higher education & training

Department:
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REPUBLIC OF SOUTH AFRICA

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JUNE EXAMINATION

NATIONAL CERTIFICATE

INTRODUCTORY MARKETING N4

(4030044)

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09:00–12:00

This question paper consists of 7 pages.

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
INTRODUCTORY MARKETING N4
TIME: 3 HOURS
MARKS: 100

INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions.
2. Read ALL questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Write neatly and legibly.

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SECTION A
QUESTION 1

Indicate whether the following statements are TRUE or FALSE. Choose the answer and write only 'true' or 'false' next to the question number (1.1–1.15) in the ANSWER BOOK.

1.1 One of the trading conditions is that there should be only ONE participant.

1.2 Production orientation focuses more on the internal ability of the company then the needs of the customer.

1.3 The marketing environment consists of opportunity and threats.

1.4 Marketing research does not play a vital role in tracing a customer.

1.5 A product item is seen as a single object.

1.6 A service can be seen and smelled.

1.7 An example of staple products is sweets.

1.8 With convenience goods, brand loyalty is not strong.

1.9 During the maturity phase, profit margins of retailers increase.

1.10 A brand name is that part of the brand that cannot be put in words.

1.11 Price influences the objectives of a company.

1.12 Price is not the largest regulator of the economic process.

1.13 Quantity discount relates to price reductions due to large volume buying.

1.14 Demography shows information about the target market that a business needs.

1.15 The government market is also known as the *re-seller market*.

(15 x 1) (15)

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QUESTION 2

Choose a description from COLUMN B that matches a word/item in COLUMN A. Write only the letter (A–J) next to the question number (2.1–2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
2.1	Storage	A	negotiations take place
2.2	Sales	B	bought on frequent
2.3	Impulsive products	C	amount which consumer must finally pay to get the product
2.4	Staple products	D	to encourage customer loyalty
2.5	Speciality packaging	E	respected people who gets targeted by sales people
2.6	Replacement value	F	bought without planning
2.7	Total fixed cost	G	stays constant for over a year
2.8	Cumulative quantity discount	H	image of exclusivity
2.9	Motivation	I	protects the product
2.10	Early acceptors	J	internal drive force behind purchasing a product

(10 x 1) (10)

[25]

TOTAL SECTION A: 25

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SECTION B:

QUESTION 3

Read the case study below and answer the questions.

Mr. Van Staden wants to start his own bottled water company. He wants to sell bottled water 175 ml at a price of R69.99. He has already targeted consumers who are very conscious of status. With the bottled water, he wants to run a competition to attract customers. His product has a very unique packaging design where the bottle is in a very special glass container. Mr. Van Staden only wants to use a few retail points per geographic area. To stabilise demand, he will make use of a warehouse and transport his products to the selected retailers by using his trucks. He will give a discount to each of his buyers, based on the amount of orders they place.

From the case study, identify the following:

3.1 3.1.1 Type of packaging strategy

3.1.2 Type of social class

3.1.3 Element of promotional mix

3.1.4 Type of intensity of distribution

3.1.5 Type of transport

3.1.6 Type of quantity discount

(6 x 2) (12)

3.2 Mr. Van Staden still has not decided on a brand name for his bottled water.

Give the product a name, as well as an explanation for your choice. (2 x 1) (2)

3.3 Mr. Van Staden has asked you to do research about his target market.

3.3.1 List in correct order, the steps you will use in the marketing research process. (5 x 1) (5)

3.3.2 Name FOUR ways in which you will approach data collection. (4 x 1) (4)

3.4 Explain what is meant by product positioning. (2 x 1) (2)

[25]

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QUESTION 4

4.1 Identify the following phases of the *family life cycle* used in each of the following examples.

4.1.1 This phase starts with the arrival of the first child in the marriage

4.1.2 The children have reached the adolescent state

4.1.3 Only one member of the family unit is left

4.1.4 This phase is where both members of the family unit can afford to buy luxuries

4.1.5 The children leave the home

(5 x 1) (5)

4.2 Demography is important for any business because it shows the business information about the target market.

Name any FIVE demographical characteristics that will be beneficial to a business. (5 x 1) (5)

4.3 Name and explain the FIVE phases of Maslow's Hierarchy. (5 x 2) (10)

4.4 List FIVE important learning principles when formulating the marketing communication message. (5 x 1) (5)

[25]

QUESTION 5

5.1 Identify which *retail method* is being used in each of the following examples:

5.1.1 Pampaniso walks into a store, takes a product from the shelves and pays for it at till point.

5.1.2 John puts money in a machine to get a Coke Cola.

5.1.3 Tamara asks for assistance from a salesperson at a clothing store.

5.1.4 Lizzie stands by the counter and asks for a packet of chips.

5.1.5 A salesperson comes to your house to sell insurance. (5 x 1) (5)

5.2 List in correct order, the steps of the acceptance process. (5 x 1) (5)

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5.3 Describe the following price definitions.

5.3.1 Quantity discount

5.3.2 Trade discounts

5.3.3 Cash discounts

5.3.4 Seasonal discounts

5.3.5 Promotional discounts

(5 x 2) (10)

5.4 The choice of a target market is very important for any business because the survival of the business depends on choosing the correct consumers.

Name FIVE factors that will help a business in the choice of a target market.

(5 x 1) (5)

[25]

TOTAL SECTION B: 75
GRAND TOTAL: 100

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