



Questions 1 to 6 relate to the scenario below

Figure 1

**Scenario – *Dryden Park***

*Dryden Park* is an 18th century stately home set in picturesque grounds of over 250 acres in the heart of rural Herefordshire. In 2001 the owners completed the conversion of the buildings and grounds into a hotel and conference centre.

The site has five conference rooms, three dining rooms, a ballroom, and facilities in the grounds for a variety of activities from canoeing, golf and horse riding to quad bikes, paintball and balloon flights. The hotel can accommodate 85 guests. All guest rooms have broadband connections and satellite television.

*Dryden Park* is located 22 miles from the M50 motorway. This provides good links to the main target markets, the cities and towns from Gloucester to Birmingham.

*Dryden Park* is reached by minor roads which give it a feeling of peaceful isolation.

Business customers are *Dryden Park*'s main target market. It is estimated that 80% of UK businesses regularly spend money on team-building events such as away days and weekends. To meet this demand many businesses have been, and continue to be, set up. As a result the market has become highly competitive. *Dryden Park* has responded to this by providing tailored team-building packages.

*Dryden Park* charges £90 per person per day for the use of all facilities. There is an additional charge of £105 per person per night for accommodation, evening meal and breakfast. The tailored team-building package has an additional fee of £200 per booking per day for *Dryden Park* to run the event.



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1. When a business conducts a SWOT analysis one feature of the business can relate to more than one part of the analysis.

(a) Using details from **Figure 1**, show how the location of *Dryden Park* can be both a strength and a weakness.

Strength .....

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Weakness .....

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(4)

(b) Using details from **Figure 1**, show why the estimate that 80% of UK businesses regularly spend money on team-building events could be both an opportunity and a threat for *Dryden Park*.

Opportunity .....

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Threat .....

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(4)



(c) Considering the main target market, explain why a downturn in the economy would be a particular problem for *Dryden Park*.

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(4)

(Total 12 marks)

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Q1



<p><b>2.</b> When <i>Dryden Park</i> opened in 2001 the owners used penetration pricing for the first year.</p> <p>(a) Assess how appropriate this pricing policy was for <i>Dryden Park</i> when it opened.</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p style="text-align: right;"><b>(8)</b></p> <p>(b) Justify <b>one</b> tactical marketing decision the owners could have taken to ensure that <i>Dryden Park</i> did not lose customers when it raised prices at the end of the first year.</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p style="text-align: right;"><b>(4)</b></p>	<p>Leave blank</p>		
<b>(Total 12 marks)</b>	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="width: 20px; height: 20px;"><b>Q2</b></td> <td style="width: 20px; height: 20px;"></td> </tr> </table>	<b>Q2</b>	
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3. Most of the customers of *Dryden Park* are other businesses. They are either attending conferences, using the facilities for team-building events or on days out as a reward for good work. These activities will be booked for dates convenient to the business customers.

(a) Discuss how the planning and promotion of special offers by *Dryden Park* is likely to be affected by the booking of dates convenient to the business customers.

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(5)

(b) Why would advertising on day-time national television have limited impact on *Dryden Park's* main target market?

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(5)

(Total 10 marks)

Q3

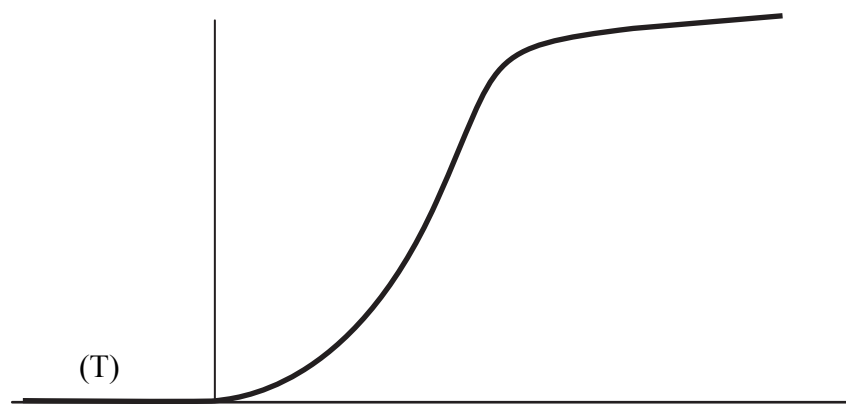
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4. *Dryden Park* began converting the building and grounds in 1999 and has expanded successfully since its launch in 2001 to its current good sales. However, in 2007 bookings were still below capacity.

(a) **Fully** label all parts of the product life cycle shown in **Figure 2**.

**Figure 2 – Product life cycle for *Dryden Park* (1999 to 2007)**



(3)

(b) Why is the product life cycle for *Dryden Park* horizontal for the portion labelled (T)?

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(2)



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To help use the spare capacity *Dryden Park* has decided to offer its activities to university students during their holiday periods.

- (c) (i) Identify with the letter 'S', on **Figure 3** below, the part of the Ansoff Matrix this decision would relate to.

**Figure 3 – The Ansoff Matrix**

Market Penetration	Product Development
Market Development	Diversification

(1)

- (ii) Advise *Dryden Park* on any changes it should make to its pricing strategy for this new target market compared to its current main target market.

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(3)

Q4

(Total 9 marks)





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5. Data is recorded every time a business books an event so that *Dryden Park* can monitor the effectiveness of its marketing. A wide range of data is recorded, part of which is shown in **Table 1**. This table has recorded data on the basis of the number of staff attending.

**Table 1 – Business customers booking events for the year 2007**

	(A)			(B)			(C)			(D)		
Number of staff attending per booking	1 to 5			6 to 10			11 to 20			21 or more		
Number of bookings	56			14			62			28		
How many days attended	1	2	3+	1	2	3+	1	2	3+	1	2	3+
	41	5	0	4	5	5	4	50	8	7	19	2
Which event being attended												
Conference	37			1			2			8		
Staff Reward	16			4			6			6		
Team Building	1			8			53			12		
Other	2			1			1			2		
First heard about the Park												
Brochure	–			1			31			8		
Yellow Pages	16			4			2			–		
Website	34			6			5			3		
Telephone*	–			1			23			16		
Other	6			2			1			1		

\* Telephone calls were made direct to individual businesses.

- (a) Describe why the data shown in **Table 1** is primary data.

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(2)



Leave blank

If *Dryden Park* is to target businesses in only one of the four columns A, B, C or D it would probably select column 'C', businesses with 11 to 20 staff attending.

(b) Using the data on **Table 1** justify the targeting of businesses in column 'C'.

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**(8)**



(c) Explain why the ways in which column 'A' businesses heard about *Dryden Park* are so different to the ways in which column 'C' businesses heard about it.

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(6)

(Total 16 marks)

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Q5



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6. *Dryden Park* is considering expanding by marketing its facilities to businesses in other parts of the UK. It has decided to use stratified sampling.

(a) Discuss the extent to which the data on **Table 1** could provide the basis on which to conduct stratified sampling.

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(6)



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*Dryden Park* has constructed a questionnaire and is ready to survey businesses in other parts of the UK.

- (b) (i) Identify an appropriate method *Dryden Park* could use to effectively carry out this survey.

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(1)

- (ii) Examine **two** distinct steps that would be needed to ensure that the method you have identified in (i) would be effective for *Dryden Park*.

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(4)

Q6

(Total 11 marks)

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**Questions 7 and 8 are based upon your own investigations of real marketing campaigns that you have studied during your course.**

7. With reference to a business which effectively uses more than one channel of distribution to reach different target markets, answer the following questions.

Name of the business and main product .....

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(a) (i) What is the first channel of distribution and the target market?

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**(2)**

(ii) What is the second channel of distribution and the target market?

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**(2)**

(b) Considering the nature of the target market, explain why each of the channels identified in (a) above was effective.

First channel .....

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Second channel .....

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**(6)**

**Q7**

**(Total 10 marks)**



8. Some businesses market their products both locally and nationally.

With reference to **one** real UK or multinational business that does this, answer the following questions.

Name of the business and product .....

(a) (i) Give **one** example of local marketing.

..... **(1)**

(ii) Give **one** example of national marketing.

..... **(1)**

(b) Explain why **promotion** for the local and national markets differs.

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**(6)**



(c) What would be **two** marketing constraints that this business faces when operating in these two markets?

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2 .....

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(2)

(Total 10 marks)

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Q8

**TOTAL FOR PAPER: 90 MARKS**

**END**

