



NATIONAL SENIOR CERTIFICATE

GRADE 11

BUSINESS STUDIES P1

JUNE 2025

MARKS : 150

TIME 2hours

This question paper consists of 9 pages

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers TWO main topics.

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions.

Answer any ONE of two questions in this section.

2. Read the instructions for each question carefully and take note of what is required. Note that **ONLY** the answers to the first TWO questions selected in SECTION B and the answers to the **FIRST** question selected in SECTION C will be marked.
3. Number the answers carefully according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
A: Objective-type questions COMPULSORY	1	30	20
B: THREE direct/indirect type questions CHOICE (Answer any TWO.)	2	40	70
	3	40	
	4	40	
C: TWO essay-type questions CHOICE (Answer any ONE.)	5	40	30
	6	40	
TOTAL		150	120

7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.
8. You may use a non-programmable calculator.
9. Write neatly and legibly.

SECTION A (COMPULSORY)

QUESTION 1

1.1 Various options are provided as possible answers to the following questions. Write down the question number (1.1.1–1.1.5), choose the answer and write a letter (A–D) of your choice in the ANSWER BOOK.

1.1.1 Vula Bookkeepers operates in the ... sector, as they specialise in providing auditing and accounting services.

- A primary
- B secondary
- C tertiary
- D economic

1.1.2 Koala and Kals are two retailers combined to become one business. This is referred to as ...

- A merger.
- B takeover.
- C acquisitions.
- D alliances.

1.1.3 Employees of Janga Construction participated in a ... when they refused to work.

- A lock-out
- B picketing
- C strike
- D go-slow

1.1.4 The ... are types of goods, where consumers know exactly what they want and are willing to search until they find exactly what they are looking for.

- A Speciality goods
- B Convenience goods
- C Shopping goods
- D Unsought goods

1.1.5 Inspection of the final product to ensure that it meets the required standards, is referred to as ...

- A quality assurance
- B quality control
- C quality management
- D quality system

(5×2) (10)

- 1.2 Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next to the question numbers (1.2.1 to 1.2.5) in the ANSWER BOOK.

dispatching; forward; target; lock-out; full; go-slow; no; perfect; backward; follow-up;

- 1.2.1 Businesses have ... control over the micro environment.
- 1.2.2 A form of industrial action where employers refuse employees entry during a strike action is called a ...
- 1.2.3 A ... link is when businesses sell goods and services to businesses in the same sector or to businesses in another sector.
- 1.2.4 During the ... process, the business makes sure the scheduling and production systems are running according to plan.
- 1.2.5 A particular group of consumers at which a product or service is aimed at, is called a ... market.

(5×2) (10)

- 1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A–J) next to the question number (1.3.1–1.3.5) in the ANSWER BOOK, for example 1.3.6

COLUMN A	COLUMN B
1.3.1 Demographics	A when businesses sell/provide similar goods or services
1.3.2 Globalisation	B packaging needs to be cheap, because once the product is consumed, then it is thrown away
1.3.3 Kaleidoscopic packaging	C refers to the statistics of the population such as gender, age, race, education and level of income
1.3.4 Total Quality Management	D used in the production process that will decrease cost and time and increase output
1.3.5 Production planning	E businesses expand their operations to other countries
	F ensures full involvement of all employees to satisfy customer needs
	G refers to customers' lifestyles, attitudes, interests, opinions, desires
	H ensures that customer needs are met according to standardised specification
	I packaging change to advertise an important sporting event/competition
	J Used in the production process to manage each individual task and action to ensure the best result

(5×2) (10)

SECTION B

Answer ANY TWO questions in this section.

NOTE: Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, e.g. QUESTION 2 on a new page, QUESTION 3 on a NEW page etc.

QUESTION 2: BUSINESS ENVIRONMENTS

- 2.1 Name any **FOUR** components of the micro environment environments. (4)
- 2.2 Outline the advantages of networking. (6)
- 2.3 Read the scenario below and answer the questions that follow.

GRAAB SOLUTIONS (GS)

Graab Solutions (GS) sell gadgets and accessories, and they are currently experiencing challenges. GS's suppliers of stock are unreliable as they cannot deliver on time. Two managers are inexperienced in some management spheres. Knock-knock Techs have opened a new store that sells gadgets at lower prices

Identify **TWO** challenges of the market environment experienced by GS. Motivate by quoting from the scenario above.

Use the table below to answer this question.

CHALLENGES	MOTIVATIONS
1.	
2.	

- 2.4 Explain the following types of lobbying: (6)
 - 2.4.1 Hedging against inflation. (4)
 - 2.4.2 Influencing supervisory body/regulators. (4)
- 2.5 Read the scenario below and answer the questions that follow.

THEMBA TECHNOLOGIES (TT)

Thembaletu Technologies (TT) offer internet services in a small township. Most people in the township cannot read and write. They could not employ people from the community as they do not have the necessary skills needed in the business.

Identify **TWO** socio-economic issues that affect TT from the scenario above. Motivate by quoting from the scenario.

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

SOCIO-ECONOMIC ISSUE	MOTIVATIONS
1.	
2.	

(6)

2.6 Discuss the negative impact of strikes as a socio-economic issue in a business.

(4)

2.7 Suggest ways in which businesses can have a direct influence on the environment.

(6)

[40]

QUESTION 3: BUSINESS OPERATIONS

3.1 Name any TWO quality control bodies.

(2)

3.2 Outline the requirements of a good trademark.

(4)

3.3 Read the scenario below and answer the questions that follow

KINGS PRODUCERS (KP)

Kings Producers (KP) sells a range of dairy products, and they have introduced new products. They temporarily reduced the price of eggs to attract more customers. New products are sold to convince customers to buy the product, and as soon as the introductory offer is over, the prices are increased.

3.3.1 Identify TWO pricing techniques used by KP. Motivate by quoting from the scenario above.

Use the table below as a guide to answer QUESTION 3.3.1

PRICING TECHNIQUES	MOTIVATION
1.	
2.	

(6)

3.3.2 Discuss factors that influence pricing.

(6)

3.4 Explain the importance of pricing in a business.

(4)

3.5 Read the scenario below and answer the questions that follow.

HOSE TRADERS (HT)

Hose Traders (HT) specialise in the manufacturing of kitchenware. HT makes use of intermediaries to distribute their products. They use other businesses to sell to consumers in small quantities

3.5.1 Identify the type of intermediary used by HT.

(2)

3.5.2 Explain the reasons why HT as a manufacturer may prefer to make use of indirect distribution methods.

(6)

- 3.6 Explain the importance of product development. (4)
- 3.7 Advise businesses on the role of public relations in publicity. (6)
- [40]**

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

- 4.1 Name FOUR components of macro environment. (4)
- 4.2 Read the scenario below and answer the questions that follow.

GALAGAR CONSULTANTS (GC)

Galagar Consultants (GC) is an accounting firm that offers various services to other businesses. They formed the business with another business to build on the expertise of each partner and on how they complement one another.

- 4.2.1 Identify from the scenario above the way in which businesses can form a power relationship. (2)
- 4.2.2 Discuss TWO other ways in which businesses can form power relationships. (6)
- 4.3 Explain reasons why businesses lobby. (4)
- 4.4 Advise businesses on *information management* as a way to adapt to challenges in the business environments. (4)

BUSINESS OPERATIONS

- 4.5 State any FOUR marketing activities in a business. (4)
- 4.6 Read the scenario below and answer the questions that follow.

HOUD BEANIES (HB)

Hound Beanies (HB) specialises in the manufacturing of winter beanies. Their designers are working on the design and development of product ideas that would allow for a one size fits all approach.

- 4.6.1 Name ONE stage of the product design from the scenario above. (2)
- 4.6.2 Explain other stages of the product design that would also be followed by HB. (4)
- 4.7 Discuss the purpose of advertising. (6)
- 4.8 Recommend ways in which businesses can comply with the Occupational Health and Safety Act. (4)

[40]
TOTAL SECTION B: 80

SECTION C

Answer ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the chosen question.
The answer to the question must start on a NEW page, e.g. QUESTION 5 on a NEW page or QUESTION 6 on a NEW page.

QUESTION 5: BUSINESS ENVIRONMENT

Every business should be aware of the functions of trade unions. Piracy as a socio-economic issue has a negative impact on a business and businesses should be able to deal with it. Businesses should understand the Labour Relations Act to promote fair labour practices in the workplace.

Write an essay on contemporary socio-economic issues in which you include the following aspects:

- Outline the functions of trade unions.
- Explain the negative impact of piracy on businesses.
- Discuss solutions to piracy.
- Advise businesses on the purpose of the Labour Relations Act.

[40]

QUESTION 6: BUSINESS OPERATIONS

Successful production planning enables the aspects of production control to be implemented in business operations. Businesses must be well informed of the purpose of the Occupational Health and Safety Act and must take the necessary precautionary measures when handling machinery.

As an expert in production planning, write an essay on the following aspects:

- Outline the advantages of production planning.
- Explain THREE aspects that must be considered during production control.
- Discuss the purpose of the Occupational Health and Safety Act.
- Recommend precautionary measures that businesses should take when handling machinery.

[40]

TOTAL SECTION C: 40
GRAND TOTAL: 150



NATIONAL SENIOR CERTIFICATE

GRADE 11

BUSINESS STUDIES P1

MARKING GUIDELINES

JUNE 2025

MARKS: 150

This marking guideline consists of 21 pages

NOTES TO MARKERS

PREAMBLE

The notes to markers are provided for quality assurance purposes to ensure the following:

- (a) Fairness, consistency and reliability in the standard of marking
- (b) Facilitate the moderation of candidates' scripts at the different levels
- (c) Streamline the marking process considering the broad spectrum of markers across the country
- (d) Implement appropriate measures in the teaching, learning and assessment of the subject at schools/institutions of learning

1. For marking and moderation purposes, the following colours are recommended:
 Marker: Red
 Senior Marker: Green
 Deputy Chief Marker: Brown
 Chief Marker: Pink
 Internal Moderator: Orange
 DBE Moderator: Turquoise
2. Candidates' responses must be in full sentences for SECTION B and C. However, this would depend on the nature of the question.
3. A comprehensive marking guideline 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 marking guideline
 - Comes from another credible source
 - Original
 - A different approach is used

NOTE: There is only ONE correct answer in SECTION A.
4. 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.)
5. The word 'Sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. 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 as well as for calculation and moderation purposes.
7. 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 the marking guidelines. Only the total for each question should appear in the left-hand margin next to the appropriate question number.
8. In an indirect question, the theory as well as the response must be relevant and related to the question.

9. Correct numbering of answers to questions or sub questions is recommended in SECTIONS A and B. However, if the numbering is incorrect, follow the sequence of the candidate's responses. Candidates will be penalised if the latter is not clear.
10. No additional credit must be given for repetition of facts. Indicate with an 'R'.
11. The differentiation between 'evaluate' and 'critically evaluate' can be explained as follows:
- 11.1 When 'evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance, e.g. Positive: 'The autocratic leadership style provides strong leadership ✓ which makes new employees feel confident and safe ✓'.
- 11.2 When 'critically evaluate' is used, candidates are expected to respond in either a positive/negative manner or take a neutral (positive and negative) stance. In this instance candidates are also expected to support their responses with more depth, e.g. 'The autocratic leadership style provides strong leadership ✓ which makes new employees feel confident and safe ✓, as expectations/roles are clearly explained to avoid confusion'.

NOTE: 1. The above could apply to 'analyse' as well.
2. Note the placing of the tick (✓) in the allocation of marks.

12. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the marking guideline and the context of each question.
Cognitive verbs, such as:
- 12.1 Advise, name, state, outline, motivate, recommend, suggest, (list not exhaustive) do not usually require much depth in candidates' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 12.2 Define, describe, explain, discuss, elaborate, distinguish, differentiate, compare, tabulate, analyse, evaluate, critically evaluate (list not exhaustive) require a greater depth of understanding, application and reasoning. Therefore, the marks must be allocated more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
13. Mark only the FIRST answer where candidates offer more than one answer for SECTION B and C questions that require one answer.
14. **SECTION B**
- 14.1 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.
NOTE: 1. This applies only to questions where the number of facts is specified.
2. The above also applies to responses in SECTION C (where applicable)
- 14.2 If two facts are written in one sentence, award the candidate FULL credit. Point 14.1 above still applies.
- 14.3 If candidates are required to provide their own examples/views, brainstorm this at the marking centre to finalise alternative answers and consult with the Internal Moderator at the DBE for approval.

14.4 Use of the cognitive verbs and allocation of marks:

14.4.1 If the number of facts are specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows:

- Fact 2 marks (or as indicated in the marking guidelines)
- Explanation 1 mark (two marks will be allocated in Section C)

The 'fact' and 'explanation' are given separately in the marking guideline to facilitate mark allocation.

14.4.2 If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the marking guideline.

14.5 **ONE mark may be awarded for answers that are easy to recall, requires one word answers or is quoted directly from a scenario/case study. This applies to SECTIONS B and C in particular (where applicable).**

15 **SECTION C**15.1 **The breakdown of the mark allocation for the essays is as follows:**

Introduction	Maximum:
Content	32
Conclusion	
Insight	8
TOTAL	40

15.2 **Insight consists of the following components:**

Layout/Structure	Is there an introduction, paragraphs and a conclusion?	2
Analysis and interpretation	Is the candidate able to break down the question into headings/subheadings/interpret it correctly to show understanding of what is being asked?	2
Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')		
Synthesis	Are there relevant decisions/facts/responses made based on the questions?	2
Option 1:	Only relevant facts: 2 marks (No '-S') Where a candidate answers 50% or more (two to four sub-questions) of the question with only relevant facts; no '-S' appears in the left margin. Award the maximum of TWO (2) marks for synthesis.	
Option 2:	Some relevant facts: 1 mark (One '-S') Where a candidate answers less than 50% (only one sub-question) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.	
Option 3:	Some relevant facts: 1 mark (One '-S') Where a candidate answers FOUR sub-questions, but one/two/three sub-questions with no relevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis.	

Option 4:	No relevant facts: 0 mark (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the questions with no relevant facts; two '-S' appears in the left margin. Award a ZERO mark for synthesis.	
Originality	Is there evidence of one or two examples, not older than two (2) years that are based on recent information, current trends and developments?	2

TOTAL FOR INSIGHT:**8****TOTAL MARKS FOR FACTS:****32****TOTAL MARKS FOR ESSAY (8 + 32):****40**

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 awarded for layout, if the headings INTRODUCTION and CONCLUSION are not supported by an explanation.

- 15.3 Indicate insight in the left-hand margin with a symbol e.g. ('L, A, -S and/or O').
- 15.4 The breakdown of marks is indicated at the end of the suggested answer/ marking guideline to each question.
- 15.5 Mark all relevant facts until the SUB MAX/MAX mark in a subsection has been attained. Write SUB MAX/MAX after maximum marks have been obtained, but continue reading for originality "O".
- 15.6 At the end of each essay indicate the allocation of marks for facts and marks for insight as follows: (L – Layout, A – Analysis, S – Synthesis, O – Originality) as in the table below.

CONTENT	MARKS
Facts	32
L	2
A	2
S	2
O	2
TOTAL	40

- 15.7 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 subheadings are encouraged and contribute to insight (structuring/logical flow/sequencing) and indicate clarity of thought. (See MARK BREAKDOWN at the end of each question.)
- 15.8 If the candidate identifies/interprets the question INCORRECTLY, then he/she may still obtain marks for layout.
- 15.9 If a different approach is used by candidates, ensure that the answers are assessed according to the mark allocation/subheadings as indicated in the marking guideline.

- 15.10 15.10.1 Award TWO marks for complete sentences. Award ONE mark for phrases, incomplete sentences and vague answers.
- 15.10.2 With effect from November 2015, the TWO marks will not necessarily appear at the end of each completed sentence. The ticks (✓) will be separated and indicated next to each fact, e.g. 'Product development is a growth strategy ✓, where businesses aim to introduce new products into existing markets.' ✓
This will be informed by the nature and context of the question, as well as the cognitive verb used.
- 15.11 With effect from November 2017, the maximum of TWO (2) marks for facts shown as headings in the marking guidelines, will not necessarily apply to each question. This would also depend on the nature of the question.



SECTION A
QUESTION 1

- 1.1 1.1.1 C ✓✓
1.1.2 A ✓✓
1.1.3 C ✓✓
1.1.4 A ✓✓
1.1.5 B ✓✓

(5×2) (10)

- 1.2 1.2.1 full ✓✓
1.2.2 lock-out ✓✓
1.2.3 forward ✓✓
1.2.4 follow-up ✓✓
1.2.5 target ✓✓

(5×2) (10)

- 1.3 1.3.1 C ✓✓
1.3.2 E ✓✓
1.3.3 I ✓✓
1.3.4 F ✓✓
1.3.5 D ✓✓

(5×2) (10)

TOTAL SECTION A: [30]

QUESTION 2

- 2.1 **Components of micro environment**
- Vision, mission statement, goals and objectives ✓
 - Organisational structure ✓
 - Organisational resources ✓
 - Organisational culture ✓
 - Management and leadership ✓
 - Eight business functions ✓

NOTE: Mark the first FOUR only

(4×1) (4)

2.2 **Advantages of networking**

- Businesses can attract new customers resulting in increased market share and profitability. ✓✓
- Networking can be an excellent source of new perspectives and business ideas. ✓✓
- Allow managers to build new business 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. ✓✓
- Any other relevant answer related to the advantages of networking.

Max (4)

2.3 Challenges of the market environment

CHALLENGES	MOTIVATIONS
Shortage of suppliers ✓✓	GS's suppliers of stock are unreliable as they cannot deliver on time. ✓
Competition ✓✓	Knock-knock Techs have opened a new store that sells gadgets at lower prices. ✓
Submax (4)	Submax (2)

Max (6)**2.4 Types of lobbying****2.4.1 Hedging against inflation**

- Businesses use hedging to protect their financial investments ✓ by spreading the risk. ✓
- Businesses invest surplus fund so that its value grows ✓ at a faster rate than inflation. ✓
- The business uses hedging by buying bonds, shares, property or buying precious metals like gold to protect capital ✓ from the effects of inflation. ✓
- It is a method that businesses try to reduce the risk ✓ when unsure about possible price fluctuations. ✓
- Hedging against inflation by investing surplus funds/money ✓ in investments with intrinsic value such as gold/property. ✓
- Any other relevant answer related to the hedging against inflation.

Max. (4)**2.4.2 Influencing supervisory body/regulators**

- There are large number of supervisory bodies and regulators ✓ who operate in the business environment. ✓
- Through their membership/advocacy/submissions they may be able to influence changes ✓ to existing regulations. ✓
- Businesses take an active role ✓ in professional bodies. ✓
- Business managers are involved in debates and discussions ✓ that shape public policies. ✓
- Businesses influence and negotiate with these regulators ✓ to protect their own sustainability. ✓
- It is in the best of interest of businesses to adhere to the guidelines and restrictions of these bodies ✓ in order to stay in businesses. ✓
- Any other relevant answer related to the influencing of supervisory body/regulators.

Max (4)**2.5 Socio economic issues**

SOCIO-ECONOMIC ISSUE	MOTIVATIONS
Illiteracy ✓✓	Most people in the township cannot read and write. ✓
Lack of skills ✓✓	They could not employ people from the community as they do not have the necessary skills needed in the business. ✓
Submax (4)	Submax (2)

Max (6)

2.6 Negative impact of strikes as a socio-economic issue in a business

- Strike actions have a potential of jeopardising √ relations. √/May lead to an unhealthy relationship √ between the employer/management and employees. √
- It can also affect teamwork in the workplace √ in instances where not all workers are in support of such industrial action. √
- Businesses suffer financial losses / √ due to low levels of productivity and consumer confidence is adversely affected. √
- Strike actions may lead to production losses √ and decline in sales/economic growth. √
- Businesses may be forced to close down operations √ after strike actions. √
- May force businesses to retrench some of its skilled workers √ to recover from losses. √
- Looting, destruction of business property/infrastructure √ and intimidation of non-striking workers. √
- Employees can lose their pay √ with the 'no work no pay' rule applied by the business. √
- Businesses have to hire employees to replace striking workers √ and increase the training costs of new employees. √
- Businesses may lose market share/customers to competitors √ during the period of a strike. √
- The image/reputation of the business √ might be damaged. √/Scares off potential investors. √
- The supplies of goods and services √ are interrupted. √
- Prices sometimes increase √ to offset the costs incurred by the strike. √
- Any other relevant answer related to the negative impact of strikes as a socio-economic issue on businesses.

Max. (4)**2.7 Ways in which a business can have a direct influence on the environment**

- Businesses need to be flexible by getting involved in research/ development so that they can continue to operate. √√
- Influencing their suppliers by signing long-term contracts for their raw materials at fixed prices. √√
- Influencing their customer base by creating new uses for a product, taking customers away from competitors, finding new customers and convincing them they need the new product. √√
- Influencing regulators through lobbying and bargaining and can influence their owners using information contained in annual reports. √√
- Initiating bargaining sessions between management and unions. √√
- Influencing their owners using information contained in annual reports. √√
- Negotiate strategic alliance agreement through contractual processes. √√
- Any other relevant answer related to ways in which businesses can have a direct influence on the environment.

**Max (6)
[40]**

QUESTION 3: BUSINESS OPERATIONS

- 3.1
- South African Bureau of Standards (SABS) ✓
 - International Organisation for Standardisation ✓
 - Quality circles ✓

NO
TE: **Mark the first TWO (2) only**

Max (2)

3.2 **Requirements of a good trademark**

- Trademarks must be attractive and promote the product. ✓✓
- Make it easy for consumers to recognise the product. ✓✓
- Easy to recognise, remember and pronounce. ✓✓
- Must suit the product. ✓✓
- Suitably designed for the target market. ✓✓
- Must be different from its competitors. ✓✓
- Must promote the image of the enterprise. ✓✓
- Link the product to its promotion strategy. ✓✓
- Draw the attention of consumers. ✓✓
- A good trademark helps build brand familiarity. ✓✓
- A good trademark can be registered according to the requirements of the Trade Marks Act. ✓✓
- Any other relevant answer related to the requirements of a good trademark

Max (4)

3.3 **Pricing techniques from a scenario**

PRICING TECHNIQUES	MOTIVATION
1. Promotional pricing ✓✓	They temporarily reduced the price of eggs to attract more customers. ✓
2. Penetration pricing ✓✓	New products are sold to convince customers to buy the product, and as soon as the introductory offer is over, the prices are increased. ✓
Submax (4)	Submax (2)

Max (6)

3.3.2 **Factors that influence pricing**

Input costs ✓✓

- The higher the input costs, the higher the final price. ✓
- An increase in transport could increase the final price. ✓

Factor (2)

Explanation (1)

Submax (3)

Demand for the product ✓✓

- The higher the demand, the higher the production volume, the lower the input costs, the lower the final price. ✓

Factor (2)

Explanation (1)

Submax (3)

Target market √√

- The income level of the target market could influence the price of a product. √

Factor (2)
Explanation (1)
Submax (3)

Type of product √√

- Luxury products can be priced higher. √

Factor (2)
Explanation (1)
Submax (3)

Max (6)

3.4 Importance of pricing in a business

- 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 goods 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 and VAT. √√
- Low sales result in stockpiles of unsold product that have to be stored and not repaying the cost of manufacturing that product. √√
- Any other relevant answer related to the importance of pricing.

Max (4)

3.5 Channel of distribution

3.5.1 Retailers √√

(2)

3.5.2 Reasons why manufacturers prefer to make use of indirect distribution methods

- The experienced agents/intermediaries deal with customers, √ which allow businesses to focus on core issues. √
- Transportation and storage √ are taken care of by intermediaries. √
- There is no need to hire specialised staff √ to do sales complaints. √
- Businesses do not have to deal √ with customer complaints. √
- Businesses enjoy the benefits of bulk orders √ from wholesalers. √
- Better market coverage is achieved √ with using intermediaries. √
- Intermediaries understand √ how the market operates. √
- Consumers are often spread across the country, √ distribution needs to be widespread as well. √
- Indirect distribution does not require a large investment √ in advertising. √
- Intermediaries sometimes provide credit to consumers, √ which will help

attract more consumers. ✓

- Any other relevant answer related to the reasons why manufacturers may prefer to make use of indirect distribution methods.

Max (6)

3.6 Importance of product development

- Product design needs to be designed to suit the needs of the customers. ✓✓
- If the product design does not suit the target market, there will be very little demand for the product. ✓✓
- Business needs to develop new products in order to replace older products in stage 4 when the sale declines. ✓✓
- Businesses are able to remain competitive because they are always on the lookout for ways to improve their products. ✓✓
- Products become different from those of the competitors. ✓✓
- Any other relevant answer related to the importance of product development.

Max. (6)

3.7 Role of public relations in publicity

- Public relations aim to present a favourable image of the business ✓ and its products or service. ✓
- Many businesses outsource the public relation function to an outside agency ✓ to take advantage of their specialized knowledge. ✓
- The public relations department builds good relationships ✓ with representatives of the media and the press. ✓
- They keep the media informed of news about product launches ✓ and opening of new factories or shops for the attention of the public. ✓
- The public relation function supports marketing efforts to establish ✓ and build a brand identity. ✓
- Any other relevant answer related to the role of public relations in publicity.

Max (6)

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

4.1 Components of macro environment

- Physical/Natural environment ✓
- Economic environment ✓
- Social/Cultural/Demographic environment ✓
- Technological environment ✓
- Legal environment ✓
- Political environment ✓
- International/Global environment ✓
- Institutional environment ✓

NOTE: Mark the first FOUR (4) only.

(4×1) (4)

4.2 Power relationships

- 4.2.1 Strategic alliance/Partnership agreements. ✓✓

(2)

4.2.2 Persuasion of large investors ✓✓

- If a business has a powerful investor, it can often benefit from the relationship by gaining credit more easily and negotiating better deals from suppliers. ✓
- Businesses invite powerful influential people to sit on their board of directors and gain valuable advice from these people. ✓
- Having such a powerful person as part of the business may also have a positive influence on the reputation and image of the business. ✓
- Any other relevant answer related to persuasion of large investors as a way businesses can form power relationships

Way (2)
Description (1)
Sub-max. (3)

Company representatives' influence ✓✓

- This representative fulfils an important function in trying to persuade investors to invest in a particular business practice. ✓
- People will make decisions based on the company's image, personality, communication style and power of persuasion. ✓
- Businesses must invest time and energy to recruit the right person for this job. ✓
- Any other relevant answer related to company representatives' influence as a way businesses can form power relationships.

Way (2)
Description (1)
Sub-max. (3)

NOTE: 1. Mark the first TWO (2) only.
2. Do not award marks for strategic 'alliance/partnership agreements'

Max (6)**4.3 Reasons why businesses lobby**

- Businesses lobby to change laws like child labour laws, clean air and water laws and municipal regulations. ✓✓
- The views of lobby groups are important and make a difference by giving solutions to business challenges. ✓✓
- Lobbying advances what the business must deliver on and builds public trust. ✓✓
- Lobbying helps to find solutions to emerging generic challenges. ✓✓
- Businesses lobby their regulator or supervisory body in order to try influence prices, policies, regulations and other decisions made by the regulator or the supervisory body. ✓✓
- Any other relevant answer related to the reasons why businesses lobby.

Max (4)

4.4 Information management as a way to adapt to challenges in the business environments

- Information must be found/recorded/stored/easily retrieved and effectively used. ✓✓
- Businesses need to implement an effective information management system which is accessible and useful to all staff. ✓✓
- Information must be managed efficiently and a system must be put in place so that the relevant staff can easily access it. ✓✓
- Large capital should be invested into information technology (IT) systems to update business operations. ✓✓
- Modern IT solutions enable businesses to satisfy customer needs more efficiently. ✓✓
- Any other relevant answer related to information management as a method to adapt to challenges of the business environments.

Max

(4)

BUSINESS OPERATIONS

4.5. Marketing activities

- Standardisation ✓
- Storage ✓
- Transport ✓
- Financing ✓
- Risk bearing ✓
- Buying and selling ✓

NOTE: Mark the FIRST FOUR (4) only

(4×1) (4)

4.6 Stages of the product design

4.6.1 Design and development of product ideas ✓✓

(2)

4.6.2 Other stages of the product design that would be followed

- Selecting and sifting ✓ of product ideas/ Idea screening. ✓
- Development and testing of the product concept ✓ which should happen before a product is developed. ✓
- Analysis of the profitability ✓ of the product concept ✓/Business analysis. ✓
- Design and test ✓ the physical product ✓/a real product is made for the first time. ✓
- 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/advertising campaigns implemented. ✓
- New product pricing ✓/The product is priced and forecasts worked out. ✓
- Any other relevant answer related to the other stages of the product design that would be followed.

NOTE: Do not award marks for responses that were quoted from the scenario in QUESTION 4.6.1.

Max (6)

4.7. **Purpose of advertising**

- Obtain the attention ✓ of a potential customer or consumer. ✓
- Spark interest ✓ in the product or service. ✓
- Develop the desire ✓ in the customer to have what is being offered. ✓
- Induce action ✓ which may potentially lead to purchasing the product or service. ✓
- Any other relevant answer related to the purpose of advertising.

Max**(4)**4.8 **Ways in which businesses can comply with the Occupational Health and Safety Act**

- Provide workers with protective gear ✓ to protect themselves against potentially dangerous situations. ✓
- Ensure that first aid boxes are always available. ✓
- Make fire extinguishers available in the workplace. ✓
- Fire extinguishers need to be serviced ✓ regularly. ✓
- Machinery must be maintained ✓ at regular intervals and repaired promptly. ✓
- Employers who employ more than twenty employees ✓ must appoint at least one health and safety representative for every 100 employees. ✓
- Ensure health and safety of persons at work ✓ and during the use of plants and machinery. ✓
- Any other relevant answer related to other ways in which SB can comply with the Occupational Health and Safety Act.

Max (4)**TOTAL SECTION B: 80****SECTION C****Mark the answers to the FIRST question only.****QUESTION 5: BUSINESS ENVIRONMENTS**5.1 **Introduction**

- A trade union is a group of employees who associate together in a particular industry such as mining/steelworks/etc. with the purpose of protecting the rights of their members. ✓
- Piracy is the unauthorised use/reproduction of another person's original work. ✓
- Effective solutions to piracy will minimise the negative effect of piracy on businesses. ✓
- The LRA follows the principle of collective bargaining and puts structures in place with which disputes in the workplace can be settled. ✓
- Any other relevant introduction related to roles of trade unions/negative impact of piracy on businesses/three solutions to piracy and purpose of the labour relations act.

(Any 2 × 1) (2)

5.2 Function of trade unions

- Protecting the interest of workers. ✓✓
- Representing the interest of the general society and minority groups through media and negotiations. ✓✓
- Influencing government decisions. ✓✓
- Influencing management for better working conditions, salaries and benefits. ✓✓
- Representing employees corporately and individually. ✓✓
- Improving the material benefits of their members. ✓✓
- Advancing the interest of members. ✓✓
- Providing legal and financial advice. ✓✓
- Providing benefits and educational facilities to its members. ✓✓
- Supporting gender equality. ✓✓
- Protecting members in times of retrenchments and disciplinary hearings. ✓✓
- Protecting the interest of their members during disciplinary procedures. ✓✓
- Any other relevant answer related to the functions of trade unions.

Max (10)

5.3 Negative impact of piracy

- It can undermine 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 feels reluctant to develop new talents ✓ as the element of risk is too high. ✓
- May cause damage to the value ✓ of the businesses. ✓
- The businesses lose out on sales and income ✓ which in turn threatens industry. ✓
- Unlawful copying and streaming of movies and television series ✓ lead to a decline in the sales and profits for the business. ✓
- Artists may see no value in producing a new set of music or movies ✓ because of the reduced sales. ✓
- This may affect the artist's and producer's ✓ productivity levels. ✓
- Any other relevant answer related to the negative impact of piracy.

Max (12)

5.4 Solutions to 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 patent office in South Africa. ✓
- The invention must comply ✓ with Patent Act No. 57 of 1978. ✓
- They can bring legal proceedings ✓ against anyone who produces/sells the invention. ✓
- Any other relevant answer related to copyright as a solution to piracy.

Solution (2)
Description (2)
Sub-max (4)

Trademarks √√

- Businesses can use trademarks to identify themselves √ and their products. √
- They must register their trademarks with the register of trademarks √ at the companies and intellectual property registration/CIPC. √
- A registered trademark is protected forever √ provided it is renewed every ten years and a renewal fee is paid. √
- Claim damages from someone √ who infringes the trademark. √
- Any other relevant answer related to copyright as a solution to piracy.

Solution (2)

Description (2)

Sub-max (4)

Copyright √√

- Businesses can sue someone √ who infringes the copyright. √
- They can also sue someone who sells or distributes works √ that he/she knew were infringements of copyright. √
- They can take legal action √ against people who copy their products. √
- Any other relevant answer related to copyright as a solution to piracy.

Solution (2)

Description (2)

Sub-max (4)

Max (12)

5.5 Purpose of Labour Relations Act

- 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. √√
- Establishes Labour Courts and Labour Appeal Courts to deal with labour issues. √√
- Provide fair labour practice between the employer and employee. √√
- Deals with strikes and lockouts and workplace forums. √√
- Establishes workplace forums to promote the interest of all employees in the workplace whether they belong to the trade union or not. √√
- Advances economic development/social justice/labour peace to ensure the workplace maintain the basic rights of employees. √√
- Any other relevant answer related to the purpose of the Labour Relations Act.

Max (12)

5.6 Conclusion

- It is necessary for businesses to put measures in place to ensure that the artists or owners' rights to their work are not violated, and they are compensated fairly √√
- Trade unions play an important role in protecting the rights of employees and represent them when necessary. √√
- Businesses should do everything possible to find effective solutions to

illegal acts of reproduction of goods that affect the artists, owners and businesses. ✓✓

– Legislation, such as the Labour Relations Act, are put in place to promote fair labour practices in the workplace. ✓✓

Any other relevant conclusion related to roles of trade unions/negative impact of piracy on businesses/the solutions to piracy and purpose of the labour relations act.

Max (2)
[40]

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTALS
Introduction	2	Max
Functions of trade unions	10	32
Negative impact of piracy on businesses	12	
Solutions to piracy	12	
Purpose of Labour Relations Act	12	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis	2	
Synthesis	2	
Originality	2	
TOTAL		40

*LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met

Allocate 0 marks where requirements are not met at all.

QUESTION 6: BUSINESS OPERATIONS (PRODUCTION FUNCTION)

6.1 Introduction

- Production planning refers to setting goals for the production department and establishing policies/programmes and procedures to achieve these goals. ✓
- Controlling of each individual task and action in the production process and establishes the starting and finishing of each task. ✓
- The aim of Occupational Health and Safety Act is to provide for the health and safety of employees at work and during the use of plants and machinery. ✓
- Safety precautions are essential in every workplace especially when dealing with chemicals/dangerous machinery/harmful substances. ✓
- Any other relevant introduction related to the advantages of production planning/aspects that must be considered during production control/purpose of the Occupational Health and Safety Act/precautionary measures that businesses should take when handling machinery.

(Any 2 x 1) (2)

6.2 Advantages of production planning

- Production planning allows a business to ensure that every machine and

worker is used to their full capacity. ✓✓

- Business can ensure that it has the correct amount of supplies and stock/inventory control at a given time. ✓✓
- Improved inventory control reduces wastage and unnecessary storage cost. ✓✓
- Production planning will prevent time being wasted and increase the number of final products thus increasing productivity. ✓✓
- Production planning process involves quality checks which will improve quality. ✓✓
- Any other relevant answer related to the advantages of production planning.

Max (10)

6.3 Aspects that must be considered during production control

Dispatching ✓✓

- Involves issuing production orders ✓ to start production. ✓
- It provides orders for:
 - o Movement of materials, ✓ tools and equipment to the necessary locations ✓
 - o Beginning the process ✓
 - o Checking the time ✓ and costs involved in the process ✓
 - o Checking the flow of work ✓ according to the routing ✓
 - o Supervising the process. ✓
- Dispatching is putting the production plan ✓ and schedule into action. ✓
- It identifies the person who will do the work ✓, supplies the specifications and materials list. ✓
- Any other relevant answer related to dispatching as an aspect that must be considered during production control

Type (2)

Explanation (2)

Sub-max. (4)

Following up or controlling ✓✓

- Following up makes sure the scheduling and production systems ✓ are running according to plan. ✓
- It deals with unplanned issues/problems ✓ and sorts out any misunderstandings in terms of job process requirements. ✓
- Following-up on the progress of production helps ✓ to prevent bottlenecks and misunderstandings. ✓
- Any other relevant answer related to following up or controlling as an aspect that must be considered during production control.

Type (2)

Explanation (2)

Sub-max. (4)

Inspection ✓✓

- Inspection involves the checking of the quality ✓ of the process and the final product. ✓
- It is done at regular intervals during the production process ✓ as well as at the end. ✓
- Inspection methods ✓ include the random selection of products/viewing/sampling and testing the product. ✓

- Legal and regulatory processes are also checked ✓ to ensure that the necessary standards are met. ✓
- Any other relevant answer related to inspection as an aspect that must be considered during production control.

Type (2)
Explanation (2)
Sub-max. (4)

Corrective action ✓✓

- Corrective action involves any adjustments ✓ to the planning process. ✓
- Staffing issues ✓ are also dealt with by corrective action. ✓
- Any other relevant answer related to corrective action as an aspect that must be considered during production control.

Type (2)
Explanation (2)
Sub-max. (4)

NOTE: Mark the first THREE (3) only.

Max (12)

6.4 Purpose of 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 are identified and eliminated. ✓
- Examine the causes of incidents by any employee ✓ relating to the employee's health and safety at work. ✓
- Expect employees to co-operate and follow the necessary instructions ✓ and report any unsafe situations. ✓
- Make presentations to the employer ✓ concerning general health and safety issues at the workplace. ✓
- Any other relevant answer related to the purpose of the Occupational Health and Safety Act.

Max. (12)

Precautionary measure businesses should take when handling machinery

- All machinery and equipment must be correctly installed and safe to use. ✓✓
- Workers must be properly trained in how to use machinery and must be informed about the risks when using the machinery. ✓✓
- Regular safety checks must be carried out and machinery should be maintained and serviced regularly. ✓✓
- Workers need to wear protective clothing and gear such as overalls, hard hats and safety helmets, ear plugs, masks, heavy-duty safety boots, welding goggles and gloves when working with machinery and equipment. ✓✓

- Develop a culture of safety in the workplace. ✓✓
- Familiarise employees with safety procedures. ✓✓
- Any other relevant answer related to the precautionary measures that businesses should take when handling machinery.

Max (12)**6.6 Conclusion**

- Ongoing production planning is necessary due to the constant changes in the manufacturing process. ✓✓
- Production control ensures that production is undertaken according to the production plan. ✓✓
- OHSA requires that employees are expected to co-operate and follow the necessary instructions and report any unsafe situations. ✓✓
- When machinery and equipment are used in a factory, the risk of accidents is high and businesses should draw up their own workplace safety policy and enforce necessary control measures. ✓✓
- Any other relevant conclusion related to the advantages of production planning/aspects that must be considered during production control/purpose of the Occupational Health and Safety Act/precautionary measures that businesses should take when handling machinery.

(Any 1 x 2) (2)
[40]**QUESTION 6: BREAKDOWN OF MARK ALLOCATION**

DETAILS	MAXIMUM	TOTALS
Introduction	2	Max 32
Advantages of production planning	10	
Aspects that must be considered during production control	12	
Purpose of the occupational Health and Safety Act	12	
Precautionary measures that businesses should take when handling machinery	12	
Conclusion	2	
INSIGHT		
Layout	2	8
Analysis	2	
Synthesis	2	
Originality	2	
TOTAL		40

*LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if only some of the requirements are met

Allocate 0 marks where requirements are not met at all

TOTAL SECTION C: 40
GRAND TOTAL: 150