

Centre No.						Paper Reference					Surname	Initial(s)		
Candidate No.						6	9	2	1	/	0	1	Signature	

Paper Reference(s)

**6921/01**

# Edexcel GCE

## Applied Business

### Unit 6: Investigating Promotion

Thursday 7 June 2007 – Morning

Time: 1 hour 30 minutes

Examiner's use only

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Team Leader's use only

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Materials required for examination

Nil

Items included with question papers

Nil

Question Number	Leave Blank
1	
2	
3	
4	
5	
6	
7	
8	
9	
Total	

#### Instructions to Candidates

In the boxes above, write your centre number, candidate number, your surname, initial(s) and signature.

Check that you have the correct question paper.

Answer ALL the questions. Write your answers in the spaces provided in this question paper.

Additional answer sheets may be used.

#### Information for Candidates

The marks for individual questions and the parts of questions are shown in round brackets: e.g. (2).

There are 9 questions in this question paper. The total mark for this paper is 90.

There are 16 pages in this question paper. Any blank pages are indicated.

#### Advice to Candidates

You will be assessed on your ability to organise and present information, ideas, descriptions and arguments clearly and logically, including your use of grammar, punctuation and spelling.

Include diagrams in your answers where these are helpful.

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Questions 1 to 3 relate to promotional campaigns used by *Benetton*.

**Figure 1**

*Benetton* is an international business producing and selling clothing in over 200 countries in the world and through 500 of its own stores. *Benetton* values communication very highly and its methods of promotion reflect this. In 2005, the spend on advertising and promotion was almost \$77 million. Included in the promotions are billboard, cinema, press and television advertising, catalogues and sponsorship.

1. *Benetton* catalogues are available for its male, female, children and underwear ranges. These catalogues mainly contain glossy pictures of men, women and children modelling the clothes. The catalogues can be downloaded and printed out from *Benetton's* website or picked up in-store.

(a) List **two** advantages and **two** drawbacks for customers of the catalogues being available on-line.

Advantages .....

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Drawbacks .....

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**(4)**



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(b) Explain **two** benefits to *Benetton* of using a catalogue as a method of promoting the type of products that it produces.

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2 .....

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(6)

Q1

(Total 10 marks)

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2. Currently *Benetton* sponsor rugby, basketball and volleyball teams in Italy. It sponsored an international Formula 1 motor racing team from 1986 to 2001, winning the Championship in 1995. *Benetton* sold the Formula 1 team to *Renault* for \$120 million.

(a) Using *Benetton* as an example, describe how sponsorship normally works.

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(4)

(b) Explain why sponsoring an **international** Formula 1 team would have been particularly beneficial for promoting *Benetton* as a business.

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(5)



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(c) Explain why is it likely that *Benetton* stopped sponsoring Formula 1 racing in 2001.

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(4)

The national league rugby, basketball and volleyball teams, which *Benetton* sponsors in Italy, are all based in Treviso, *Benetton's* hometown.

(d) Justify why *Benetton* would allocate part of its sponsorship to teams in its hometown.

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(4)

(Total 17 marks)

Q2

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3. Some of *Benetton's* advertising has been very controversial with pictures that relate to various *Benetton* campaigns rather than to its clothes. These campaigns have included saving the apes, the fight against global hunger, friendship between Israelis and Palestinians and the fight against AIDS. These pictures show only images from the campaigns and the logo in green saying "United Colours of Benetton".

Some pictures are so controversial that they have been banned in many countries.

(a) State the **main** role of the Advertising Standards Authority (ASA) in relation to advertising.

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**(1)**

(b) List **four** distinct steps that would be followed if the ASA received a complaint from a member of the general public about a *Benetton* advertisement.

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4 .....  
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**(4)**



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None of the controversial pictures show any of *Benetton's* clothes.

(c) Analyse the promotional objective behind *Benetton's* decision to produce these kinds of pictures.

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(4)

Q3

(Total 9 marks)



Questions 4 to 6 relate to data given below.

**Figure 2**

*Pound Lane Videos* is a local video store in a town of about 4,000 households. It has been in business for 15 years. It rents out DVDs, videos and some computer games for consoles. It also sells a small range of snacks and soft drinks. There is only one member of staff running the store at any one time although the owner and three part-time staff cover the daily opening hours of 2.00 p.m. to 11.00 p.m.

The store uses a range of different promotional methods including point of sale displays, window displays, leaflets, advertisements in the local press and special offers. It has a limited promotions budget and the owner, Bill Franks, thinks very carefully about what will be the most effective methods of promotion for his business.

4. All videos and DVDs are rented for a 24 hour period from 6.00 p.m. on one day to 6.00 p.m. on the next day. Customers can rent one DVD for £3.00 per night or, as a special offer, two DVDs for £5.00 per night.

(a) Why is this special offer likely to be a cost effective promotion for *Pound Lane Videos*?

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**(3)**





(b) Explain **one** drawback of this special offer for the customer.

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(3)

(Total 6 marks)

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Q4



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5. Considering the information in **Figure 2**, advise Bill on whether he should use an agency to run the business's promotions or continue to decide on and arrange the promotions himself.

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**(Total 8 marks)**

**Q5**



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6. Bill uses local students to deliver leaflets door-to-door and also has leaflets delivered inside the local free newspaper. The leaflets give details of any special offers and new DVDs that are coming out in the next month.

(a) What are the benefits of using leaflets for this kind of information?

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(4)

(b) Discuss the promotional effectiveness of using students to deliver the leaflets compared to delivering the same leaflets inside the local free newspaper.

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(6)

(Total 10 marks)

Q6  

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**Questions 7 to 9 are based upon parts of real promotional campaigns that you have studied during your course.**

7. Give an example of a real business that has successfully used a national UK newspaper as a major part of its advertising strategy.

(a) Name of business and product .....

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Name of the newspaper .....

When the advertisement was placed .....

How large the advertisement was .....

**(2)**

(b) (i) Describe where it was placed in the newspaper.

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**(2)**

(ii) Explain why it was placed in that position.

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**(3)**

(c) How was text or image used to make the product appeal to the target audience?

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**(3)**

**(Total 10 marks)**

**Q7**

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8. With reference to a real business that has used product placement in a film, television (TV) series or music video, answer the following questions.

(a) Name the product being placed .....

Film, TV series, or music video, it was placed in

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(1)

(b) Describe the context in which the product placement appeared in the film, TV series or music video and how the audience was made aware of the product.

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(3)

(c) Explain why the producers of the film, TV series or music video agreed to the inclusion of this product.

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(3)

(d) Discuss why the business chose that particular film, TV series or music video.

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(3)

(Total 10 marks)

Q8

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9. With reference to a real business that you have studied, which has used a competition as part of its marketing campaign, answer the following questions.

(a) Name of the business or product .....

Details of the competition that was being used

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**(2)**

(b) Explain the main objective the business had in using a competition as part of its promotion.

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**(3)**



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(c) (i) How did the business publicise the competition?

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(1)

(ii) Why was that a suitable way to publicise this competition?

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(4)

Q9

(Total 10 marks)

**TOTAL FOR PAPER: 90 MARKS**

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