



NATIONAL SENIOR CERTIFICATE EXAMINATION
NOVEMBER 2012

CONSUMER STUDIES

MARKING GUIDELINES

Time: 3 hours

200 marks

These marking guidelines are prepared for use by examiners and sub-examiners, all of whom are required to attend a standardisation meeting to ensure that the guidelines are consistently interpreted and applied in the marking of candidates' scripts.

The IEB will not enter into any discussions or correspondence about any marking guidelines. It is acknowledged that there may be different views about some matters of emphasis or detail in the guidelines. It is also recognised that, without the benefit of attendance at a standardisation meeting, there may be different interpretations of the application of the marking guidelines.

SECTION A FOOD AND NUTRITION

QUESTION 1 LO 2, 3

1.1	C	
1.2	A	
1.3	D	
1.4	B	
1.5	A	
1.6	1.6.1	B
	1.6.2	C

(1) K
 (1) App
 (2) C
 (2) C
 (2) App
 (1) App
 (1) App

1.7 1.7.1 Arteriosclerosis, high cholesterol, Coronary Heart Disease (1) App

1.7.2 Plaque
 Cholesterol
 Fatty Deposits/waxy substance (1) App

1.7.3 A diet high in saturated fat causes a build-up of cholesterol in the arteries.
 They become narrowed.
 Can result in a heart attack/angina.
 Lack of oxygen to the brain – stroke.
 High blood pressure
 Kidney failure
 Death
 Gangrene (3) C

1.7.4

- The diet should be changed to include low unsaturated fats
- Fibre to help reduce cholesterol build up and fibre lowers cholesterol
- Include Omega 3 lowers cholesterol
- Include dark green leafy vegetables because of the lutein which lowers cholesterol
- Maintain a healthy weight – obesity is linked to heart disease and excessive strain on the heart
- Include an exercise programme – many heart healthy benefits – including helping you to prevent high cholesterol and heart disease and reduce obesity or overweight, also decreases stress levels
- Avoid smoking – smoking can increase your cholesterol levels and cause heart disease
- Reduce stress – relaxing holidays, persistent stress could lead to heart disease and also affects cholesterol levels (2 × 2 = 4) App

Any 2 + motivation for each

[19]

QUESTION 2 LO 2

2.1 **Highest incidences of anaemia?**
Girls 60% (1) An

2.2 **Main nutrient lacking in the diet of an anaemic person?**
Iron (1) K

2.3 **ONE reason why this group may have a higher incidence of anaemia, in comparison to the other groups.**

- Menstruation
- Poor eating habits especially during the teen years
- Poor absorption
- Lack of red meat in their diet
- Constant dieting or fad diets or become vegetarians (some vegetarians, if they do not follow a balanced diet become anaemic) (1) App

2.4 **Suitability of the following day's menu for an anaemic teenager.**

MEAL	SUITABILITY
BREAKFAST: Raisin Bran Fresh Strawberries Tea LUNCH: Chicken with spinach and tomato salad DINNER: Steak and chips	Raisins and bran are sources of iron, but may not be as readily absorbed. Bran contains oxalates and phytates which may interfere with iron absorption. Strawberries – vitamin C good for iron absorption. Tea contains tannins – interferes with iron absorption. Chicken is not a good source of iron, no blood. Chicken contains vitamin B 12 which will help in iron absorption. Spinach good source of iron which is not readily absorbed and also contains oxalates that may inhibit iron absorption. Tomato is a source of vitamin C to enhance absorption. Steak very good source of iron for easy absorption. Chips have no/little iron value.
CONCLUSION:	The meal does have some iron as well as vitamin C to enhance absorption of the iron. Supplementation may be required in severe cases. OR The meal lacks good sources of readily absorbed iron and sources need to be substituted as well as supplementation is required.

Allocate 3 marks for breakfast and 3 for lunch and 2 marks for dinner. Learner must evaluate the food choices and their suitability to an anaemic person, i.e. based on their iron content and absorption.

1 mark is allocated to the conclusion.

(9) Ev
[12]

QUESTION 3 LO 3**3.1 3.1.1 Organic foods – define.**

Foods that are grown or produced without the use of artificial or chemical pesticides, hormones and fertilisers.
The use of natural farming methods
No genetic modification.

(2) K

3.1.2 Organic foods tend to be more expensive than conventional foods – explain.

- Fewer suppliers selling the products therefore the demand for the products are higher.
- New fashion in food so high demand.
- Smaller crop yield because no chemical fertilisers used.
- People prepared to pay more for a product they believe is better.
- Organic seeds and fertilisers are more expensive

(2) App

3.2 Why organic foods may taste better

- No chemicals used in production.
- Allowed to ripen until maturity – better flavours are developed.
- Not forced to grow too quickly and therefore the natural flavours are developed.
- No hormones/antibiotics in the meat.
- They are not GM foods.
- Higher in nutrients, vitamins and antioxidants from the soil they are grown in.
- Participant is merely convinced by the label that the product tastes better.
- Pay more therefore believe it is better quality and therefore a better flavour.

(4) App

3.3 Debate whether organic foods are lower in fat and kilojoules and are more nutritious than non-organic foods.**Agree/For:**

- Animals roam freely, therefore the meat tends to be leaner, therefore will have less fat, therefore less kilojoules and therefore healthier.
- Possibly more nutritious because the food is 'allowed' to grow to its maximum before it is harvested or slaughtered.
- No 'outside' interference, e.g. antibiotics, chemicals.
- Soil contains more trace elements.

Conclusion: Agree

Organic foods are more nutritious and lower in fat as they are leaner and therefore have fewer kilojoules.

Disagree/Against:

- The food is exactly the same and it has not been proven that it is lower in fat and kilojoules.
- The choice of food and method of cooking is an important determinant of how healthy the food is, rather than just the fact that the food is organic.

Conclusion: Disagree

Organic foods are no more nutritious than regular foods, our choice of foods and methods of cooking determine how nutritious the food is.

Allocate 3 marks to the debate agree/disagree and 1 mark for the learner's conclusion.

(this will depend on the learner's response)

Learners must agree and disagree as they are debating the topic(4) Syn
[12]

QUESTION 4 LO 3

Stop Wasting Food Movement benefit the SA population as well as the SA natural environment.

Population:

- Leftover foods can be used in feeding schemes.
- Helps to eliminate food insecurity within South Africa as people will be able to benefit from the leftover foods.
- Awareness increased of food wastage amongst the South African people, therefore they would buy or make less.
- More productive population because they are healthier and stronger
- Fewer deaths.
- Fewer people will suffer from malnourishment and hunger.

Environment:

- Less wastage in landfills because food is used to feed people rather than thrown away.
- Less CO₂ emissions as the food decomposes in landfills.
- Less food is produced/made/bought as food is distributed to people and hopefully the demand will be less, and therefore less demand on the natural environment.

Any 4

(4) Syn
[4]

QUESTION 5 LO 1, 2

5.1 5.1.1 **Why government has made milk a VAT exempt product.**

- Considered a basic foodstuff which most people can afford.
- Milk is needed to feed growing children for bones and teeth.
- Milk is needed by all people to prevent osteoporosis.
- Considered a 'whole food' with very few nutrients missing
- Nutrient dense food.

(1) C

5.1.2 **TWO other protein rich foods that South Africans do not pay tax on.**

- Hens' eggs/eggs
- Dried beans
- Canned pilchards/canned fish
- Lentils
- Edible legumes/legumes
- Edible pulses
- Soya

Only protein rich foods to be accepted

(2) K

5.2 **Differentiate between lactose intolerance and a milk allergy.**

- **Lactose intolerance** can have very similar symptoms, but it's different because your body cannot digest the milk sugar (lactose), because you do not make enough of the enzyme called lactase. Without this enzyme, you will suffer from several possible digestive symptoms, such as cramps, diarrhoea, nausea. Not as severe as a milk allergy. Some dairy may be tolerated.
- **Milk allergy** occurs when your body mounts an immune system response against milk mainly casein (protein) in the milk. Your body makes extra antibodies because it sees milk proteins as dangerous invaders and reacts with symptoms. The symptoms can be very dangerous and need to be dealt with immediately (person should have no dairy products).

(4) C

5.3 **Incidence of osteoporosis amongst the Chinese people is not higher than other populations – why?**

- Active/exercise
- Generally not overweight
- Eat healthy diet of alternative calcium sources e.g. tofu, soya, seeds and green vegetables
- Take calcium tablets/supplements
- Exposure to sunlight – because of vitamin D
- Green tea – does not interfere with calcium absorption

(2) App
[12]

QUESTION 6 LO 2

Link between HIV/AIDS and nutrition as well as the functions of the nutrients specifically related to HIV patients.

- Protein – builds and strengthens the body and improves the immune system especially animal sources.
- Carbohydrates – energy and to keep weight stable. Warmth as they lose weight.
- Soluble fibre – to prevent diarrhoea.
- Fats and oils for energy and especially after weight loss to assist with weight gain.
- Water/fluids – essential to keep the patient hydrated and not suffer from dehydration possibly because of not eating and sometimes patient experience a dry mouth.
- Vitamins – builds up immune system, keep linings of the lungs and digestive tract healthy – harder to get infections.
- Vitamins A, C, E – antioxidants – slow down the disease by keeping the immune system healthy.
- Vitamin A and B12 delay the onset of AIDS.
- Vitamin C – helps with the recovery of infections more rapidly and absorption of iron, therefore more oxygen and more energy.
- Vitamin A – keeps linings of the lungs, skin and digestive tract healthy – increased loss of vitamin A during infections. Good eye condition.
- Vitamin B6 – boosts a healthy immune system. This vitamin is lost with some medicines in the treatment of TB as some AIDS patients also have TB.
- Minerals – Selenium and zinc – keeps the immune system healthy/builds up the immune system.
- Vitamin B complex – maintains a healthy nervous system and helps with metabolism/digestion.
- Vitamin K – prone to sores and infections helps with blood clotting and scab forming.
- Small amounts of food more often in the day of a high nutritive quality to be absorbed more easily and to maintain strength.
- Nutritional supplements such as a protein shake or *Ensure* to drink – more quickly absorbed and of good nutritive quality.

(10) Syn

Nutrients must be **related** specifically to **HIV/AIDS** and **not** general functions.

MARKS × 2	DESCRIPTORS
5	Response clearly supports the statement and is thorough and accurate in all of the following aspects: <ul style="list-style-type: none"> • Understanding of how nutrients impact on health of HIV/AIDS patients • Understanding of nutrients • Understanding of the functions of nutrients • Relating functions of nutrients to the disease • Relating functions of nutrients to the immune system
4	Response clearly supports the statement but lacks some detail or minor inaccuracies/errors in relation to the following aspects:

	<ul style="list-style-type: none"> • Understanding of how nutrients impact on health of HIV/AIDS patients • Understanding of nutrients • Understanding of the functions of nutrients • Relating functions of nutrients to the disease • Relating functions of nutrients to the immune system
3	Response supports the statement but lacks some important detail or has some significant inaccuracies/errors.
2	Response supports statement weakly and lacks many important details or many significant inaccuracies/errors.
1	Response does not support statement although an attempt has been made to do so. Too little detail and/or too many inaccuracies/errors.

[10]

QUESTION 7 LO 2

Eating too much sugar causes Type II diabetes. Discuss.

- Excess sugar in the diet is stored as fat and fat leads to obesity.
- Obesity is linked to Type II Diabetes.
- Sugar should be controlled as the pancreas no longer produces insulin or in insufficient amounts to break it down into glucose.
- All carbohydrates (simple and complex) are also digested into glucose, and should also be decreased, as they accumulate and the body cannot deal with too much.
- Diabetes also related to genetics
- Also related to high fat diet that leads to obesity
- Also other factors have to be considered other than just sugar.

(4) App
[4]

70 marks

SECTION B CLOTHING

QUESTION 8 LO 1, 2

8.1	A/C
8.2	D
8.3	C
8.4	B
8.5	D

(1) Ap
(2) C
(1) K
(1) C
(1) C

8.6 8.6.1 **Label stages A – E of the above fashion cycle.**

- A – Introductory/Innovation/Launch/Start/New
- B – Rise/Growth/Increase/Incline
- C – Peak/Maturity/Culmination/Acceleration/Climax
- D – Decline/Decrease/Going out of fashion
- E – Obsolete/Outdated/Obsolescence/Rejection/Out of fashion

(5) C

8.6.2 **Stage/s of the fashion cycle the following processes will occur.**

- (a) D
- (b) A
- (c) B and D/A and D/A and E/B and E
- (d) C or D
- (e) E/D
- (f) B

(1) Ap
(1) Ap
(2) Ap
(1) Ap
(1) Ap
(1) Ap

8.7 8.7.1 **Label the types of fashions, B, C and D.**

- B – fad
- C – standard fashion/contemporary/ordinary/everyday
- D – classic

(3) C

8.7.2 A – flop or disaster, the items never really came into fashion.
1 mark for prediction, 1 mark for motivation of prediction.

(2) An

8.8 8.8.1 **Fashion is passing. Style is eternal – explain.**

- Fashion fades and changes with the seasons and trends. Your wardrobe is forever changing because of what stylists predict is the latest and greatest asset to have in your wardrobe.
- Style is eternal and it comes from within and can be likened to classic items that stay in 'fashion' for ever./That which the person believes suits them. The basic does not change, it is just redefining silhouette.

(4) Syn

8.8.2 **Differentiate between fashion and style.**

- Style = individual's dress choice.
Design features. Cut of outline of the garment, distinctive lines and shapes
- Fashion = what many people are wearing/the STYLE of dress many people are adopting at a particular time.

Learner must be able to clearly differentiate between style and fashion. (2) Syn

[29]

QUESTION 9 LO 2

THREE visual aspects from the cartoon – importance of dressing appropriately for the 'world of work'.

- They are dressed too formally for a laboratory.
- They are dressed inappropriately – they require protective clothes.
- Her hair is untidy – could be dangerous wearing it down with burners and chemicals.
- Her dress is too revealing for the work situation.
- The suit is stifling and does not provide protection, or easy movement.
- The clothing is not portraying the right image.
- They are not adhering to the dress code.
- Clothing identifies occupation

(3) Ap
[3]

QUESTION 10 LO 1, 3

10.1 THREE ways the government can create the right conditions and environment for job creation.

- Skills development – through training and establishing niche areas
- Quota system – encourage use of local products (textiles and end product)
- Less imports/higher import taxes
- Subsidising – the textile and clothing related manufacturing industry
- Exporting South African goods – increase job opportunities if demand is high
- Improve transportation so people can get to work quickly
- Build good trade relations for exports
- Labour laws – minimum wage, good working conditions
- Improve infrastructure e.g. roads, electricity, water – to support development of new businesses

(3) Ap

10.2 Impact of importing Chinese goods on the South African economy.

- Less growth of SA manufactured products
- Loss of jobs due to goods being made in China and not made in South Africa
- Poverty as a result of job losses, therefore less buying of goods by consumer
- Poverty will increase crime rate – impact on insurance and security costs
- Cheap inferior goods, no choice regarding quality
- Counterfeit goods coming into the country – public buying fake and not supporting the real brand
- South African money leaving the country to pay for imports.
- More demand for social grants due to job losses – costs the government more

(4) Ap

10.3 Why are these imported goods sold at inflated prices?

- Demand – to buy international garments – seen as better quality
- Cost of importing/import duty – have to cover the cost of importing the garments from other countries
- Seen to be exclusive as they are made overseas and therefore can demand higher prices

- Greed (make more money) – shops trade on the fact that they can get more money as they are international products
- Don't have a wide choice or variety, because South Africa does not make all these products
- To make a suitable profit
- Cost of exchange rate pushes the price of the item up

Any 3 reasonable answers.

(3) Syn

10.4 10.4.1 **Explain the term quota systems with reference to the clothing industry.**

A method of setting a limit on how much of something, in this case, clothing a country is allowed to import.

(2) K

10.4.2 **Evaluate whether this was a positive move made by the government.**

- Yes as it was a way to alleviate job losses within the industry
- Because of less job losses it alleviates crime
- Encourage smaller local businesses to be able to sell their products locally.
- Encourage growth within the South African industry.
- Try to help smaller businesses stay in business.
- Lessens transport therefore saves on carbon emissions
- No – many industries are not buying the finished garment from China
- Industry still importing the raw materials and then making them up to sell in South Africa.
- South Africa started buying from other countries as the quota system was on imposed on China imports only.
- The problem has not been solved as imports are still happening
- Encourages counterfeit goods and crime

Learners can agree with both sides or take one side but learner must have 4 good reasons to agree or disagree.

(4) Ev
[16]

QUESTION 11 LO 3

Qualifying criteria of creating an outfit in an 'environmentally responsible manner'.

Textiles

- Choose enviro-friendly/natural textiles such as hemp, ramie and bamboo.
- Choose fabrics that are easy to maintain, i.e. they do not need to be ironed as regularly or not at all. Also fabrics that can be washed on a cool cycle – this will save electricity and water.
- Choose organic textiles, e.g. organic cotton.
- Use less synthetic fibres as they use large amounts of water and electricity to produce them – not biodegradable – increases the landfills.
- Use recycled textiles/fibres, e.g. wool, polyester, bamboo.
- Use local textiles and resources, e.g. buttons and zips – less air miles – or pollution and carbon emissions through other modes of transport, e.g. sea.
- Minimise fabric finishes – chemicals used – negative effect on the environment.

- Reuse or re-invent clothing, i.e. modify it or combine second hand garments into a 'new' garment.
 - Use local companies and work force to produce the garment – less carbon emissions because of transport.
 - Use products/materials available in that area, e.g. leaves/grass – less carbon emissions – because it grows naturally – less expensive – easily available.
 - Don't use fabrics/textiles that would harm animals/insects, e.g. silk.
 - Wool – requires dipping the sheep in insecticides/pesticides – chemicals harmful to the soil and water – causing illness to insects and animals.
 - Use natural dyes to reduce the use of chemicals
 - Solar powered/hand machinery and hand sewing to reduce energy consumption
 - Cutting patterns to use as little fabric as possible – cost effective – leftovers used in another form or for something else
 - Using technology for their pattern planning instead of paper patterns
- (7) Syn
[7]

55 marks

SECTION C HOUSING AND FURNISHINGS

QUESTION 12 LO 1, 2

12.1	C
12.2	A
12.3	B
12.4	A

- (1) K
(1) K
(1) K
(1) C

12.5 **Costs applicable to buying a home or renting a home and which are applicable to both.**

Costs applicable to buying	Costs applicable to both renting and buying	Costs applicable to renting
• Valuation fees	• Water and electricity	• Rental
• Occupational rent	• Household insurance	• Rental deposit
• Bank initiation fees	• Moving costs	

(8) C

12.6 **True or False**

12.6.1 False, NHBRC

12.6.2 True

12.6.3 False, 20- 30%

12.6.4 True

12.6.5 False, simple

False: one mark for false and one mark for reason. If the reason is incorrect just award one mark for false.

True: one mark for stating true

(8) C

12.7 12.7.1 **Type of housing**

Semi-detached or semi attached, duet

(1) C

12.7.2 **TWO advantages of this type of housing.**

- Cheaper – often costs are shared, place smaller, less electricity to pay for and less maintenance
- Security – as neighbours are close by

- Have their own entrances – independence
- Common facilities e.g. pool costs will be shared

(2) C
[23]**QUESTION 13 LO 1, 2****Debate whether an estate agent is necessary when buying a home.****Estate agents** – when buying**Necessary:**

- Assist buyer in finding a home suited to their needs, as they know the market.
- Assist with obtaining a bond from the bank
- Determine the buyers buying power/price
- Assist with finding a conveyance and taking papers to the deeds office.
- Any monies paid by the buyer is properly receipted and paid into an appropriate trust account.
- Checking that interest earned on trust money is paid to the correct person.
- Disclosure of facts related to the property.
- Helps to fill in papers correctly/offer to purchase
- Mediates/ negotiates between buyer and seller

Not necessary

- May be more expensive – as the seller adds on the agent's commission to the selling price.
- Not sure if the Agent is working to benefit the buyer, seller or own interest.
- So many media channels that the buyer can use to find a suitable property to meet their needs.
- No commission paid if a direct buy from seller.
- The buyer is not hassled with so many different agents; they can look for a home at their own leisure.

Conclusion: Necessary

An estate agent is necessary in the buying of a home as they offer a professional expert service which gives the buyer peace of mind and facilitates the whole buying process.

Conclusion: Not necessary

An estate agent is not necessary in the buying process as there are so many other resources available to the buyer to find the right home and ultimately save money, as agents commission is not built into the selling price.

Debate the answer and have a conclusion.

7 marks for debate necessary and unnecessary and 1 mark for conclusion. +

(8) Syn
[8]

QUESTION 14 LO 1

Compare advantages and disadvantages of fixed and variable/flexible interest rates.

	Fixed		Variable/Flexible
Advantages	<ul style="list-style-type: none"> • If the interest rate increases you will not have to pay a higher interest rate and your repayments will not go up – sense of security so you can budget accurately each month. • Know how much the payment is. • Payment stays the same so the house is less likely to be repossessed. 	Disadvantages	<ul style="list-style-type: none"> • If the interest rate increases your monthly bond amount will also increase – harder to budget and come out on your monthly budget and sometimes interest rate is so high you are unable to afford the repayments. • Payments unknown, could go up or down. • House could be repossessed because the interest rate is too high and payment cannot be met
Disadvantages	<ul style="list-style-type: none"> • If the interest rate goes down you will not pay less. 	Advantages	<ul style="list-style-type: none"> • If the interest rate goes down you will pay less on your monthly bond amount and hence have more money left at the end of the month.

Learners must show the ability to make direct comparisons between advantages and disadvantages.

1 mark per advantage and disadvantage.

[4] Syn

QUESTION 15 LO 3

15.1 Reasons – eco-friendly practices.

Water the garden	Early as water evaporates. If you water later, valuable water is lost
Get up and shower	Shower use far less water than a bath
Switch off the geyser	The geyser uses a lot of electricity so turn it off for a few hours a day. Energy can replace electricity
Catch your lift club to work	Saves petrol and in the long run carbon emissions if people go in one car instead of multiple cars. Reduces pollution/carbon footprint.
Shop and pay bills online	Less waste of paper from receipts– admin work and also fuel not driving to the shop. Fewer plastic bags.
Wash clothes in the washing machine – only when you have a full load on a cool cycle.	Saves water as you don't wash as often and saves electricity as you do not have to heat the water
Prepare dinner, compost the vegetables.	Compost vegetables to reduce waste that enters landfills. Natural compost saves using synthetic fertiliser.

	Recycling waste..
Turn on the dishwasher when full.	Saves water and electricity when using a dishwasher especially when it is full
Turn off all appliances	Unplug appliances when not in use – reduces electricity
Bed time – switch lights off and if it's cold use an extra blanket	Lighting not required – uses electricity – waste Blankets are an energy saver compared to the use of electric blankets or heaters (no electricity used)

One mark is allocated for each practice

Reasons must be **ECO-FRIENDLY** related.

(10) Ap

15.2 Formulate strategies to help a family to comply with the 4 Rs of managing waste in the house

Reduce – strategies

- Buy products that do not have to be cooked – save electricity
- An electricity free day – reduce consumption
- Only buy what you need – less wastage
- Packaging – buy unpackaged products, less packaging wasted
- Use less water or electricity plus give a valid strategy

Recycle

- To take any glass, paper, cans, and any other materials to be recycled – reduce rubbish in landfills
- Buy products that are made from recycled materials such as toilet paper and tissues – decreases the demand for using natural resources to make new ones
- Use scraps and peels to make compost
- Make new clothes out of old e.g. jeans to dungarees
- Make cloths or dusters out of t-shirts.

Reuse/Reinvent

- Paper usage – reuse the back of paper – saves paper, and therefore trees
- Donate goods that you no longer require to charities, so others can reuse them
- Buy good quality products that will last a long time, and can be used at another time
- Reuse packaging where possible for something else, e.g. gift wrap to cover a book
- Look after your possessions so you are able to use them for a long time
- Buy/sell used goods – Don't hoard. Look at second hand stores
- Reuse leftovers so they don't go to waste
- Remake or redo something you have already, like a tin as a flower pot/pen holder
- Refashion something such as clothing into something new/different
- Reuse grey water to water the garden or wash cars

Refuse

- Refuse products that are not enviro-friendly – i.e. not biodegradable, so as to decrease the landfill/waste
- Refuse to buy products that are 'over packaged' or have any packaging
- Refuse to overbuy products/products not needed are a waste

One mark for formulating a strategy for each 'R' in the home context and one mark for reason or accept more than one strategy for each but must include refuse. 4 × 2 (8) Syn

15.3 **The role of a local municipality in the recycling process.**

- Recycle bins within the community/deliver to the recycling facility.
- Paper pick-ups.
- Educating the community/creating awareness.
- Sorting or separating at landfill sites.
- Recycling water.
- Tidying up parks and recycling the rubbish from the parks.

(2) Syn
[20]

55 marks

SECTION D THEOREY OF MICRO ENTERPRISE DEVELOPMENT**QUESTION 16 LO 4****16.1 Define the terms:****16.1.1 Entrepreneur**

Someone who exercises initiative by organising a venture to take benefit of an opportunity. A person/s finds a need in the market and takes a risk in marketing and selling it to a target market.

Finding a niche in the market

(2) K

16.1.2 Cash flow

The total amount of money being transferred into and out of a business, a measure of a company's wealth. (money to enable you to reinvest back into the business)

Liquid money

(2) K

16.2 THREE essential items of information that should by law be included in their contracts.

- Rules, regulations and code of conduct of company.
- Occupation/job description.
- Payment of overtime and requirements of overtime.
- Bonus/cash payment details.
- Deductions.
- Period of notice required for termination.
- Address of workplace.
- Any non-money/benefits income given, e.g. petrol, cellphone.
- Length of contract

(3) Ap

16.3 Type of production method (A – C) is most suitable for use in their factory to produce the foodie products – reason.

Either batch production (B) or assembly line (C) – volume of products produced and also the most efficient way to produce large amounts.

B Batch production

- Same product made in batches over and over – each operator has repetitive task – works well for products that are made in batches, such as preserves in this case.
- Sufficient staff in the Foodies business to do batch production.
- Saves time and energy.
- Specific items made on specific days, therefore know the date made and by whom in case there is a problem.

OR**C Assembly line**

- Production team each repeating one process – to complete a number of the same item.
- Sufficient staff to facilitate process.
- Staff more talented in a specific area and are therefore quicker/efficient and save time and energy.

(2) APP

16.4 Importance of market research within Foodies business.

- Establish the type of target market, know which product to develop.
- Before any time and money was invested in preserves and sauces, the Samson's have to find out whether there were people who would buy their products.
- Also would the customers be prepared to pay the price for the sauces, preserves.
- Establish whether an idea is viable, i.e. are people interested in their sauces and preserves? (surveys, interviews, tasting, market place sales)
- Through market research – established customers were interested in their preservative-free pestos, or any new products they may want to develop – similar products.

- Will establish if there is a need for preservative free products – which are healthier.
- Understand/identify competitors.
- Needs and wants of the target market.
- Allows one to build products identity.

Answers must be related to the Foodies business and not general.

(3) Ev

16.5 16.5.1 Concept quality versus price in producing a Foodies product.

- Price does not necessarily mean good quality. Higher quality products are often more expensive
- Sometimes cheap products are of a poor quality
- Price is determined by the costs – production and profit – most of the raw materials are sourced locally – can make the finished product cheaper
- Quality is determined by how 'good' the raw materials are – Foodies produces high quality, preservative free products – 'Good food company'
- Quality is determined by the production of a product and the skills of the producer
- If the workers are skilled and efficient, then they can produce more and the price then can be less as more are sold – 13 people are employed and produce 35 tons of pestos and preserves.
- Sold at a 'farmer's market', therefore decreases the cost of overheads and therefore can be sold cheaper, but the quality remains good. (4) An

16.5.2 Two aspects of the triangle contribute to quality – reason/motivation.

- Good – Foodies use quality materials/skills/equipment, that are fresh and preservative free, which will produce a quality product.
- Good/quality – Raw materials that are fresh because they are sourced locally therefore the raw materials will have a good nutritive value which means a higher/better quality end result.
- Efficient – describes the extent to which time or effort is well used for the intended task or purpose – long hours calling on outlets and supermarket. If efficient you have produced the task for its intended purpose and therefore it should be a quality product. (2 × 2 = 4) An

20 marks

Total: 200 marks