



basic education

Department:
Basic Education
REPUBLIC OF SOUTH AFRICA

SENIOR CERTIFICATE EXAMINATIONS/ NATIONAL SENIOR CERTIFICATE EXAMINATIONS

CONSUMER STUDIES

MAY/JUNE 2025

MARKING GUIDELINES

MARKS: 200

These marking guidelines consist of 19 pages.

External Moderators

S.S. deVilliers

B. Tuli

12/06/2025

Internal Moderator: *JEB uy*

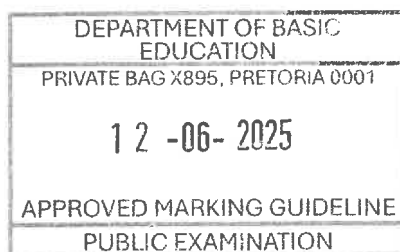
12/06/2025

DEPARTMENT OF BASIC EDUCATION PRIVATE BAG X895, PRETORIA 0001
12 -06- 2025
APPROVED MARKING GUIDELINE PUBLIC EXAMINATION

SECTION A: SHORT QUESTIONS**QUESTION 1**

1.1	1.1.1	C✓	<i>Remembering, easy (Focus, p.156; Successful, p.173)</i>	(1)
	1.1.2	D✓	<i>Remembering, easy (Focus, p.163; Successful, p.180)</i>	(1)
	1.1.3	B✓	<i>Understanding, moderate (Focus, p.162; Successful, p.179)</i>	(1)
	1.1.4	C✓	<i>Remembering, easy (Focus, p.171; Successful, p.191)</i>	(1)
	1.1.5	D✓	<i>Understanding, moderate (Focus, p.157; Successful, p.174)</i>	(1)
	1.1.6	D✓	<i>Remembering, easy (Focus, p.93; Successful, p.113)</i>	(1)
	1.1.7	B✓	<i>Understanding, moderate (Focus, p.104; Successful, p.126)</i>	(1)
	1.1.8	C✓	<i>Understanding, easy (Focus, p.76; Successful, p.90)</i>	(1)
	1.1.9	C✓	<i>Understanding, moderate (Focus, p.89; Successful, p.103)</i>	(1)
	1.1.10	A✓	<i>Applying, moderate (Focus, p.73; Successful, p.82)</i>	(1)
	1.1.11	D✓	<i>Applying, moderate (Focus, p.49; Successful, p.51)</i>	(1)
	1.1.12	B✓	<i>Understanding, easy (Grade 11)</i>	(1)
	1.1.13	C✓	<i>Applying, easy (Focus, p.64; Successful, p.72)</i>	(1)
	1.1.14	A✓	<i>Understanding, moderate (Focus, p.136; Successful, p.154)</i>	(1)
	1.1.15	C✓	<i>Understanding, easy (Focus, p.122; Successful, p.140)</i>	(1)
	1.1.16	D✓	<i>Remembering, moderate (Focus, p.25; Successful, p.25)</i>	(1)
	1.1.17	B✓	<i>Understanding, moderate (Focus, p.18; Successful, p.22)</i>	(1)
	1.1.18	C✓	<i>Understanding, easy (Focus, p.19; Successful, p.23)</i>	(1)
	1.1.19	D✓	<i>Understanding, moderate (Focus, p.21; Successful, p.24)</i>	(1)
	1.1.20	B✓	<i>Understanding, moderate (Focus, p.27; Successful, p.26)</i>	(1)

1.2	1.2.1	Cooling off (period) ✓	(1)
	1.2.2	Contract ✓	(1)
	1.2.3	Guarantee ✓	(1)
	1.2.4	Grey goods/ parallel imports ✓	(1)
<i>Remembering, easy (Focus, p.155, 157-158; Successful, p.169, 173, 175-176)</i>			
1.3	A ✓		
	C ✓		
	E ✓		
	H ✓		
		(Any order)	(4)
<i>Remembering, moderate (Focus, p.103; Successful, p.123-124)</i>			
1.4	1.4.1	C ✓	
	1.4.2	F ✓	
	1.4.3	A ✓	
	1.4.4	B ✓	(4)
<i>Remembering, moderate (Focus, p.117, 122; Successful, p.137, 139 -140)</i>			
1.5	B ✓		
	C ✓		
	E ✓		
		(Any order)	(3)
<i>Understanding, moderate (Focus, p.54-55; Successful, p.62)</i>			
1.6	1.6.1	D ✓	
	1.6.2	G ✓	
	1.6.3	F ✓	
	1.6.4	A ✓	
	1.6.5	B ✓	(5)
<i>Understanding, moderate (Focus, p.29-34; Successful, p.28-33)</i>			
TOTAL SECTION A:			40



SECTION B: LONG QUESTIONS**QUESTION 2: THE CONSUMER**

2.1 **Name the tool/ instrument used to measure changes in the cost of goods and services over a specific period of time.**

Consumer Price index/ CPI✓ (1)
Remembering, easy (Focus, p.167; Successful, p.185)

2.2 **Give TWO examples of EACH of the following taxes paid by consumers.**

2.2.1 **Direct tax**

- Income tax✓¹
- Pay as you earn (PAYE)✓²
- Provisional tax✓³
- Property/ rates and taxes✓⁴
- Capital gains tax✓⁵
- Donations tax✓⁶

(Any 2) (2)

Remembering, easy (Focus, p.164; Successful, p.181)

NOTE: A description of the type of tax must be allocated a mark.

2.2.2 **Indirect tax**

- VAT✓¹
- Excise duty/ Sin tax✓²
- Fuel levy✓³
- Licenses (Motor vehicle/ fishing/ hunting/ TV)✓⁴
- Air passenger tax✓⁵
- Environmental levy✓⁶
- Estate duty✓⁷
- Dividends tax✓⁸
- Import duty✓⁹
- Sugar tax✓¹⁰

(Any 2) (2)

Remembering, easy (Focus, p.164; Successful, p.181)

2.3 **Explain what the inflation rate is.**

It is the percentage✓¹ at which the price of goods and services increases over a specific period of time.✓²

OR

It is the annual percentage✓³ change in the consumer price index.✓⁴ (2)
Remembering, easy (Focus, p.168; Successful, p.185)

Copyright reserved

DEPARTMENT OF BASIC EDUCATION
PRIVATE BAG X895, PRETORIA 0001
12 -06- 2025
APPROVED MARKING GUIDELINE
PUBLIC EXAMINATION

Please turn over

2.4 **List THREE ways to save water when washing dishes by hand and/ or using a dishwasher.**

- Use the appropriate water level.✓¹
- Wash full loads of dishes.✓²
- Use a water efficient dishwasher.✓³
- Use shorter cycles/ half load cycle✓⁴ when appropriate.
- Avoid the pre-washing.✓⁵
- Do not wash dishes under running water.✓⁶
- Wash the cleanest dishes first.✓⁷
- Scrape extra food off the dishes before washing them.✓⁸
- Select eco-cycle✓⁹ to save water.

(Any 3) (3)

Remembering, easy (Focus, p.147, 181; Successful, p.158, 199)

2.5 **Name TWO services that municipalities supply to communities for recreation.**

- Libraries✓¹
- Municipal parks✓²
- Municipal swimming pools/ sports facilities✓³
- Community centres✓⁴

(Any 2) (2)

Understanding, easy (Focus, p.184; Successful, p.202)

2.6 **State FOUR characteristics of an illegal pyramid scheme.**

- There is no product that is being sold.✓¹
- Emphasis is on the promotion of the scheme.✓²
- They offer unusually high returns on investments.✓³
- Members are paid by recruiting other members.✓⁴
- Only members at the top/ initiators who joined in the beginning gets paid.✓⁵
- Many people who join at the end will lose their money.✓⁶

(Any 4) (4)

Remembering, moderate (Focus, p.162; Successful, p.179)

2.7 **Differentiate between a work from home scam and a lottery scam.**

Work from home scam

- A work from home scam targets people seeking extra income✓¹ and trick them to pay to receive information.✓²
- In some cases, a purchase needs to be made✓³ before work can begin.✓⁴
- A deposit of a registration fee can be requested.✓⁵

(Any 2)

Lottery scam

- In a lottery scam a person receives an SMS/ email/ WhatsApp✓¹ stating that they have won a prize/ money/ lottery/ jackpot✓² and a payment is needed to make a claim/ banking details are requested.✓³

(Any 2) (4)

Understanding, moderate (Focus, p.159, 161; Successful, p.177)

2.8 Discuss the advantages of cooking with gas.

- Gas is cheaper/ more affordable^{✓1} than electricity therefore energy/ cooking costs will be less/ reduced.^{✓2}
- Using gas lightens the load on the national grid.^{✓3}
- Gas appliances/ stoves are almost maintenance free^{✓4} and therefore do not have to be serviced regularly.^{✓5}
- Gas provides instant heat,^{✓6} which saves gas and reduces cooking time/ faster.^{✓7}
- Many gas appliances are cheaper than electrical appliances^{✓8} so less money will be spent on new gas stoves.^{✓9}
- Gas is the cleanest fossil fuel.^{✓10} It is environmentally friendly/ produces low carbon emissions/ it causes less air pollution/ has a low carbon footprint.^{✓11}
- Cooking can take place when there is load shedding.^{✓12} (Any 4) (4)

Understanding, moderate (Focus, p.176; Successful, p.194-195)

2.9 Discuss the benefits of using solar power when heating water.

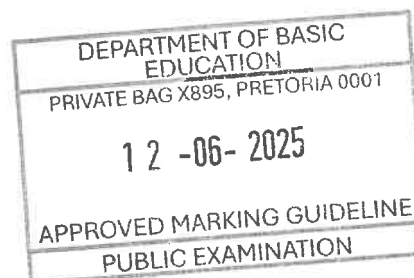
- The sun^{✓1} is used to heat water therefore no/ little electricity is used.^{✓2}
- Energy from the sun is renewable^{✓3} so it will never run out and it's readily available^{✓4} which reduces the need for electricity.
- There is hot water available even during load shedding.^{✓5}
- The sun is free^{✓6} to heat water whereas electricity costs money, therefore consumers will buy less electricity/ save money.^{✓7}
- More environmentally friendly than using electricity/ does not cause air pollution.^{✓8} (Any 4) (4)

Applying, easy (Focus, p.170; Successful, p.191)

2.10 Write a paragraph to discuss the advantages and disadvantages of a decrease in the repo rate for consumers who pay interest on loans and for consumers who receive interest on savings.

Consumers with loans/ debt will pay less interest on their debts/ loans^{✓1} therefore saving money.^{✓2} They will have more disposable income to buy goods and services.^{✓3} Consumers with savings will receive less interest.^{✓4} They may have less disposable income/ money to spend.^{✓5} (Any 4) (4)

Applying, moderate (Focus, p.166; Successful, p.184)



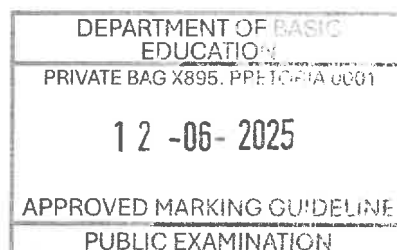
2.11 Discuss the positive impact that building plastic infused roads will have on municipal service delivery and the community.

- Municipalities are responsible for the removal of refuse.^{✓1} Therefore less plastic waste will need to be removed.^{✓2}
- Less plastic waste will end up in rivers/ landfill sites/ streets,^{✓3} reducing plastic waste to process/ clean up.^{✓4}
- Municipalities will have less damaged roads/ not have to fix the same roads over and over again/ potholes to fix/ repairs of roads/ roads will last longer/ more durable^{✓5} thus saving money for other municipal services.^{✓6}
- There will be less plastic lying around/ the environment will be clean^{✓7} because the municipality distribute recycling bins^{✓8} and the plastics will be used to build the roads.
- Roads will be safer^{✓9} to use if there are fewer potholes.
- Communities will be more conscious of recycling^{✓10} which will keep the community clean.^{✓11}
- Communities will make money^{✓12} by collecting used plastic packaging and selling them in recycling centres.
- The project may lead to job creation for community members.^{✓13} (Any 8)

Analysing, difficult (Focus, p.182; Successful, p.203-204)

(8)

[40]



QUESTION 3: FOOD AND NUTRITION**3.1 Explain the term *hyperglycaemia*.**

- It is a condition in which glucose levels in the blood^{✓1} becomes abnormally high.^{✓2}

OR

- It is a condition where sugar builds up in the blood^{✓3} instead of being converted to energy.^{✓4} (Any 2) (2)

*Remembering, easy (Focus, p.71; Successful, p.80)***3.2 Explain the function of the hormone insulin.**

- It stimulates the enzymes in the muscle and fat tissue^{✓1} to remove sugar from the blood^{✓2} to break down glucose to energy.^{✓3}

OR

- It transports glucose^{✓4} from the blood stream into the cells^{✓5} of the body for energy.^{✓6} (Any 2) (2)

*Remembering, easy (Focus, p.71; Successful, p.77)***3.3 Discuss why John is likely to suffer from hypoglycaemia.**

- Hypoglycaemia is caused when people skip meals or do not eat enough^{✓1} which will cause blood glucose level to drop drastically.^{✓2}
- If he exercises hard for a long time without food^{✓3} this will cause low blood glucose levels.
- Eating of high GI foods will cause a sharp increase^{✓4} in blood glucose levels which will trigger the release of insulin^{✓5} to stimulate the removal of glucose from the bloodstream.^{✓6}
- The sudden removal of glucose from the bloodstream will cause a drastic drop in blood glucose levels.^{✓7} (Any 3) (3)

*Understanding, moderate (Focus, p.71; Successful, p.79)***NOTE:** Information that is stated in the scenario cannot be awarded a mark.**3.4 Discuss how food irradiation improves food safety.**

- Food is treated with very short light or radio waves.^{✓1}
- Irradiated herbs and spices will not contaminate^{✓2} the food to which they are added.
- Kills/ reduces/ destroys micro-organisms^{✓3} that can cause food spoilage^{✓4} making food safer to eat.
- Reduces the pathogenic bacteria/ harmful organisms^{✓5} in food, preventing food borne diseases.^{✓6}
- Destroys insects on tropical fruits/ in cereals^{✓7} that is imported/ exported.
- Irradiated processed meats require fewer preservatives which will reduce the risk of developing cancer.^{✓8} (Any 4) (4)

Understanding, moderate (Focus, p.105; Successful, p.127-128)

3.5 Explain how water shortages may contribute to food-borne diseases.

- There may be insufficient/ contaminated water^{✓1} for infected people^{✓2} to wash hands after using the toilet/ changing nappies^{✓3} and before preparing food.^{✓4}
- No/ less water available to wash fruits/ vegetables that are contaminated.^{✓5}
- No/ less water available to wash dirty cooking utensils thoroughly after use.^{✓6}
- People may drink/ cook/ eat food prepared with contaminated water.^{✓7}
- Contaminated water may be used to clean food preparation surfaces.^{✓8}
- Slaughtered animals may have drunk contaminated water^{✓9} and the meat may contribute to food borne disease. (Any 6) (6)

Understanding, moderate (Focus, p.86-89; Successful, p.103,106,108)

3.6 Describe how the following factors contribute to food insecurity in South Africa.**3.6.1 Increase in food prices**

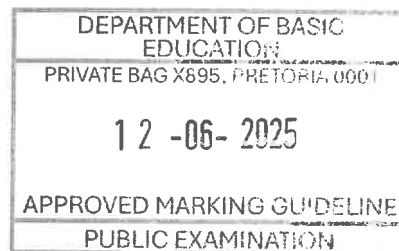
- Most consumers may not be able to afford healthy nutritious food on a daily basis.^{✓1}
- They cannot afford to buy enough/ sufficient food to live a healthy life.^{✓2}
- Consumers may buy food that is beyond the use by date.^{✓3} These foods may be affordable^{✓4} but unsafe for consumption.^{✓5}
- Consumers will spend money on food that is not nutritious/ energy dense^{✓6} because they may be able to buy more/ a lot of these foods.^{✓7} (Any 3) (3)

Applying, moderate (Consumer Issue)

3.6.2 Increase in electricity prices

- The increase in electricity prices will cause food prices to rise.^{✓1}
- Consumers cannot afford to buy electricity to prepare food.^{✓2}
- Electricity is expensive and consumers spend a lot of money on electricity and have less money^{✓3} to spend on food.^{✓4} (Any 3) (3)

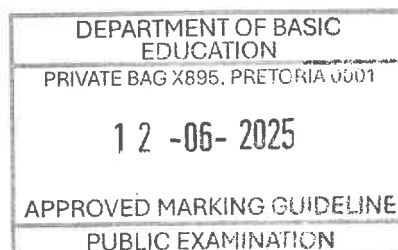
Applying, difficult (Consumer Issue)



3.7 Give Mary dietary advice to prevent developing osteoporosis later in life.

- Mary must not skip meals/ breakfast^{✓1} because this will assist with enough kilojoule intake.^{✓2}
- Mary needs to take calcium supplements^{✓3} to increase bone density/ slow down bone loss^{✓4} later in life.
- She also needs to eat canned fish with bones/ legumes/ dark green leafy vegetables/ nuts (almonds/ brazilian)^{✓5} because they are also rich in calcium.^{✓6}
- She must consume foods high in phosphorus^{✓7} and vitamin D^{✓8} which helps with the absorption of calcium.^{✓9}
- She needs to take fluoride^{✓10} which needs to be absorbed^{✓11} into the bone to make the bones stronger.^{✓12}
- She must not consume too much protein rich foods.^{✓13} Although protein is required for collagen synthesis, acid is released into the bloodstream when protein^{✓14} is digested and draws calcium^{✓15} from the bones to neutralise the acid.^{✓16} Too much protein will weaken the bones in the long run.^{✓17}
- She must consume food rich in vitamin C/ ascorbic acid^{✓18} as it assists with collagen synthesis.^{✓19}
- She must limit her coffee/ tea/ alcohol intake^{✓20} because it can cause bone loss.^{✓21}

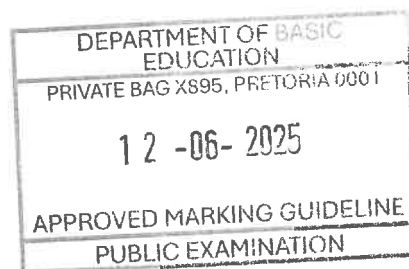
(Any 6) (6)

*Applying, moderate (Focus, p.76; Successful, p.90)***3.8 3.8.1 Identify the ingredients, which perform the following functions from the list of ingredients:****(a) Stabilises the ingredients**Corn starch/ wheat flour.[✓] (1)**(b) Improves the nutritional value**Riboflavin/ wheat flour may be enriched with Vitamin B.[✓] (1)**(c) Enhances the flavour**Monosodium glutamate (MSG)/ garlic powder/ citric acid/ brown sugar/ herbs/ potassium salt.[✓] (1)*Understanding, easy (Focus, p.93-94; Successful, p.113-114)*

3.8.2 2 minute noodles is not suitable for a person who has diabetes.**Justify the statement above.**

- Noodles are high in salt^{✓1} (724 mg/ 100g) that will increase blood pressure^{✓2} and may contribute to heart disease/ stroke.^{✓3} Diabetics have a high risk^{✓4} of developing heart disease.
- Noodles are low in fibre (2.4g/ 100g)/ have insufficient fibre.^{✓5} Fibre decreases^{✓6} the blood glucose levels and prevent fluctuations in blood glucose levels.^{✓7}
- They have a high glycaemic index^{✓8} which can cause a rapid increase^{✓9} in blood glucose levels.
- They have a high fat content^{✓10} (15.0g/ 100g), which increases the risk for heart disease/ stroke.^{✓11}
- The noodles may contribute towards obesity^{✓12} which is detrimental to diabetics as they are high in kilojoules/ carbohydrates/ fat.^{✓13}

(Any 8) (8)

*Analysing, difficult (Focus, p.72-73; Successful, p.82-83)***NOTE:** High fat content can only be awarded a mark once.**[40]**

QUESTION 4: CLOTHING4.1 **Name the stage in the fashion cycle where a fashion:**4.1.1 **Is accepted**Introduction/ Launch/ Beginning/ Rise[✓] stage

(1)

4.1.2 **Has reached its popularity**Peak stage[✓]

(1)

4.1.3 **Disappears**Obsolete/ Obsolescence[✓]

(1)

*Remembering, easy (Focus, p.49-50; Successful, p.50)*4.2 **Name TWO economic factors that influence fashion changes.**

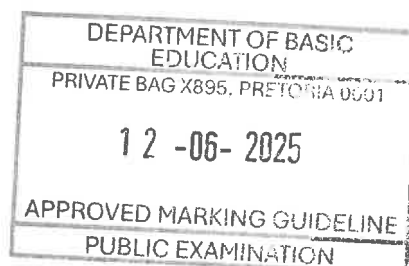
- Income/ wealth/ poverty^{✓1}
- Affordability^{✓2}
- Inflation^{✓3}
- Recession/ depression^{✓4}

(Any 2) (2)

*Remembering, easy (Focus, p.49; Successful, p.53)*4.3 **Explain FOUR advantages of having classic mix-and-match clothing items in a wardrobe for the world of work.**

- Many outfits can be created^{✓1} from the basic items by mixing different tops and bottoms.
- Items can be dressed up or dressed down for a professional/ formal and casual/ informal occasion.^{✓2}
- It could be cheaper/ affordable because fewer clothing items will be bought.^{✓3}
- Items in neutral/ basic colours can be paired with different accessories/ shoes/ belts/ handbags.^{✓4}
- Classic items are timeless, therefore will not go out of fashion quickly/ will last for many seasons.^{✓5}

(Any 4) (4)

Understanding, easy (Focus, p.54-55; Successful, p.63-65)

4.4 **Eco-fashion can help to sustain the natural environment.****Motivate the statement above.**

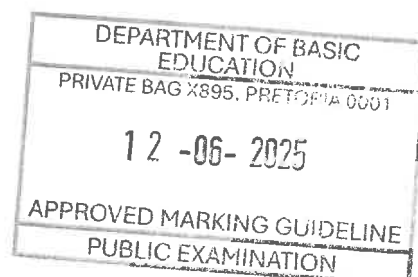
- Eco-friendly fabrics have a low carbon footprint^{✓1} because they cause less air pollution^{✓2} which causes less harm to the natural environment.
- They use less water which is already a scarce resource.^{✓3}
- Less energy/ electricity is used which reduces the need of fossil fuels.^{✓4}
- They are produced from crops that do not require any pesticides/ herbicides/ fewer chemicals/ dyes.^{✓5}
- They may be produced organically^{✓6} and may be biodegradable^{✓7} thus reducing waste.^{✓8}
- They are made from renewable resources^{✓9} which can be replenished/ cannot be depleted.^{✓10}

(Any 5) (5)

*Understanding, moderate (Focus, p.61; Successful, p.67)*4.5 **Evaluate the suitability of the outfit above for the professional world of work.**

- The outfit is mostly suitable^{✓1} for the professional world of work. (1)
- The style/ colour will suit most body types.^{✓2}
- The simple clean lines make the dress classic^{✓3} and it could be worn for many seasons.^{✓4}
- The outfit is formal/ smart.^{✓5}
- A different blouse/ shoes can be worn for casual occasions.^{✓6}
- It can be worn with/ without a blouse.^{✓7}
- It is not revealing/ not too tight.^{✓8}
- It is not short/ it is below the knees.^{✓9}
- It is suitable for different seasons/ can be worn with a jacket/ jersey.^{✓10}
- It can be worn with different shoes/ accessories.^{✓11}
- The neutral colour of the shoes is suitable for the outfit.^{✓12}
- The mid heel of the shoes makes it comfortable to wear at work.^{✓13}
- The diamond detail on the shoes may be too glamorous for work.^{✓14}

(Any 5) (6)

*Evaluating, moderate (Focus, p.55-57; Successful, p.61-63)***[20]**

QUESTION 5: HOUSING AND INTERIOR**5.1 State TWO financial responsibilities of a tenant.**

- Deposit.✓¹
- Monthly rent.✓²
- Water/ electricity/ waste removal,✓³ depending on the lease agreement.
- Any damages caused by the tenant.✓⁴
- Household contents insurance.✓⁵

(Any 2) (2)

*Remembering, easy (Focus, p.117,128; Successful, p.137)***5.2 List THREE financial responsibilities of the owner of a full-title property.**

- Monthly bond repayments/ mortgage.✓¹
- Maintenance/ repairs.✓²
- Rates and taxes.✓³
- Water/ electricity/ waste removal.✓⁴
- Security✓⁵
- Homeowner's comprehensive insurance.✓⁶
- Bond/ mortgage protection insurance.✓⁷
- Household contents insurance✓⁸
- Gardening.✓⁹

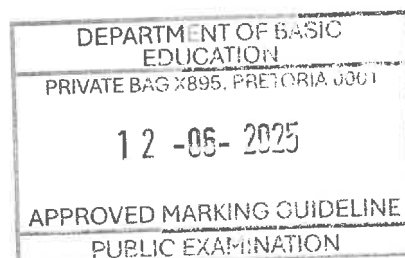
(Any 3) (3)

*Remembering, easy (Focus, p.121,127,128; Successful, p.139,140,145)***5.3 Household appliances can be bought through an instalment sales transaction. State the following:****5.3.1 TWO advantages of using an instalment sales transaction**

- An appliance can be bought even if you do not have cash.✓¹
- An appliance can be taken home and used immediately.✓²
- The appliance can be paid off over a long period of time.✓³
- It helps consumers build their credit record/ score.✓⁴ (Any 2) (2)

5.3.2 TWO disadvantages of using an instalment sales transaction

- A deposit must be paid.✓¹
- The payment is more than the cash price.✓²
- There are charges involved like bank charges/ interest/ administration charges.✓³
- Appliances can be repossessed by the seller if there is non-payment.✓⁴
- Non-payment can negatively affect the credit record/ score of consumers/ can lead to blacklisting.✓⁵
- If the appliance is broken/ stolen the consumer must still pay for it.✓⁶ (Any 2) (2)

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

5.4 Discuss sectional-title ownership regarding safety and security.

- Complexes often come with security features (e.g. gates, security guards, surveillance cameras) providing a secure living environment. ✓¹
- It provides greater security than to live in a free-standing property. ✓²
- The gate at the entrance has controlled access to control who enters the complex. ✓³
- Most complexes have safety boundary walls ✓⁴ which provide safety and limit access to the complex.
- It offers flexibility to 'lock up and go' and the unit will remain safe because of the security available. ✓⁵
- Neighbours are close and could see or hear if there are intruders. ✓⁶

(Any 4) (4)

*Applying, moderate (Focus, p.123; Successful, p.141)***5.5 Explain how the EcoBOOST washing machine assists with the following:****5.5.1 Saving human energy and time**

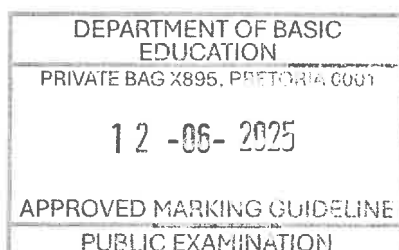
- It has an increased spin speed which saves time. ✓¹
- It has a smart feature which will save consumers time. ✓²
as it can be switched on and off remotely/ from a distance. ✓³
- It is suitable for large loads which will allow consumers to wash fewer loads. ✓⁴

(Any 3) (3)

5.5.2 Contributing positively to the natural environment

- The increased spin speed makes it faster to operate thus uses less electricity/ non-human energy. ✓¹
- Washing large loads uses less electricity/ non-human energy. ✓²
- It uses less water per load/ uses water optimally thus reducing water consumption. ✓³
- It uses less/ conserves electricity by reducing water temperature. ✓⁴
- It also has a load sensor so that it can use the correct amount of water and electricity. ✓⁵
- Using less electricity will reduce the carbon footprint/ limit air pollution/ conserve fossil fuel. ✓⁶

(Any 4) (4)

*Analysing, moderate (Focus, p.143-144; Successful, p.158)***[20]**

QUESTION 6: ENTREPRENEURSHIP**6.1 Explain EACH of the following terms:****6.1.1 Quality control**

It is the process of inspecting^{✓1} products to make sure they meet the required standards^{✓2} that have been set.^{✓3}

OR

It is a measure of excellence.^{✓4} It is the procedure of making sure that the quality of the product is maintained.^{✓5} It includes inspection.^{✓6}

(Any 2) (2)

*Remembering, easy (Focus, p.16; Successful, p.22)***6.1.2 Product specification**

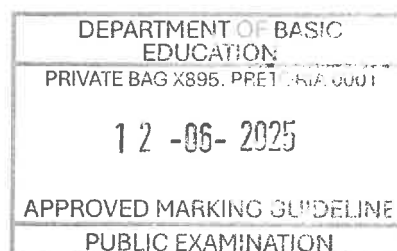
It is a written description of an item.^{✓1} It includes everything about the product or service.^{✓2} It ensures that the product is always the same/ of a consistent quality.^{✓3}

(Any 2) (2)

*Remembering, easy (Focus, p.16; Successful, p.15,21)***6.1.3 Financial feasibility study**

An analysis/ evaluation^{✓1} of a proposed project/ idea/ business to determine if it is possible/ likely to be successful^{✓2} after taking into consideration its total costs and probable revenue.^{✓3} A study to discover the strengths^{✓4} and weaknesses^{✓5} of a business. (Any 2)

(2)

Remembering, easy (Focus, p.35; Successful, p.35)

6.2 Name and discuss TWO pricing strategies that a business can choose to price their products and services.

- In premium pricing^{✓1} the product is priced above the average market price.^{✓2} The higher price will indicate to customers that the product is of a high quality.^{✓3}
- In value for money pricing^{✓4} a standard product compares well with similar products in its category^{✓5} and the price will not be much higher or lower than that of the competitors.^{✓6}
- In undercut pricing^{✓7} the aim is to be the cheapest in the market.^{✓8} Businesses must have a very high turnover to generate a satisfactory income.^{✓9}
- In market skimming^{✓10} a high price is set for a new high end/ exclusive product.^{✓11} When competitors enter the market, prices must be dropped.^{✓12}
- In cost-based pricing^{✓13} the entrepreneur calculates the selling price of a product by adding up all the costs involved in its production and adding a mark-up,^{✓14} different products have different mark-ups.^{✓15}
- In demand-based pricing^{✓16} it is the entrepreneur who establishes the price that the target market is prepared to pay for the product^{✓17} by making sure that the costs are kept as low as possible and profit can still be made.^{✓18}
- Competition based pricing^{✓19} is based on the selling price that competitors are charging.^{✓20} It is when an entrepreneur decides to set the price higher, lower or same than the price of the competitors.^{✓21}

(Any 2 x 2) (4)

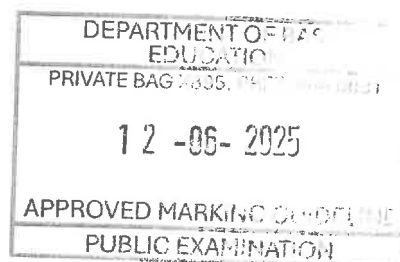
Remembering, moderate (Focus, p.32; Successful, p.31)

6.3 Explain why the hygiene of workers is important in a workplace.

- It is to ensure that workers are safe^{✓1} and healthy/ not getting sick^{✓2} whilst at work.
- It ensures that the products that are manufactured are healthy/ safe for consumers.^{✓3}
- It ensures that no cross-contamination can take place.^{✓4}
- To avoid affecting other colleagues, because of body odours/ poor personal hygiene.^{✓5}
- To ensure that the products are kept clean.^{✓6}

(Any 3) (3)

Remembering, easy (Focus, p.18; Successful, p.22)



6.4 Discuss TWO advantages for an entrepreneur of having trained staff members.

- It improves the quality of the products/ work^{✓1} because the staff will know exactly what to do.^{✓2}
- It increases productivity/ more products will be produced^{✓3} because workers will not make many mistakes^{✓4} and waste time.^{✓5} This may increase sales/ profitability.^{✓6}
- It will reduce waste^{✓7} and limit the loss of raw materials,^{✓8} thus money caught up in raw materials will not be wasted/ lost.^{✓9}
- It will improve the morale/ motivation of workers^{✓10} because they will have the skills^{✓11} and know exactly what to do/ have confidence in their jobs.^{✓12}
- It will reduce maintenance/ repair costs of equipment^{✓13} because the workers will know how to use it correctly.^{✓14} (Any 2 x 2) (4)

Understanding, moderate (Focus, p.25; Successful, p.26)

NOTE: Two advantages must be discussed. Four marks cannot be allocated for giving four advantages.

6.5 6.5.1 Identify how Norris's business was promoted.

- His family distributed pamphlets^{✓1} that contained information.
- Word of mouth/ neighbours/ family could have told other people.^{✓2} (Any 1) (1)

Understanding, easy (Focus, p.31; Successful, p.30)

6.5.2 Explain why the packaging is suitable for Norris's products.

- It makes it easy to identify^{✓1} and select the products.^{✓2}
- It keeps the product clean, fresh and safe.^{✓3}
- It is easy to handle.^{✓4}
- It is strong enough for transportation.^{✓5}
- Protects the products.^{✓6}
- It is affordable/ cheap for the type of products.^{✓7}
- Convenient for distribution/ handling/ stacking/ display.^{✓8}
- Plastic bags are airtight^{✓9} and products will not lose moisture/ wilt quickly.^{✓10} (Any 4) (4)

Understanding, easy (Focus, p.22; Successful, p.29)

6.5.3 Explain TWO factors that influenced Norris to start his small-scale business.

- His need/ passion^{✓1} to assist/provide for his family.^{✓2}
- Availability of financial resources:^{✓3} He had R1000 which he saved.^{✓4}
- Availability of raw materials:^{✓5} Bananas were easily available^{✓6} from a nearby farm.^{✓7} (Any 2 x 2) (4)

Applying, moderate (Focus, p.10-13; Successful, p.16-20)

NOTE: Two factors must be explained for four marks.

6.5.4 **Calculate the selling price of FIVE bananas.
Show ALL calculations.**

$$100 \div 80 = R1.25 \checkmark^1 \text{ (one banana)}$$

$$R1.25 \times 5 = R 6.25 \checkmark^2$$

$$R 6.25 \times 55\% \checkmark^3 = R 3.44 \checkmark^4 \text{ OR } R6.25 \times 55/100 \checkmark^3 = R3.44 \checkmark^4$$

$$R6.25 + R 3.44 = R 9.69 \checkmark^5$$

R 9.70 (selling price for five bananas)

OR

$$55\% \checkmark^6 \times R100 = R55 \checkmark^7$$

$$R100 + R55 = R155 \checkmark^8$$

$$R155 \div 80 = R1.94 \checkmark^9 \text{ for one banana}$$

$$R1.94 \times 5 = R9.70 \checkmark^{10} \text{ for five bananas}$$

(5)

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

6.5.5 **Norris's business is likely to continue to be profitable.
Justify this statement.**

- Bananas are easily available^{✓1} from a nearby farm^{✓2} and this allows him to save on transport costs.^{✓3}
- He reinvests his profit in his business.^{✓4}
- He is passionate^{✓5} about his business because he supports his family with the income.^{✓6}
- He sells a variety of products,^{✓7} meaning that some products will be in season when others may not be.^{✓8}
- He has a wide customer base^{✓9} because his employees sell in different areas.^{✓10}
- He offers delivery services^{✓11} to his customers who order products.^{✓12}
- His family advertises his business by using pamphlets.^{✓13}
- His products are good value for money.^{✓14}
- The packaging is cheap/ affordable/ simple^{✓15} and will not increase his overhead costs drastically.^{✓16}
- The mark-up provides sufficient profit^{✓17} because the business has low running/ operating costs.^{✓18} (Any 9) (9)

Analysing, difficult (Focus, p.35; Successful, p.34)

[40]

TOTAL SECTION B: 160
GRAND TOTAL: 200

