higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

MARKETING RESEARCH N6

22 NOVEMBER 2019

This marking guideline consists of 9 pages.

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SECTION A (COMPULSORY)

QUESTION 1

1.1
1.1.1 systematic
1.1.2 retailers
1.1.3 small
1.1.4 unstructured and indirect
1.1.5 complete
1.1.6 consumers
1.1.7 unstructured
1.1.8 personally
1.1.9 qualitative
1.1.10 geographic

(10 × 1) (10)

1.2
Step 1: Define the objectives of the market test.
Step 2: Establish the criteria for success.
Step 3: Integrate the test market with the marketing plan of the firm.
Step 4: Establish control.
Step 5: Select representative test areas.
Step 6: Decide on the number of test markets.
Step 7: Establish the time frame for the test.
Step 8: Evaluate results. (8)

1.3 **Step 1: Define the marketing research problem.**✓

- Determine what information is needed and how to collect it.
- Describe the general problem and specific components.
- Understand the influence of environmental factors.
- Include past forecasts, resources and constraints, objectives, buyer behaviour, legal environment, economic environment, marketing and technology skills.
- Distinguish between symptoms and problems – problems exist where there is no clear-cut answer.
- Gather as much information about the problems as possible.

(Any THREE)

Step 2: Conduct preliminary research (desk research).✓

- Develop additional insights into the problem.
- Define the problem more precisely.
- Establish the area of investigation.
- Collect information from management, staff and others who have knowledge about the problem.
- Use case studies and simulation techniques.
- It can also be a situation analysis in the form of a marketing audit.

(Any THREE)

Step 3: Develop a hypothesis.✓

- A hypothesis is an unproven statement or proposition about a phenomenon of interest.
- It indicates a possible answer to the research problem.
- It can be statements of relationships or propositions rather than questions.
- State different hypotheses for each subproblem.
- Use all available information to test each hypothesis.
- Sources for development of a hypothesis include previous research, psychology/marketing discipline and management experience.

(Any THREE)

Step 4: Expand the information schedule.✓

- Determine which information is needed and which sources are available.
- Gain more information on the hypotheses.
- Develop an information schedule for each hypothesis.
- Base the information schedule on empirical evidence.
- Consider variables that can influence hypotheses.
- Limit the scope of the investigation. (Any THREE)

Step 5: Identify and choose sources of information.✓

- Use secondary data that was collected for another purpose/already existed first.
- Collect primary data only after investigating secondary data sources.
- Primary data is originated by the researcher for the specific purpose of addressing a research problem at hand. (Any THREE)

Step 6: Collect.✓

- Base the decision of required information directly on the problem.
- Obtain all required information – do not include unnecessary information.
- Determine the place, design type, aims and underlying aspects of respondents.
- Choose the method of collection (survey/experimentation/observation) and train fieldworkers. (Any THREE)

Step 7: Prepare and analyse data.✓

- Questionnaire checking, editing, coding, transcribing, data cleaning, tabulation, selecting data analysis strategy, statistical processing

(Any THREE)

Step 8: Report on findings.✓

- It is the only tangible product of the research.
- It is documentary evidence/a historical record.
- It guides management decisions.
- The quality of the entire project depends on the quality of the report.
- It must be done with precision and be neat and presentable. (Any THREE)

(8 × 4) (32)

[50]

TOTAL SECTION A: 50

SECTION B

Any THREE questions in this section

QUESTION 2

2.1 2.1.1

- Marketing research will determine the reaction and behaviour of consumers towards the newly introduced product/service.
- Research will aim to identify elements that contribute to repurchase.
- Identify elements that contribute towards consumer resistance.
- Research strategies will give an indication of how to expose the product/service to the consumer.
- Research will determine what the effect of the marketing elements (4 Ps) will be on the consumer. (5 × 2) (10)

2.1.2

- Marketing research will focus on existing competition as well as new competitors.
- The focus will be on the competitors' strong and weak points.
- Research must answer questions like:
  - How can we make the product more reliable?
  - How can we explore new markets?
  - How can we find better production methods? (5 × 2) (10)

2.2

- Objectivity should guide report writing.
- The report should accurately present the methodology, results and conclusion.
- Management is unlikely to receive a report that reflects unfavourably on their judgement with enthusiasm.
- The researcher must have the courage to present and defend the findings of the research objectively.
- The rule is to tell it like it is. (5 × 2) (10)

2.3

- The sample must relate to the problem definition.
- The sample must represent the population for whom the study is conducted.
- A sample tested under the same conditions must produce the same results.
- The sample value must be accurate.
- Sampling errors must be limited as far as possible.
- The sampling frame must be applicable to identify the target population.
- Sampling size must reflect proper ratio in relation to population.
- The sampling method must be applicable to the study. (Any 5 × 2) (10)

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2.4
- Structured versus unstructured: Structured observation – The researcher specifies in details what to observe. Unstructured observation – The researcher observes all aspects of phenomenon.
- Disguised versus undisguised: Disguised observation – The respondents are unaware that they are observed. Undisguised observation – respondents are aware that they are observed.
- Natural versus contrived: Natural observation – Behaviour takes place in the natural environment. Contrived observation – Behaviour takes place in an artificial environment.
- Personal: The researcher observes actual behaviour as it occurs.
- Mechanical: Devices, instead of humans, observe.
- Audits: It is the collection of data by examining physical records or doing an analysis. (Any 5 × 2) (10)

[50]

QUESTION 3

3.1
- Customer analysis: Determine customers' buying habits, buying motives, frequency of purchase and quantity purchased.
- Market-factor derivation: Study elements in the market that cause the demand for a product or service to increase or decrease.
- Surveys of buyer intention: Collect information directly from people who will ultimately purchase or not purchase the product or service.
- Test market: Products and services are tested in the market to see how people react and to indicate sales potential. (Any 3 × 2) (6)

3.2
- Methodology used to collect data
- Accuracy of data
- When data were collected
- Purpose for which data were collected
- Content of data
- Dependability of data (6)

3.3
- Nominal scale: A labelling scheme in which numbers only serve as labels for identifying and classifying objects, e.g. numbers for soccer or rugby players
- Ordinal scale: A ranking scale in which numbers are assigned to objects to indicate the extent to which the objects possess some characteristic, e.g. greater than and less than
- Interval scale: This scale has numerically equal distances that represent equal values/differences in the characteristic being measured, e.g. temperature scale
- Ratio scale: This scale possesses all the properties of the other three scales and identify/classify objects, rank the objects and compare differences, e.g. height, weight, age, money (Any 4 × 3) (12)

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3.4
- Conducting studies to determine what consumers want before any decision regarding marketing strategies are taken
- Supplying the marketing manager with the necessary information and feedback
- Supplying, collecting, recording and analysing data to clarify possible inadequacies in management decisions
- Determining how the client's needs could be satisfied
- Analysing the collected information and finding previously unnoticed opportunities and problems (5 × 2) (10)

3.5
- Healthy and have stamina to do a strenuous job
- Outgoing and able to establish rapport with respondents
- Effective communication skills, speaking and listening
- Pleasant and professional appearance
- Educated with good reading and writing skills
- Experienced interviewers to better follow instructions (Any 4 × 2) (8)

3.6
- Marketing research will focus on the impact that decision making had during the product life cycle.
- Questions that must be answered by marketing research include:
  - Which product adjustments can be made?
  - Which alternative distribution channels can be used?
  - Which price strategies can be applied?
  - Which promotion strategies can be adjusted? (4 × 2) (8)

[50]

QUESTION 4

4.1
- Decisions in marketing are about opportunities, target markets, market segmentation and implementation of marketing programmes.
- The decision-making process is complicated by controllable variables, for example the four Ps and uncontrollable variables, for example economy, technology, cultural changes.
- Marketing research helps to remove uncertainty by providing information about the marketing variables.
- Ongoing marketing research provides information on controllable and uncontrollable variables.
- The gathered information enhances the decision-making process and helps marketing managers to make more effective decisions. (5 × 2) (10)

4.2
4.2.1 Extent to which a scale produces consistent results if repeated measurements are made

4.2.2 The scale should be relevant to the problem being solved.

4.2.3 The scale should have interpret statistical information.

4.2.4 The scale should assess poor interpretations of questions.

(4 × 2) (8)

4.3 Step 1: Determine the information needed.
- Clear idea of target population
- Characteristics of respondent group

Step 2: Determine data-collection method.
- Personal interviews, telephone interviews, mail interviews
- Email surveys

Step 3: Determine the content of individual questions.
- Is the question/more than one question necessary?
- Can respondents remember, articulate, verbalise the question?

Step 4: Determine the types of questions that will be used.
- Unstructured/Open questions
- Structured, e.g. multiple-choice, dichotomous, Likert scale, measure-feedback scale, control list, double-barrel

Step 5: Decide on the wording of the questions.
- Clearly define the issue being addressed.
- Use unambiguous words to avoid leading or biased questions and generalisations.

Step 6: Determine the order in which questions must be asked.
- Opening question must be simple, interesting, nonthreatening.
- Difficult questions should be asked later in the questionnaire.
- Ask questions in sequence and in logical order.

Step 7: Decide on the layout and reproduction of the questionnaire.
- Booklet, double spacing
- Short questions, precoded questions

Step 8: Pre-test the questionnaire.
- Test on a small sample of respondents.
- Test all aspects of the questionnaire. (8 × 2) (16)

4.4 **NOTE:** Please check spelling of causal NOT ~~casual~~.

- Exploratory research: The objective is to explore or search through a problem or situation to provide understanding.
- Descriptive research: The objective is to describe something like functions or marketing characteristics.
- Causal research: The objective is to collect evidence of cause and effect (causal) relationships. (3 × 2) (6)

4.5
- A report should be written for specific readers. The readers' educational level, circumstances and how it will be read must be considered. Avoid technical jargon.
- A report must be logically structured and clearly written. Avoid slang.
- A report should have a presentable and professional appearance and must be professionally reproduced, edited and proofread.
- Objectivity should guide report writing. The report should be accurate and tell it as it is.
- Text must be reinforced with graphs and tables and other visual devices to contribute to the clarity and impact of the report.
- A report must be terse and concise. Anything that is unnecessary must be omitted, but brevity must not be achieved at the expense of completeness.

(5 × 2) (10)

[50]

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QUESTION 5

5.1
- Time-series method: Projecting future trends based on trends for past performance
- Leading-series method: Establishing a relationship between two or more variables, the one leads to the other
- Income-elasticity coefficient: Based on the assumption that income is the only factor for the purchase of a particular product/service
- Input-output analysis: Reflecting the flow of products/services through an economic system – useful for industry forecasting only (4 × 2) (8)

5.2 A projective technique is an unstructured, ✓ indirect✓ form of questioning✓ that encourages respondents✓ to project their underlying beliefs/attitudes✓ and feelings regarding the issues concerned.✓

Advantages
- Gets responses that respondents would be unwilling to give if they knew the purpose of the study
- Increases validity of responses by disguising the purpose of the research
- Helps when underlying beliefs/attitudes are operating at a subconscious level
- Yields valuable information (Any TWO)

Disadvantages
- Requires highly trained interviewers
- Expensive to conduct
- Difficult and subjective analysis and interpretation
- Role play requiring unusual behaviour from respondents (Any TWO) (10)

5.3
Step 1: Define the population.
Step 2: Determine the sampling frame.
Step 3: Select a sampling method.
Step 4: Determine the sample size.
Step 5: Execute the sampling process.
(5 × 2) (10)

5.4 5.4.1 **Metric**
- Quantitative data measured in numbers
- Measured on interval or ratio scale
- When only one sample, *z* test and *t* test (Any TWO)

Nonmetric
- Qualitative data not measured in terms of numbers
- Descriptive in nature, words allocated as responses
- Measured on nominal or ordinal scale (Any TWO)

5.4.2 **Dependence**

- Appropriate when one or more variables can be identified as dependent variables and the remaining as independent variables
- If only one dependent variable, single tabulation

Interdependence

- Variables not classified as dependent or independent
- Entire set of interdependent relationships examined
- Major technique: factor analysis. (Any TWO)

(2 × 4) (8)

5.5 5.5.1

- It results from the respondent's unwillingness to provide accurate information, due to unfamiliarity, fatigue, boredom or faulty recall.
- Minimise: A timeframe of 1–3 weeks must be given in the question.

5.5.2

- Respondent's answers are incorrectly interpreted, recorded and heard by the interviewer.
- Minimise: The interviewer must have more or less the same characteristics as the respondent.

5.5.3

- The interviewer fabricates answers for a part or all of the questions in the questionnaire.
- Minimise: Transcriptions of recordings of the interviews should be scrutinised or follow-up telephone calls made.

(3 × 3) (9)

5.6

- Progress report
- Basic report
- Publication
- Technical report
- Management report (5)

[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200

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