

Questions 1 to 6 are based on marketing decisions that relate to *Write 2000 Ltd*.

Figure 1

Write 2000 Ltd is a charity, started in the year 2000, with the objective of Working to Remove Illiteracy Through Education. It was set up to support the commitment of the World Education Forum to ensure that quality education would be provided for all by 2015.

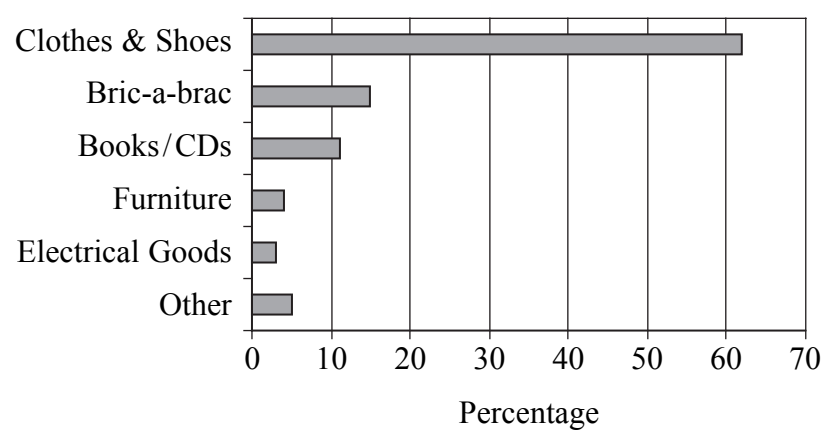
Write 2000 raises most of its funds through private donations, and has used these funds to support the drive for literacy in targeted African countries. It now wants to expand the number of countries it can offer support to and is considering other ways of raising funds. It is aware that many charities raise funds through high street shops. It has found the following published data.

There are over 7,000 charity shops in the UK with nearly 300 different charities represented. The largest chains are Oxfam, with about 750 shops and Cancer Research UK with about 600 shops. Some charities have only one or two shops, but the average is nearly 20 shops.

Figure 2 shows the main products sold as a percentage in a typical charity shop. 93% of the products are second-hand donations from the public with the rest coming from subsidised suppliers, as with greetings cards, or fair trade products which are sold to support producers in less developed countries.

Charity shops are most popular with women and with middle aged and older users.

Figure 2 – Main products sold by UK charity shops (Percentage)



1. (a) State why the data found on Figure 2 by *Write 2000* is secondary data.

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(1)



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(b) (i) How could *Write 2000* use observation to check that the data shown on **Figure 2** was correct?

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(5)

(ii) Assess why this kind of observation might provide inaccurate information for *Write 2000*.

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(3)

Q1

(Total 9 marks)

3

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(11)

Q2

(Total 13 marks)

3. After considerable thought the Directors of *Write 2000* have decided to open one shop, selling the full range of products shown on **Figure 2**, in each of the following university towns, Southampton, Portsmouth and Winchester. These are all within 20 miles of each other. In addition to the target groups identified in **Figure 1**, the Directors believe strongly that students could form another important target market.

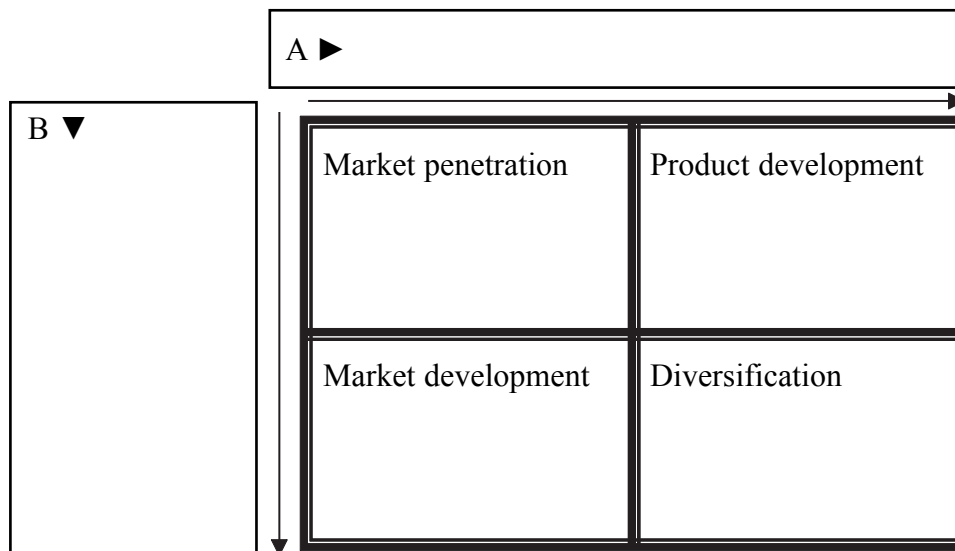
(a) Considering the nature of this charity and the products it intends to sell, explain why students would be a sensible target market.

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(6)



(b) (i) Fully label the two axes of the Ansoff Matrix shown below using boxes **A** and **B**.



(2)

(ii) Identify with the letter 'S' on the Ansoff Matrix above, where *Write 2000*'s decision to expand by opening charity shops should be positioned.

(1)

(iii) Justify why this is the correct position for this decision to open charity shops.

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(3)

Q3

(Total 12 marks)



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4. When *Write 2000* runs its charity shops it will be affected by legislation, such as the Sales of Goods Act, people's changing attitudes about how important charity work is, how important cheap clothes are if incomes are generally rising, and whether or not people think that recycling by donating clothes to charity shops is worth the effort involved.

Before the shops are opened a full PESTLE analysis should be carried out.

- (i) Give a different example in context, of a possible negative effect on *Write 2000* for each of the following PESTLE elements.

Social

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Environmental

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(4)

- (ii) For each of the external influences you identified in part (i) explain how *Write 2000* could use a relevant part of the marketing mix to minimise the negative effect.

Social

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Environmental

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(6)

(Total 10 marks)

Q4

7

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5. The Directors of *Write 2000* view *Oxfam* as a major competitor, especially for the student market.

Table 1 shows the number of *Oxfam* facilities in the three locations chosen by *Write 2000*.

Table 1 – *Oxfam* facilities in *Write 2000*'s three chosen locations

	Southampton	Winchester	Portsmouth
General charity shop	3	1	2
Music & book shop	3	1	–
Clothing bank*	4	3	3
Music & book bank*	–	1	1

* Clothing and music & book banks are places where people can deposit unwanted clothes, books and CDs, etc, for *Oxfam* to sell in its shops.

Assess how the decision by the Directors of *Write 2000*, to sell the full range of products in the three locations, is likely to be affected by *Oxfam*'s facilities as shown on **Table 1**.

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Q5

(Total 11 marks)

QUESTION 6 BEGINS ON NEXT PAGE



6. To confirm their belief that students would be interested in using charity shops the Directors of *Write 2000* arranged for a sample of students to be asked questions in each of the three universities. The academic registrars at each university agreed to send out questionnaires, provided by *Write 2000*, to every 100th student on their lists. Questionnaires were sent out with a pre-paid envelope and an offer of £100 worth of book tokens to three lucky students who returned the completed questionnaire. 430 students were sent questionnaires and there was an 87% return rate.

(a) Use the details above to show the target population and the sampling frame for this survey.

Target population

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Sample frame

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(4)

(b) Discuss how the way in which the survey was carried out might have influenced the effectiveness of the research.

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Q6

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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 real UK or multinational business which has made a recent major strategic marketing decision, answer the following questions.

(a) Name of the business

State what the strategic marketing decision was.

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(1)

(b) Explain how this strategic marketing decision has led to changes in **two** different parts of the business's marketing mix.

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(6)

(c) Judge how successful this strategic marketing decision has been.

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(3)

(Total 10 marks)

Q7



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8. With reference to a real UK or multinational business that has experienced a major decline in its product life cycle, answer the following questions.

(a) Name of business

Details of product suffering the decline

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(1)

(b) Explain why the product reached this position in the product life cycle.

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(4)

QUESTION 8 CONTINUES OVERLEAF



(c) Analyse the marketing strategies that were used to try to prevent further decline or to reverse the decline.

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(Total 10 marks)

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Q8

TOTAL FOR PAPER: 90 MARKS

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