

# basic education

Department: Basic Education **REPUBLIC OF SOUTH AFRICA** 

### SENIOR CERTIFICATE EXAMINATIONS/ NATIONAL SENIOR CERTIFICATE EXAMINATIONS

### **CONSUMER STUDIES**

2023

### **MARKING GUIDELINES**

**MARKS: 200** 

These marking guidelines consist of 18 pages.

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#### **SECTION A: SHORT QUESTIONS**

#### **QUESTION 1**

1.1	1.1.1	D√	Remembering, easy (Focus, p.163 ; Successful, p.181)	(1)
	1.1.2	C√	Remembering, easy (Consumer Issue)	(1)
	1.1.3	В√	Remembering, easy (Focus, p.157; Successful, p.173)	(1)
	1.1.4	C√	Remembering, easy (Focus, p.166 ; Successful, p.184)	(1)
	1.1.5	B√	Remembering, easy (Focus, p.161-162; Successful, p. 178)	(1)
	1.1.6	D√	Remembering, easy (Focus, p.94; Successful, p.111)	(1)
	1.1.7	B√	Remembering, easy (Focus, p.94; Successful, p.114)	(1)
	1.1.8	B√	Remembering, easy (Focus, p.77; Successful, p.91)	(1)
	1.1.9	D√	Remembering, easy (Focus, p.77; Successful, p.91)	(1)
	1.1.10	C√	Remembering, easy (Focus, p.103; Successful, p.123)	(1)
	1.1.11	D√	Understanding, easy (Grade 11; Focus, p.49; Successful, p.51)	(1)
	1.1.12	A✓	Understanding, easy (Grade 11)	(1)
	1.1.13	C√	Remembering, easy (Focus, p.148; Successful, p.162)	(1)
	1.1.14	D√	Applying, moderate (Focus, p.148-149; Successful, p. 162)	(1)
	1.1.15	A√	Remembering, easy (Focus, p.117-118; Successful, p.137)	(1)
	1.1.16	C√	Remembering, easy (Focus, p.16; Successful, p.22)	(1)
	1.1.17	D√	Understanding, easy (Focus, p.32; Successful, p.31)	(1)
	1.1.18	C√	Remembering, easy (Focus, p.25; Successful, p.26)	(1)
	1.1.19	В√	Remembering, easy (Focus, p.35; Successful, p.35)	(1)
	1.1.20	C√	Understanding, easy (Focus, p.13; Successful, p.19-20)	(1)

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1.2	1.2.1	Mark-up√		(1)			
	1.2.2	Best sales scenario√		(1)			
	1.2.3	Cash flow projection√		(1)			
	1.2.4	Start-up costs/ capital√		(1)			
Remembering, easy (Focus, p.35-40; Successful, p.35-42)							
	1.3.1 1.3.2 1.3.3 anding, ea	C√ D√ A√ asy (Focus, p.48-49; Successful, p.49-51)		(3)			
	1.4.1 1.4.2 1.4.3 1.4.4 1.4.5 anding, me	E√ A√ H√ C√ G√ oderate (Focus, p.117, 122, 126-128; Successful, p.137	, 140, 144-146)	(5)			
	A√ D√ E√ H√		(Any order)	(4)			
Understanding, moderate (Focus, p.97-98; Successful, p.118-119)							
	B ✓ D ✓ E ✓ G ✓ , moderat	e (Focus, 163-164; Successful, p.180)	(Any order)	(4)			
TOTAL SECTION A:							

#### **SECTION B: LONG QUESTIONS**

#### **QUESTION 2: THE CONSUMER**

#### 2.1 State FOUR disadvantages of using gas in a house.

- It can explode quickly if near heat or fire.  $\checkmark^1$
- Gas leaks could cause an extremely dangerous explosion/ highly flammable.  $\checkmark^2$
- Exposure to a build-up of gas can lead to illness due to deprivation of oxygen. √<sup>3</sup>
- It is a non-renewable fuel.  $\checkmark^4$
- It might not be affordable for everyone/ it might be expensive. √<sup>5</sup>
- High initial investment.  $\checkmark^{6}$
- A gas cylinder is heavy to carry.  $\sqrt{7}$
- There is no warning when the gas is running low.  $\sqrt{8}$

Remembering, moderate (Focus, p.176; Successful, p.195)

#### 2.2 Give FOUR examples of unfair business practices.

An unfair business practice includes:

- Fraud/ illegal√1
- Misrepresentation  $\sqrt{2}$
- Oppressive,  $\sqrt{3}$  unreasonable acts against consumers.  $\sqrt{4}$
- False promises or misleading statements requiring a consumer to wave any rights.  $\checkmark^5$
- One sided business practice that is detrimental to consumers.  $\checkmark^6$
- Terms that are unequal and disadvantages the consumer.  $\sqrt{7}$
- Unreasonable/ unfair terms and conditions in a contract that were not made clear to a consumer, before the contract/ agreement is concluded.  $\checkmark^8$
- Offering goods and services at prices that are unfair, unreasonable or unjust.  $\checkmark^9$
- Offering goods and services on terms that are unfair, unreasonable or unjust.  $\checkmark^{10}$
- Marketing goods with false promises/ misleading statements that are unfair to the consumer.  $\checkmark^{11}$
- Requiring a consumer to waive any rights/ assume obligations/ waive any liability of the supplier.√<sup>12</sup>
- All business practices that do not adhere to the provision of the National Credit Act√<sup>13</sup> may be deemed unfair. (Any 4)

(4)

Remembering, moderate (Focus, p.157; Successful, p.174)

**NOTE:** Unfair labour practices should not be awarded marks.

(Any 4) (4)

(3)

(3)

### 2.3 State THREE ways in which consumers can save on electricity when using a washing machine.

- Wash full loads  $\checkmark^1$  of laundry/ washing.
- Use cold water  $\sqrt{2}$  instead of hot water to wash laundry/ washing.
- Select the shortest washing programme.√<sup>3</sup> Avoid unnecessary programs/ cycles/ pre-washing/ spinning√<sup>4</sup> when using a washing machine. (Any 3)

Remembering, moderate (Focus, p.144; Successful, p.158, 193-194)

#### 2.4 Explain how a prize notification/ lottery scam works.

#### Prize notification scam

A consumer receives an e-mail/ SMS saying that he/ she won the lottery/ prize. $\checkmark^1$  The scammer uses the bank details that the consumer is asked to supply $\checkmark^2$  to hack into the victim's bank account $\checkmark^3$  and steal money. $\checkmark^4$ 

#### OR

#### Lottery scam

A consumer receives an e-mail/ SMS stating that you have won a lottery jackpot/ prize, $\sqrt{5}$  but before claiming the apparent prize, the consumer is required to deposit a sum of money $\sqrt{6}$  into the lottery's fictitious bank account. $\sqrt{7}$  (Any 3)

Remembering, easy (Focus, p.159; Successful, p.177)

### 2.5 Discuss how water can be used efficiently when having a bath or shower.

- Take a quick shower  $\sqrt{1}$  because it uses less water than a bath.
- Place a bucket in the shower that catches excess water.  $\sqrt{2}$
- Close the tap when soaping yourself  $\sqrt{3}$  to save water.
- Install a low-flow volume/ aerated showerhead√<sup>4</sup> because it reduces the flow/ volume of water.
- Use the minimum amount of water required when taking a bath/ do not overfill the bath.  $\checkmark^5$
- Use the bath/ shower/ grey water for other purposes/ recycle the water.  $\checkmark^6$
- Make sure that there are no dripping taps.  $\sqrt{7}$  (Any 4) (4)

Understanding, moderate (Focus, p.180-181; Successful, p.199)

2.6

- Municipalities buy electricity from Eskom and sell it to the communities. ✓<sup>1</sup>
- By installing a pre-paid meter system/ selling pre-paid electricity. √<sup>2</sup>
- By providing electricity and billing/ invoice/ account after electricity has been used.√<sup>3</sup>
- By providing free basic electricity every month.  $\sqrt{4}$  (Any 3) (3)

Understanding, easy (Focus, p.183; Successful, p.203)

### 2.6.2 State how consumers can protect the electricity that is provided to them.

- Report cable theft immediately to the authorities.  $\checkmark^1$
- Do not allow/ report illegal connections.  $\sqrt{2}$
- Pay the electricity account.  $\sqrt{3}$
- Do not vandalise electricity structures.  $\checkmark^4$
- Use electricity wisely/ sparingly.  $\sqrt{5}$

Applying, moderate (Focus, p.185; Successful, p.205)

#### 2.7 Explain the characteristics of an illegal pyramid scheme.

- Only the people who joined first make money.  $\checkmark^1$
- There is no product sold/ service rendered.  $\sqrt{2}$
- The return is very high/ more than 20% above the repo rate.  $\sqrt{3}$
- Members receive compensation for recruiting other/ new/ more members √<sup>4</sup> but later there are no more new people to recruit. √<sup>5</sup>
- New members are required to pay money √<sup>6</sup> that is distributed to all or some of the existing members.
- The initiator makes more money because fees are paid to him/ her by everyone in the scheme.  $\sqrt{7}$
- People that join late can lose all their money.  $\sqrt[4]{8}$  (Any 4) (4)

Understanding, moderate (Focus, p.162; Successful, p.178-179)

## 2.8 2.8.1 Name and explain the instrument that is used to measure inflation.

Consumer Price Index/ CPI√<sup>1</sup>

- It is measured by using the same basket of goods and services used by a household.√<sup>2</sup>
- It keeps track of the change in the cost of the basket √<sup>3</sup> over a period (year on year). √<sup>4</sup>
- The average change is expressed as a percentage.  $\sqrt{5}$
- This percentage is used (year on year) to determine the inflation rate.  $\sqrt{6}$  (Any 3) (3)

Applying, moderate (Focus, p.167; Successful, p.185)

(Any 3)

(3)

(1)

### 2.8.2 Predict the impact that an increase in interest rates hikes will have on the quality of life of South Africans.

#### Positive

- Consumers with savings/ investments will earn more interest √<sup>1</sup> and will have more disposable income. √<sup>2</sup>
- Consumers with fixed interest repayments will not be affected as their repayments will not increase.√<sup>3</sup>

#### Negative:

- Homeowners may pay more on their bond repayments √<sup>4</sup> due to the increase in interest rates.
- Loan repayments will increase √<sup>5</sup> reducing consumers' disposable income √<sup>6</sup> because of an increase in their repayments.
- Repossession of assets due to non-payment √<sup>7</sup> because of high

interest rates.

- Consumers with variable interest rate repayments will pay more√<sup>8</sup> as interest rates increase.
- Households with low income are going to suffer because they will have less disposable income ✓<sup>9</sup> as they will pay more interest.
- People might get into debt√<sup>10</sup> because their salaries are no longer enough to afford their needs/ repayments,√<sup>11</sup> due to an increase in interest rates. (Any 8) (8)

Analysing, difficult (Focus, p.167; Successful, p.184 -185)

#### **QUESTION 3: FOOD AND NUTRITION**

### 3.1 Name FOUR ways in which a person suffering from high blood pressure can reduce his/ her salt intake.

- Do not consume more than one teaspoon (5 g) of salt per day.  $\checkmark^1$
- Limit/ prevent the consumption of processed food/ smoked meat/ bacon/ biltong/ potato crisps/ salted nuts/ salted popcorn/ powdered soup/ gravy/ stock cubes containing hidden salt/ fast food.√<sup>2</sup>
- Herbs/ spices can be used to flavour food instead of salt.  $\sqrt{3}$
- Check for salt/ sodium chloride/ monosodium glutamate on the ingredients list and avoid/ limit the intake thereof.
- Use small amounts of salt when cooking. √<sup>5</sup>

(Any 4) (4)

(4)

(3)

Remembering, easy (Focus, p.77-78; Successful, p.87-88)

#### 3.2 Give the nutritional guidelines to help with the management of anaemia.

- Include foods rich in (haem) iron, ✓<sup>1</sup>such as liver/ red meat/ fish/ poultry/ wholegrain cereals/ legumes/ pulses/ green leafy vegetables. ✓<sup>2</sup>
- Eat foods with enough vitamin B12 $\sqrt{3}$  such as dairy products/ red meat $\sqrt{4}$
- Eat foods with enough folic acid $\sqrt{5}$  such as whole grain products/ liver/ green leafy vegetables.  $\sqrt{6}$
- Eat foods containing vitamin C√<sup>7</sup>/ citrus fruits/ lemons/ oranges/ strawberries√<sup>8</sup> to assist with absorption of iron.√<sup>9</sup>
- Avoid coffee and tea $\sqrt{10}$  with meals as the tannins hamper/ interfere with iron absorption. $\sqrt{11}$
- (Iron) supplements may be needed in certain circumstances/ may be used.√<sup>12</sup>
   (Any 4)
- Remembering, moderate (Focus, p.77; Successful, p.91)

#### 3.3 State THREE advantages of using chemical preservatives in food.

- Prolongs the shelf life of food.  $\checkmark^1$
- It prevents/ slows down spoilage/ food poisoning.  $\sqrt{2}$
- Prevents browning of dried fruit/ vegetables. √<sup>3</sup>
- Preserves the desirable colour.  $\sqrt{4}$
- Adds/ improves flavour.  $\checkmark^5$

Remembering, moderate (Focus, p.94; Successful, p.113-114)

#### 3.4 Explain why herbs and spices are irradiated.

- They will contaminate food  $\checkmark^1$  if not irradiated because they have a high bacterial load.  $\checkmark^2$
- Irradiation makes the food safer to eat/ destroys micro-organisms/ insects  $\sqrt{3}$  and they will last longer.  $\sqrt{4}$  (Any 2) (2)

Understanding, moderate (Focus, p.105; Successful, p.128)

(Any 3)

(6)

(1)

(4)

(8)

#### 3.5 Explain how E.coli may be transmitted to the people.

- The beaches and rivers could have been contaminated by sewage ✓<sup>1</sup>due to damaged sewage pipes/ ageing/ lack of maintaining infrastructure. ✓<sup>2</sup>
- Contaminated water from rivers flow into the sea ✓<sup>3</sup> thus if people swim in/ drink the contaminated water ✓<sup>4</sup> they could have been infected with E.coli.
- An infected person, not washing their hands  $\checkmark^5$  touching an uninfected person, could transmit the E.coli to the uninfected person.  $\checkmark^6$
- The fish in the contaminated water may be contaminated,  $\checkmark^7$  thus consuming the fish/ sardines and fresh water fish will transmit the E.coli to uninfected people.  $\checkmark^8$  (Any 6)

Applying, moderate (Focus, p. 90; Successful, p. 106)

### 3.6 3.6.1 Name the food-related health condition represented in the picture above.

Atherosclerosis/ coronary heart disease  $\checkmark$  (1) Applying, moderate (Focus, p.74; Successful, p.83)

#### **3.6.2** Identify the substance A indicated in the picture above.

Plaque/ cholesterol/ white waxy substance/ fatty deposits/ ✓ Applying, moderate (Focus, p.74; Successful, p.83)

# 3.6.3 Describe how the substance A may contribute to coronary heart disease.

Plaque/ cholesterol/ white waxy substance/ fatty deposits build up in the arteries  $\checkmark^1$  causing the arteries to narrow $\checkmark^2$  clog/ close $\checkmark^3$ thicken/ harden. $\checkmark^4$  This may cause high blood pressure/ stroke $\checkmark^5$ or a heart attack. $\checkmark^6$  (Any 4)

Understanding, easy (Focus, p.74; Successful, p.83)

### 3.7 Write a paragraph to discuss how the pizza above will not assist with the management of coronary heart disease.

The pizza (cake flour) does not contain any fibre  $\checkmark^1$  which lowers cholesterol.  $\checkmark^2$  Egg yolk is high in fat/ (LDL) cholesterol/ oil  $\checkmark^3$  and full cream milk/ butter/ cheese/ beef/ Russian sausage/ bacon/ macon are rich in saturated fats/ oil  $\checkmark^4$  which increases blood cholesterol levels.  $\checkmark^5$  Full cream milk/ butter/ cheese/ beef/ Russian sausage/ bacon/ macon forms plaque  $\checkmark^6$ which will narrow/ clog the arteries/ blood vessels  $\checkmark^7$  and may result in a heart attack. Most ingredients have a high kJ/energy value,  $\checkmark^8$  this may lead to overweight/ obesity  $\checkmark^9$  which contributes to coronary heart disease. The Russian sausage and bacon/ macon are high in salt  $\checkmark^{10}$  and can increase blood pressure/ stroke.  $\checkmark^{11}$  (Any 8)

Applying, moderate (Focus, p.74; Successful, p.84-85)

#### NOTE: Narrow the blood vessels/ arteries can only be awarded a mark once.

### 3.8 Food security in South Africa has been affected by recent fuel price increases.

#### Justify the statement above.

- Fuel increases result in an increase in food production costs ✓<sup>1</sup> and food transport costs. ✓<sup>2</sup> This will make food more expensive. ✓<sup>3</sup>
- Because consumers pay more for transport, ✓<sup>4</sup> they will have less disposable income ✓<sup>5</sup> to buy/ access food. ✓<sup>6</sup>
- Many consumers may not be able to afford  $\checkmark^7$  buy enough  $\checkmark^8$  food for a healthy active life.  $\checkmark^9$  (Any 7) (7)

Analysing, difficult (Real life; Focus, p.106-107; Successful, p.128-129)

[40]

(Any 3)

#### **QUESTION 4: CLOTHING**

#### 4.1 Name the fashion that imitates/resembles a style from a previous era.

Retrospective fashion√ Remembering, easy (Focus, p.51; Successful, p.51) (1)

(3)

(5)

#### 4.2 Give THREE stages in the fashion cycle.

- Beginning/ launch/ introduction √1
- Rise√<sup>2</sup>
- Peak√<sup>3</sup>
- Decline  $\sqrt{4}$ 
  - Obsolescence/ end  $\sqrt{5}$

Remembering, easy (Focus, p.49-50; Successful, p.50)

#### 4.3 Explain the term *counterfeit products*:

Replicas/ imitation/ fake  $\sqrt{1}$  of the original products.

#### OR

Illegal copies  $\checkmark^2$  of a product. (Any 1) (1) Remembering, easy (Focus, p.64 Successful, p.72)

#### 4.4 The environment is considered in the production of eco-friendly fabrics.

#### Validate the statement

- Grown and produced in an environmentally friendly/ sustainable way/low carbon footprint.  $\checkmark^1$
- They require/ use less water  $\sqrt{2}$  in the production process.
- They require/ use less energy  $\sqrt{3}$  during production and processing.
- They are made from renewable resources  $\sqrt[4]{4}$  e.g. plants with a good crop yield/ bamboo.  $\sqrt[5]{5}$
- They create less waste/ biodegradable/ less on landfill sites.  $\sqrt{6}$
- They are produced from crops that do not require pesticides/ herbicides/ chemicals/ are grown organically.√<sup>7</sup>
- Natural/ plant based/ no harmful dyes are used.  $\sqrt{8}$
- Recycled/ re-used textiles reduce the need for producing new textiles  $\sqrt{9}$ and do not land up on landfills.  $\sqrt{10}$  (Any 5)

Understanding, moderate (Focus, p.61 Successful, p.67-68)

### 4.5 State FIVE guidelines to consider when selecting shirts/ blouses for a job at an accounting firm.

- Choose basic/ neutral colours.  $\checkmark^1$
- Choose shirts/ blouses that are easy to mix and match with pants/ skirts.  $\checkmark^2$
- Choose styles that complement the body type/ fit well.  $\sqrt{3}$
- Buy the best quality that you can afford as it will last longer. ✓<sup>4</sup>
- Avoid buying items that do not go with many items in the wardrobe.  $\checkmark^5$
- Buy items in the peak/ decline stage of the fashion cycle/ on sale as they are more affordable.  $\sqrt{6}$
- Buy shirts/ blouses that can be dressed up for formal/ professional and dressed down for informal occasions.√<sup>7</sup>
- Buy shirts/ blouses that are versatile and can be worn in different seasons thus reducing the amount of money spent on clothing.  $\sqrt{8}$
- Buy classic/ basic items as they last for many seasons/ timeless. √<sup>9</sup>
- Buy 4 shirts/ blouses, one cream/ white, one in plain colour, one floral/ striped and one smart for a special occasion.  $\sqrt{10}$

• Select shirts or blouses that are not revealing.  $\checkmark^{11}$  (Any 5) Understanding, easy (Focus, p.54-59; Successful, p.61-65)

# 4.6 Discuss how changes in technology since the 1990s have contributed to creating the affordable and comfortable artificial leather skinny pants of 2023.

- New textiles/ fabrics are developed ✓<sup>1</sup> with more elasticity/ stretch qualities. ✓<sup>2</sup> This contributes to the comfort/ free movement ✓<sup>3</sup> and body hugging ✓<sup>4</sup> qualities of the artificial leather of 2023.
- Nano/ biotechnology provides the quality of controlling the wearer's body temperature, ✓<sup>5</sup> as artificial leather may produce uncomfortable warmth, ✓<sup>6</sup> it does not allow air to pass through/ fabric does not breathe. ✓<sup>7</sup>
- Computerised pattern design methods/ improved sewing machines ✓<sup>8</sup> speeded up the manufacturing process/ saves time ✓<sup>9</sup> and money. ✓<sup>10</sup>
- Artificial leather is cheaper  $\checkmark^{11}$  than genuine leather. (Any 5) (5) Analysing, moderate (Focus, p.51; Successful, p.54)

(5)

#### QUESTION 5: HOUSING AND INTERIOR

#### 5.1 List the information that must be included in a lease agreement.

- Personal details of both parties.  $\sqrt{1}$
- The deposit that is required.  $\sqrt{2}$
- When the rent is payable/ amount of rent/ rental instalment.  $\checkmark^3$
- Period of the rental start and end date/ length of the lease.  $\sqrt{4}$
- Rules about what is allowed in the house/ flat.  $\checkmark^5$
- Number of people that may stay in the rental property.  $\sqrt{6}$
- Address of the property.  $\sqrt{7}$
- Details of the renewal.  $\checkmark^8$
- Indicate the rights and responsibilities of the tenant  $\checkmark^9$  and the landlord  $\checkmark^{10}$

(Any 3) (3)

(3)

Remembering, easy (Focus, p.117-118; Successful, p.138)

## 5.2 5.2.1 Describe THREE ways in which the upright freezer saves human energy.

- The upright freezer has an auto defrost function therefore does not have to be defrosted manually.  $\sqrt{1}$  This will save time.  $\sqrt{2}$
- Stainless steel finish/ white interior will make it easy to clean.  $\checkmark^3$
- Wheels will make it easy to move/ clean underneath.  $\checkmark^4$
- The light makes it easy to see items at once, no need to search for items.  $\checkmark^5$
- Shelves make it easy to find items.  $\sqrt{6}$
- It is easy to access the items because the doors open to the side.  $\sqrt{7}$  (Any 3)

Applying, moderate (Focus, p.136; Successful, p.154 – 155, 159)

### 5.2.2 Explain why a lay-by will be a suitable purchasing transaction for someone who only has enough cash to pay a deposit.

- It can be paid off over a period of time.  $\checkmark^1$
- No interest is charged  $\sqrt[7]{2}$  so in the end it costs the same as paying cash.  $\sqrt[7]{3}$  (Any 2) (2)

Understanding, moderate (Focus, p.148; Successful, p.162; Grade 11)

#### 5.3. 5.3.1 Name and explain the type of home ownership in the advertisement above.

This is a sectional title ownership.  $\checkmark^1$ 

(1)

The owner becomes the legal/ individual owner of a section of a housing complex/ estate  $\sqrt{2}$  and have shares in the undivided lot on which it stands.  $\checkmark^3$ 

OR

This is a sectional title ownership.

The owner becomes the legal/ individual owner of a unit/ section of the building  $\sqrt{4}$  and owns a share of all the common property/ lifts/ passages/ stairways/ garden areas and the pool. $\sqrt{5}$ (Any 2) (2)

Remembering, moderate (Focus, p.122; Successful, p.140)

Identify from the advertisement above THREE services that 5.3.2 will be paid for by levies.

- Swimming pool  $\checkmark^1$
- Outstanding security  $\sqrt{2}$
- Gym√<sup>3</sup> •
- Squash court√<sup>4</sup> •
- Games room  $\sqrt{5}$
- Children's play area $\sqrt{6}$ •
- Maintenance of common areas√<sup>ℓ</sup> •
- Waste removal  $\sqrt{8}$ •
- Rates and taxes for common areas  $\checkmark$  <sup>9</sup> •
- Cinema room√<sup>10</sup>
- Function room  $\sqrt{11}$
- Board room  $\sqrt{12}$
- Fibre and DSTV ready ✓<sup>13</sup> •
- Wellness spa√<sup>14</sup>
- Lifestyle centre  $\sqrt{15}$

Understanding, easy (Focus, p.122; Successful, p.140)

#### Describe why it will be financially beneficial to buy property in the development above.

- It will be financially beneficial because of the free bond costs,  $\sqrt{1}$  the levy is free for one year  $\sqrt{2}$  and there is a 10% discount.  $\checkmark^3$
- The buyer does not have to maintain the common properties  $\sqrt{4}$ as it is done by the body corporate.  $\checkmark^5$
- It is safe/ has outstanding security/ as it is in a secure complex/ development $\sqrt{6}$  and will not have to pay for extra security.√
- Amenities are on-site/ restaurant/ gym/ games room/ swimming pool/ children's play area/ cinema room $\sqrt{8}$  thus saving on entertainment expenses.  $\checkmark^9$
- Close to a shopping mall/ Mall of Africa/ schools/ top education facilities/ entertainment/ top restaurants/ fast food costs.√<sup>11</sup> (Any 6)

Analysing, moderate (Focus, p.123; Successful, p.141; Scenario)

(6)

5.3.3

(Any 3) (3)

#### **QUESTION 6: ENTREPRENEURSHIP**

#### 6.1 Define the term *target market*.

A group of people $\checkmark^1$  who want to purchase your product or service $\checkmark^2$  and are willing to pay the price that you are charging for it. $\checkmark^3$ 

#### OR

A group of people $\checkmark^4$  with common needs $\checkmark^5$  and interests. $\checkmark^6$  (Any 2) (2) Remembering, easy (Focus, p.20; Successful, p.33) (Grade 11)

### 6.2 Name TWO distribution methods that an entrepreneur can use to sell his/ her products.

- Direct selling/ distributing/ selling themselves. ✓<sup>1</sup>
- Using a middleman/ indirect selling.  $\sqrt{2}$

Remembering, easy (Focus, p.33; Successful, p.32)

### 6.3 Suggest FOUR ways in which a new entrepreneur can build good customer relations to ensure the success of a business.

- By ensuring that the business meets the wants and needs of the customers.  $\checkmark^1$
- By making customers feel important/ treat customers with respect.  $\checkmark^2$
- Ensure that they enjoy doing business with you.  $\checkmark^3$
- By giving clear information about the product.  $\checkmark^4$
- By fulfilling the promises as customers will expect everything promised on the label or in the advertisement. ✓<sup>5</sup>
- By immediately attending to customer complaints√<sup>6</sup> by always returning calls√<sup>7</sup> if promised to do so.
- By being courteous and listening to complaints attentively without interruptions. ✓<sup>8</sup>
- By writing down enquiries/ complaints for future reference/ by getting regular feedback from customers√<sup>9</sup>in order to improve the quality of the product or service.
- By training employees and family members who come into contact with customers, in customer service. ✓<sup>10</sup> (Any 4)

Remembering, easy (Focus, p.22-25; Successful, p.25)

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(2)

(4)

(Any 3)

(Any 2)

(3)

(2)

(2)

(2)

#### 6.4 Explain the importance of adhering to product specifications.

- To ensure that the product is always the same/ consistent in terms of size/ appearance/ colour and texture/ quality.√<sup>1</sup>
- Customers will always get what they expected/ meet customers' expectations.√<sup>2</sup>
- Customers will be satisfied/ pleased, tell others about the product.  $\checkmark^3$
- Product/ business can be more successful/ more profitable/ not lose profit as there will be less failures/ returns. ✓<sup>4</sup>
- Less wastage of raw materials.  $\checkmark^5$

Understanding, moderate (Focus, p. 16; Successful, p. 21)

6.5	6.5.1	(a)	Availability of financial resources
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- R2 000 borrowed from a friend.  $\sqrt{1}$
- R50 000 grant from the National Youth Development Agency.  $\sqrt{2}$ 
  - Rent-free land.  $\sqrt{3}$

Understanding, moderate (Focus, p.11; Successful, p.18)

#### (b) Availability of work space

- She uses a piece of land for free/ rent free land owned by her family.√<sup>1</sup>
- She has a big chicken house.  $\sqrt{2}$

Understanding, moderate (Focus, p.12; Successful, p.19)

#### (c) Availability of raw materials.

- Egg-laying chickens  $\sqrt{1}$  were bought from a local farmer  $\sqrt{2}$  thus easily available.  $\sqrt{3}$
- She uses biodegradable  $\sqrt{4}$  recyclable packaging.  $\sqrt{5}$
- Customers have the option of bringing their own packaging.  $\sqrt{6}$

(Any 2) Understanding, moderate (Focus, p.13; Successful, p.19)

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### 6.5.2 Describe why Lebuhang is considered an environmentally and socially responsible entrepreneur.

- She uses biodegradable√<sup>1</sup> and recycled√<sup>2</sup> packaging/ she encourages customers to bring their own packaging,√<sup>3</sup> which reduces the need to produce new packaging.√<sup>4</sup> This reduces waste√<sup>5</sup> and pollution√<sup>6</sup> and a negative impact on the environment.√<sup>7</sup>
- She donates unsold eggs to Early Childhood Development Centres √<sup>8</sup> to assist with poverty alleviation. √<sup>9</sup>
- She gives chicken manure away for community vegetable gardens, √<sup>10</sup> chicken manure is environmentally friendly √<sup>11</sup> thus the community does not have to buy fertiliser √<sup>12</sup> to grow their own vegetables.
- She promotes her products online which is a responsible way of marketing because it is paperless. √<sup>13</sup>
- She bought her initial eggs and egg laying chickens from a local farmer which saves fuel and has less impact on the natural environment.√<sup>14</sup> (Any 5)

Applying, moderate (Focus, p.27; Successful, p.26)

### 6.5.3 Explain why it is likely that Eggselent will be a sustainable profitable business.

- There is a high demand  $\sqrt{1}$  for her product/ eggs.
- Eggselent supplies bakeries/ bed and breakfast establishments/ households.√<sup>2</sup>
- Eggselent has a broad customer base/ target market √<sup>3</sup> as Lebuhang uses online promotion and sells her products online. √<sup>4</sup>
- Lebuhang invests in her business, √<sup>5</sup> she used the grant worth R50 000 (from the National Youth Development Agency) to build a bigger chicken house to accommodate more egg laying chickens, thus producing more eggs √<sup>6</sup> her business is growing. √<sup>7</sup>
- She has business mentoring, √<sup>8</sup> that guides her, making her less likely to fail. √<sup>9</sup>
- The eggs are affordable  $\checkmark^{10}$  therefore she will have more customers.
- Eggs are not seasonal/ always available/ needed throughout the year/ steady level of production. √<sup>11</sup>
- She also sells slaughtered chickens which increases the variety of products.  $\checkmark^{12}$
- Her business has low overhead costs because she uses rent-free land.  $\checkmark^{13}$
- She has very little debt to repay because she only borrowed R2000 from a friend.√<sup>14</sup> (Any 6)

Applying, moderate (Focus, p.35; Successful, p.34)

(6)

(5)

### 6.5.4 Calculate the profit she makes on five dozen eggs. Show ALL calculations.

R15 x  $5\sqrt{1}$ = R75 $\sqrt{2}$  x 40% $\sqrt{3}$ = R30.00 $\sqrt{4}$ 

OR

R15.00 x 40% $\sqrt{5}$  = R6.00 R6.00 $\sqrt{6}$ x 5 $\sqrt{7}$ = R30.00 $\sqrt{8}$ 

Applying, moderate (Focus, p.36-38; Successful, p.38-39)

### 6.6 Predict the negative financial impact that load shedding will have on small businesses and its employees.

- Businesses close during load shedding and as a result will lose customers √<sup>1</sup> therefore have less profit. √<sup>2</sup>
- Some businesses might go bankrupt and have to close down $\sqrt{3}$  as there will be less income to sustain the business. $\sqrt{4}$
- They will not be able to produce their products  $\checkmark^5$  and sales will not be made.  $\checkmark^6$
- They are still expected to pay the rent/ water/ electricity/ rates and taxes/ debts√<sup>7</sup> which they may not be able to afford.√<sup>8</sup> They may be blacklisted.√<sup>9</sup>
- Perishable raw materials might be spoiled√<sup>10</sup> due to long hours of load shedding resulting in the businesses losing money.√<sup>11</sup>
  Employees may be retrenched,√<sup>12</sup> asked to work for less hours√<sup>13</sup> as
- Employees may be retrenched,  $\sqrt{12}$  asked to work for less hours  $\sqrt{13}$  as businesses are not operating due to load shedding, which may lead to poverty/ more people being unemployed.  $\sqrt{14}$
- Some businesses may purchase a generator/ inverter to use during loadshedding which is costly.  $\sqrt{15}$
- Running a generator/ inverter is expensive.  $\checkmark^{16}$  (Any (8) 8)

Analysing, difficult (Consumer issue)

[40]

(4)

GRAND TOTAL: 200