



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE
JUNE EXAMINATION
MARKETING MANAGEMENT N4
29 MAY 2013

This marking guideline consists of 9 pages.

SECTION A**QUESTION 1**

- 1.1 False
- 1.2 True
- 1.3 True
- 1.4 True
- 1.5 True
- 1.6 True
- 1.7 True
- 1.8 True
- 1.9 True
- 1.10 True
- 1.11 True
- 1.12 True
- 1.13 False
- 1.14 False
- 1.15 False

(15 × 2) **[30]**

QUESTION 2

- 2.1 Motivation
- 2.2 Cognitive dissonance
- 2.3 Product positioning
- 2.4 Benefit theory
- 2.5 Marketing concept
- 2.6 Organised resistance

2.7 Prospecting

2.8 Recycling

2.9 Inflation

2.10 Perception

(10 × 2) [20]

TOTAL SECTION A: 50**SECTION B****QUESTION 3**

3.1 3.1.1 Tracing (locating) the consumer:

- Locating the consumer is one of the most important factors of marketing.
- Effective and precise market research is usually done to gain information about the size, location and characteristics of the market.
- Determine the needs, preferences and buying habits of the consumer market.
- Information about the strengths and weaknesses of competitors. (5)

3.1.2 Businesses store goods in order to achieve the following:

- Storing stabilises the demand for the product during shortages.
- Organisations store goods to protect themselves against natural disasters and strikes.
- Certain products are stored in order to improve their quality (wine). (5)

3.1.3 Standardisation (and advantages):

- Standardisation refers to organisations in a specific industry that accept certain dimensions or norms that must apply to all the products in that industry.
- The products must comply with the standards or specifications of the industry in which it operates. (2)

3.2 Standardisation protects the consumer:

- It presents the marketer with the opportunity to differentiate his product from other.
- It lowers production costs.
- It reduces risk for consumers.
- The consumers can use the product with safety.
- Risks are eliminated.
- Reduction in financial and production costs.
- Reduction in marketing costs.

(Any 6 × 2) (12)
[20]

- 3.3 3.3.1
- Consumer orientation
 - Objective orientation
 - System orientation (Integrated marketing)
 - Social orientation (Community)
- (4)

- 3.3.2
- Consumer orientation: The organisation attempts to supply a product or service that satisfies the needs of the consumer in the most effective way.
 - Objective orientation: The main objective of the business is to make a profit by satisfying customer needs.
 - System orientation (Integrated marketing): It means that a system has been developed consisting of a number of underlying elements that are compiled to form a unit.
 - Social orientation (Community): The organisation has a responsibility not only towards the community but also towards the environment as well as their employees.
- (4 × 2) (8)

- 3.4 3.4.1 Distribution strategies (place)
- 3.4.2 Promotion strategies
- 3.4.3 Product strategies
- 3.4.4 Price strategies
- (4 × 2) (8)

- 3.5 3.5.1 Convenient, quick and easy, nutritious, time saving
- 3.5.2 Fashion status, good quality
- 3.5.3 Transport, reliable, convenient
- (Any relevant answer) (3 × 2) (6)
[50]

QUESTION 4

- 4.1
- Twitter is used to communicate information to followers.
 - Twitter is a social network, a micro blogsystem that keeps contact between friends and family members alive and regular. To send messages and to receive them is what Twitter is about. It is also used to stay informed about the lives of famous people (to 'follow' them). (Any relevant answer) (2)
- 4.2
- At least two participants must be present.
 - Each participant must own something that the other party wants.
 - The participants must want to negotiate with each other.
 - Each participant must be free to accept or refuse the offer.
 - Each participant must be able to execute the order.
 - The participants must take part in the process willingly. (6 × 2) (12)
- 4.3
- Totally new industries such as webpage design, laser surgery and Twitter can come about.
 - Existing industries changed radically. The computer and Internet changed the way in which we book airline tickets, do banking, educate and design.
 - New markets and industries not related to the new technology are opened up. So luggage manufacturers now also make laptop bags and laptop backpacks. (3 × 2) (6)
- 4.4
- It does research on consumer needs and then develops new technology to satisfy unfulfilled needs.
 - It contributes to the acceptance of new technology, usually by means of intensive advertising campaigns.
 - It scans the technological environment for opportunities and threats. (3 × 2) (6)
- 4.5
- Social environment
 - Political and legislative environment
 - Economic environment
 - Technological environment
 - Physical environment
 - International environment (6 × 2) (12)

- 4.6
- Age: The target market mainly includes those over 18 who earns an income.
 - Income: High income groups spend more money on nonessential items such as biscuits and cakes offered by the bakery.
 - Occupation: The target market consists of people of all occupations, although the focus is mainly on those occupied by people in the middle to higher income groups.
 - Lifestyle/Purchasing patterns: This includes those who work hard and need a quick lunch, or sandwich for home, those who don't have time to bake cakes for parties etc.
 - Education: People with a middle to higher education level who have a higher income to spend on nonessentials.
 - Language: People of any language, although the language of the target market must be taken into account when a product is marketed.
 - Geographical distribution: The target market is people living or working close to the bakery.

(Any suitable answer relating to the 6 characteristics)(6 × 2)

(12)
[50]

QUESTION 5

- 5.1
- Families with two incomes have more spending power.
 - Time-saving devices such as microwave ovens and washing machines increased in demand.
 - Working women are targeted because of their buying power. They need different clothing than those staying at home.
 - Distinctive gender roles are disappearing and traditional purchase patterns have changed. Men are doing grocery shopping and dropping kids off at school.
 - Dual-income families may need child care and longer shopping hours.

(Any suitable answer) (5 × 2)

(10)

- 5.2
- The various social classes are usually placed in sequence of importance by the community. Marketers, however do not believe one social class is superior to another, but use social class as an indicator of buying and consumption patterns.

(3)

- 5.3
- 5.3.1
- Newly weds
 - Family growth
 - Maturity
 - Postparental
 - Sole survivor

(5)

- 5.3.2
- Newly wed phase – both members of this unit are usually economically active and pool their incomes, which mean they can afford to buy durables and even luxuries
 - Family growth – starts with arrival of the first child that brings changes in consumer behaviour patterns
 - Maturity phase – children in the family have reached the adolescent state where in addition to their basic needs, they have also developed their own norms, preferences and lifestyles
 - Postparental phase – all the children have left the home and the parents spend proportionally less on basic household necessities. They have greater disposable income to spend on luxuries
 - Sole survivor – the consumption patterns and the lifestyle of the surviving spouse changes drastically (5 × 2) (10)
- 5.4 5.4.1 The right to:
- Safety
 - Freedom of choice
 - Be heard
 - Be informed (4)
- 5.4.2 The right to safety: Each person has the right to be protected against products that might be harmful.
- The right to freedom of choice: Each person has the right to choose between similar competitive products and to purchase from any organisation.
- The right to be heard: Each person has the right to defend his/her interests, as well as to be heard by involved parties.
- The right to be informed: The correct information should be made available to the consumer so that efficient purchasing decisions can be taken. (4 × 2) (8)
- 5.5 5.5.1 Old people who can't live on their own without help
- 5.5.2 Woman drivers who did not finish their makeup at home; mothers too busy with kids in the morning to attend to their makeup
- 5.5.3 People who want to be healthy or for medical reasons a taste preference
- 5.5.4 Working people; time-saving and convenient
- 5.5.5 Vegetarians: quick and easy to prepare (Any 5 suitable answers × 2) (10)
- [50]**

QUESTION 6

- 6.1
- Identify and describe the market.
 - Analyse the characteristics and needs of the potential buyers.
 - Identify the abilities of the company.
 - Identify the principles for market segmentation.
 - Evaluate potential segments.
 - Choose specific target markets.
 - Analyse the competitive advantage.
 - Position the product.
 - Finalise the marketing strategy.
 - Monitor the marketing strategy.
- (10)
- 6.2
- Cost reduction because of the use of the same communication message
 - Cost reduction because of the low cost per unit that results from larger production lots
 - Storage of the product is simplified because of uniform packaging
 - Lower marketing research costs because the market has uniform preferences and demands
- (4 × 2) (8)
- 6.3
- First buyers/acceptors:
People who accept and purchase the product first. They are young, have a high social status and a good financial position.
 - Early buyers/acceptors:
They tend to be part of a local social system. They are respected in the community. They often use sales personnel as a source of information.
 - Early majority:
They tend to accept a new product just before an average acceptor or social group. They are above-average in terms of economical and community standards. This group especially counts on advertisements, sales personnel and contact with early acceptors.
 - Late majority:
This is a very sceptical group and will only accept a new product if they are forced. They rely on the views of the early or late majority.
 - The delayers/laggards:
They accept products last. This group is older and finds itself at the bottom of economical and social scales.
 - Nonacceptors:
These are the people who do not accept the product or innovation in any way at all and do not purchase it.
- (6 × 3) (18)

- 6.4 The INPUT for the marketing information system (MIS) consists of the influx of data and the techniques and procedures that are used to provide the data.

The PROCESS itself consists of the filtering, evaluation, analysis, storing and conveyance of information to the decision makers.

The OUTPUT that is delivered consists of the timely, understandable, accurate and relevant information which is applied by management to take decisions. (3 × 3) (9)

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|-----|-------|-----------------|---------|-------------|
| 6.5 | 6.5.1 | Caster Semenya | | |
| | 6.5.2 | Natalie du Toit | | |
| | 6.5.3 | Ryk Neethling | | |
| | 6.5.4 | Chad le Clos | | |
| | 6.5.5 | Jacob Zuma | (5 × 1) | (5) |
| | | | | [50] |

TOTAL SECTION B:	150
GRAND TOTAL:	200