

Mark Scheme (Results)

Summer 2007

GCE

GCE Applied Business (Unit 6921/01)

Unit 6921 – Investigating Promotion - Mark Scheme - June 2007

For all questions, accept any reasonable answer if it is correct

AOs	Mark Allocation	Exemplar Responses
Q1(a)	List <u>two</u> advantages and <u>two</u> drawbacks for customers of the catalogues being available online.	
<u>AO1</u> MB1 = 4	1 mark for each advantage 1 mark for each drawback 2 x 2 (4 marks)	<u>Advantages</u> <ul style="list-style-type: none"> • Can refer to them when they want. • Can see designs before they visit the shops/order. • Do not have to visit the shops to see the designs/pick up catalogue. • Able to order online. <u>Drawbacks</u> <ul style="list-style-type: none"> • May not have a colour printer to print out catalogue. • Cost of printing. • May not be connected to the internet.

Q1(b)	Explain <u>two</u> benefits to <i>Benetton</i> of using a catalogue as a method of promoting the type of products that it produces.	
AOs	Mark Allocation	Exemplar Responses
<u>AO1</u> MB2 = 2 <u>AO2</u> MB1 = 2 MB2 = 2	1 mark for each benefit 1 mark for why that comes from the catalogue 1 mark for how that relates to the type of product being sold (1 + 1 + 1) x 2 (6 marks)	<ul style="list-style-type: none"> • Can show attractive pictures – catalogues are print media in which pictures can be put – customers want to see what the clothes look like. • Can show many pictures – catalogue is made up of many pages – <i>Benetton</i> is showing full ranges in its catalogues. • Can be kept to refer to later – catalogue can be taken away from stores or downloaded from the internet – customers often want to plan buying clothes before they actually buy them.

2(a) Using <i>Benetton</i> as an example, describe how sponsorship normally works.		
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB1 = 1 MB2 = 1 MB3 = 1</p> <p><u>AO2</u> MB1 = 1</p>	<p>1 mark for recognising that there are two parties involved (may be implied)</p> <p>1 mark for what is likely to be given by the sponsor</p> <p>1 mark for what is likely to be given by the sponsored party</p> <p>1 mark for application to <i>Benetton's</i> sponsorship</p> <p>(4 marks)</p>	<ul style="list-style-type: none"> Sponsorship is an agreement between two parties, the sponsor and the party being sponsored – the sponsor often provides money – the sponsored party often agrees to put the name/logo of the sponsor on their products – <i>Benetton's</i> logo and name are on the shirts and shorts of the sponsored basketball team. <i>Benetton</i> is sponsoring rugby, basketball and volleyball teams in Italy – it is likely to pay for the strips – the teams will agree to display <i>Benetton's</i> name at its stadium – this will ensure that <i>Benetton's</i> name is seen whenever the team plays at home.

2(b) Explain why sponsoring an <u>international</u> Formula 1 team would have been particularly beneficial for promoting <i>Benetton</i> as a business.		
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB1 = 1</p> <p><u>AO2</u> MB1 = 1</p> <p><u>AO3</u> MB2 = 1</p> <p><u>AO4</u> MB1 = 1 MB2 = 1</p>	<p>1 mark benefit (maximum 2 marks)</p> <p>1 mark for why it comes from sponsoring an international team (maximum 2 marks)</p> <p>1 mark for recognising <i>Benetton's</i> international position</p> <p>(5 marks)</p>	<ul style="list-style-type: none"> The <i>Benetton</i> name will be seen across the world – Formula 1 competes in many different countries – it is also shown on international television – <i>Benetton</i> sells its products in over 200 countries. Formula 1 is considered the best motor racing in the world – <i>Benetton</i> will be considered part of this because of the sponsorship – potential customers will think of <i>Benetton</i> as being the best by association – <i>Benetton</i> seeks to be the best mass market clothes producer in the world. <i>Benetton</i> will be seen as a winner – it won the Championship in 1995 – both racing and the clothes industry are highly competitive – <i>Benetton</i> wants to be successful against the world competition.

2(c)	Explain why is it likely that <i>Benetton</i> stopped sponsoring Formula 1 racing in 2001.	
AOs	Mark Allocation	Exemplar Responses
<u>AO1</u> MB3 = 1 <u>AO2</u> MB2 = 1 MB3 = 1 <u>AO4</u> MB2 = 1	1 mark for reason (maximum 2 marks) 1 mark for why that would cause <i>Benetton</i> to stop sponsoring (maximum 3 marks) <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • Formula 1 is a very expensive business – <i>Benetton</i> may have felt that it could find more cost effective ways of promotion – its advertising and promotions budget for 2005 was \$77 million – it sold its Formula 1 business for \$120 million. • It had not won the Championship since 1995 – having been the number 1, anything less might reflect badly on the company – selling the team would remove the association – it also raised \$120 million.

Q2(d)	Justify why <i>Benetton</i> would allocate part of its sponsorship to teams in its hometown.	
AOs	Mark Allocation	Exemplar Responses
<u>AO4</u> MB1 = 1 MB2 = 1 MB3 = 2	1 mark for each reason (maximum 2 marks) 1 mark for why allocating the sponsorship in this way meets that reason (maximum 3 marks) <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • Shows support for the community – <i>Benetton's</i> base is in Treviso – people from the town helped to create <i>Benetton</i> through working there – this sponsorship helps to repay the town for that support. • <i>Benetton</i> is seen as a business that cares about its own people – could help to build up loyal customers – they will feel part of the <i>Benetton</i> family – will expect similar care for them when they buy <i>Benetton's</i> clothes. • The teams do play nationally – <i>Benetton's</i> name and support will be seen across Italy – <i>Benetton</i> is a major Italian company – even this local support will be seen as supporting Italian sport more generally.

Q3(a)	State the <u>main</u> role of the Advertising Standards Authority (ASA) in relation to advertising.	
AOs	Mark Allocation	Exemplar Responses
<u>AO1</u> MB1 = 1	1 mark for ASA role in terms of advertising (may be implied) <p style="text-align: right;">(1 mark)</p>	<ul style="list-style-type: none"> • Ensuring that advertising is legal, decent, honest and truthful. • To make sure all advertising, wherever it appears, meets the high standards laid down in the advertising codes.

Q3(b)	List <u>four</u> distinct steps that would be followed if the ASA received a complaint from a member of the general public about a <i>Benetton's</i> advertisement.	
AOs	Mark Allocation	Exemplar Responses
<u>AO1</u> MB1 = 1 MB2 = 2 MB3 = 1	1 mark for each distinct stage in a complaint (maximum 4 marks) (4 marks)	<ul style="list-style-type: none"> • ASA acknowledge receipt by sending a unique reference number to be quoted. • Assesses the complaint and sees if there is a case in terms of its codes. • If there is a case, asks advertiser to amend or remove advertisement. • May instruct the broadcasters to only show advertisements after the watershed. • In complex cases starts a formal investigation. • If on television the broadcaster will be informed not to show the advertisement again. • If any parties refuse to do what ASA asks for can refer the case to Ofcom.

Q3(c)	Analyse the promotional objective behind <i>Benetton's</i> decision to produce these kinds of pictures.	
AOs	Mark Allocation	Exemplar Responses
<u>AO4</u> MB1 = 2 MB2 = 1 MB3 = 1	1 mark for objective (maximum 2 marks) 1 mark for how this is achieved by the pictures (maximum 3 marks) 1 mark for explaining any negative effects (maximum 2 marks) (4 marks)	<ul style="list-style-type: none"> • Creates publicity for the business – pictures are discussed/condemned on TV and in the press – many people see and discuss them – keeps the name of <i>Benetton</i> in the mind of the public. • <i>Benetton</i> is seen as a business with political and social responsibilities – creates a positive image of the business – the pictures relate to important world issues – wildlife conservation/global hunger.

Q4(a) Why is this special offer likely to be a cost effective promotion for <i>Pound Lane Videos</i> ?		
AOs	Mark Allocation	Exemplar Responses
AO2 MB1 = 1 MB2 = 1 MB3 = 1	1 mark for why it will promote the renting of DVDs 1 mark for why it will bring in more money 1 mark for why it will be profitable/why costs will not rise much (3 marks)	<ul style="list-style-type: none"> Customers will feel they are getting bargain on the second DVD – in fact they will be paying £2.00 more – the cost to <i>Pound Lane Videos</i> is very small as the DVDs are already in stock. Without the offer customers who wanted two DVDs would have had to pay £6.00 – they may have only borrowed one so now the business gets £2.00 extra – almost the same staff time is taken to rent out 2 DVDs as it would have taken to rent out one. Customers are encouraged to take out two DVDs – business will have revenue of £5.00 – but only lose £1.00 from the normal price of two DVDs.

Q4(b) Explain <u>one</u> drawback of this special offer for the customer.		
AOs	Mark Allocation	Exemplar Responses
AO2 MB1 = 1 MB2 = 1 MB3 = 1	1 mark for drawback 1 mark for why it comes from the special offer 1 mark for how the way the renting works contributes to the drawback (maximum 2 marks) (1+1+1) or (1+0+2) (3 marks)	<ul style="list-style-type: none"> Customers may not have time to watch two DVDs – the special offer may encourage them to take an extra DVD even though they have limited time – DVDs are only rented for 24 hours. It may not actually be one they particularly want to see - customers may only choose a second DVD because of the offer — having to return it by 6.00 p.m. may mean that they will not bother so will have spent the extra money for nothing. Not enough time to watch both – only have DVDs for 24 hours – have to be returned by 6.00pm as people come home from work.

Q5		
Considering the information in <u>Figure 2</u>, 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.		
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB1 = 1 MB2 = 1</p> <p><u>AO2</u> MB1 = 1</p> <p><u>AO3</u> MB1 = 1 MB2 = 1 MB3 = 1</p> <p><u>AO4</u> MB1 = 2</p>	<p>1 mark for showing understanding of what an agency would do/what its nature is (maximum 2 marks)</p> <p>1 mark for selection of appropriate information from Figure 1 (maximum 2 marks)</p> <p>1 mark for whether or not that information would support or not support Bill using an agency (maximum 4 marks)</p> <p style="text-align: right;">(8 marks)</p>	<ul style="list-style-type: none"> • An agency will advise on what promotions should be used – it will then help to create the promotions and set them up – Bill has a limited promotions budget – an agency will charge for its services – Bill may find it cheaper to decide and arrange the promotions himself. • Agencies are experienced in promotion – they offer this expertise to businesses at a cost – <i>Pound Lane Videos</i> has been in business for 15 years – Bill should have his own experience of which promotions do or do not work – using an agency could, therefore, be a waste of money for him. • Agencies will be up to date with new methods of promotion – Bill has run his business on his own for 15 years – his ideas of what is effective promotion may be out of date – An agency might be able to suggest more effective new methods – may also have experience of how other local video stores do their promotion.

6(a)		
What are the benefits of using leaflets for this kind of information?		
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB1 = 1</p> <p><u>AO2</u> MB1 = 1 MB2 = 1 MB3 = 1</p>	<p>1 mark for an appropriate feature of leaflets (maximum 2 marks)</p> <p>1 mark for why that feature is a benefit for this kind of information (maximum 2 marks)</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • Leaflets can be kept – the leaflets give details for films for the next month – this will be useful for customers to refer back to. • Leaflets can be targeted – the details of special offers and new DVDs are for people who are likely to visit the store – leaflets will only be delivered to households in the town. • Leaflets are relatively cheap to produce – the business has a limited promotions budget – the information is being given for each month's new releases.

6(b)	Discuss the promotional effectiveness of using students to deliver the leaflets compared to delivering the same leaflets inside the local free newspaper.	
AOs	Mark Allocation	Exemplar Responses
<u>AO1</u> MB1 = 1 <u>AO2</u> MB1 = 1 <u>AO3</u> MB1 = 1 MB2 = 1 <u>AO4</u> MB1 = 2	1 mark for a feature of delivery by either method (maximum 2 marks) 1 mark for comparison of that feature with the other method (maximum 2 marks) 1 mark for why one method would be more effective than the other method (maximum 2 marks) <p style="text-align: right;">(6 marks)</p>	<ul style="list-style-type: none"> Students may see this as simply earning a bit of money – may not care if some of the leaflets are not delivered – the paper needs its papers delivered to each household – leaflets will also be delivered – delivery through the papers is likely to be more reliable. The free newspaper is likely to be read by many households – it will have articles that local households are interested in – the leaflet in the paper may be considered as equally interesting – separate leaflets may be seen as junk mail and thrown away – if that is how households react then putting the leaflets in the paper would be a better approach. Students will deliver when not at college/school – business may be seen as supporting local youth by employing them – good PR – the use of paper might be seen as too commercial – and less elements of community spirit.

7 (a)	Give an example of a real business that has successfully used a national UK newspaper as a major part of its advertising strategy.	
AOs	Mark Allocation	Exemplar Responses
<u>AO3</u> MB1 = 2	1 mark for name of business/product and newspaper 1 mark for when it was advertised and the size of the advertisement	<i>(John Lewis advertisement has been used as an example for Q7)</i> <u>Name of business/product</u> – John Lewis MP3s and accessories. <u>Newspaper</u> – The Independent. <u>Placed</u> – August 2006. <u>Size</u> – A third of a page.

	(2 marks)	
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7 (b)	(i) Describe where it was placed in the newspaper. (ii) Explain why it was placed in that position.	
AOs	Mark Allocation	Exemplar Responses
AO2 MB1 = 2 AO3 MB2 = 1 MB3 = 2	(i) 1 mark for each detail of where it was placed (maximum 2 marks) (2 marks) (ii) 1 mark for feature of where it was placed (maximum 2 marks) 1 mark for why that would be a beneficial place to put the advertisement (maximum 3 marks) (3 marks)	(i) & (ii) <ul style="list-style-type: none"> On page 3 – where major news items are placed – should be seen by many readers. Across the bottom of the page – this makes it stand out – as it is read or as the pages are turned. In the general UK news section – many readers concentrate mainly on UK news – will be seen by most readers Below an article on Muslim reactions to a bomb plot – this was the major story in the newspaper/part of a six page story – most readers would be reading all of the main story so would see it.

7(c)	How was text or image used to make the product appeal to the target audience?	
AOs	Mark Allocation	Exemplar Responses
AO1 MB2 = 1 MB3 = 1 AO2 MB3 = 1	1 mark for detail of text or image 1 mark for why that would make it appeal to the target audience (maximum 2 marks) (3 marks)	<ul style="list-style-type: none"> Pictures of MP3 and 4 pieces of accessory spread across the page – shows the products clearly and attractively – supports each picture with details and large bold prices. Below each price is put “Never Knowingly Undersold” – this will tell the audience it is getting the product as cheaply as possible – also suggests that <i>John Lewis</i> would match the price if the product was found cheaper elsewhere.

8(a)	With reference to a real business that has used product placement in a film, television (TV) series or music video, answer the following questions.	
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1	1 mark for name of the product and title of film, series or video (1 mark)	(<i>Samsung</i> has been taken as an example for Q8) <u>Name</u> – Samsung LCD TVs, laptop computers and printers. <u>Film</u> – Superman returns.

8(b)	Describe the context in which the product placement appeared in the
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film, TV series or music video and how the audience was made aware of the product.		
AOs	Mark Allocation	Exemplar Responses
<p><u>AO2</u> MB1 = 1</p> <p><u>AO3</u> MB1 = 2</p>	<p>1 mark for what was happening in the film, series or video when the product was shown (maximum 2 marks)</p> <p>1 mark for how the product was shown (maximum 2 marks)</p> <p>(1 + 2) or (2 + 1)</p> <p>(3 marks)</p>	<ul style="list-style-type: none"> • Each time Clarke Kent or Lois Lane are in the offices of the Daily Planet newspaper – all the electronic equipment on the desks is Samsung – all have the <i>Samsung</i> name on. • When superman and Lois are reunited at the baseball stadium – the <i>Samsung</i> logo is flashed up on the scoreboard – can be clearly seen as part of the background to the action.

8(c) Explain why the producers of the film, TV series or music video agreed to the inclusion of this product.		
AOs	Mark Allocation	Exemplar Responses
<p><u>AO2</u> MB1 = 1</p> <p><u>AO3</u> MB1 = 1 MB2 = 1</p>	<p>1 mark for factor/benefit in the minds of the producers</p> <p>1 mark for how the product placement met the needs of the producer (maximum 2 marks)</p> <p>(3 marks)</p>	<ul style="list-style-type: none"> • Making major films is very expensive – <i>Samsung</i> paid to have its products used in the film — the product placement helped to cover the costs of making the film. • The film needed office equipment to be realistic – <i>Samsung</i> is a respected name in this field – <i>Samsung</i> also provided the equipment free.

8(d) Discuss why the business chose that particular film, TV series or music video.		
AOs	Mark Allocation	Exemplar Responses
<p><u>AO3</u> MB1 = 1 MB2 = 1 MB3 = 1</p>	<p>1 mark for nature of the film, series, video</p> <p>1 mark for why that would be beneficial to the business</p>	<ul style="list-style-type: none"> • <i>Samsung</i> targets attention grabbing films for its product placements – Superman Returns was likely to be a major box office hit – many potential customers would therefore see it. • The film had many shots of the newspaper’s

	(maximum 2 marks) (3 marks)	offices – this would allow the products to be seen throughout the film – this gave <i>Samsung</i> a high level of exposure for its products.
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9(a)	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.	
AOs	Mark Allocation	Exemplar Responses
<u>AO1</u> MB1 = 1 <u>AO3</u> MB1 = 1	1 mark for each distinct detail of the competition (2 marks)	(<i>The Works</i> art competition has been taken as an example for Q9) <u>Business or product – <i>The Works</i> promoting art products in its shop.</u> <u>Competition</u> <ul style="list-style-type: none"> • £500 of artist’s materials. • Picture must represent the seasons. • A separate prize of £200 for children. • Entries displayed on <i>The Works</i> website. • Copies of pictures must be submitted as jpegs or photographs.

9(b)	Explain the main objective the business had in using a competition as part of its promotion.	
AOs	Mark Allocation	Exemplar Responses
<u>AO1</u> MB2 = 1 <u>AO3</u> MB2 = 1 <u>AO4</u> MB1 = 1	1 mark for main objective 1 mark how running a competition helped achieved this (maximum 2 marks) (3 marks)	<ul style="list-style-type: none"> • Publicise <i>The Works</i> – people like to take part in competitions and would think about the business as they did so – can look at other people entries but only through the website where other products are advertised. • Remind people of one of the range of products it sells – the competition is about winning artist’s materials – part of the details identified artist’s products that it sells.

9(c) (i)	How did the business publicise the competition.	
AOs	Mark Allocation	Exemplar Responses

<p>AO1 MB1 = 1</p>	<p>1 mark for the way (1 mark)</p>	<ul style="list-style-type: none"> • Leaflets in store. • Window display at the stores. • Link on its website.
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9(c) (ii) Why was that a suitable way to publicise this competition?		
AOs	Mark Allocation	Exemplar Responses
<p>AO1 MB2 = 1 MB3 = 1</p> <p>AO2 MB2 = 1 MB3 = 1</p>	<p>(Note the answers here must link to the way selected for (i))</p> <p>1 mark for feature of suitability (maximum 2 marks)</p> <p>1 mark for why that came from the chosen media (maximum 3 marks)</p> <p>(4 marks)</p>	<p><u>Leaflet</u></p> <ul style="list-style-type: none"> • Leaflets take up little space – leaflets kept at the counter – could be handed out to all interest customers – contained main details of the competition and details of the website. • Easy for people to carry – many customers will be in town shopping – leaflet can be taken home and read when people have time – has the website details so these do not need to be remembered. <p><u>Window display</u></p> <ul style="list-style-type: none"> • Eye catching – this is a major promotion for <i>The Works</i> so needs to be seen – even people who not want to compete will see it – will feel that <i>The Works</i> is a generous business. • Can be seen by people passing – the display said details were available in store – interested people will go into the store to get details – may see something they want to buy whilst they are there. <p><u>Website</u></p> <ul style="list-style-type: none"> • People can access this when they want – gives them more time to study the terms and conditions – will also have access to the gallery – can see the standard of the other entries and decide if they want to compete. • Website provides links – people may go on to find out about the competition – this is only one of a number of links – may well try other links and be persuaded by the other advertising to visit the store/buy on line.

6921 – Investigating Promotion – June 2007 – Content and AOs Grids

Content area distribution

Question	Content area				Total
	6.1	6.2	6.3	6.4	
1 (a)		4			4
1 (b)		6			6
2 (a)	4				4
2 (b)	5				5
2 (c)			4		4
2 (d)	2			2	4
3 (a)			1		1
3 (b)			4		4
3 (c)	2			2	4
4 (a)	2			1	3
4 (b)	2			1	3
5				8	8
6 (a)		4			4
6 (b)		4		2	6
7 (a)		2			2
7 (b) (i)		2			2
7 (b) (ii)				3	3
7 (c)		3			3
8 (a)		1			1
8 (b)		3			3
8 (c)		2		1	3
8 (d)		2		1	3
9 (a)	2				2
9 (b)	3				3
9 (c) (i)		1			1
9 (c) (ii)		4			4
Total	22	38	9	21	90
Target	22	38	9	21	90

AOs Grid

Question	AO1: Band equivalent			AO2: Band equivalent			AO3: Band equivalent			AO4: Band equivalent			
	1	2	3	1	2	3	1	2	3	1	2	3	
1 (a)	4												4
1 (b)		2		2	2								6
2 (a)	1	1	1	1									4
2 (b)	1			1				1		1	1		5
2 (c)			1		1	1					1		4
2 (d)										1	1	2	4
3 (a)	1												1
3 (b)	1	2	1										4
3 (c)										2	1	1	4
4 (a)				1	1	1							3
4 (b)				1	1	1							3
5	1	1		1			1	1	1	2			8
6 (a)	1			1	1	1							4
6 (b)	1			1			1	1		2			6
7 (a)	2												2
7 (b) (i)				2									2
7 (b) (ii)								1	2				3
7 (c)		1	1			1							3
8 (a)	1												1
8 (b)				1			2						3
8 (c)				1			1	1					3
8 (d)							1	1	1				3
9 (a)	1						1						2
9 (b)		1						1		1			3
9 (c) (i)	1												1
9 (c) (ii)		1	1		1	1							4
Total	16	9	5	13	7	6	7	7	4	9	4	3	90
Target													
If Top	18	12	6	16	8	7	9	8	5	10	4	4	
Top		36			31			22			18		
Bottom		27			22			14			9		
If Bottom	13	9	5	11	6	5	6	5	3	5	2	2	
Balance	45	27	18	80									
Target	45	27	18	90									