MARKS: 200

These marking guidelines consist of 19 pages.
SECTION A: SHORT QUESTIONS

QUESTION 1

1.1.1 C✓ Remembering, easy (Focus, p.169; Successful, p.190–191) (1)

1.1.2 B✓ Remembering, easy (Focus, p.163; Successful, p.181) (1)

1.1.3 D✓ Understanding, moderate (Focus, p.167; Successful, p.185) (1)

1.1.4 B✓ Remembering, easy (Focus, p.183; Successful, p.202) (1)

1.1.5 D✓ Applying, easy (Focus, p.167–168; Successful, p.184–185) (1)

1.1.6 A✓ Remembering, easy (Focus, p.77; Successful, p.91) (1)

1.1.7 B✓ Understanding, easy (Focus, p.74; Successful, p.84) (1)

1.1.8 C✓ Remembering, easy (Focus, p.77; Successful, p.87) (1)

1.1.9 A✓ Remembering, easy (Focus, p.90; Successful, p.106) (1)

1.1.10 D✓ Remembering, moderate (Focus, p.104; Successful, p.124–126) (1)

1.1.11 B✓ Understanding, easy (Grade 11) (1)

1.1.12 C✓ Understanding, moderate (Grade 11) (1)

1.1.13 D✓ Understanding, moderate (Focus, p.134; Successful, p.155) (1)

1.1.14 A✓ Remembering, easy (Focus, p.128; Successful, p.146) (1)

1.1.15 B✓ Understanding, easy (Focus, p.138; Successful, p.155) (1)

1.1.16 C✓ Remembering, easy (Focus, p.15; Successful, p.21) (1)

1.1.17 A✓ Remembering, easy (Focus, p.17; Successful, p.23) (1)

1.1.18 A✓ Understanding, easy (Focus, p.35; Successful, p.34) (1)

1.1.19 D✓ Understanding, easy (Focus, p.24; Successful, p.25) (1)

1.1.20 B✓ Remembering, moderate (Focus, p.16; Successful, p.22) (1)
1.2 1.2.1 Phishing/ scam✓
1.2.2 Exemption clause✓
1.2.3 Stokvel/ (community) savings club✓
1.2.4 Unfair/ unreasonable business practice✓ (4)

*Remembering, easy (Focus, p.156-161; Successful, p.173-178)*

1.3 1.3.1 C✓
1.3.2 A✓
1.3.3 D✓ (3)

*Understanding, moderate (Focus, p.49-51; Successful, p.50-55)*

1.4 1.4.1 Antioxidants✓
1.4.2 Chemical preservatives✓
1.4.3 Stabilisers✓
1.4.4 Bleaches✓
1.4.5 Flavourants✓ (5)

*Remembering, easy (Focus, p.93-94; Successful, p.113-114)*

1.5 B✓
1.5.1 E✓
1.5.2 F✓ (Any order) (3)

*Remembering, easy (Focus, p.118; Successful, p.137)*

1.6 A✓
1.6.1 C✓
1.6.2 E✓
1.6.3 F✓
1.6.4 I✓ (Any order) (5)

*Understanding, easy (Focus, p.27-28; Successful, p.26)*

**TOTAL SECTION A:** 40
SECTION B: LONG QUESTIONS

QUESTION 2: THE CONSUMER

2.1 State TWO ways of calculating interest on credit agreements.

- Simple interest\(^1\)
- Compound interest\(^2\)  

Remembering, easy (Focus, p.166; Successful, p.184)

2.2 Define the term grey goods/parallel imports.

Items that a manufacturer\(^1\) does not want sold in a particular country\(^2\) but end up there through unofficial distribution channels.\(^3\) 

OR

Items that have been imported into a country through unofficial channels.\(^4\) They are not illegal\(^5\) as all the necessary duties have been paid.\(^6\)  

Remembering, easy (Focus, p.158; Successful, p.176)

2.3 State THREE ways in which consumers can save water when gardening.

- Use grey water.\(^1\)
- Use water from the overflow pipe of the geyser.\(^2\)
- Use rainwater/ rainwater tanks/ borehole/ wellpoint.\(^3\)
- Plant indigenous/ water-wise plants that require less water.\(^4\)
- Group plants with similar water needs together.\(^5\)
- Use mulches/ small rocks/ pebbles to retain water in the soil.\(^6\)
- Do not water the garden during the hottest part of the day/ do water early in the morning/ late in the evening.\(^7\)
- Do not water when it is windy.\(^8\)
- Use a bucket/ watering can/ drip system instead of hosepipe/ sprinklers.\(^9\)
- Do not water everyday/ only water two to three times a week.\(^10\)  

(Any 3)  

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

2.4 Explain the following taxes.

2.4.1 VAT (Value-added tax)

- A certain percentage/ 15%\(^1\) added to the price of specified goods and services that businesses sell.\(^2\)
- All consumers pay VAT.\(^3\)  

OR

- A percentage/ 15% to the price charged\(^4\) for goods and services at each stage of production.\(^5\)
- All consumers pay VAT.\(^6\)  

(Any 2)
2.4.2 **Excise duty (sin tax)**

Tax is charged on the manufacturing/sale\(^1\) of fast moving daily consumables/ non-essential/ luxury items.\(^2\)

Examples include alcohol/ tobacco/ cigarettes/ perfume/ petrol.\(^3\)

(Any 2) (2)

**Understanding, moderate** (Focus, p.165; Successful, p.182)

2.5 **State THREE ways of saving electricity when using a refrigerator.**

- Allow air to circulate\(^1\) in the refrigerator.
- Do not overload\(^2\) the refrigerator.
- A full refrigerator uses less electricity than an empty refrigerator.\(^3\)
- Allow hot food to cool\(^4\) before placing it in the refrigerator.
- Set the controls according to the season.\(^5\)
- Do not open the door unnecessarily.\(^6\)
- Make sure that the seal is intact/ not perished.\(^7\)
- Do not place the refrigerator near the stove/ warm area\(^8\) in the house.
- Always leave space behind\(^9\) the refrigerator for air to circulate.
- Defrost\(^10\) the refrigerator regularly.
- Vacuum\(^11\) the coils regularly. (Any 3) (3)

**Understanding, moderate** (Focus, p.173-174; Successful, p.160)

2.6 **Discuss what municipalities can do to reduce crime and make communities safer to live in.**

- Municipalities provide streetlights.\(^1\) if the area is lit/ it is not dark and crime cannot take place/ people can see where to walk.\(^2\)
- They provide firefighting services\(^3\) to put out fires immediately before they spread and cause further damage.\(^4\)
- Ensure that storm water drains/ manholes are covered\(^5\) to prevent people falling into them/ so that rainwater can flow away.\(^6\)
- Provide traffic police\(^7\) to control traffic and keep people safe on the roads.\(^8\)
- Ensure that the roads are repaired/ no potholes\(^9\) to prevent accidents.\(^10\)
- Cut down the trees and bushes\(^11\) so that there is no place for criminals to hide.\(^12\)
- Remove the rubbish\(^13\) to prevent people from getting sick/ criminals hiding behind it.\(^14\)
- Provide clean safe water\(^15\) for proper sanitation.\(^16\)
- Repair damaged electrical wires\(^17\) to prevent accidents.\(^18\)
- Repair sewage leaks\(^19\) for safety and hygienic purposes.\(^20\)
- Maintain municipal buildings/ recreational facilities\(^21\) to ensure the safety of the public.\(^22\) (Any 6) (6)

**Applying, difficult** (Focus, p.184; Successful, p.202)
2.7 Explain how a tiered-level/multi-level marketing scheme works.

- A legal pyramid scheme.\(^1\)
- A product is for sale\(^2\) using direct marketing.\(^3\)
- The people doing the selling receive a portion of the funds generated from the sales of the product.\(^4\)
- The people selling, also recruit\(^5\) more people to sell for them.\(^6\) They are then able to also receive funds/ commission\(^7\) from the sales of the people that they have recruited. (Any 3) \(^3\)

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

2.8 2.8.1 Explain the term *contract*.

A contract is a legal agreement.\(^1\) between two people\(^2\) where one party promises to do something in return for a valuable benefit\(^3\) of some sort.

OR

A contract is an agreement.\(^4\) that is intended to create legal\(^5\) rights and duties between its parties.\(^6\) (Any 2) \(^2\)

*Remembering, easy (Focus, p.155; Successful, p.169)*

2.8.2 Explain how the cooling-off period protected Ayanda when she cancelled the alarm system contract.

- Ayanda was approached through direct marketing/ transaction that she did not start.\(^1\)
- She has the right to cancel the contract/ reconsider her purchase/ change her mind\(^2\) within five business/ working days\(^3\) without a reason.\(^4\)
- Ayanda cancelled the contract within three days\(^5\) before the alarm system was installed.
- She may not be charged any penalty fees\(^6\) for the cancellation, as she cancelled it within the cooling-off period. (Any 3) \(^3\)

*Applying, moderate (Focus, p.157; Successful, p.173)*

2.9 Discuss the advantages for the natural environment when using gas.

- Gas is the cleanest fossil fuel available\(^1\) and it causes less (air) pollution.\(^2\)
- Gas is more environmentally friendly than coal or oil/ less transport required\(^3\) thus producing less carbon emissions.\(^4\)
- Gas has a lower carbon footprint than electricity/ reduces the need for mining resources such as coal\(^5\) (Any 3) \(^3\)

*Understanding, moderate (Focus, p.176; Successful, p.194-195)*
2.10 Describe the impact that increasing fuel prices have on consumers’ rights to satisfy their basic needs.

- The cost of transport to work/school increases and consumers will have less money to spend on satisfying basic needs/buy food which may lead to food insecurity.
- Consumers may be forced to buy from local shops and goods may be more expensive.
- Raw materials for production of food/clothing will cost more.
- Transporting of products to retailers will cost more.
- As a result of the increase in the cost of raw materials/products, retailers will charge more on the selling price of products in order to make a profit.
- Consumers will pay more for basic products/food/clothing and will have less disposable money.
- Some consumers may not be able to afford bond repayments/rent and will be forced to move.
- People may take loans to satisfy their basic needs leading to more debts.
- If tenants cannot pay rent, owners of properties may not receive their money and therefore may not be able to meet their basic needs.

(Any 8) (8)

Analysing, difficult (Consumer Issues) (Focus, p.168; Successful, p.185)
QUESTION 3: FOOD AND NUTRITION

3.1 Give THREE examples of foods that can be irradiated.
- Herbs
- Spices
- Fruits
- Vegetables/potatoes
- Meat
- Poultry
- Fish
- Honey
- Cereals
- Legumes

(Any 3) (3)

Remembering, easy (Focus, p.105; Successful, p.127-128)

3.2 Explain the term food security.
The ability of individuals to obtain/have access to sufficient/adequate/safe/nutritious food on a day-to-day basis to be able to maintain an active, healthy lifestyle.

(Any 3) (3)

Remembering, easy (Focus, p.106; Successful, p.127-128)

3.3 Name THREE dietary causes of high blood pressure.
- Excessive salt/sodium intake.
- Being overweight/obese/high fat/sugar intake/low fibre intake.
- Insufficient intake of dairy.
- Insufficient intake of calcium.
- Insufficient intake of fruit/vegetables.
- Insufficient intake of potassium.
- Insufficient intake of magnesium.
- Too much/excessive alcohol.

(Any 3) (3)

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

3.4 Explain how the transmission of gastroenteritis can be prevented during food preparation.
- Do not handle food when having/infected with gastro-enteritis.
- Wash/prepare food with uncontaminated/clean/safe water.
- Use clean utensils/apparatus/counters/work surfaces/storage areas to prevent contamination.
- Food handlers should follow hygienic practices to avoid contamination: Nails should be short and clean/hair covered/clean aprons.
- Wash/sanitise hands after using the toilet/changing nappies before handling food.
- Food should be kept at the correct temperature to limit the growth of harmful organisms.
- Keep raw meat/eggs/poultry/fish away from other foods that will be eaten raw.
- Make sure food is cooked properly to destroy harmful organisms.

(Any 3) (3)

Remembering, moderate (Focus, p.86-88; Successful, p.109)
3.5 **Describe how atherosclerosis develops.**

It is developed when arteries\(^1\) clog/ become narrow/ and close\(^2\) due to the build-up of cholesterol/ other fatty substances/ plaque\(^3\) in the walls of the arteries.

*Remembering, easy (Focus, p.74; Successful, p.83)*

3.6 3.6.1 **Name the ingredient that is present in the largest quantity in the food item.**

Peanuts\(^1\)

*Remembering, easy (Focus, p.97; Successful, p.118)*

3.6.2 **List the basic information that is NOT visible on the label above.**

- Name of the manufacturer\(^1\)
- Address of the manufacturer\(^2\)
- Storage instructions\(^3\)
- Net content/ weight\(^4\)
- Country of origin\(^5\)
- Batch number\(^6\)
- Price/ barcode\(^7\)
- Sell-by/ best before/ production date\(^8\) (Any 4)

*Remembering, easy (Focus, p.97-98; Successful, p.118-119)*

3.6.3 **Explain the function of the emulsifier in the list of ingredients.**

Mix foods/ oil and water/ liquid\(^1\) and prevent the separation of the ingredients.\(^2\) They provide a consistent texture.\(^3\) (Any 2)

*Remembering, easy (Focus, p.93; Successful, p.113)*

3.7 3.7.1 **Identify the food–related health condition the doctor diagnosed.**

Anaemia\(^1\)

*Understanding, easy (Focus, p.76; Successful, p.91)*
3.7.2 Discuss reasons why the doctor prescribed the above plan for Nancy.

- Nancy has anaemia because she lacks iron/ Vitamin B₁₂ in her diet.✓¹
- Fresh fruit/ orange juice are rich in vitamin C/ folic acid.✓²
  Vitamin C will promote the absorption of iron.✓³
- Muesli contains iron✓⁴ and folic acid✓⁵ which helps in the formation/ needed to produce haemoglobin/ red blood cells.✓⁶
- Eggs contain iron/ vitamin B₁₂✓⁷ which assists in the formation of red blood cells.✓⁸
- Nancy will feel less tired✓⁹ if she follows the plan and this will improve her health. (Any 5)

Applying, moderate (Focus, p.76-77; Successful, p.91)

3.8 3.8.1 Justify why MENU B will be harmful to a person suffering from coronary heart disease.

- Pork/ cream in the mushroom sauce/ bacon/ cheese contains saturated fats.✓¹
- Saturated fat causes the body to produce more/ retain LDL.✓²
- LDL (low-density lipoproteins) increases the blood cholesterol levels✓³ causing the gradual narrowing/ clogging of the blood vessels/ arteries.✓⁴ This will make the coronary heart disease even worse. (4)

Analysing, difficult (Focus, p.74-75; Successful, p.83-85)

3.8.2 Discuss why MENU A is a healthier option for a person suffering from high blood cholesterol levels.

- The fish is grilled, thus the minimum amount of fat✓¹ is used.
- Fish contains mostly unsaturated fats/ (HDL) high-density lipoprotein.✓²
- HDL gathers up excess blood cholesterol✓³ and transports it to the liver where they are broken down to be excreted.✓⁴
- The fat in fish has omega-3 fatty acids✓⁵ that protects the heart/ blood vessels.✓⁶
- Spinach/ strawberries contains fibre✓⁷ which reduces the build-up of blood cholesterol✓⁸ in the arteries, thus reducing the risk of atherosclerosis.✓⁹
- Low-fat Feta cheese contains less saturated fats✓¹⁰ than full-fat Feta cheese.
- The fruit salad/ berries contain antioxidants✓¹¹ that helps prevent the harmful effects of oxidation in the body✓¹² by minimising the effects of free radicals✓¹³ (Any 8)

Analysing, difficult (Focus, p.74-75; Successful, p.84-85)

[40]
QUESTION 4: CLOTHING

4.1 Define the term brand piracy.

Brand piracy occurs when a product is given a name that is similar to that of a well-known brand deliberately so that consumers may mistake it for the actual brand name.

OR

Brand piracy is the imitation/ a fake of the original, but they do not look exactly like the original.

OR

Brand piracy is the unauthorised usage of protected brand/ trade names/ trademarks/ logos/ imitation of labels/ packaging/ presentation of products.

Remembering, moderate (Focus, p.64; Successful, p.72)

4.2 Write a paragraph to explain how economic factors will influence fashion changes.

When consumers have money to spend fashion flourishes and changes. An increase in income stimulates the fashion industry and consumers can afford to buy new clothes and fashion will change rapidly. When there is less income coming in consumers will buy less clothes and fashion change will be slower. Inflation/ recession/ depression/ poverty will also slow down the rate at which fashion changes.

(Any 4)

Understanding, moderate (Focus, p.49; Successful, p.53)

4.3 4.3.1 Identify the stage represented by the acceptance phase in the graph above.

Peak stage

Applying, easy (Focus, p.50; Successful, p.50)

4.3.2 Explain what happens to fashion during the stage identified in QUESTION 4.3.1

- The fashion is produced in large numbers and there are more sales of the fashion. The fashion is at the height of popularity and many/ most people wear it.
- Mass production stimulates sales.
- It is widely available/ sold in many shops.
- The fashion is advertised by clothing stores in magazines/ window displays.

(Any 2)

Understanding, easy (Focus, p.50; Successful, p.50)
4.4 Discuss the interrelationship between quality and price when buying clothes for the world of work.

- Clothes for the world of work are often good quality classic styles\(^1\) and can be worn for a long time.
- Good quality clothes usually cost more/ is more expensive\(^2\) but last longer/ many seasons.\(^3\) This may save money in the long run/ over time.\(^4\)
- Cheaper clothes may have a poor quality\(^5\) and may have a short lifespan/ last for a short time/ season,\(^6\) thus more clothes need to be bought in a short period and more money will be spent on clothing in a shorter period.\(^7\)

(Any 4) (4)

4.5 4.5.1 Give THREE reasons why the clothing in PICTURES A and B can be regarded as classic fashion items.

- Both items can remain popular over a long period/ last for many seasons/ timeless.\(^1\)
- The items are considered as tasteful.\(^2\)
- Cotton blends have been popular over a long period.\(^3\)
- Blue and black are classic colours.\(^4\)
- The black tracksuit/ shirt/ blouse is characterised by simplicity.\(^5\)
- Both items are accepted by a large group of consumers/ most people.\(^6\)

(Any 3) (3)

4.5.2 Analyse the advantages of combining the clothing in PICTURE A and the tracksuit pants in PICTURE B for an online (virtual) meeting of people working from home.

- In online meetings, only the upper part of the body/ shoulder and face will be seen, if required.\(^1\)
- The shirt/ blouse is professional/ formal/ not revealing\(^2\) and is suitable for the world of work.\(^3\)
- It can be worn with or without a tie/ scarf\(^4\) to make it more or less formal.\(^5\)
- It could be worn with or without a jacket/ blazer.\(^6\)
- The bottom is comfortable/ not tight fitting/ soft to wear at home/ has a relaxed feel to it.\(^7\)
- Cotton and cotton blend fabrics are comfortable/ cool to wear.\(^8\)

(Any 4) (4)

(20)
QUESTION 5: HOUSING AND INTERIOR

5.1 State who manages sectional-title properties.

Body corporate✓

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

5.2 Explain the term lease.

Is the contract/ agreement✓ between the property owner/ landlord/ lessor and a tenant/ lessee.✓

Remembering, easy (Focus, p.117; Successful, p.136)

5.3 Name TWO types of insurance that homeowners should have.

- Homeowner's (Comprehensive) Insurance✓
- Household (contents) insurance✓
- Life insurance/ mortgage/ bond protection insurance✓ (Any 2)

Remembering, easy (Focus, p.127-128; Successful, p.145)/Examination Guidelines

5.4 Explain the financial disadvantages of building a house.

- There could be delays, which will lead to additional building costs.✓
- Unexpected costs✓ such as the preparation of the site.
- Additional/ added costs after construction like landscaping/ starting a garden✓
- Paying municipal rates and taxes before occupation✓
- Can cost more than buying a house✓ because of the cost of building materials and land.
- There is always a risk of faulty construction and design, which could cost more money✓
- The builder/ homeowner can run out of money and may not be able to complete the house and therefore the incomplete house will have no value✓ (Any 3)

Understanding, moderate (Focus, p.121; Successful, p.138)
5.5 State the financial information that must be included in the sales agreement when buying a full-title property.

- Correct purchase price.\(^1\)
- It must record any suspensive (granting of the bond) conditions to a sale e.g. if a sale is subject to a condition that the purchaser obtains a loan to finance the transaction.\(^2\) Stipulation that the transaction is subject to bond being obtained within a set period, if not fulfilled the sale will lapse.\(^3\)
- Occupational interest should the transfer not be completed by date of occupation.\(^4\)
- A stipulation that the seller is responsible for the estate agents commission.\(^5\)
- The seller is responsible for the electrical clearance certificate.\(^6\)
- Seller is responsible for paying for fumigation of borer/termites.\(^7\)
- A stipulation that the buyer is responsible for all other expenses e.g. repainting.\(^8\)
- A clause that stipulates penalties in the event that either of the parties breaks the contract.\(^9\)
- Usually includes a voetstoots (“as is”) clause, which means the seller cannot be held liable for latent (hidden) defects in the property of which he/she was unaware.\(^10\) (Any 3)

Understanding, easy (Focus, p.125; Successful, p.143)

5.6 5.6.1 Identify the type of credit transaction indicated above.

Instalment (sale) transaction (agreement)/ hire purchase (agreement)\(\checkmark\)

(1)

Remembering, easy (Focus, p.148; Successful, p.162)

5.6.2 Describe how the functions of the microwave oven above will benefit a consumer.

- 20 litre capacity makes it big enough to cook larger\(^1\) meals.
- Defrost by time or weight, accurately calculates time and temperatures necessary for defrosting.\(^2\)
- Quick start and kitchen timer functions, thus saving time/electricity\(^3\) as it switches off automatically when time is up.
- Elegant mirror finish/grey interior makes it easy to clean.\(^4\)
- User friendly control panel, which makes it easy to use.\(^5\)
- Push button door makes it easy to open.\(^6\)
- Digital LED display with clock makes it easy to see the time/how cooking is proceeding.\(^7\)
- 10 Power levels make it possible to cook a variety of dishes.\(^8\) (Any 4)

Applying, moderate (Focus, p.136, 141; Successful, p.159-160)
5.7 Analyse the positive impact of recycling E-waste on sustaining the natural environment.

- The need to mine new raw materials is reduced, increasing sustainability and lessens the impact on the natural environment.
- Less electricity/ non-human energy will be needed to produce new products as discarded electrical household appliances are being recycled/ reused/ resold for parts. This results in a lower carbon footprint/ greenhouse effect.
- It may create less waste on landfills, thus less pollution.
- It reduces soil/ water/ air pollution as E-waste may contain hazardous/ toxic waste.

(Any 4) (4)

Analysing, difficult (Focus, p.138; Successful, p.155)

[20]
QUESTION 6: ENTREPRENEURSHIP

6.1 Define the term *target market*.

A (group) of people\(^1\) who wants to purchase the product/service\(^2\) and who are willing to pay the price charged.\(^3\)

OR

A (specific group) of people/customers\(^4\) whom the product/service will be sold.\(^5\)

*(Remembering, easy (Focus, p.34; Successful, p.33)*)

6.2 Give the purpose of product specifications.

- The product will be the same every time in terms of appearance and quality.\(^1\)
- Customers will get exactly what they expected.\(^2\)
- Prevent losses/waste as all products should be successful/therefore there will be no loss of profit because of failure.\(^3\) *(Any 2)*

*(Remembering, moderate (Focus, p.16; Successful, p.15)*)

6.3 Give THREE reasons for the packaging of products.

- To protect the product from damage/deterioration.\(^1\)
- Keep the product safe and hygienic.\(^2\)
- It could act as a 'silent salesman'/attract the attention of consumers.\(^3\)
- Provide information for use and preparation.\(^4\)
- Make it easier to handle and for transportation.\(^5\)
- Easy to display.\(^6\) *(Any 3)*

*(Understanding, moderate (Focus, p.22; Successful, p.29)*)

6.4 Explain why an entrepreneur should keep a workplace tidy.

- It makes working faster/increases productivity.\(^1\)
- It is easy to keep clean/to sanitize.\(^2\)
- It is easy to identify materials/assists with organisation.\(^3\)
- It prevents accidents in a workplace/ provides safe working environment.\(^4\)
- Minimise the risk of cross-contamination in the workplace (kitchen).\(^5\)
- It creates a good impression/positive image on potential customers.\(^6\) *(Any 3)*

*(Understanding, moderate (Focus, p.17; Successful, p.22)*)

6.5 Explain the purpose of the trade name of a product.

- It is to identify the product/to make the product easy to recognise.\(^1\)
- To distinguish it from the competitors.\(^2\)
- To create an idea of what customers should expect.\(^3\)
- To create protective rights/authenticity for a product.\(^4\) *(Any 2)*

*(Understanding, moderate (Focus, p.29; Successful, p.28)*)
6.6 6.6.1 Explain how the young entrepreneur applied the following factors when choosing a product for her small-scale business.

(a) Financial resources

(R350,00) government grant ✓ (1)

(b) Work space

Her parents' garage ✓ (1)

(c) Raw materials

Old wooden boards ✓1 around the neighbourhood, old tyres ✓2 in the scrapyard, fabric off-cuts ✓3 to cover furniture. (3)

(d) Human skills

YouTube videos ✓ (1)

Remembering, easy (Focus, p.10-13; Successful, p.16-20)

6.6.2 List the stages in the production process where she should conduct quality control.

- Selecting the raw materials/ wooden boards and fabric ✓1
- Measuring and cutting of wooden boards/ fabric off-cuts ✓2
- When covering the furniture ✓3
- Stapling/ drilling in screws ✓4
- Product's neatness and cleanliness/ attractive appearance/ good workmanship ✓5
- Packaging/ wrapping of final product ✓6 (Any 4) (4)

Applying, moderate (Focus, p.16; Successful, p.22)

6.6.3 Explain the impact that the quality of raw materials will have on the quality and price of her final products.

- The fabric off-cuts/ tyres/ wooden boards are not new/ second hand ✓1 and their quality is not guaranteed ✓2
- The quality of her raw materials will influence the selling price of her products ✓3 The quality of her final products may be poor ✓4
- If the raw materials are of a good quality, she can charge a higher price ✓5 (Any 4)

Understanding, moderate (Focus, p.21; Successful, p.24)
6.6.4 The production cost of one couch is R500.00 and she adds 45% as her mark-up.

Calculate the selling price of ONE couch. Show ALL calculations.

\[ \text{R500} + 45\% = \text{R225} \]

OR \[ \text{R500} \times 45 \div 100 = \text{R225} \]

\[ \text{R500} + \text{R225} = \text{R725} \]

Applying, moderate (Focus, p.39-40; Successful, p.37-40)

6.6.5 She sells one vehicle seat cover for R350.00 which includes 20% profit.

Calculate the profit she makes if she sells six seat covers. Show ALL calculations.

20% of R350 = R70.00

\[ 70 \times 6 = \text{R420} \]

OR

\[ R350 \times 6 = \text{R2100.00} \]

\[ \text{R2100} \times 20\% = \text{R420} \]

Applying, moderate (Focus, p.39-40; Successful, p.37-40)
The furniture business is likely to show sustainable profitability. Justify this statement.

- She uses local raw materials\(^1\) which are easily available.\(^2\)
- The production costs are low\(^3\) because she uses recycled/second hand materials.\(^4\)
- The use of recycled materials appeals to the environmentally friendly customers\(^5\) who may be encouraged to support this venture.\(^6\)
- The overhead costs are low\(^7\) because she does not pay rent for using her parents' garage.\(^8\)
- She continuously invests\(^9\) into the business through buying equipment to grow the business.\(^10\)
- She also asks for a deposit\(^11\) which ensures that there is money available to run the business.\(^12\)
- She has expanded her business\(^13\) by also providing vehicle upholstery and furniture refurbishment.\(^14\)
- She charges competitive prices\(^15\) and customers keep coming back.\(^16\) (Any 8)

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

TOTAL SECTION B: 160
GRAND TOTAL: 200