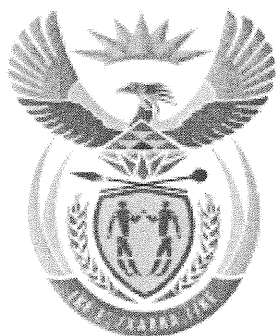


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higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

**NATIONAL CERTIFICATE
JUNE EXAMINATION
MARKETING MANAGEMENT N4**

9 JUNE 2014

This marking guideline consists of 7 pages.

SECTION A**QUESTION 1**

- 1.1 False
- 1.2 True
- 1.3 True
- 1.4 True
- 1.5 True
- 1.6 False
- 1.7 True
- 1.8 False
- 1.9 True
- 1.10 True

(10 × 2) [20]

QUESTION 2

- 2.1 B
- 2.2 D
- 2.3 D
- 2.4 A
- 2.5 C

(5 × 2) [10]

QUESTION 3

- 3.1 Exploratory research
- 3.2 Opportunities
- 3.3 Market
- 3.4 Reference group
- 3.5 International forces
- 3.6 Motivation
- 3.7 Market segmentation
- 3.8 Physical environment
- 3.9 Awareness
- 3.10 Attitude

(10 × 2) [20]

TOTAL SECTION A: 50

SECTION B**QUESTION 4**

- 4.1
- When the product is expensive
 - When there is high degree of agreement between the chosen product and the product that was chosen
 - When it is relatively important decision
 - When there is a large number of alternatives to choose from (4 × 2) (8)
- 4.2
- The right to safety – The consumer has the right to be protected against products that might be harmful to them
 - The right to freedom of choice – The consumer has the right to choose between similar competitive products and the right to purchase from any organisation
 - The right to be heard – the consumer has the right to defend his interests, as well as to be heard by involved parties.
 - The right to be informed – Correct information should be made available to consumer. (4 × 3) (12)
- 4.3
- Newly-wed phase – Both members of this unit are usually economically active and pool their incomes which mean they can usually afford to buy durables and even luxuries
 - Phase of family growth – This phase starts with the arrival of the first child in the marriage, and markedly changes previous consumer behavior patterns.
 - Maturity phase – The 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.
 - Post-parental phase – All the children have left the home and the parent 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 change drastically. (5 × 4) (20)
- 4.4
- The income of the consumer
 - His willingness to spend money
 - His evaluation of the relative benefits
 - The prices of substitute products (5 × 2) (10)
- [50]**

QUESTION 5

- 5.1
- Age 12 to 18
 - Gender - Male and Female
 - Social class – little class and upper class
 - Race – Black and White
 - Family life cycle – Singles
 - Occupation – unemployed (Any demographic characteristic) (4 × 4) (8)
- 5.2
- When it researches consumer needs and then develops new technology to satisfy new unfulfilled needs.
 - When it helps with the acceptance of new technology usually by means of intensive advertising campaigns.
 - When it scans the technological environment for opportunities and threats. (3 × 2) (6)
- 5.3
- 5.3.1 Goods -Physical goods are tangible items such as cars, toys, sport equipment, food and beverages.
- 5.3.2 Service – Services are intangible activities such as the work of hairdressers, taxis, lawyers, doctors and gymnasiums.
- 5.3.3 Organisation –Most organizations market not only their products or services, but also the corporate identity. E.g. Old Mutual, Sanlam, Metropolitan e.t.c
- 5.3.4 Person –Major sports, film and music celebrities have personal marketing agents to further their careers.
- 5.3.5 Idea –'Arrive alive', 'Be wise, condomise', and 'Don't do drugs' are all examples of ideas being marketed. (5 × 2) (10)
- 5.4
- Profitable opportunities can be identified by segmentation when an analysis of the market points to segments that have not been developed
 - It indicates the need for the development of separate presentations and marketing strategies for the different segments.
 - A well-developed market presentation directed at the needs, demands and preferences of consumers can ensure better consumer satisfaction. (3 × 4) (12)
- 5.5
- Daniel Hetcher
 - Guess
 - Uzzi
 - Levis
 - Soviet (Any suitable answer) (4 × 2) (8)

5.6	•Income of the consumer •Inflation •Recession	(3 × 2)	(6) [50]
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QUESTION 6

6.1	• Identify opportunities and threats. • Identify consumer needs. • Develop a need – satisfying product directed at the consumer. • Develop acceptable price for the product for the organisation. • Develop strategies for the distribution of the product from the producer to the consumer. • Develop strategies for the promotion of the product so that all possible marketing communication methods can be applied. • Provide an organizational structure so that marketing department on function efficiency. • Exercise control over the marketing department so that it can function purposefully and effectively strive towards the marketing and organisation. • Do market research about all the possible variables in the marketing environment and write a report on them	(10 × 2)	(20)
6.2	• It is more expensive to develop separate marketing strategies for different segments. • Only limited market coverage is gained. • Too high degree of differentiation can lead to cannibalism.	(3 × 2)	(6)
6.3	• Cost reduction because of the use of same communication message. • Cost reduction because of the low cost per unit those results from larger production lots. • Storage of product is simplified because of uniform packaging. • Lower marketing research costs because the market has uniform preferences and demands.	(4 × 2)	(8)
6.4	Descriptive: Activities that fulfill this role are the obtaining and offering of timely, accurate and relevant information. Analytic: here the data collected is analyzed. The data that has been collected provides the answer to the following: What was the impact on sales after the packaging of the product was changed? Predictive: Here the information collected is used to make predictions. An example of this is the prediction of consumer reactions to specific market strategies.	(3 × 2)	(6)

- 6.5
- Planning: Identify market opportunities and threats.
 - Organisation: Organise the marketing department.
 - Leading: Provide leadership in planning and implementing marketing strategies.
 - Co-ordination: co-ordinate the marketing activities with other activities in the organisation.
 - Control: Set standards and measure performance. (5 × 2) (10)
- [50]

QUESTION 7

- 7.1
- Improve existing products and introduce new products: The objective should be to reduce production time, waste and the cost of raw materials.
 - Retain and expand client services: During times of recession the demand increase for lower-priced products, but that the demand for spare parts and the servicing of equipment serve as source of income.
 - Emphasise products representing high quality: The consumer with little money will be looking for products of high quality, durability and usability. (3 × 4) (12)
- 7.2
- It should be possible to divide the total consumer market into homogeneous groups that have similar needs, preferences and demands.
 - The specific segment should be large enough for the company to generate a profit.
 - Segments should be accessible to marketers through intermediaries, advertising media and sales teams with a minimum of cost and waste.
 - It must be possible to compare the various segment to in terms of differences, cost, sales and the possible profit that can be generated. (Any THREE of the answers above) (3 × 2) (6)
- 7.3
- Selective exposure: The consumer purposefully avoids exposure to certain stimuli.
 - Selective attention: Consumer listen to stimuli selectively and only respond to that which they are interested in.
 - Selective interpretation: The consumer does not always interpret the stimuli in the way the marketer intends.
 - Selective recall: Refers to the recall of the information that supports the feeling and views of the consumer..... (4 × 2) (8)
- 7.4
- Product modification and product differentiations cost.
 - Production costs.
 - Stock keeping costs.
 - Marketing communication costs.
 - Managing costs.
 - Market research costs (6 × 2) (12)

7.5	7.5.1	International forces		
	7.5.2	Physical forces		
	7.5.3	Technological forces		
	7.5.4	Political forces		
	7.5.5	Economic forces		
	7.5.6	Social forces		
			(6 × 2)	(12)
				[50]
			TOTAL SECTION B:	150
			GRAND TOTAL:	200