higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE

MARKETING MANAGEMENT N6

(4030076)

7 June 2021 (X-paper)
09:00–12:00

This question paper consists of 12 pages.

235Q1J2107

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
MARKETING MANAGEMENT N6
TIME: 3 HOURS
MARKS: 200

INSTRUCTIONS AND INFORMATION

1. Answer all the questions.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Start each section on a new page.
5. Use only a black or blue pen.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

1.1 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 (1.1.1–1.1.10) in the ANSWER BOOK.

1.1.1 The pricing strategy according to which different customer segments are charged different prices for the same product or service is known as ...

A price determination
B price differentiation
C price list
D pricing

1.1.2 Selling identical goods or services from the same provider at different prices, is known as …

A discrimination
B price
C price discrimination
D distribution

1.1.3 A business enlargement or a change in a business's range of products or field of operation is known as ...

A trade
B import
C export
D diversification

1.1.4 A business, investment or product that provides a steady income.

A Sales
B Cash cow
C Income tax
D Revenue

1.1.5 A service provider that transfers information electronically.

A Communication service
B Communication channel
C Distribution channel
D Tariff

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1.1.6 The manner in which something is shared among a group or spread over an area.

A Profitsharing
B Revenue
C Distribution
D Profit sales

1.1.7 A product with a big market share in a fast-growing market.

A Cash cow
B Dog
C Star
D Income

1.1.8 … implies a set of collective beliefs, values and attitudes within a business.

A Diversity
B Organisation
C Culture
D Training

1.1.9 A process to evaluate innovative product ideas.

A Investigation
B Screening
C Feedback
D Results

1.1.10 The strategy whereby a marketer maximises profit or simply covers costs and breaks even.

A Money
B Income
C Product
D Revenue pricing

(10 × 1) (10)

1.2 Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

1.2.1 Product development involves the modification of an existing product or its presentation and the formulation of an entirely new product that satisfies a newly defined customer want.

1.2.2 The process of converting land-line phones into wireless handsets is one example of product development.

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1.2.3 A gatekeeper is an open door between you and the person you need to speak to.

1.2.4 Cutting costs is one example of business process improvement.

1.2.5 The aim of a service improvement plan is to easily spot duplicated work.

1.2.6 Control is a primary, goal-oriented function of management and has nothing to do with employee performance.

1.2.7 International marketing focuses on one nation only.

1.2.8 Direct investment is a type of international marketing.

1.2.9 One of the techniques to market your service business is to ensure that you always connect with the community as opposed to staying in touch with them.

1.2.10 Service marketing is limited to selling car rental.

(10 × 1) (10)

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1.3 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–L) next to the question number (1.3.1–1.3.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.3.1	Word used in marketing to describe the key qualities of services, not that of goods	A	skilful purchaser
		B	price-fixing
1.3.2	The reason why customers buy goods	C	interpersonal factors
1.3.3	Practice whereby rival companies illicitly agree not to sell their goods or services below a certain price	D	product policy
		E	product planning
1.3.4	Individuals with similar tastes and mind sets entering into an association	F	inseparability
		G	target market
1.3.5	Person who is good at something because of previous experience	H	geographical area
1.3.6	Ongoing process of identifying and articulating market requirements that determine a product's future	I	corrective action
		J	buying motives
1.3.7	Sstrategic rule or set of rules for how goods or services are promoted to potential consumers	K	implementation
		L	focus strategy
1.3.8	When a business divides its market on the basis of geography		
1.3.9	Particular group of consumers at which a product or service is aimed		
1.3.10	Action taken to preclude occurrences of an identified hazard or prevent the recurrence of a problem		

(10 × 1) (10)

1.4 Complete the following sentences by writing only the missing word or words next to the question number (1.4.1–1.4.10) in the ANSWER BOOK.

buyer; joint venture; leadership; market development; sales analyst; subsidiary; promotion; direct export; buying pattern; heterogeneous qualities

1.4.1 A … is a company controlled by a holding company.

1.4.2 … are a fundamental characteristic of a service which results in variations between one service and another.

1.4.3 A person whose job it is to select and purchase stock or material for a large retail or manufacturing business is known as a …

1.4.4 A growth strategy that identifies and develops new market segments for current products is known as …

1.4.5 Leading a group of people or an organisation is referred to as …

1.4.6 A … is a commercial enterprise undertaken jointly by two or more parties that retain their distinct identities.

1.4.7 … is the way consumers buy goods or services and entails frequency, quality, duration and timing.

1.4.8 The method whereby a manufacturer or his agent in a foreign country exports goods directly to foreign buyers is known as …

1.4.9 A … examines sales reports to determine which goods and services have sold well and which have sold poorly.

1.4.10 Informing customers of products and services and making them available to customers are referred to as …

(10 × 1) (10)
[40]

TOTAL SECTION A: 40

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SECTION B

QUESTION 2

Study the cartoon in **FIGURE 1** below and answer the questions.



[Source: *www.glasbergen.com*]

FIGURE 1

2.1 Name the TWO types of environment that are directly affected by the picture above and the information in it.

Give ONE reason for each type of environment. (8)

2.2 What is the cause of failure or success within a company, bearing in mind the core management task? (5)

2.3 What are the main points to focus on when you analyse the marketing situation in the internal environment? (2)

2.4 Give a definition of the term *mission* of a business and give an example of it. (4)

2.5 List FIVE steps to be followed in the controlling process. (5)

[24]

QUESTION 3

Read the scenario below and answer the questions.

Derived demand:

The demand for industrial goods is derived from the demand for consumer goods. For example, animal hides are in demand because consumers need to buy shoes, wallets, and other leather goods. If the demand for consumer goods slackens, so will the demand for all industrial goods used in their production. For this reason, industries must closely monitor the buying patterns of the ultimate consumers.

For example, the demand for steel and cement does not exist by itself. It exists because of the demand for houses. Because of a huge demand for flats in the mid-90s, the construction industry boomed. Consequently, the real-estate industry in general and the construction industry in particular have to be monitored to understand the demand for steel and cement.

Concerning capital goods such as the equipment and machinery required to produce other goods, purchases are made not only for cement requirements but also in anticipation of profits from future usage. Therefore, when businessmen foresee a recession in the near future, they curtail their purchases drastically.

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During a recession or when a drop in consumer demand is evident, industrial firms reduce either their inventories or their production or both. On the other hand, during a period of prosperity, an increase in the production and sales of consumer goods results in an increased demand for industrial goods. This is the right time for price increases or building stock thanks to a ready availability and shorter delivery periods.

An industrial marketing firm must monitor its customers, purchases, finances, quality standards, and so on closely to detect changes in customer demand.

[Source: *yourarticlelibrary.com*]

3.1	Give a detailed definition of *derived demand*.		(3)
3.2	Name TWO types of derived demand and give examples in the above scenario of each type.		(7)
3.3	Explain the meaning of *industrial marketing*.		(4)
3.4	Name FIVE types of industrial marketing.		(5)
3.5	Name FIVE types of industrial goods and give an example of each.	(5 × 2)	(10)
3.6	Define *product planning.*		(2)
3.7	Name THREE bases of product planning decisions.		(3)
			[34]

QUESTION 4

Study the cartoon in **FIGURE 2** below and answer the questions.



[Source: *www.glasbergen.com*]

4.1 Explain the following words or terms.

4.1.1 Licensing

4.1.2 Foreign-trade policies

4.1.3 Direct exports

4.1.4 Indirect exports

4.1.5 Price determination

(5 × 2) (10)

4.2 Name and explain TWO types of foreign trade. (6)

4.3 Name and discuss SIX strategies for entering a foreign market. (18)

4.4 Describe *trade barriers* and name SIX types of trade barriers that a company wishing to trade overseas may encounter. (8)

[42]

TOTAL SECTION B: 100

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QUESTION 5

Study FIGURE 3 below and answer the questions.



[*Source: marketoonist.com*]

FIGURE 3

You are a sales person and want to attract new customers. You have decided to design some posters.

5.1 Name and discuss SIX ways to attract new customers. (6 × 4) (24)

5.2 Name SIX ways to target new customers. (6)

[30]

QUESTION 6

Study the scenario below and answer the questions.

Marketers should plan for every scenario, not only for the most likely one

The year 2020 is behind us. Marketers have set their eyes firmly on the year ahead and are currently devising their marketing plans and drafting their strategy documents for 2021. Most of them will plan for only one scenario: business as usual.

Planning for business as usual makes sense. It is, after all, impossible to predict the future. So it wouldn't make sense to base one's marketing plan on an event that may or may not occur.

Consider the following:

– The future is neither pre-determined nor predictable.

– If it were, there would be no point in taking precautions today because it would have no effect on the future.

– Full information about the future is never available.

Because the future cannot be predicted, you shouldn't plan for only one scenario (businesses as usual). Rather have several strategies in place to deal with any possible scenario that may cause a crisis.

'Don't wait till you're in a crisis to come up with a crisis plan.' – Dr Phil

[Source: *smartinsights.com*]

6.1	Define *marketing planning* in a broad sense.	(4)
6.2	Differentiate between *goals* and *objectives.*	(3)
6.3	Name THREE common factors in market planning.	(3)
6.4	Discuss situational analysis as one of the important factors which you need to consider when you devise a marketing plan.	(15)
6.5	List FIVE advantages of planning.	(5)
		[30]

TOTAL SECTION C: 60
GRAND TOTAL: 200

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