



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

ENTREPRENEURSHIP AND BUSINESS MANAGEMENT N4
(Second Paper)

5 JUNE 2018

This marking guideline consists of 6 pages.

SECTION B**QUESTION 4**

- 4.1 Psychographic/Tourist segmentation (2)
- 4.2
- Strengths: cookery skills,✓ product knowledge,✓ passion for hospitality
 - Weaknesses: inefficient organisational structure,✓ lack of management skills✓
 - Opportunities: attract international market,✓ growing market,✓ expanding
 - Threats: competition,✓ consumer preferences✓ (4 × 2) (8)
- 4.3 Princess used both. Equity financing✓ because friends and relatives helped her to raise capital✓ and debt financing✓ because she received a loan from the bank.✓ (4)
- 4.4
-
- ✓✓ *KwaZulu Bed and Breakfast*✓✓ *Best place, best people*✓✓ (6)
- 4.5
- Good location
 - Quality food
 - Cleanliness
 - Attractive building
 - Unique decoration
 - Safety
 - Personal attention to clients (Any 6 × 2) (12)
- 4.6
- Name of the business✓✓
 - Purpose of the questionnaire, e.g. Give us honest feedback on your experience. Please complete the questionnaire to assist us.✓✓
 - TWO close-ended questions✓✓✓✓
 - TWO open-ended questions✓✓✓✓
 - Personal details of the client✓ and layout✓ (14)
- 4.7
- Register the business.
 - Acquire a trading licence.
 - Apply for a health certificate.
 - Register for Unemployment Insurance Fund. (Any 2 × 2) (4)

[50]

QUESTION 5

- | | | |
|-----|--|----------------------|
| 5.1 | <ul style="list-style-type: none"> Near a busy taxi rank CBD Attract many customers | (6) |
| 5.2 | <ul style="list-style-type: none"> College students Tourists visiting hotels Single professionals | (3 × 2) (6) |
| 5.3 | Personal✓✓ services✓✓ | (4) |
| 5.4 | 5.4.1 Penetration strategy✓✓ to gain quick acceptance✓✓
OR
Skimming✓✓ to create an exclusive image for the business✓✓

5.4.2 Free delivery✓✓ to gain competitive advantage✓✓

5.4.3 Odd pricing✓✓ to make the price seem cheaper✓✓ | (3 × 4) (12) |
| 5.5 | <ul style="list-style-type: none"> Quick and friendly service Proper visibility Accessibility Good marketing strategy Competitive price | (Any 4 × 2) (8) |
| 5.6 | ✓✓ | |



Market-research questionnaire

Please complete this brief survey. Your honest feedback will help us make improvements so we can continue to serve you in future.✓✓

Your details:✓

Name and address:

Cellphone:

E-mail address:

Two close-ended questions✓✓✓✓

Two open-ended questions ✓✓✓✓

Questionnaire layout✓

(14)
[50]

QUESTION 6

- 6.1
- Bold headline:✓ to get reader's attention✓
 - Pictures:✓ contain high-quality chairs✓
 - Layout of information:✓ message is clearly seen and understood✓
 - Image:✓ elegance and durability✓
 - Benefits:✓ weather- and sun-proof furniture✓
 - Message short, direct✓ and created around one idea (furniture)✓
 - Business name and address:✓ *Lloyd Loom Furniture* and address to find nearest agent are provided✓
- (Any 12 × 1) (12)

6.2	6.2.1	Market potential per day (3 600/25)	144✓✓	(14)
		Market potential share (144 × 60%)	86✓✓	
		Supplier analysis (10 × 10%)	1✓✓	
		Daily figures		
		Number of units to be sold in one day	86	
		Selling price per unit	20✓	
		Cost price per unit	9✓	
		Daily sales (36 × 20)	1 720✓✓	
		Less: Daily unit costs (86 × 9)	774✓✓	
		Gross profit per day	946✓✓	

6.2.2	Monthly figures		(8)
	Number of units to be sold in one month (86 × 25)	2 150✓✓	
	Monthly sales (2 150 × 20)	43 000✓✓	
	Less: Monthly unit costs (2 150 × 9)	19 350✓✓	
	Gross profit per month	23 650✓✓	

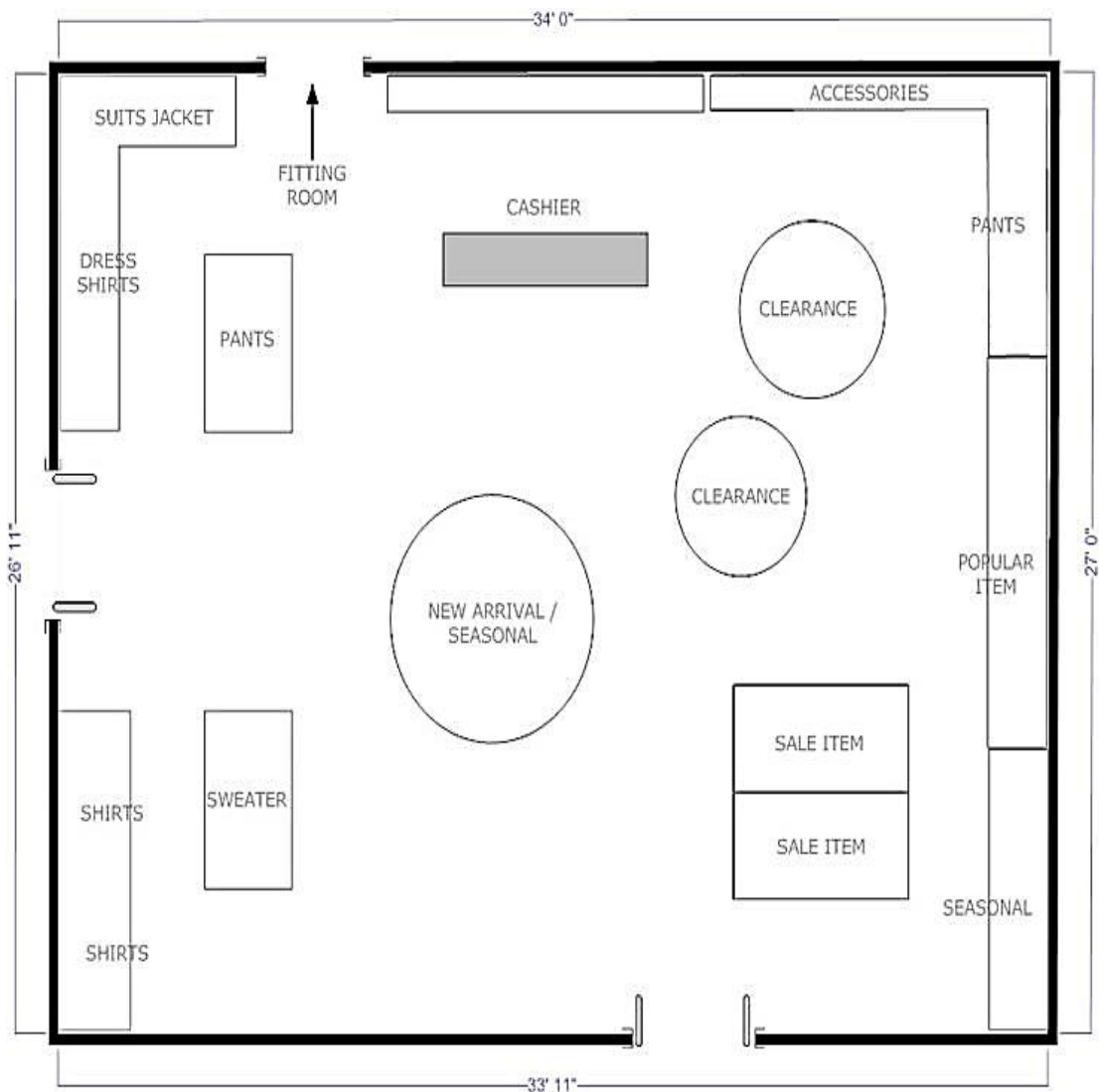
- 6.3
- Name of the business✓✓
 - Entrepreneur's name✓✓
 - Entrepreneur's contact details✓✓
 - Layout✓✓ frame or any relevant item standing out✓✓
- (10)

- 6.4
- The business plan states the business objectives.
 - Banks and financial institutions will want to read it before agreeing to give a loan.
 - A business plan is a reference guide to keep you on track with your future plans.
- (3 × 2) (6)

[50]

QUESTION 7

7.1



(10)

7.2

- The layout makes it easy to compare quality and prices.
- Impulse and convenience products are put near the front of the store.
- Products that complement each other are put together.
- Products with the highest profit margins are put on the prime space.

(Any 3 × 2)

(6)

7.3

CASH-FLOW STATEMENT

MONTH	OCTOBER	NOVEMBER	DECEMBER
Bank balance at the beginning of the month	5 000✓	4 900	(5 700)
Cash sales	9 800✓	12 600✓	21 000✓
Credit sales	3 300✓	4 200✓	5 400✓
Loan	7 500✓	0	0
Other income	0	0	3 500✓
TOTAL CASH AVAILABLE:	25 600✓	21 700✓	24 200✓
Cash purchases	8 000✓	11 200✓	16 800✓
Credit purchases	1 400✓	2 000✓	2 800✓
Loan repayments	0	400✓	400
Wages	4 000✓	4 000	4 000
Rental	1 500✓	1 500	1 500
Telephone	500✓	500	500
Electricity and water	800✓	800	800
Fuel	650✓	650	650
Stationery	300✓	300	300
Other payments	3 500✓	6 000✓	900✓
TOTAL CASH PAYMENTS:	20 700✓	27 400✓	28 400✓
Bank balance at the end of the month	4 900✓	(5 700) ✓	(4 500) ✓

(34)
[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200