



KWAZULU-NATAL PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA

**NATIONAL
SENIOR CERTIFICATE**

GRADE 11

BUSINESS STUDIES P1
PROVINCIAL STANDARDISED ASSESSMENT

JUNE 2026

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MARKS : 150

TIME : 2 Hours

This question paper consists of 10 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of **THREE** sections

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 **ONE** of the **TWO** questions in this section.

2. Read the instructions for each question carefully and take particular note of what is required.
3. Number the answers correctly 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 in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer. Stanmorephysics.com
6. Use the table below as a guide for mark and time allocation when answering each question.

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

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) and the correct letter next to it ONLY. Example: 1.1.6 A

1.1.1 Customers, suppliers and competitors form part of the ... environment.

- A micro
- B market
- C macro
- D internal

1.1.2 Globalisation means...

- A businesses operating only locally
- B businesses avoiding trade
- C businesses operating internationally
- D businesses closing markets

1.1.3 Businesses may face higher operating costs due to ... as a socio - economic issue.

- A crime
- B marketing
- C branding
- D packaging

1.1.4 The ... policy is the first component of the marketing mix.

- A product
- B pricing
- C communication
- D distribution

1.1.5 Dino Traders used ... to convert planning into action.

- A inspection
- B follow-up
- C dispatching
- D corrective action

(5x2) [10]

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

promotional ; literate ; tertiary ; aims and objectives ;
competition-based ; illiterate ; quality control ; secondary ;
quality management system ; vision and mission

- 1.2.1 Many ... people find it difficult to secure formal employment because most jobs require some reading and writing skills.
- 1.2.2 The ... sector focuses on converting the raw materials into finished products.
- 1.2.3 Lack of ... means that management and staff have different ideas about the goals of the business.
- 1.2.4 Tonado Traders used ... pricing when they sold off old stock at discount prices.
- 1.2.5 Serenity Manufacturers implemented ... to inspect the final product, to ensure that it meets quality standards.

(5x2) (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 numbers (1.3.1 to 1.3.5) in the **ANSWER BOOK**, e.g. 1.3.6. K.

COLUMN A	COLUMN B
1.3.1 Dumping	A. a social problem where government dependency might increase and affect the economy of the country.
1.3.2 Demographics	B. consumers do not buy these goods regularly.
1.3.3 Population growth	C. a country exports illegal goods to another country.
1.3.4 Shopping goods	D. customer diversity impacts the business as their spending different to each other and based on what they see as important.
1.3.5 SABS	E. lower priced goods purchased by consumers without much thought.
	F. a country exports goods to another country at a price that is much lower than the price it charges in its home market
	G. a body that sets and publishes national standards.
	H. customer's lifestyles and behaviour which includes their attitude, interest, opinions and behaviour.
	I. statistics of the population such as gender, age, race, level of education and level of income. Stanmorephysics.com
	J. a body that sets internationally recognised standards set for different countries.

(5x2) (10)

TOTAL SECTION A: [30]

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, for example QUESTION 2 on a NEW page, QUESTION 3 on a NEW page, et cetera.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 State FOUR challenges of the micro environment. (4)

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

GIDEON MANUFACTURERS(GM)

Gideon Manufacturers specialises in manufacturing sports uniform for schools. Large retail stores are selling similar clothing at lower prices, making it difficult for GM to attract customers. GM raised their prices resulting from unexpected increase in prices of cost of raw material such as fabrics. Customers tastes and fashion trends are also changing quickly, and GM sometimes struggles to keep up with these changes.

2.2.1 Quote TWO challenges of the market environment for GM in the scenario above. (2)

2.2.2 Explain any other challenges of market environment. (6)

2.3 Discuss the following ways in which businesses can form power relationships:

2.3.1 Strategic alliance agreement

2.3.2 Persuasion of large investors (4)

2.4 Advise businesses on ways in which businesses can have a direct influence on the environment. (4)

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

GOLDENPLATE CATERING(GC)

Goldenplate Catering provides healthy meals for schools and local events. Recently the business has decided to invest large capital into a system that is accessible and useful to all members of staff and also update business operations. GC also considered to join with Fresh Feast Catering to share resources and maximise profits.

2.5.1 Identify TWO ways in which GPC is adapting to challenges of the business environment. Motivate your answer by quoting from the scenario.

(6)

Use the table below as a guide to answer QUESTION 2.5.1

WAYS TO ADAPT	MOTIVATION

2.6 Discuss reasons why businesses lobby.

(6)

2.7 Describe advantages of networking.

(4)

2.8 Recommend projects that can be undertaken by businesses as part of social responsibility.

(4)

[40]

QUESTION 3: BUSINESS OPERATIONS

- 3.1 State any TWO marketing activities. (2)
- 3.2 Outline the importance of product development. (4)
- 3.3 Read the scenario below and answer the questions that follow.

NITRO MANUFACTURERS(NM)

Nitro Manufacturers produces a variety of duvet covers. Recently, NM had to increase the production volume of duvets, as more customers are willing and able to buy. NM also had to consider the different factors that influence pricing of the product.

- 3.3.1 Identify the factor that influence pricing of NM's product, from the scenario above. Motivate your answer by quoting from the scenario. (3)
- 3.3.2 Explain the importance of pricing. Stanmorephysics.com (4)
- 3.4 Discuss any TWO types of packaging. (6)
- 3.5 Advise businesses on the requirements of a good trademark. (4)
- 3.6 Read the scenario below and answer the questions that follow.

TYRANT MANUFACTURERS(TM)

Tyrant Manufacturers is renowned for producing quality jackets. TM's production manager ensures that the whole production process is timed. This ensures that the production process runs smoothly.

- 3.6.1 Identify the aspect that TM considered during production planning, in the scenario above. Motivate your answer by quoting from the scenario. (3)
- 3.6.2 Explain the aspect to be considered during production planning, identified in QUESTION 3.6.1. (4)
- 3.7 Discuss the reasons why businesses must manage safety in the workplace. (6)
- 3.8 Recommend precautionary measure that businesses should take when handling machinery. (4)

[40]

QUESTION 4: MISCELLANEOUS TOPICS

BUSINESS ENVIRONMENTS

- 4.1 Name THREE components of the micro environment. (3)
- 4.2 Read the scenario below and answer the questions that follow.

FRESH HARVEST FARM(FHF)

Fresh Harvest Farm focuses on growing fresh vegetables such as spinach, cabbage and carrots. Workers prepare the soil, plant seeds and harvest the crops.

- 4.2.1 Identify the business sector FHF is operating under from the scenario above.
Motivate your answer by quoting from the scenario. (3)
- 4.2.2 Explain relationships between the primary, secondary and tertiary sector. (6)
- 4.3 Discuss the negative impact of inflation. (4)
- 4.4 Suggest ways in which businesses can overcome competition. (4)

BUSINESS OPERATIONS

- 4.5 State any THREE pricing techniques. (3)
- 4.6 Read the scenario below and answer the questions that follow.

MANQANE TRADERS(MT)

Manqane Traders uses different intermediaries to market and sell products to customers. One of their intermediaries has the authority to buy goods on the business's behalf. MT finds intermediaries to be beneficial to the business.

- 4.6.1 Identify the type of intermediaries used by MT from the scenario above.
Motivate your answer by quoting from the scenario. (3)
- 4.6.2 Explain the meaning of intermediaries. (4)
- 4.7 Discuss Total Quality Management as part of quality management system. (6)
- 4.8 Recommend ways in which businesses can comply with the Occupational Health and Safety Act (OHSA). (4)

TOTAL SECTION B:

**[40]
[80]**

SECTION C

Answer ONE question in this section.

NOTE: Clearly indicate the QUESTION NUMBER of the chosen question.

The answer to EACH question must start on a NEW page, for example QUESTION 5 on a NEW page, QUESTION 6 on a NEW page, etcetera.

QUESTION 5: BUSINESS ENVIRONMENTS

Businesses must explore various possible solutions to deal with the impact of piracy. Understanding the negative impact of lack of skills on businesses and ethical misconduct on their operations are crucial for businesses. Labour Relations Act protects the rights of the employer and employee. Businesses need to have a good relationship with the trade unions to prevent strike actions which have a negative impact on businesses.

Write an essay on the contemporary socio-economic issues in which you take the following into account: Stanmorephysics.com

- Elaborate on the meaning of the following solutions to piracy:
 - Copyright
 - Patent
- Discuss the negative impact of the following issues on businesses:
 - Lack of skills on businesses.
 - Ethical misconduct
- Explain the purpose of the Labour Relations Act.
- Advise businesses on the functions of trade unions in the workplace.

[40]

QUESTION 6: BUSINESS OPERATIONS [MARKETING FUNCTION]

Business should have a good marketing communication policy. Marketing managers must understand the purpose of sales promotions. Public relations play an important role in the publicity of a business. Personal selling assists with promoting a business product effectively.

Write an essay on the marketing function (communication policy), in which you take the following into account.

- Outline the meaning of a marketing communication policy.
- Explain the purpose of sales promotion.
- Discuss the role of public relations in publicity
- Suggest the effectiveness of personal selling in promoting a business product.

[40]

TOTAL SECTION C: [40]

TOTAL MARKS: [150]



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FINAL

**PROVINCIAL STANDARDISED
ASSESSMENT**

GRADE 11

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JUNE 2026**

MARKING GUIDELINES

MARKS : 150

TIME : 2 Hours

These marking guidelines consist of 31 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:

Senior

Marker:

Deputy Chief Marker:

Chief Marker:

Internal Moderator:

DBE Moderator:

Red

Green

Brown

Pink

Orange Turquoise



2. Candidates' responses must be in full sentences for SECTIONS 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 a '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:** *'COIDA eliminates time and costs spent on lengthy civil court proceedings.'*
 - 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. 'COIDA eliminates time and costs spent✓ on lengthy civil court proceedings✓, because the employer will not be liable for compensation to the employee for injuries sustained during working hours as long as it can be proved that the business was not negligent.'✓

- 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, justify, 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 or use the word 'Cancel'.

NOTE: This applies only to questions where the number of facts is specified.

- 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.

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: 32
Content	
Conclusion	
Insight	8
TOTAL	40



15.2 Insight consists of the following components:

Layout/Structure	Is there an introduction, a body, 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? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	2
Synthesis	Are there relevant decisions/facts/responses made based on the questions? 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-questions) of the question with only OR some relevant facts; one '-S' appears in the left margin. Award a maximum ONE (1) mark for synthesis. Option 3 : Some relevant facts: 1 mark (One '-S') Where a candidate writes FOUR sub-questions, but one/two/three sub-question with irrelevant facts; one '-S' appears in the left margin. Award a maximum of ONE (1) mark for synthesis. Option 4 : No relevant facts : 0 marks (Two '-S') Where a candidate answers less than 50% (only one sub-question) of the question with no Relevant facts; two '-S' appear 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
TTAL 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/marketing 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 (max.)
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.

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.

15.10.1 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.

- 15.9 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 B✓✓

1.1.2 C✓✓

1.1.3 A✓✓

1.1.4 A✓✓

1.1.5 C✓✓

(5 x 2) (10)

1.2

1.2.1 illiterate✓✓

1.2.2 secondary✓✓

1.2.3 vision and mission✓✓

1.2.4 promotional✓✓

1.2.5 quality control✓✓



1.3

1.3.1 F✓✓

1.3.2 I✓✓

1.3.3 A✓✓

1.3.4 B✓✓

1.3.5 G✓✓

(5 x 2) (10)

(5 x2) (10)

TOTAL SECTION A: [30]

BREAKDOWN OF MARKS

QUESTION 1	MARKS
1.1	10
1.2	10
1.3	10
TOTAL	30

SECTION B

Mark **ONLY** the **FIRST TWO** questions answered in this Section.

QUESTION 2: BUSINESS ENVIRONMENTS

2.1 Challenges of the micro environment

- Difficult employees ✓
- Lack of vision and mission ✓
- Lack of adequate management skills ✓
- Unions ✓
- Strikes and go-slows ✓
- Employee absenteeism ✓
- High employee ✓
- Shortage of skills among employees ✓

NOTE: Mark the first FOUR only.

Max (4)

2.2

2.2.1 Quotation

- Large retail stores are selling similar clothing at lower prices, making it difficult for GM to attract customers. ✓
- Customers tastes and fashion trends are also changing quickly and GM sometimes struggles to keep up with these changes. ✓

Max (2)

2.2.2 Challenges of market environment

Shortages of supply ✓✓

- Essential for a business to have a regular supply of all the materials that are inputs in the production process. ✓
- Any shortage can have a seriously negative effect on production and profits. ✓
- Dissatisfied customers can damage the reputation and threaten the future of the business. ✓
- The business needs to plan and communicate well so that any change in goods and services needed is fulfilled on time. ✓
- Any other relevant answer related to shortage of supply.

Challenge (2)
Explanation (1)
Submax. (3)

Demographics and psychographic ✓✓

- Consumers' attitude, interest, opinions and lifestyle determine the characteristics of the consumer. ✓
- It is difficult to determine the demographics/psychographics of the target market because they change frequently. ✓
- Business should be aware of the diversity of the markets and the cultural and social influences on the choices people they make. ✓
- The challenges include collecting/interpreting information about the target market and to use the data to develop a marketing strategy. ✓
- Business need to study the attitudes, tastes and desires of the market. ✓
- The demographics and psychographics can change quickly and businesses need to change just as quickly if they want to retain their customers. ✓
- Any other relevant answer related to demographics and psychographic.

Challenge (2)
Explanation (1)
Submax. (3)

Socio-cultural factors ✓✓

- Social-cultural factors describe the common behaviour and attitudes of a particular society. ✓
- As society changes so will the cultural values and practices of individuals. ✓
- Business must be aware of change and that they can avoid threats and take advantage of the new opportunities that the change may present. ✓
- Business should be aware of social trends and influential campaigns that promote buying. ✓
- The challenge is to gather information about changes and to respond to them by adapting practices to maintain and increase its customer base. ✓
- Any other relevant answer related to socio-cultural factors.

Challenge (2)
Explanation (1)
Submax (3)
Max (6)

NOTE:

1. Mark the first TWO responses only for the candidate to be awarded full 6 marks.
2. Do not award marks for responses quoted from the scenario.

2.3 Ways businesses can form power relations

2.3.1 Strategic alliance/Partnership agreements

- Businesses form partnership agreements✓ in order to benefit in each other's involvement. ✓
- These partnership alliances help parties involved to benefit✓in infrastructure development and scarce skills. ✓
- These alliances are designed to build on the expertise✓of each partner and on the way and on the way in which they complement each other. ✓
- Any other relevant answer related to strategic alliance/partnership agreements.

Sub max (2)

2.3.2 Persuasion of large investors

- If a business has a powerful investor, ✓the business can often benefit from the relationship so that it can gain credit more easily and better deals from suppliers. ✓
- Businesses invite powerful influential people to sit on their board of directors ✓in order to get advice from those people. ✓
- Having such powerful as part of the business may have a positive influence ✓on the reputation and image of the business. ✓
- If a business has a large/powerful investor, ✓the business can gain credit more easy/get better deals from suppliers. ✓
- Any other relevant answer related to persuasion of large investors.

Sub max (2)
Max (4)

2.4 Ways in which the 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. ✓✓
- They can influence their suppliers by signing long-term contracts for their raw materials at fixed prices. ✓✓
- They can also influence their customer base by creating new uses of a product, taking customers away from competitors, finding new customers, and convincing them that they need the new product. ✓✓
- They can influence regulators through lobbying and bargaining and can influence their owners using information contained in annual reports. ✓✓
- Any other relevant answer related to ways in which businesses can have a direct influence on the environment.

Max (4)

2.5

2.5.1

WAYS TO ADAPT	MOTIVATIONS
1. Information management ✓✓	Recently the business has decided to invest large capital into a system that is accessible and useful to all members of staff and also update business operations. ✓
2. Merger ✓✓	GPC also considered to join with Fresh Feast Catering to share resources and maximise profits. ✓
Sub max (4)	Sub max (2)

Max (6)

- NOTE:**
- Award marks for the ways to adapt to challenges of the business environment even if the motivations were incomplete.**
 - Do not award marks for motivations if the ways to adapt to the challenges of the business environment were incorrectly identified.**

2.6 Reasons why businesses Lobby

- Businesses or people lobby or 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. ✓
- Lobbying advances a cause ✓ and builds public trust. ✓
- Any other relevant answer related to reason why businesses Lobby.

Max (6)

2.7 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. ✓
- Allows 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 advantages of networking.

Max (4)

2.8 Projects that can be undertaken by businesses as part of social responsibility

- Businesses must allow employees to get involved in social development programmes. ✓✓
- Businesses must protect the environment and participate in community upliftment programmes. ✓✓
- Engage in environmentally friendly campaigns such as recycling or re-using scarce resources. ✓✓
- Businesses must support less fortunate people, by providing donations to charity organisations. ✓✓
- They can also engage in economic development and provide education on HIV/AIDS awareness programmes. ✓✓
- Any other relevant answer related to projects that can be undertaken by businesses as part of social responsibility.

Max (4)

BREAKDOWN OF MARKS ALLOCATION

QUESTION 2	MARKS
2.1	4
2.2.1	2
2.2.2	6
2.3	4
2.4	4
2.5	6
2.6	6
2.7	4
2.8	4
TOTAL	40

QUESTION 3: BUSINESS OPERATIONS

3.1 Marketing activities

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

NOTE: Mark the first TWO only.

Max (2)

3.2 Importance of product development

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

Max (4)

3.3.1 Identification of factor that influenced pricing

- Demand for the product✓✓

Sub max (2)

Motivation

- Recently, NM had to increase the production volume of duvets, as more customers are willing and able to buy. ✓

Sub max (1)

Max (3)

- NOTE:**
1. Award marks for factor that influenced pricing even if the motivation were incomplete.
 2. Do not award marks for motivation if the factor that influenced pricing were incorrectly identified.

3.3.2 Importance of pricing

- It defines the value of the product in terms of ✓ production costs and customer use. ✓
- It is a tangible price point that lets customers know ✓ whether the product will be worth their time and investment. ✓
- The pricing process needs to consider ✓ flexibility/discount/territory/life cycle status/allowance. ✓
- The price of a product can influence the consumers' attitude ✓ towards the product or the brand. ✓
- Pricing too high may have a ✓ negative impact/decrease in sales. ✓
- If the price is too low, consumers may perceive the product ✓ as being of poor quality. ✓
- The price of a product ✓ must make provision for transport costs. ✓
- The price of a product should take ✓ the VAT into account. ✓
- Any other relevant answer related to importance of pricing.

Max (4)

3.4 Types of packaging

Packaging for immediate use/Unit packaging ✓✓

- Packaging needs to be cheap, because once the product is consumed, the packaging is thrown away. ✓
- When a customer purchases for example, a packet of chips/chocolate bar wrapper. ✓
- Any other relevant answer related to packaging for immediate use/Unit packaging.

Heading (2)
Discussion(1)
Sub max (3)

Packaging for double use ✓✓

- Packaging can be re-used for purposes 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, for example, ice-cream tub ✓
- Any other relevant answer related to packaging for double use.

Heading (2)
Discussion (1)
Sub max (3)

Packaging for resale ✓✓

- Retailers buy products in bulk from wholesalers or suppliers. ✓
- They unpack the products to sell them separately in smaller quantities. ✓
- An example of packaging for resale is when a big box contains many boxes of washing powder. ✓
- Any other relevant answer related to packaging for resale.

Heading (2)
Discussion (1)
Sub max(3)

NSC-Marking Guidelines

Kaleidoscopic/Frequently changing packaging✓✓

- Some details of the packaging change to advertise an important sporting event/competition. ✓
- The container or wrapper are continually changing. For example: the advertisement of a sporting event. ✓
- Any other relevant answer related to kaleidoscopic/frequently changing packaging.

Heading (2)
Discussion (1)
Sub max (3)

Speciality packaging✓✓

- Speciality packaging is custom designed packaging created to meet specific product requirements and protect delicate items. ✓
- Packaging must suit the product. ✓
- An example of speciality packaging is packaging for an expensive phone✓
- Any other relevant answer related to speciality packaging.

Heading (2)
Discussion (1)
Sub max (3)

Combination packaging✓✓

- Various complementary products are packaged together because such products are usually purchased together. ✓
- An example of combination packaging is when a soap and a face cloth/ shower gel and sponge/matching perfume and hand cream are paired together. ✓
- Any other relevant answer related to combination packaging.

Heading (2)
Discussion (1)
Sub max (3)
Max (6)

NOTE: Mark the first TWO only.

3.5 Requirements of a good trade mark

- A trademark must be attractive for the consumer. ✓✓
- It is important that it suits the product. ✓✓
- The trademark must be suitably designed for the target market. ✓✓
- It must be different from its competitors. ✓✓
- It must also promote the image of the enterprise. ✓✓
- Enterprises use it for display and therefore it must be suitable for display purpose. ✓✓
- It must be possible to link the product to its promotion strategy. ✓✓
- It must indicate the name and contact details of the manufacturer. ✓✓
- Any other relevant answer related to requirements of a good trade mark.

Max (4)

3.6.1 Identification of aspect to be considered during production planning

- Scheduling ✓✓

Sub max (2)**Motivation**

- TM's production manager ensures that the whole production process is timed. ✓

Sub max (1)**Max (3)**

NOTE: 1. Award marks for aspect to be considered during production planning even if the motivation were incomplete.
2. Do not award marks for motivation if the aspect to be considered during production planning were incorrectly identified.

3.6.2 Scheduling

- The routing and loading of both ✓ labour and machinery. ✓
- Calculation of time required to perform each activity ✓ in the manufacturing process. ✓
- Determination of when each activity should start ✓, and then calculating the time required to complete the whole process. ✓
- Determination of the time needed for the preparation of raw material ✓, up to the time needed to produce the final product. ✓
- Determination of the time for delivering raw materials ✓, and delivering final products, and so on. ✓
- Scheduling is affected by several factors, such as ✓ the capacity and size of the business, the availability of staff, machinery, and materials. ✓
- A more detailed schedule will ensure better use of resources ✓ and effective control over the process. ✓
- Any other relevant answer related to scheduling.

Max (4)**3.7 Reasons why businesses must manage safety in the workplace**

- Workplace accidents can result in injuries and deaths ✓, which can result in possible financial trouble for the business. ✓
- The publicity of workplace accidents will negatively impact ✓ a business' image. ✓
- Regular or serious workplace accidents may even cause investors to withdraw their money ✓ and invest it in another company. ✓
- Employees may lose confidence in the business ✓ and leave it to join safer companies. ✓
- Potential employees may decide not to accept a job offer ✓ at a business where many accidents have occurred. ✓
- Any other relevant answer related to reasons why businesses must manage safety in the workplace.

Max (6)

3.8 Precautionary measure that businesses should take when handling machinery

- Every employee must be familiar with the safety procedures of the business. ✓✓
- Management must strive to develop a culture of safety in the workplace. ✓✓
- The business must ensure that all machinery and equipment are correctly installed and safe to use. ✓✓
- All the workers must be properly trained on 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. ✓✓
- This includes items like overalls, safety helmets, masks, heavy-duty safety boots, and welding goggles when working with machinery and equipment. ✓✓
- Hard hats should always be worn on construction sites by all persons on the site. ✓✓
- Any other relevant answer related to precautionary measure that businesses should take when handling machinery.

**Max (4)
[40]**



BREAKDOWN OF MARK ALLOCATION

3.1	2
3.2	4
3.3.1	3
3.3.2	4
3.4	6
3.5	4
3.6.1	3
3.6.2	4
3.7	6
3.8	4
TOTAL	40

QUESTION 4: MISCELLANEOUS

BUSINESS ENVIRONMENTS

4.1 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 THREE (3) only.

Max (3)

4.2

4.2.1 Identification

- Primary sector✓✓

Motivation

- Fresh Harvest Farm focuses on growing fresh vegetables such as spinach, cabbage and carrots.✓

(3)

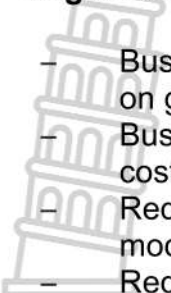
Note: 1. Award marks for business sector even if the motivation is incomplete.
2. Do not award marks for motivation if the identification of business sector is incorrect.

4.2.2 Relationship between the primary, secondary and tertiary sectors

- The primary sector depends on the secondary sector for manufactured goods✓ such as machinery/equipment/ fertilisers, e.g. a farmer may require seeds from another farm. ✓
- The primary sector is dependent on the tertiary sector✓ for the customer needs. ✓
- The secondary sector processes the raw materials✓ obtained from the primary sector into more useful products. ✓
- The secondary sector depends on the primary sector✓ for raw materials and products. ✓
- The secondary sector depends on other secondary/ industries✓ e.g. BMW needs tyre from DUNLOP another secondary sector player. ✓
- Secondary sector needs the tertiary sector✓ to sell their processed or manufactured goods and for services such as banks, insurance, transport and communication. ✓
- The tertiary sector depends on the primary sector✓ for raw materials that do not need processing by the secondary sector. ✓
- The tertiary sector depends on the secondary sector✓ for manufactured goods such as office machines/ office furniture / stationery etc. ✓
- Any other relevant answer related to relationship between the primary, secondary and tertiary sectors.

Max (6)

4.3 Negative impact of inflation

- 
- Businesses sales will decrease✓ because of reduced consumer spending on goods and services. ✓
 - Businesses will have less money to spend on producing goods ✓if the cost of raw materials increases✓.
 - Reduced sales figures ✓could lead to the businesses implementing cost models. ✓
 - Reduced business profits because of declining sales figures may lead to businesses retrenching staff members. ✓
 - Any other relevant answer related to negative impact of inflation.

Max (4)

4.4 Ways in which businesses can overcome competition in the market

- 
- Businesses must ensure that they produce unique/ differentiated goods or services for the target market. ✓✓
 - Businesses need to provide more personalised services by being responsive to their customer's needs/wants. ✓✓
 - Goods/services must be priced lower than competitor's goods/services in the market. ✓✓
 - Businesses must produce high-quality goods/services that the customers might be interested in. ✓✓
 - Create a positive image/publicity through regular engagements in community development projects. ✓✓
 - Businesses must improve on customer services and keep customers happy. ✓✓
 - Businesses must create a positive outlook by regularly renovating their premises and improving their systems. ✓✓
 - Businesses must undertake good marketing campaigns that will draw the attention of the target market. ✓✓
 - Businesses must offer low-cost extras such as improved credit terms/loyalty schemes, and so on. ✓✓
 - Businesses must ensure that they have well-trained and dedicated employees that create a better working atmosphere. ✓✓
 - Any other relevant answer related to ways in which businesses can overcome competition in the market.

Max (4)

BUSINESS OPERATIONS

4.5 Pricing techniques

- Cost-based/orientated pricing✓
- Mark-up pricing✓
- Customer/target based pricing✓
- Competition based/orientated pricing✓
- Promotional pricing✓
- Penetration pricing✓
- Psychological pricing✓
- Bait pricing✓
- Skimming pricing✓

NOTE: Mark the first THREE only.

Max (3)

4.6.1 Identification of type of intermediaries

- Buying agent✓✓

Sub max (2)

Motivation

- One of their intermediaries has the authority to buy goods on the business's behalf. ✓

Sub max (1)

Max (3)

- NOTE:**
1. Award marks for type of intermediaries even if the motivation were incomplete.
 2. Do not award marks for motivation if the type of intermediaries were incorrectly identified.

4.6.2 Meaning of intermediaries

- All the entities/organisations that fall into the distribution process✓ between the producer and the consumer. ✓
- They are middlemen and act as negotiators and mediators between the✓ producer and the consumer. ✓
- Intermediaries can be✓ wholesalers, retailers, agents and brokers. ✓
- They are responsible for✓ the transportation, storage and delivery of the goods and services. ✓
- The organisations involved in the distribution channel✓ are known as intermediaries. ✓
- Any other relevant answer related to meaning of intermediaries.

Max (4)

NSC-Marking Guidelines

4.7 Total Quality Management as part of quality management system

- TQM involves every part of the business✓, and quality is everyone's – including every department and employee – responsibility. ✓
- The main aim of TQM is to improve the quality of products and services to satisfy✓ the needs of customers beyond their expectations. ✓
- Continuous improvement✓ is the foundation of TQM. ✓
- This means that all techniques, systems, and machinery used✓ must be subjected to continuous improvement. ✓
- It is the responsibility of each employee✓ to take care of his/her quality. ✓
- Machines and equipment✓ are checked regularly. ✓
- All inputs (including raw materials) are checked thoroughly✓ and discussions are held on how to improve quality. ✓
- Management ensures that each employee is responsible for✓ the quality of his/ her work/actions. ✓
- TQM is an integrated systems/methodology applied throughout the organisation✓, which helps to design/produce/provide quality products/services to customers. ✓
- It is a thought revolution in management, where the entire business is operated✓ with customer orientation in all business activities. ✓
- TQM enables businesses to continuously improve on the delivery of products/services✓ in order to satisfy the needs of customers. ✓
- TQM focuses on achieving customer satisfaction✓ and look for continuous improvement in all the business's processes, products and services. ✓
- Any other relevant answer related to total quality management as part of quality management system.

Max (6)**4.8 Ways in which businesses can comply with the Occupational Health and Safety Act (OHSA)**

- Provide workers with protective gear to protect themselves against potentially dangerous situations. ✓✓
- Ensure that first aid boxes are readily available at the workplace and in the factory. ✓✓
- Make fire extinguishers available at the workplace or in the factory. ✓✓
- These fire extinguishers need to be serviced regularly. ✓✓
- Machinery must be maintained at regular intervals and repaired promptly. ✓✓
- Any other relevant answer related to ways in which businesses can comply with the Occupational Health and Safety Act (OHSA).

Max (4)**[40]**



BREAKDOWN OF MARK ALLOCATION

4.1	3
4.2.1	3
4.2.2	6
4.3	4
4.4	4
4.5	3
4.6.1	3
4.6.2	4
4.7	6
4.8	4
TOTAL	40



SECTION C

QUESTION 5: BUSINESS ENVIRONMENTS

5.1 Introduction

- Businesses need to implement effective solutions to combat piracy and protect their products. ✓
- Lack of skills and unethical behavior can have serious negative impact on the performance and sustainability of businesses. ✓
- Labour Relations Act was introduced to regulate the relations between employers and employees in the workplace. ✓
- In the workplace environment employees need representation to ensure their rights are protected. ✓
- Any other relevant answer related to the meaning of copyright and patent, impact of lack of skills on businesses and ethical misconduct, purpose of the Labour Relations Act and functions of trade unions.

Any (2x1) (2)

5.2 Copyright

- Copyright refers to an exclusive legal right assigned to the author, artist or producer of artistic work ✓ to print, publish, perform or record the work. ✓
- Laws relating to copyright protect authors ✓ and allow them to sell their works to make a profit. ✓
- Exclusive rights are given to an author or artist when their product is copyrighted ✓ and only they can then give permission for replication. ✓
- Copyright holders of intellectual property (IP) are allowed to take legal action ✓ against anyone who reproduces their work. ✓
- Any other relevant answer related to the meaning of copyright.

Sub Max (4)

Patent

- A patent gives the creator of the product the right to prohibit ✓ other people from making or using their invention. ✓
- This right is granted by government for a limited period of up to twenty years ✓ for the exclusive right to an invention. ✓
- If any person or business uses the invention without permission, ✓ the creator may take legal action against them. ✓
- Any other relevant answer related to the meaning of patent.

**Sub Max (4)
Max (8)**

5.3 Impact of lack of skills and low income levels on businesses

5.3.1 Lack of skills on businesses

- Unskilled employees could spend considerable time✓ seeking assistance to perform their work. ✓
- They may perform tasks without the appropriate knowledge and expertise✓ which could lead to poor performance. ✓
- The time spent on assisting unskilled workers can reduce productivity levels✓ in the workplace✓
- This could lead to errors✓ and having to repeat or correct a work task. ✓
- Businesses may be required to increase the budget✓ for skills development programme. ✓
- Any other relevant answer related to the impact of lack of skills on businesses.

Sub max (8)

5.3.2 Low income levels on businesses

- Many South Africans live in poverty, ✓ which limit their buying power. ✓
- Because of this limited consumer spending, ✓ businesses are unable to grow and prosper. ✓
- Consumers opt to spend money✓ on cheaper goods and products. ✓
- Low income earners mainly spend their money on basic goods and services, ✓ thus leading to lower profits for businesses. ✓
- People who earn low salaries and wages may become disheartened✓ and this will influence productivity in a negative way. ✓
- Income level affects the morale of the workforce and could lead to lower productivity✓ which impacts on the business turnover. ✓
- Any other relevant answer related to the impact of low income levels on businesses.

Sub max (8)
Max (16)

5.4 Purpose of the Labour Relations Act

- The act provides the structure for governing the relations✓ between an employer and their employees. ✓
- It encourages collective bargaining processes✓ to take place in the workplace. ✓
- It also encourages the establishment of workplace forums✓ to support employees in decision-making. ✓
- The act further encourages fair labour practices between the✓ employer and its employees. ✓
- It makes provision for the establishment of the Labour and Labour Appeal Courts✓ and allows for the establishment of the Commission for Conciliation, Mediation and Arbitration (CCMA) for dispute resolutions. ✓
- The transfer of employment contracts between✓ the existing and new employers are explained. ✓
- Promotes orderly negotiations and employee participation✓ in decision making in the workplace. ✓

NSC-Marking Guidelines

- Provides simple procedures for the registration✓ of trade unions and employers' organisations. ✓
- Regulates the rights of trade unions✓ and facilitates collective bargaining. ✓
- 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.✓
- Any other relevant answer related to purpose of Labour Relations Act (LRA).

Max (12)**5.5 Functions of trade unions**

- Trade unions represent and protect their members against unfair labour practices in the workplace. ✓✓
- They empower employees about their rights in the workplace and how to apply these rights. ✓✓
- They represent employees in meetings with their employers when they face workplace grievances and disputes. ✓✓
- Trade unions negotiate for better working conditions, salary or wages and other benefits to improve the standard of living for workers. ✓✓
- Employees are protected from unfair dismissals and labour practices. ✓✓
- They may take legal action on behalf of their members when necessary. ✓✓
- Any other relevant answer related to functions of trade unions.

Max (10)**5.6 Conclusion**

- Businesses that effectively implement solutions to deal with piracy may be able to minimize its impact. ✓✓
- Businesses need to invest in skills development and deal with low income levels in order to improve performance and long term growth. ✓✓
- Businesses should comply with LRA so that labour practices are fair and transparent. ✓✓
- Trade unions ensure that employees are treated fairly and that their rights are respected. ✓✓
- Any other relevant answer related to the meaning of copyright and patent, impact of lack of skills on businesses and ethical misconduct, purpose of the Labour Relations Act and functions of trade unions.

Any (1x2) (2)

QUESTION 5: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Meaning of copyright and patent	8	
Negative impact on the lack of skills and low income levels on businesses	16	
Purpose of the Labour Relations Act	12	
Functions of trade unions	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.



QUESTION 6: BUSINESS OPERATIONS

6.1 INTRODUCTION

- A business's marketing communication policy must be able to attract potential customers. ✓
- Businesses should use sales promotions to stimulate immediate, short-term demand and accelerate the customers decision making process. ✓
- Businesses public relations department assist in building long-term relationships with customers and the general public. ✓
- Personal selling promotes high-value of business's products and allows for immediate feedback and demonstrations that address specific customer needs. ✓
- Any other relevant introduction related to meaning of marketing communication policy/purpose of sales promotion/role of public relations in publicity/effectiveness of personal selling in promoting a business product.

Any (2x1) (2)

6.2 Meaning of marketing communication policy

- The marketing communication policy describes all the messages and media used by the business to effectively communicate with the customers. ✓✓
- The main aim of marketing communication is to create and improve demand for the products and services of the business. ✓✓
- The business spends large amounts of money on developing its marketing communication policy. ✓✓
- The focus of the marketing communication policy is to increase sales and generate higher overall profitability for the business. ✓✓
- An integral part of the marketing communication policy is the effective communication of the products and services of the business with existing and new potential customers. ✓✓
- Effective marketing communication must take place with customers to maintain interest in the business as well as purchasing products and services. ✓✓
- This is directed by information based on market research that speaks to the needs and wants of consumers. ✓✓
- The business makes all efforts to deliver the appropriate marketing message to the right customer, through the right medium, at the right time to ultimately increase sales and profitability. ✓✓
- The business must have sound knowledge of the demographics and psychographics of their target market to apply the correct marketing communication medium. ✓✓
- The business uses its competitive advantage selling proposition to enhance its ability to increase sales. ✓✓
- Consistent and regular communication with customers is a vital aspect of the marketing communication policy. ✓✓
- The application of the correct marketing media will directly impact the degree to which the business may influence customers to purchase more products and services from the business. ✓✓
- Any other relevant answer related to meaning of marketing communication policy.

Max (8)

6.3 Purpose of sales promotion

- Increase and improve the number of products and services sold to customers✓ and increase the sales of products of the business. ✓
- Inform existing and new potential customers about the✓ products and services of the business. ✓
- Build long-lasting relationships✓ with customers. ✓
- Persuade immediate purchases✓ with potential customers. ✓
- Determine which sales promotion methods work the best✓ at reaching the target market. ✓
- Provide customers with products and services✓ equal to the value promoted in marketing communication. ✓
- Remind the target market about current and new products✓ and the availability thereof. ✓
- Reconnect✓ with the existing target market. ✓
- Improve overall brand awareness of the business✓ with existing and new potential customers. ✓
- Improve customer loyalty✓ with existing and new potential consumers.✓
- Activate dormant customers✓ to purchase products and services. ✓
- Any other relevant answer related to purpose of sales promotion.

Max (14)

6.4 Role of public relations in publicity

- Public relations aims to present a favourable image of the business✓ and its products and services. ✓
- Public relations strives to ensure that external stakeholders✓ view the business in a positive manner. ✓
- There is a direct link✓ between public relations and publicity. ✓
- Public relations is concerned with strategic management of information✓ to ensure that the business achieves specific communication goals. ✓
- Public relations plays a critical role in developing positive publicity✓ and minimising the effects of negative publicity on the business. ✓
- The business can decide to manage its own public relations function or outsource public relations services✓ from an outside vendor because of specialised knowledge. ✓
- The public relations function develops sound relationships✓ with members of the media. ✓
- The public relations function provides regular information to the media✓ about the business, its products, services and general business activities. ✓
- The public relations function and marketing function are interconnected✓ and aim to establish and build brand loyalty. ✓
- Any other relevant answer related to role of public relations in publicity.

Max (14)

6.5 Effectiveness of personal selling in promoting a business product

- Improves customer relationships and customer loyalty because it is an effective marketing communication tool that can be a powerful source of customer feedback. ✓✓
- Enhances flexibility because the salesperson can tailor their presentations to fit the needs and preferences of individual customers. ✓✓
- Increases immediate sales as personal selling is directed at potential members of the target market. ✓✓
- Involves multiple sales skills such as selling and collecting payments as well as providing marketing information. ✓✓
- Encourages two-way communication between the salesperson and the customer and through this, the salesperson can provide immediate feedback to the customer. ✓✓
- Provides detailed demonstrations of the usability of the product with the prospective customer. ✓✓
- Increases customer confidence as the salesperson removes all doubts and misunderstandings of the prospective customer. ✓✓
- Creates and improves brand awareness with existing and new customers. ✓✓
- Any other relevant answer related to effectiveness of personal selling in promoting a business product.

Max (10)

6.6 Conclusion

- Businesses must draw up an effective marketing communication policy to maintain a competitive advantage in the market. ✓✓
- Businesses that use sales promotions can increase customer's loyalty. ✓✓
- Business can benefit from public relations by driving cost-effective, credible publicity that enhance reputation and brand awareness. ✓✓
- Business that use personal selling can sustain current customers and gain potential customers. ✓✓
- Any other relevant conclusion related to meaning of marketing communication policy/purpose of sales promotion/role of public relations in publicity/effectiveness of personal selling in promoting a business product.

Any (1x2) (2)

QUESTION 6: BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	Max 32
Meaning of marketing communication policy	8	
Purpose of sales promotion	14	
Role of public relations in publicity	14	
Effectiveness of personal selling in promoting business product	10	
Conclusion	2	
INSIGHT		8
Layout	2	
Analysis/Interpretation	2	
Synthesis	2	
Originality/Examples	2	
TOTAL MARKS		40

LASO – For each component:

Allocate 2 marks if all requirements are met.

Allocate 1 mark if some requirements are met.

Allocate 0 marks where requirements are not met at all.