



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

**N1030(E)(N29)H
NOVEMBER EXAMINATION**

NATIONAL CERTIFICATE

MARKETING MANAGEMENT N4

(4030054)

**29 November 2016 (X-Paper)
09:00–12:00**

This question paper consists of 10 pages.

DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA
NATIONAL CERTIFICATE
MARKETING MANAGEMENT N4
TIME: 3 HOURS
MARKS: 200

NOTE: If you answer more than the required number of questions, only the required number of questions will be marked. All work you do not want to be marked, must be clearly crossed out.

INSTRUCTIONS AND INFORMATION

1. SECTION A is COMPULSORY.
 2. Answer only THREE questions from SECTION B.
 3. Read ALL the questions carefully.
 4. Number the answers according to the numbering system used in this question paper.
 5. Write neatly and legibly.
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SECTION A (COMPULSORY)**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 (1.1–1.10) in the ANSWER BOOK.

- 1.1 Sales orientated organisations focus on long-term relationships with their customers.
- 1.2 The activities of the marketing department must be co-ordinated with the activities of outside organisations.
- 1.3 The South African market has only one cultural group with its own language and customs.
- 1.4 Consumers spend their income easily if they expect their financial position to improve within a certain time frame.
- 1.5 The organisation has control over the variables in the external macro market.
- 1.6 An effective and organised marketing department should be created to simplify marketing decisions.
- 1.7 Routine decisions are made by consumers when they buy products with purposeful thinking about it.
- 1.8 Distribution decisions centre around the availability of products wherever consumers need them.
- 1.9 Before the purchase of expensive products, the customer will shop around to increase after-sales cognitive dissonance.
- 1.10 Low production caused a supply of products that was larger than the demand.
- 1.11 The purpose of the market schedule is to define target markets effectively and to show them as separate.
- 1.12 A strong marketing department can lead to failure of the product.
- 1.13 The drawback of production orientation is when the business concentrates on the needs of the market.
- 1.14 The development of the marketing mix is done externally by the marketing manager.
- 1.15 Sales occur when the ownership of the product is transferred from one person to another.

(15 × 2) **[30]**

QUESTION 2

Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (2.1–2.10) in the ANSWER BOOK.

- 2.1 Which ONE is not a principle of modern marketing management?
- A Segment of market
 - B Limit the market coverage
 - C Target the users
 - D Position the product
- 2.2 Unfavourable state that exists in the market environment is ...
- A threat.
 - B opportunity.
 - C weak.
 - D strength.
- 2.3 Geographic is ...
- A region.
 - B religion.
 - C personality.
 - D user rules.
- 2.4 Which ONE of the following is not a fact of marketing information system?
- A Input
 - B Testing
 - C Price
 - D Output
- 2.5 The marketing manager of a local farm hears of the BMW during a visit to his doctor, and then buys the same model.
- A Early adopters
 - B Early majority
 - C Laggards
 - D Late majority
- 2.6 Which ONE of the following markets is discussed in marketing management N4?
- A Consumer market
 - B The government market
 - C The re-seller market
 - D The industrial market

- 2.7 Which ONE of the following is not a step in the marketing research process?
- A Reporting managing information
 - B Description of research problems
 - C Deciding on suitable research designs
 - D Preparing the suitable design
- 2.8 Which ONE of the following duties of the marketing management in the environment is not correct?
- A To develop new product
 - B To identify opportunities and threats
 - C To develop and evaluate opportunities
 - D To develop market strategy
- 2.9 Toyota Motor Company uses air bags in their cars ...
- A for a smoother drive.
 - B to add styles to its cars.
 - C to reduce the possibility of accidents.
 - D to increase long-run customer satisfaction.
- 2.10 The traditional marketing concept is based on three pillars.
- Which ONE is not a principle of traditional marketing concept?
- A Customer orientation
 - B Product orientation
 - C Objective orientation
 - D System orientation

(10 × 2) [20]

TOTAL SECTION A: 50

SECTION B

Answer only THREE questions from this section.

QUESTION 3

- 3.1 In satisfying the consumer needs, the physical product is the only means to an end.

What benefits will the consumer receive from using the following?

- 3.1.1 BMW car
- 3.1.2 Edgars store
- 3.1.3 Red Door perfume
- 3.1.4 Bacon and eggs
- 3.1.5 Adidas running shoes

(5 × 2) (10)

- 3.2 Specify the motives that would be useful base for developing the following promotional strategies:

- 3.2.1 Medical aid scheme
- 3.2.2 The purchase of expensive clothes at H-CAZZ store
- 3.2.3 PowerAde after running marathon
- 3.2.4 Romantic love
- 3.2.5 Advertisement for art classes

(5 × 2) (10)

- 3.3 The success of the company's marketing programming depends on the company's ability to adapt its marketing programmers to changes in the environment.

Discuss THREE systems of the marketing environment, and give ONE example of each system.

(3 × 4) (12)

- 3.4 Market aggregation is also referred to as mass-market strategy.

State FOUR benefits of mass marketing.

(4 × 2) (8)

- 3.5 During the acceptance of new products consumers go through various phases of decision-making, it starts where the consumer becomes aware of the product until it is finally purchased.

Identify the FIVE phases of the acceptance process.

(5 × 2) (10)

[50]

QUESTION 4

4.1 During the market segmentation process certain steps have to be followed.

Arrange the following EIGHT steps in the correct sequence from (4.1.1–4.1.8).

4.1.1 Position the product.

4.1.2 Identify and describe the market.

4.1.3 Analyse the competitive advantage.

4.1.4 Analyse the characteristics and needs of the of potential buyers.

4.1.5 Choose specific target market.

4.1.6 Identify abilities of the company.

4.1.7 Evaluate potential segments.

4.1.8 Identify the principles for market segmentation.

(8 × 2) (16)

4.2 Observation is usually carried out by observing people and actions as they happen.

Name THREE methods of observation. (3 × 2) (6)

4.3 Organisations should not only focus on the satisfaction of consumer needs but should retain part of the profit to promote the interests of the individual and the community.

Identify the FOUR socially responsible actions towards the community. (4 × 2) (8)

4.4 Various differentiation methods can be used to distinguish essentially identical product, so that they will be regarded and accepted as separate products by the target market.

Give FOUR reasons for using product differentiation. (4 × 2) (8)

4.5 Identify the purchasing decision that can be taken by consumers buying the following products:

4.5.1 Computer

4.5.2 Sugar

4.5.3 Deodorants

4.5.4 Toilet paper

- | | | | |
|-------|--------------------------------------|---------|-------------|
| 4.5.5 | Chocolate (at the till point) | | |
| 4.5.6 | Cellphone with five megapixel camera | (6 × 2) | (12) |
| | | | [50] |

QUESTION 5

- 5.1 Identify the relevant segmentation, ONE base and ONE specific variable, in each of the following examples:
- | | | | |
|-------|---|---------|------|
| 5.1.1 | Diva market its radiator liquid as a coolant in the South of America and as an anti-freeze in the north of America. | | |
| 5.1.2 | Kruger National park has special rates for their VIP clients who visit the park five times a month. | | |
| 5.1.3 | Gumba Braai has expanded its range to include a special braai for fun-loving people who enjoy outdoor life. | (3 × 4) | (12) |
- 5.2 As a result, legislation is still increasing to act against companies that exploit the consumer. Many companies do business in unethical ways.
- | | | | |
|--|---|---------|------|
| | Briefly described SIX factors of consumerism. | (6 × 2) | (12) |
|--|---|---------|------|
- 5.3 Experience plays an important role in learning. The learning process of consumer can be described as the result of a combination of motivation, attention, experience and reputation.
- | | | | |
|--|--|---------|------|
| | Briefly describe FIVE facts that are deducted from this combination. | (5 × 2) | (10) |
|--|--|---------|------|
- 5.4 Which example of selective perception is being described in each of the following:
- | | | | |
|-------|--|---------|-----|
| 5.4.1 | The consumer does not always interpret the stimuli in the way marketer intends. | | |
| 5.4.2 | Refers to the recall of the information which supports the feelings and views of the consumer. | | |
| 5.4.3 | The consumer purposefully avoids exposure to certain stimuli. | | |
| 5.4.4 | Consumers listen to stimuli selectively and only respond to that which they are interested in. | (4 × 2) | (8) |

- 5.5 The task of the manager is to compile a well-balanced promotional mix which falls within the budget of the company.

Name FOUR promotional strategies.

(4 × 2)

(8)

[50]

QUESTION 6

CHILLADIDDO

When Leeko Nkala started Chilladiddo, a business which markets a range of chill relishes and pastes, her aim was to make money, but later she turned her hobby into a successful brand. She likes spicy food; she started Chilladiddo at her home kitchen. She started to experiment with different spices and herbs. She teamed up with a food technologist.

Leeko and her friends are now a food-manufacturing company that manufactures wet condiments. Their product range includes chills, relishes and chilinaise. They come in two flavours – sweet-sour and chili 'n herbs.

Their clients comprise end users, restaurants, flea-markets and food show guests as well as corporate and retailers followed by the PEACE foundation. In the retail space it is Spar Pineslopes, Impala Fruit and Flower markets in Struben's Valley.

This year they will grow their market beyond Johannesburg. They also grow their product range to cover a wide range of consumers. The industry has a number of competitors all manufacturing unique chill products.

The chill/hot-source industry in South Africa is on a positive incline, with more room for small moving business like Chilladiddo to enter and capture a fair market share.

[Sowetan]

- 6.1 Who is the marketer? (2)

- 6.2 The industry has a number of competitors.

State the FOUR advantages of competition.

(4 × 2)

(8)

- 6.3 Identify TWO Chilladiddo's biggest customers.

(2 × 2)

(4)

- 6.4 6.4.1 Briefly explain whether Leeko and her team can make use of intermediaries. (7)

6.4.2 Give FIVE examples of intermediaries from the case study.

(5 × 1)

(5)

- 6.5 Leeko teamed up with a food technologist.

Give THREE technological breakthroughs that may influence marketing.

(3 × 2)

(6)

- 6.6 South Africa, like any other country, has its own different social classes. Every community tends to place members in order of importance.

Identify the THREE characteristics of different social classes. (3 × 2) (6)

- 6.7 Name the trend that is caused by an increase in demand of the following products:

6.7.1 Fat-free milk

6.7.2 In South Africa birth rate has declined

6.7.3 Single parents

6.7.4 Children know more than their parents about internet

6.7.5 More people flock to cities, which leads to more pollution

6.7.6 Reducing carbon foot print

(6 × 2) (12)
[50]

TOTAL SECTION B: 150
GRAND TOTAL: 200