



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

**NATIONAL CERTIFICATE
NOVEMBER EXAMINATION
MARKETING MANAGEMENT N5**

2 December 2016

This marking guideline consists of 6 pages.

SECTION A**QUESTION 1**

- 1.1 A
- 1.2 D
- 1.3 A
- 1.4 C
- 1.5 B
- 1.6 C
- 1.7 D
- 1.8 B
- 1.9 B
- 1.10 D
- 1.11 C
- 1.12 A
- 1.13 B
- 1.14 C
- 1.15 D

(15 × 2) [30]

QUESTION 2

- 2.1 High
- 2.2 Inelastic
- 2.3 Public relations
- 2.4 Have a time span
- 2.5 Standardisation
- 2.6 Wholesaler
- 2.7 External
- 2.8 Cost-plus
- 2.9 Physical
- 2.10 Grading

(10 × 2) [20]

TOTAL SECTION A: 50

SECTION B**QUESTION 3**

- 3.1 Speciality Products
- Consumer goods with unique characteristics and/or brand name insistence✓✓ and for which a significant group of users are willing to make a special purchasing effort.✓✓ The consumer has considerable product knowledge before searching for the best deal.✓✓ (Any appropriate 3 × 2) (6)
- 3.2 Manufacturer has only one outlet in an area or a target market and he deals directly with the chosen retailer.✓✓ Brands and trademarks play a vital role✓✓ and it is necessary to market aggressively.✓✓ Usually the manufacturer assists retailers with marketing.✓✓ (Any 3 × 2) (6)
- 3.3
- Product – BMW i3/BMW i8
 - Price – Full electric i3 @ R 525 000/i3 range @ R595 000/i8 @ R 1 755 000
 - Promotion – Motor show
 - Place – Supertech, Durban/SMG, Cape Town/Sandton Auto, Johannesburg/Club Motors Fountains, Pretoria (4 × 2) (8)
- 3.4 Exclusive Distribution
- Middlemen are limited on purpose.
 - Used for both speciality and shopping goods.
 - Only the retail point per geographic area.
 - Has the sole right to buy, sell and distribute the product in that area.
 - Mainly used in franchise agreement. (5 × 2) (10)
- 3.5
- Opportunity to act as an independent business person.
 - Gaining of specialised management services.
 - Product with a positive image.
 - Cheaper purchases.
 - Learning of management abilities.
 - Gaining of exclusive sales rights. (Any 5 × 2) (10)
- 3.6
- Nissan Leaf
 - Mercedes Benz
 - Lexus
 - Audi
 - Acura (Any appropriate 5 × 2) (10)
- [50]**

QUESTION 4

4.1 Gateway changed its distribution strategy because of their acquisition by Acer✓ and Acer uses indirect distribution.✓ (2 × 1) (2)

4.2 The difference between direct distribution and indirect distribution is that direct distribution uses no middlemen whereas indirect distribution goes through intermediaries.✓✓ With direct distribution conflict should not arise as the responsibilities fall all on the manufacturer.✓✓ (2 × 2) (4)

- 4.3
- Best Buy
 - Circuit City
 - CompUSA
 - Costco
 - HSN
 - Newegg
 - Tiger Direct
 - Office Depot
 - OfficeMax
 - Wall-Mart
- (Any 5 × 1) (5)



- 4.5
- STEP 1: Determine the target market.
 - STEP 2: Determine buying habits
 - STEP 3: Determine geographical distribution
 - STEP 4: Formulate channel objectives
 - STEP 5: Evaluate channel alternatives
 - STEP 6: Choose channel members
 - STEP 7: Persuade channel members
 - STEP 8: Methods of persuasion
 - STEP 9: Evaluation
- (9 × 1) (9)

- 4.6
- Providing point-of-sales advertising for intermediaries.
 - Help with the planning of activities (forecasting, research, promotions).
 - Management assistance can be provided to intermediaries.
 - Giving training to personnel concerning conflict handling.
 - Eliminating intermediaries refusing to cooperate.
 - Service representatives can be used to identify problems.
 - Organising competitions for intermediaries.
 - Free samples can be presented to intermediaries to be transferred to consumers. (Any 5 × 2) (10)
- 4.7
- It shows where a product is too expensive or too cheap.
 - Attitude changes toward price changes can be detected quickly.
 - Product failure can be eliminated.
 - Potential marketing opportunities can be identified.
 - Effects of price changes on sales volume and market share can quickly be determined.
 - Price band of an acceptable price is determined.
 - Market share and present market price of individual brands can be shown.
 - Can be used to predict what the possible sales of a new product will be.
 - Consumer satisfaction concerning the ruling price can quickly be determined. (Any 7 × 2) (14)
- [50]**

QUESTION 5

- 5.1 5.1.1 Seasonal Discounts
- Mainly granted to buyers who purchase products out of season.
 - Storage function shifted to purchaser.
 - Producers able to maintain a constant schedule year-round.
- NOTE: Any 2 explanations with the name (3 × 2) (6)
- 5.1.2
- Improves cash flow
 - Lowers stock-keeping costs
 - Higher sales in off-season
 - More equal occupation of product capacity. (4 × 2) (8)

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- 5.2
- Attention – Dongane Holiday Resort/The picture
 - Interest – Snorkelling/Deep sea fishing/Scuba diving/Swimming/Hiking trials/Bird watching/Dhow trips/Salt water fly fishing
 - Desire – 450 km north of Maputo, camp site situated around on the shores of Lago Dongane, a 36 km crystal clear lake separated from the ocean by a range of high forested dunes.
 - Action – 082 569 3436/Email: info@dongane.com/www.dongane.com
(Any 4 × 2) (8)
- 5.3
- Advertising – Placing an advertisement in a newspaper.
 - Personal selling – A sales representative of the holiday resort can go door to door and talk to potential customers about the resort.
 - Sales promotion – Giving the customer a 25% discount if they book for a week.
 - Publicity – Resort can donate money to a children's hospital and invite the newspaper to cover it.
(Any appropriate 4 × 2) (8)
- 5.4
- Snorkelling
 - Deep sea fishing
 - Scuba diving
 - Swimming
 - Hiking trials
 - Bird watching
 - Dhow trips
 - Salt water fly-fishing
(any 4 × 2) (8)
- 5.5
- Accessibility and availability
 - Degree of versatility
 - Cost per thousand target audience
 - Price decisions
 - Cost of medium
 - Coverage, frequency and continuity which is derived
(Any 6 × 2) (12)
- TOTAL SECTION B: 150**
GRAND TOTAL: 200