



Province of the  
**EASTERN CAPE**  
EDUCATION



**NATIONAL  
SENIOR CERTIFICATE**

*Stanmorephysics.com*



**GRADE 11**

**26 MAY 2023**

*Stanmorephysics.com*

**BUSINESS STUDIES  
PAPER 1 JUNE EXAMS**

**MARKS:** 150

**TIME:** 2 hours

**9 pages**

## INSTRUCTIONS AND INFORMATION

- This question paper consists of THREE sections, namely SECTION A, SECTION B and SECTION C.

SECTION A: COMPULSORY

SECTION B: Consists of three independent questions covering Term1 & 2, answer any TWO questions from this section.

SECTION C: Consists of two questions. Answer any One from this section.

- Consider the time allocation for each question when answering the questions.
- Read the instructions for each question carefully and answer only what is required.
- Number the answers correctly according to the numbering system used in this question paper.
- Except where other instructions are given, answers must be written in full sentences.
- Start the answer to each question on a NEW page, for example QUESTION 1 - NEW page, QUESTION 2 - NEW page, et cetera.

Use the table below as a guide for mark and time allocation when answering each question.

<u>SECTION</u>	<u>QUESTION</u>	<u>MARKS</u>	<u>TIME</u>
<b>A: Objective-type questions COMPULSORY</b>	<b>1</b>	<b>30</b>	<b>20 minutes</b>
<b>B: THREE direct/indirect- type questions CHOICE (Answer any TWO.)</b>	<b>2</b>	<b>40</b>	<b>35minutes</b>
	<b>3</b>	<b>40</b>	<b>35 minutes</b>
	<b>4</b>	<b>40</b>	<b>35 minutes</b>
<b>C: TWO essay-type questions CHOICE (Answer any ONE.)</b>	<b>5</b>	<b>40</b>	<b>30 minutes</b>
	<b>6</b>	<b>40</b>	<b>30 minutes</b>
<b>TOTAL</b>		<b>150</b>	<b>120 minutes</b>

**SECTION A            COMPULSORY**

**QUESTION 1**

**Four possible answers are given choose the correct one by writing correct letter**

- 1.1.1 Is a form of legal protection that prevents a person from using someone else's creative work without permission?
- A. Industrial relation
  - B. copyright
  - C. patent
  - D. resource depletion
- 1.1.2 This means negotiations between management and trade unions to reach a collective agreement on remuneration and working conditions in the workplace.
- A. Collective bargain
  - B. Labour Relation Act
  - C. CCMA
  - D. Basic Condition of Employment Act
- 1.1.3 This is a distinctive sign, brand name or logo that identifies a person, company or product
- A. Packaging
  - B. Profit sharing
  - C. Trade mark
  - D. Legal constraints
- 1.1.4 One of components of marketing mix is....
- A. Marketing policy
  - B. Selling policy
  - C. Delivery policy
  - D. Communication policy
- 1.1.5 Production planning must control this aspect
- A. Actual purchasing
  - B. Advertising
  - C. Factory layout
  - D. Marketing costs

**(10)**

- 1.2 Choose one word from the box that matches the description below. Write only the word next to the question number (1.2.1 – 1.2.5)**

Speciality goods, marketing activities, dispatching, Quality circles, Advertising, shopping goods, storage, publicity, marketing function, Quality assurance

- 1.2.1** Consumers do not buy ..... very regularly.
- 1.2.2** When goods are....., they must be insured against fire/theft/damage etc.
- 1.2.3** ..... determine what prices (cash or credit) they are going to sell.
- 1.2.4** ..... Is a group of employees who work in a different department, but deal with the improvement of goods/ services.
- 1.2.5** ..... Is the most popular method for manufactures to get their message to their target market and consumers

**(10)**



1.3. Choose a description from COLUMN B that matches a term in COLUMN A

Write only letter (A-J) next to the question number (1.3.1-1.3.5)

COLUMN A	COLUMN B
1.3.1 Market	<b>A</b> Sector that operate on construction company.
1.3.2 Networking	<b>B</b> A process where a business sends out representatives to influence low-level decisions-makers
1.3.3. Copyright	<b>C</b> This Act stipulates the safety of both employer and Employees in the workplace
1.3.4. Secondary	<b>D</b> Law must comply with Patent Act No. 57 of 1978.
1.3.5. Labour Relation	<b>E</b> Over this environment the business has less control.
	<b>F</b> This Act stipulates the rights of employees and Employers for collective bargaining.
	<b>G</b> Interacting with others to exchange ideas and Information and develop professional contacts.
	<b>H</b> Over this environment the business has no control.
	<b>I</b> Sector that operate on extraction of raw material.
	<b>J</b> Law that protects a person's intellectual property.

(5 x2)

(10)

**TOTAL SECTION A**

**(30)**

## QUESTION 2 BUSINESS ENVIRIMNENTS

- 2.1 Name TWO components of the macro business environment. (2)
- 2.2 Read the scenario below and answer the questions that follow:

### KOSI-NTABANKULU SUPERMARKET

Kosi's Supermarket employed a manager who lacked management skills. The increase in the minimum wages of employees that are enforced by legislation is making it difficult to make a profit. Recently a new 24-hour supermarket opened across the street from Joe's Supermarket.

- 2.2.1 Quote THREE challenges that are faced by Kosi's Supermarket in the scenario above. (3)
- 2.2.2 Classify the challenges quoted in QUESTION 2.2.1 according to their business environments. (6)
- 2.2.3 State the extent of control international companies have over EACH business environment mentioned in Q.2.2.2 (3)

Use the table below as a GUIDE to answer Question 2.3.1-2.3.3

CHALLENGES (2.2.1)	BUSINESS ENVIRONEMENTS (2.2.2)	EXTENT OF CONTROL (2.2.3)
1.		
2.		
3.		

- 2.3 Suggest ways in which business can overcome competition in the market (6)

Read the scenario and answer the questions that follow

### LINDELANI FURNITURES (LF)

Lindelani Furniture's sells exclusive launch suits and tables to consumers. Lindelani buys his furniture from Advent Manufacturers who buys his raw material from King Edward Timbers.

2.4 Identify THREE business sectors from the scenario above. Motivate your answer by quoting from the scenario. (6)

Use the table below as a guide to answer this question.

BUSINESS SECTOR	MOTIVATION
1.	
2.	
3.	

2.5. Discuss the roles of Trade unions (8)

2.6 Explain the negative impact of piracy as one of socio economic issues (6)

[40]

### QUESTION 3

### BUSINESS OPERATIONS

3.1 Elaborate on the meaning of marketing. (3)

3.2 Outline FOUR roles of the marketing function. (8)

3.3 Read the scenario below and answer the questions that follow:

#### ZWELITSHA SUPERMARKET (SS)

Zwelitsha Supermarket is known for a prompt delivery of products to the customers' place. Perishable goods are kept in a very cold room so that they do not decay. Individual units of a product are sorted into specified classes.

3.3.1 Identify THREE marketing activity carried by SS. Motivate your answer by quoting from the scenario above. (9)

3.4. Discuss the aspects that must be considered during production planning (8)

3.5 Outline the purpose of Occupational Health and Safety Act (4)

3.6 Explain the advantages of production planning (8)

[40]

#### QUESTION 4: MISECLLANIOUS

##### BUSINESS ENVIRONMENTS

- 4.1 Elaborate on the meaning of *lobbying* (4)
- 4.2 Explain the advantages of networking (8)
- 4.3 Discuss the benefits of CSI projects in businesses (8)

##### BUSINESS OPERATIONS

#### 4.4. Identify the pricing techniques from the statements

- 4.4.1. It is calculated as percentage. (2)
- 4.4.2. It is when companies set certain targets to achieve. (2)
- 4.2.3. Involve setting the price of a product based directly on its Costs. (2)
- 4.4.4. The aim is to convince the customer to buy the Products. (2)
- 4.5. Elaborate on the meaning of a price. (4)
- 4.6. Discuss the importance of a pricing. (8)

**[40]**

**SECTION: B**

**[80]**





## SECTION C

## ANSWER ONLY ONE ESSAY

### QUESTION-5 (SOCIO-ECONOMIC ISSUES)

### BUSINESS-ENVIRONMENTS

Businesses are losing sales and profit on strikes. Trade unions also play an important role in ensuring that their members are protected in the workplace. Small business are also facing a challenge of piracy

Write an essay on the following aspects:

- Elaborate on the meaning of *strikes and go slow* as type of industrial action
- Describe the purpose of Labour Relation Act
- Explain the functions of trade unions
- Suggest ways in which business can deal with piracy through Patent

### QUESTION 6

### BUSINESS OPERATIONS (MARKETING FUNCTION)

Packaging is one of the most important part on marketing function in order to remain competitive and sustainable. They also ensure that they follow the steps in product design and develop a good trade mark for their products.

Write an essay in which you include the following aspects:

- Outline the purpose of packaging
- Explain FOUR types of packaging
- Discuss the steps/stages of product design
- Advise businesses on importance of a trade mark for businesses and consumers

(40)

**TOTAL**

**150**



Province of the  
**EASTERN CAPE**  
EDUCATION



## **NATIONAL SENIOR CERTIFICATE**

### **GRADE 11**

### **26 MAY 2023**

## **BUSINESS STUDIES PAPER 1 JUNE EXAMS MEMORANDUM**

**MARKS:** 150

**TIME:** 2 hours

This question paper consists of 16 pages



## NOTES TO MARKERS

1. Candidates' responses for SECTIONS B and C must be in full sentences; however this would depend on the nature of the question.

2. A comprehensive memorandum has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:

- Uses a different expression from that which appears in the memorandum
- Comes from another source
- Original
- A different approach is used

**NOTE: SECTION A:**

- There are no alternative answers.
- Each question has only one correct answer.

3. Take note of other relevant answers provided by candidates and allocate marks accordingly. (In cases where the answer is unclear or indicates some understanding, part-marks should be awarded, for example, one mark instead of the maximum of two marks.)
4. The word 'sub-max' is used to facilitate the allocation of marks within a question or sub-question.
5. The purpose of circling marks (guided by 'max' in the breakdown of marks) on the right-hand side is to ensure consistency and accuracy in the marking of scripts.
6. In an indirect question, the theory as well as the response must be relevant and related to the question.
7. **Incorrect numbering of questions or sub-questions will be SEVERELY PENALISED. This is applicable to all the sections of the paper.**
8. No additional credit must be given for repetition of facts. Indicate with an R.
9. Subtotals to questions must be written in the right-hand margin. Circle the subtotals as indicated by the allocation of marks. This must be guided by 'max' in memo. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

## 10 SECTION B

- 10.1 If, for example, FIVE facts are required, mark the candidate's FIRST FIVE responses and ignore the rest of the responses. Indicate by drawing a line across the unmarked portion or use the word 'Cancel'.



**NOTE:** This only applies to questions where the number of facts is specified.  
10.2 If two facts are written in one sentence, award the candidate FULL credit. Point 10.1 above still applies.

10.3 If candidates are required to provide their own examples/views, brainstorm this to come up with alternative answers.

#### 10.4 **USE OF THE COGNITIVE VERB AND ALLOCATION OF MARKS**

10.4.1 Where the number of facts are specified questions that require candidates to 'explain/discuss/ describe' will be marked as follows:  
 • Heading 2 marks  
 • Explanation 1 mark (or as indicated in the memorandum).  
 The 'heading' and 'explanation' are given separately to facilitate mark allocation.

10.4.2 If the number of facts is not specified, the candidate must be informed by the nature of the question and the maximum marks allocated.

10.5 **ONE mark will be awarded for answers that are easy to recall, requires one-word answers, or is quoted directly from scenario/case study. This applies to SECTIONS B and C in particular.**

### 11. **SECTION C**

11.1 The breakdown of the mark allocation for the essays is as follows:

Introduction	<b>Maximum: 32</b>
Content	
Conclusion	
Insight	<b>8</b>
<b>TOTAL</b>	<b>40</b>

11.2 Insight consists of the following components:

<b>Layout/Structure:</b>	(Is there an introduction, body, proper paragraphs and a conclusion?)	<b>2</b>
<b>Analysis and interpretation:</b>	(Learners' ability to break down the question/interpret it correctly to show understanding of what is being asked.)	<b>2</b>
<b>Synthesis:</b>	<p>Are there relevant decisions/facts/responses made based on the questions?</p> <p>Marks to be allocated using this guide:                      No relevant facts: 0 (Two '-S')                      Some relevant facts: 1 (One '-S')                      Only relevant facts: 2 (Zero/No '-S')</p> <p>NB: 1. If there are no '-S' indicated, award the maximum TWO (2) marks.                      2. Where a candidate answer less than 50% of the Question with relevant facts, no -S appears in the</p>	



	Left margin, award a maximum of ONE (1) mark	
<b>Originality:</b>	(Examples, recency of information, current trends and developments.)	<b>2</b>
<b>TOTAL FOR INSIGHT:</b>		<b>8</b>
<b>TOTAL MARKS FOR FACTS:</b>		<b>32</b>
<b>TOTAL MARKS FOR ESSAY (8 + 32)</b>		<b>40</b>

**NOTE:**

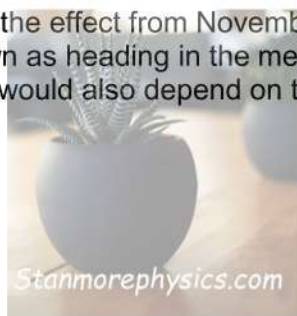
1. No marks will be awarded for contents repeated from the introduction and conclusion.
2. The candidate forfeits marks for layout if the words **INTRODUCTION** and **CONCLUSION** are not stated.
3. No marks will be allocated for layout, if the headings 'Introduction, Conclusion,' etc. in 'Insight' is not supported by an explanation.
4. With the effect from November 2017 a candidate will be awarded a maximum of ONE (1) mark for headings/subheadings and ONE (1) mark for interpretation (16 or more out of 32 marks). This applies specifically to the analysis and interpretation part of insight.

- 11.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, S and/or O').
- 11.4 The components of insight are indicated at the end of the suggested answer for each question.
- 11.5 Mark all the relevant facts until the MAXIMUM mark in a subsection has been attained. Write MAX after maximum marks have been obtained.
- 11.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follow: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

CONTENT	MARKS
Facts	32 (max.)
L	2
A	2
S	2
O	2
<b>TOTAL</b>	<b>40</b>

- 11.7 When awarding marks for facts, take note of the sub-maxima indicated, especially if candidates do not make use of the same subheadings. Remember headings and sub-headings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARKS BREAKDOWN at the end of each question.)

- 11.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 11.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the memorandum.
- 11.10 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 11.11 With the effect from November 2017, the maximum of TWO (2) marks for facts shown as heading in the memo, will not necessarily apply to each question. This would also depend on the nature of the question.



**SECTION A (COMPULSORY)**

**QUESTION 1**

1.1

1.1.1 B.✓✓

1.1.2 A.✓✓

1.1.3 C.✓✓

1.1.4 D.✓✓

1.1.5 C.✓✓



5×2 (10)

1.2

1.2.1 Shopping goods✓✓

1.2.2 storage✓✓

1.2.3. Marketing function✓✓

1.2.4. Quality circles✓✓

1.2.5. Advertising✓✓

5×2 (10)

1.3 Matching columns

1.3.1 E✓✓

1.3.2 G✓✓

1.3.3 J✓✓

1.3.4 A✓✓

1.3.5 F✓✓

5×2 (10)

**TOTAL SECTION A**

**[30]**

**NOTE: MARK ONLY TWO QUESTIONS**

**QUESTION 2**

**2.1 Components the macro environment.**

- Physical/Natural environment✓
- Economic environment ✓
- Social, cultural, and demographic environment✓
- Technological environment✓
- Legal environment and political environment✓
- International /Global environment✓
- Institutional environment✓

**NB Mark the First TWO**

**(2)**

Stanmorephysics.com

<b>CHALLENGES (2.2.1)</b>	<b>BUSINESS ENVIRONEMENTS (2.2.2)</b>	<b>EXTENT OF CONTROL (2.2.3)</b>	
Kosi's Supermarket employed a manager who lacked management skills. ✓	Micro✓✓	Full control✓	
Recently a new 24-hour supermarket opened across the street from Joe's✓ Supermarket.	Market✓	Little/less control✓	
The increase in the minimum wages of employees that are enforced by legislation is making it difficult to make a profit. ✓	Macro✓✓	No control✓	
<b>Sub-max (3)</b>	<b>Sub-max (6)</b>	<b>Sub Max (3)</b>	

**NOTE: Do not award marks for the quotation if the business environments were incorrectly identified.**



### 2.3 Ways in which businesses can overcome competition in the market

- Management must ensure that the business differentiates itself from the competitors by tapping into what the customer wants. ✓✓
- Offering more personal services by being responsive to the customer's needs/ expectations. ✓✓
- Offering low-cost extras such as improved credit terms/discounts/loyalty schemes etc. ✓✓
- Charging the lower prices✓ than that of the other businesses. ✓✓
- Selling products of a superior quality/new products/services that the customers might be interested in. ✓✓
- By being the best employer that has well trained/knowledgeable staff members that create a better working atmosphere. ✓✓
- Stepping up the marketing of the business by using promotional ideas such as posters or campaigns on social media. ✓✓
- Updating the image of the business such as painting the front of the premises/ making the business looking modern/ inviting. ✓✓
- Keeping up with developments in the sector of the business sector, following consumer trends /investing in new technology. ✓✓
- Improving on customer services and keeping them happy. ✓✓

**Max(6)**

### 2.4

BUSINESS SECTORS	MOTIVATION
1. Primary sector✓✓	buys his raw material from King Edward Timbers. ✓
2. Secondary sector✓✓	Lindelani buys his furniture from Advent Manufacturers✓
3. Tertiary Sector✓✓	Lindelani Furniture's sells exclusive launch suits and tables to consumers. ✓
(6)	(3)

**NOTE: Do not award marks for the motivation if the business sectors were incorrectly identified.**

### 2.5 Roles of trade unions

- Serves as mechanism through which employees✓ have a collective voice in the workplace. ✓
- Unions communicate to the company's management the members' grievances✓ such as unfair dismissal, low wages and conditions of services. ✓
- They ensure that the employers include✓ employees in the decision making process. ✓
- They ensure that employees are treated✓ fairly and respected. ✓

- Unions are involved with social dialogue ✓ regarding poverty alleviation, job creation and wealth distribution. ✓

**Max(8)**

## 2.6 The negative impact of piracy on businesses

- It can undermines the music/movie industry ✓ as they lose money. ✓
- Drives up the prices of products ✓ in order to compensate for the loss in sales ✓.
- Leads to job losses ✓ in the industry ✓
- The music industry feel reluctant to develop new talents ✓ as the element of risk is too high. ✓
- May cause damage ✓ to the value of the businesses. ✓
- The businesses loses out on sales and income ✓ which in turn threatens industry ✓
- The businesses loses out on productivity ✓ and profits. ✓

**Max(6)**

**TOTAL**

**[40]**

## QUESTION 3

### 3.1 Meaning of marketing

- Marketing is used to deliver value to the customers ✓ and satisfying their needs. ✓
- The aim is to link the business products and services ✓ with the customer needs and wants. ✓
- Marketing also aims to get the right product or service to the right customer ✓ at the right place and at the right time. ✓

- Businesses also establish a target market or maintain market share of a current product ✓ and locate the most appropriate customers through marketing activities. ✓
- Any other relevant answer related to the meaning of marketing

**Max (3)**

### 3.2 Roles of the marketing function

- Support the overall objectives of a business, which is to maximise profits. ✓✓
- The marketing team needs to work closely with staff members from other business functions. ✓✓
- Gather information about customer needs, preferences and buying behaviour and share information with other departments. ✓✓
- Assist the development of the marketing strategy in collaboration with senior management from other business functions. ✓✓
- Develop a marketing plan using elements of the marketing mix. ✓✓
- Develop sales forecasts and projections and provide this information to other business functions. ✓✓
- Decide which products or services the business will sell and how the products will be distributed. ✓✓
- Determine what prices (cash or credit) they are going to sell. ✓✓
- Any other relevant answer related to roles of marketing function.

**NOTE: Mark the first FOUR**

**Max (8)**

### 3.3 Scenario

#### 3.3.1 Marketing activities

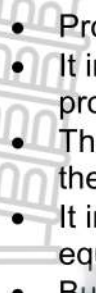
Marketing activity	Motivation
1. Transport ✓✓	Zwelitsha Supermarket is known for a prompt delivery of products to the customers' place. ✓
2. Storage ✓✓	Perishable goods are kept in a very cold room so that they do not decay. ✓
3. Standardisation and grading ✓✓	Individual units of a product are sorted into specified classes ✓
Sub max (6)	Sub max (3)

**NOTE: Do not award marks for the motivation if the marketing activities were incorrectly identified.**

**Max (9)**

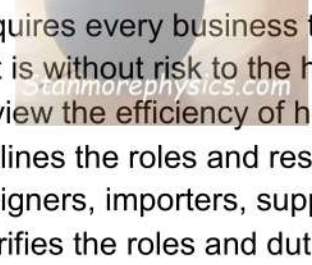


### 3.4 Aspects that must be considered during production planning

- 
- Production planning of each aspect✓ of the overall process. ✓
  - It includes the layout of a factory✓ and the flow of materials through the process. ✓
  - The planning has to cover all aspects of the production process✓ such as the factory layout based on the optimal flow of material. ✓
  - It includes decisions on the purchasing of the materials, ✓ machinery and equipment and staffing. ✓
  - Budget, machines and manpower are calculated✓ and used to determine expected output. ✓

**Max(8)**

### 3.5 The purpose of the Occupational Health and Safety Act

- 
- Requires every business to establish and maintain, a safe work environment that is without risk to the health of the workers. ✓✓
  - Review the efficiency of health and safety measures. ✓✓
  - Outlines the roles and responsibilities of employer, employees, manufacturers, designers, importers, suppliers and sellers. ✓✓
  - Clarifies the roles and duties of the health and safety representative and committee. ✓✓
  - Requires that the main dangers and potential incidents of the workplace be identified and eliminated. ✓✓
  - Examines the causes of incidents by any employee relating to the employee's health and safety at work. ✓✓
  - Expects employees to co-operate and follow the necessary instructions and report any unsafe situations. ✓✓
  - Makes presentations to the employer concerning general health and safety issues at the workplace. ✓✓

**Max (4)**

### 3.6 Advantages of production planning

- Planning allows an entrepreneur to ensure that every machine and worker is used✓ to their full capacity and not left with nothing to do. ✓
- The company can ensure that it has the correct amount of supplies✓ and stock at a given time. ✓
- This reduces wastage✓ and unnecessary storage costs. ✓
- Planning will prevent time being wasted✓ and increase the number of final products. ✓
- Planning process involves quality checks✓ and ensures that the correct quality is reached in the shortened possible time. ✓

**Max(8)  
[40]**



## QUESTION 4 MISCELLANEOUS

### BUSINESS ENVIRONMENTS

#### 4.1 Meaning of lobbying

- Lobbying refers to the process of trying ✓ to influence legislation or parliamentary decision making. ✓
- It involves acquiring public support ✓ for an issue such as children or animal rights. ✓
- It is an organised process where individuals, business and organisations use their influence ✓ to change government policy ✓
- Lobbying specifically applies to law-makers ✓ and government officials and it is a participatory approach to government. ✓
- It is done by various people with similar motives, ✓ beliefs or commercial positions. ✓

Max(4)

#### 4.2 Advantages of networking

- Businesses can be attract new customers ✓ resulting to increased market share and profitability. ✓
- Networking can be an excellent source of new perspectives ✓ and business ideas. ✓
- Allows managers to build new businesses relationships ✓ and generate new business opportunities. ✓
- Plays a role in the marketing ✓ and expansion of a business. ✓
- Assists businesses in making ✓ future business decisions. ✓
- Businesses can gain support ✓ when representation to various authorities is planned. ✓

Max(8)

#### 4.3 Benefits of CSI projects for businesses

- Increases employees' morale and job satisfaction ✓ when they are involved in social responsibility programmes. ✓
- CSI projects may be used as a marketing strategy ✓ to promote their products. ✓
- CSI projects promote teamwork ✓ within businesses. ✓
- CSI helps to attract investors ✓ because of increased profits/income ✓
- Promotes customer loyalty ✓ resulting in more sales. ✓
- May attract experienced employees/increase the pool of skilled labour ✓ which could increase productivity. ✓
- Positive/Improved image as the business looks ✓ after employees/conducts itself in a responsible way. ✓
- A business may have a competitive advantage, ✓ resulting in good publicity/an improved reputation. ✓
- The business enjoys the goodwill/support ✓ of communities. ✓

Max (8)

#### 4.4 BUSINESS OPERATIONS

- 4.4.1 Mark up pricing✓✓ (2)
- 4.4.2 Customer based pricing✓✓ (2)
- 4.4.3 Cost based pricing✓✓ (2)
- 4.4.4 Penetration pricing✓✓ (2)

### The pricing policy

#### 4.5 The meaning of price

- The price of a product refers to the amount of money✓ that must be paid by the buyer to experience the benefits of the product. ✓
- The pricing policy specifies what and how the business ✓will work out the pricing of its product. ✓

**Max(4)**

#### 4.5 The importance of pricing

- The pricing process✓ needs to consider flexibility/discount/territory/life cycle status/allowance. ✓
- Pricing affects the number of products✓ that an enterprise is able to sell, which in turn, affects profitability. ✓
- The price of a product can influence the consumers' attitude✓ towards the product or the brand. ✓
- If the price is believed to be too high, ✓ fewer consumers may buy the product. ✓
- If the price is too low, ✓ consumers may perceive the good as being of poor quality. ✓
- The pricing policy should explain✓ when and to whom discounts will be granted. ✓
- The price of a product✓ must make provision for transport costs. ✓
- The price of a product ✓must make provision for VAT. ✓
- Low sales result in stockpiles of unsold product✓ that have to be stored and not repaying the cost of manufacturing that product. ✓

**Max(8)**

**[40]**

## QUESTION 5: BUSINESS ENVIRONMENTS (SOCIO ECONOMIC ISSUES)

### 5.1 INTRODUCTION



- One purpose of Labour Relation Act is to allow workplace forums where employees may participate in decision making. ✓
- One of the functions of trade unions is to improve material benefits of their members ✓
- Any other relevant introduction on the negative impact of piracy on businesses, solutions to deal with piracy, types of industrial actions and on the functions of trade unions

Any 2 x 1

Max (2)

## 5.2 Types of industrial actions

### Strikes

- A strike is when employees stop working completely. ✓
- Employees do not get paid for the days spent on strikes. ✓
- The purpose of a strike is to force employers to agree to the demands of the strikers. ✓

Sub max (4)

### Go-slows

- Go slow is a collective industrial action taken by workers in protest against an employer.
- Workers work slowly as possible or reduce production output.
- Employees still have to be paid as they are doing their work whereas they do not get paid when they go on strike.

Sub max (4)

Max(8)

## 5.3 Purpose of the Labour Relations Act

- Provides a framework where the employees, trade unions and employers work together to discuss matters relating to employment, e.g. wages, conditions of employment. ✓
- Promotes orderly negotiations and employee participation decision making in the workplace. ✓
- Promotes resolution of labour disputes. ✓
- Promotes fair employment practices. ✓
- Outlines the relationship between employees and employers.
- Provides simple procedures for the registration of trade unions and employers' organizations. ✓
- Regulates the rights of trade unions and facilitates collective bargaining. ✓
- Regulates the effectiveness of bargaining councils and statutory councils. ✓
- Establishes workplace forums to promote the interest of all employees in the workplace whether they belong to the trade union or not. ✓
- Establishes the Commission for Conciliation, Mediation and Arbitration (CCMA) to resolve labour disputes through statutory conciliation, mediation and arbitration. ✓
- Endorses the right to strike against retrenchments, and facilitates labour disputes. ✓
- Clarifies the transfer of contracts of employment procedures. ✓

Max (14)

#### 5.4 Functions of trade unions

- Improves conditions✓ of employment. ✓
- Ensures that all employees are treated equally✓ in the workplace✓
- Representing the interest of general society and minority groups✓ through media and negotiations. ✓
- Influencing government✓ decisions. ✓
- Representing employees corporately✓ and individually. ✓
- Establishing minimum economic✓ and legal conditions/influencing economic policy and law. ✓
- Playing a role as moral institutions that will uplift the weak and oppressed ✓ and give them the dignity and justice they deserve. ✓
- Protecting workers from unfair labour practices✓ and unfair dismissal. ✓
- Take legal action ✓ on behalf of members when necessary. ✓

**Max (14)**

#### 5.5 Possible solutions to piracy/ Ways in which businesses can deal with piracy

##### Patent

- A patent prevents other businesses/people not to produce and sell the same product/ specific service. ✓✓
- Businesses can take out a patent for new inventions and include a sample of their invention with application. ✓✓
- They must register a patent with the patents office in South Africa. ✓✓
- The invention must comply with Patent Act No. 57 of 1978. ✓✓
- They can bring legal proceedings against anyone who uses the invention. ✓✓

**Max(10)**

#### 5.6 CONCLUSION

- Strikes represent the final stage of dispute/disagreement between management and employees. ✓✓
- Establishes Labour Courts and Labour Appeal Courts to deal with labour issues. ✓✓
- Any conclusion relevant to strikes and go slow, purpose of LRA ,functions of trade unions, Patent

**Any 1 x 2 (2)**

**[40]**

### QUESTION 6 BUSINESS OPERATIONS

#### 6.1 INTRODUCTION

- Packaging is needed to contain the item or product. ✓



- A trademark is a symbol, word/s legally registered or established by use as representing a company or product. ✓
- The development of new product is a long-term process that requires intensive research ✓
- New product must be tested to ensure that they meet the needs of the customers. ✓
- Any other relevant introduction related to steps in the design process, product development, marketing activities and trademarks

(2 X1) =(2)

## 6.2 Purpose of packaging

- Protects the product from breakage, gems, moisture or spoilage. ✓✓
- Promotes the product by indicating the brand and trademark of the company and product. ✓✓
- Prevent tampering or theft of a product. ✓✓
- Improves convenience in use or storage of a product. ✓✓
- Contains information about the product, including uses, any harmful warnings or dosage requirements. ✓✓
- Make product easier to identify
- Differentiates the product from other competing products. ✓✓
- Attracts attention to show value of the product as a marketing tool
- Links the product to the promotion strategy used to promote the product.
- Reduces storage costs by minimising breakage. ✓✓
- Any other relevant answer related to the purpose of packaging

Max (10)

## 6.3 Types/Kinds of packaging

### Packaging for immediate use/Unit packaging ✓✓

- Packaging needs to be cheap, ✓ because once the product is consumed, the packaging is thrown away. ✓
- Example : packet of chips/chocolate bar wrapper ✓

Sub max (4)

### Packaging for double use ✓✓

- Packaging can be re-used for purpose ✓ other than storing the original contents. ✓✓
- Consumers will thus be reminded of the particular brand after the original contents have been consumed.
- The container can be used for something else ✓ once the content is finished. ✓
- Example; ice cream tub ✓

Sub max (4)

### Packaging for resale ✓✓

- Retailers buy products in bulk ✓ from wholesalers or suppliers. ✓

- Retailers unpack the products✓ to sell them separately in smaller quantities. ✓
- Example; big box containing many boxes of washing powder✓

Sub max (4)

**Kaleidoscopic/Frequently changing packaging** ✓✓

- Some details of the packaging change✓ to advertise an important sporting event/competition ✓
- The container or wrapper✓ are continually changing. ✓
- Example. the advertise a sporting event ✓

Sub max (4)

**Speciality packaging** ✓✓

- Packaging must✓ suit the product. ✓
- Example. packaging for an expensive phone. ✓

Sub max (4)

**Combination packaging** ✓✓

- Various complementary products are packaged together✓ because such products are usually purchased together. ✓
- Example. Soap and a face cloth/shower gel and sponge/matching perfume and hand cream. ✓

Sub max (4)

**NOTE: mark the first FOUR types of packaging**

**Max (16)**

**6.4 THE STEPS/STAGES OF PRODUCT DESIGN**

- Idea generation/ Design and development ✓ of product ideas. ✓
- Selecting and sifting ✓ of product ideas/ Idea screening. ✓
- Concept development and testing/Design and testing of the product concept ✓ which should happen before a product is developed. ✓
- Analysis of the profitability ✓ of the product concept/Business analysis. ✓
- Consumer responses must be tested ✓ using a small sample of the Product/Market testing. ✓
- Technical implementation/Systems and processes ✓ are put in the production planning and control process. ✓
- Commercialisation/The product is launch ✓ and marketing/advertsing campaigns implemented. ✓✓
- New product pricing/The product is priced✓ and forecasts worked out. ✓
- Any other relevant answer related to steps to product design.

**NOTE: The steps can be in any order.**

**Max (12)**

**6.5 IMPORTANCE OF A TRADE MARK FOR BUSINESSES AND CONSUMERS**

### Importance of trademarks to businesses

- A trade mark establishes an identity/reputation✓✓
- A registered trademark protects businesses against competitors who sell similar products. ✓✓
- A well-known trademark helps to make a brand instantly recognisable✓✓
- Offers a degree of protection because branded products can be traced back to the manufacturer✓✓
- Businesses can use trademarks to market/advertise their products. ✓✓
- Any other relevant answer related to trademarks to businesses.



Sub max (8)

### Importance of trademarks to customers

- Creates a sense of security and consistency for customers✓✓.
- Promotes loyalty and creates consistency for customers. ✓✓
- Consumers are more likely to accept new products that are marketed under a well-known brand/trademark✓✓
- It represents a certain standard of quality and price to the consumer✓✓.
- Any other relevant answer related to trademarks to customers.

Sub max (8)

**Max (14)**

## 6.6 CONCLUSION

- The business can launch the new product, once it has modified it according to the customers' responses. ✓✓
- The business must screen the new product ideas and the resources needed to produce the product✓✓
- Businesses that do not design new products will soon be left behind ✓✓
- Any other relevant conclusion related to the steps in the design process, product development, marketing activities and trademarks.

Any 1 X 2

Max (2)

40 MARKS

**TOTAL.....150**