (6)

3.7
- Determine the need - situation analysis
- Determine the advertising objectives
- Choose the target audience
- Compile the advertising budget
- Select the advertising media
- Create the advertising message
- Pre-test the advertising campaign
- Launch the advertising campaign
- Co-ordinate the advertising campaign
- Revise the advertising campaign (Any 6 × 2) (12)

3.8
- Long-term investment
- Technological advances
- Educating customers promotionally
- Effective communication of brand values (Any 2 × 1) (2)

3.9
- Press advertising
- Public relations sampling (2)

[50]

QUESTION 4

4.1
- Business planning starts with the product
- New products are needed for retention of profit margins
- New products are essential for business growth
- Certain environmental variables lead to new products
- The battle for retail shelf space
- The high costs and risks of product failures (Any 5 × 2) (10)

4.2 4.2.1 A number of the same product is packaged together

4.2.2 Layout on the packaging constantly changes. Consumers do repeat-buying to collect all the different options.

4.2.3 Products are packed in individual units as needed by the consumer.

(3 × 2) (6)

4.3
- Identify the target market
- Determine the buying habits
- Determine geographic distribution of target market
- Formulate the channel objectives
- Evaluate channel alternatives
- Choice of channel members
- Persuasion of channel members
- Methods of persuasion of channel members
- Evaluation of channel members (Any 5 × 2) (10)

4.4
- Warehousing
- Materials handling
- Stock control
- Order processing
- Transport (5 × 2) (10)

4.5
- Costs
- The organisation
- The other elements of the marketing mix (3 × 2) (6)

4.6
- The intermediary alone is responsible for the marketing expenses of the product
- A bad product can damage the image of the intermediary
- If product quality is poor, customers have only the dealers to blame
- Some dealers have trouble promoting their own brands (4 × 2) (8)

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QUESTION 5

5.1 5.1.1 product mix is expanded by adding related or unrelated product lines to the existing mix

5.1.2 enterprise contracts or narrows its product range by eliminating product lines or product items

5.1.3 enterprise limits the forms, quality, dimensions and other features of a specific product on purpose

(3 × 2) (6)

5.2
- Descriptive cash slip
- Competitive prices
- Price comparisons
- Shopping list
- Fewer sorry-no-stock situations (5 × 2) (10)

5.3
- Between producers and retailers
- Between producers and wholesalers
- Between original service providers and retailers
- Between a wholesaler and a retailer (Any 3 × 2) (6)

5.4
- The target market that has to be served
- Choice between existing storage facilities and the development of own storage facility
- The location of the warehouse
- Centralisation or decentralisation
- The number of warehouses requested
- Availability of transportation facilities to the warehouse location
- Possible expansion of warehouse facilities
- The availability of labour
- Taxes
- Purchase patterns of buyers (Any 4 × 2) (8)

5.5
1. Analyse the internal and external factors that influence price
2. Formulate the price objectives
3. Determine the basic price
4. Make adjustments to the basic price
5. Determine the final price (only 1 mark for wrong order!) (5 × 2) (10)

5.6
- Anticipating consumer needs and buying patterns
- Sales and promotion
- Financing
- Storage
- Buying in bulk (breaking bulk)
- Transport
- Risk bearing (Any 5 × 2) (10)

[50]

QUESTION 6

6.1
- If a product does not meet the requirements, it serves as a warning against repeat buys.
- Consumers have greater freedom of choice as to where to buy his/her product.
- If consumers know the brand, it speeds up the purchase process.
- Competition leads to continuous product differentiation and improved products.
- Parts are more easily obtained if the brand is known.
- The brand usually identifies a manufacturer/supplier as a measure of security for consumers.
- Ensures the consumer of a consequent quality standard.
- Helps in the distinction/identification of the product (8 × 2) (16)

6.2
- 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
- Increase in production leads to a reduction in production cost (7 × 2) (14)

6.3
- The availability of substitute products
- The price relative to the consumers buying power
- The durability of the product
- The various uses of the product (4 × 2) (8)

6.4
- Labels can lead to consumers rather choosing other substitute products, e.g. "Dry clean only".
- New, unknown products are not easily bought by consumers, so the label should be very descriptive and attractive.
- Result of usage does not meet the information on the label (Any 3 × 2) (6)

6.5
- Rapid product ageing
- Rapidly changing markets, mass distribution and mass communication.
- Intensive competition that replaces the product item before the end of its technical span.
- A higher standard of living (Any 3 × 2) (6)

[50]

TOTAL SECTION B: 150
GRAND TOTAL: 180

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