Surname	Other names
Centre Number  Pearson BTEC Level 1/Level 2 First Certificate	Learner Registration Number
Business Unit 9: Principles of Marketin	g
Wednesday 8 January 2014 – Afternoon Time: 1 hour 30 minutes	Paper Reference 21325E

#### **Instructions**

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and learner registration number.
- Answer **all** questions.
- Answer the questions in the spaces provided
  - there may be more space than you need.

# **Information**

- The total mark for this paper is 50.
- The marks for **each** question are shown in brackets
  - use this as a guide as to how much time to spend on each question.

# **Advice**

- Read each question carefully before you start to answer it.
- Try to answer every question.
- Check your answers if you have time at the end.

P 4 5 1 2 3 A 0 1 1 6

Turn over ▶

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	SECTION A		
	Answer ALL questions.		
1	Good objectives are SMART. Fill in the missing word in the list below.		
	(i) Specific		
	(ii) Measurable		
	(iii)		
	(iv) Realistic		
	(v) Time-based		
_	(Total for Question 1 = 1 mark)		
2	Give <b>one</b> example of a consumer good.		
	(Total for Question 2 = 1 mark)		

Businesses carry out market research.	
<b>3</b> (a) Give <b>two</b> purposes of market research.	(2)
	(2)
1	
2	
(b) Name <b>one</b> source of secondary data.	(1)
	(-/
(c) Give <b>two</b> examples of quantitative data.	
(c) Give two examples of quantitative data.	(2)
1	
2	
(Total for	Question 3 = 5 marks)
•	,

4	Mandarin manufactures mobile phones and computers. It has built a reputation for well-designed, innovative products. Although the products are expensive Mandarin has a number of loyal customers.	
	Mandarin sells its products to a niche market.	
	(a) Outline what is meant by the term 'niche market'.	(2)
	Mandarin has developed a unique selling point (USP) for its products.	
	(b) Explain <b>two</b> reasons why Mandarin might have developed a USP.	(4)



The marketing manager is planning a new marketing mix for Mandarin's latest product. The new product is a wristwatch with a built in computer. It is called a smart watch. Mandarin's market research has indicated that its competitors are developing products using similar technology. The data also shows that the recent recession has influenced people's decisions about how to spend their money. (c) Discuss the factors that may influence Mandarin's marketing mix for the smart watch. (8) (Total for Question 4 = 14 marks) **TOTAL FOR SECTION A = 21 MARKS** 



### **SECTION B**

# **Answer ALL questions.**

#### Pizza Perfection

Pizza Perfection is a small business which manufactures and packages pizzas for a number of large supermarket chains. The business is owned by Mario Idraulico. Mario started the business in his kitchen at home five years ago but as the business has grown he has moved into a small factory on an industrial estate.

The business currently manufactures and packages pizzas under the Mama's Kitchen brand. These pizzas are sold to supermarket chains which then sell them to the public. Mario mainly promotes the products on national television and through personal selling to supermarket purchasing managers. These managers are skilful negotiators and Mario wonders if he could get a better price by selling direct to the public through a website.

Mama's Kitchen pizzas are priced competitively. Mario uses common combinations of toppings such as ham and pineapple or cheese and onion. Recently, Mario created a limited edition range of Italian salami pizzas that sold at a slightly higher price than normal. Feedback from supermarkets was very positive. A restaurant owner has asked Mario if he can supply him directly with this limited edition range.

Mario decided to research the market for pizzas. He was worried that his current products faced strong competition from rival brands such as Nice 'n' Tasty which specialises in deep pan pizzas and Potacker Pizza which specialises in thin and crispy pizzas. Mario produced a map of products in the market so that he could see if there was a gap for a more upmarket offering.

Mario wants to launch a new product because he is worried about the decline in the market share of Mama's Kitchen pizzas. He is concerned that without a strong unique selling point (USP) his business will not be able to remain competitive. Mario has spoken to a wholesaler about stocking his pizzas. The wholesaler did not want to place an order until Mario has created a USP.

Mario is thinking about using guerrilla advertising as a method of promotion. He has never used this method before but after reading an article about it he thinks that it might grab the attention of new customers. He is particularly interested in the cost of this method compared to television advertising.



	Identify <b>one</b> reason why Mario thinks marketing is important.	
	(Total for Question 5 = 1 mark)	
	Pizza Perfection sells its pizzas to supermarket chains.  Identify the type of market that Pizza Perfection is targeting.	
	(Total for Question 6 = 1 mark)	
t	Mario is planning to launch a new range of pizzas. He has chosen toppings that he hinks customers will like.  dentify the type of orientation which describes Mario's approach to developing the new range of pizzas.	
	(Total for Question 7 = 1 mark)	

8	io is planning to develop an original brand for Pizza Perfection's new range izzas.	
	(a) Give <b>one</b> dimension of a brand.	(1)
	(h) Cinatan language and harmaline at Direct Destarting	
1	(b) Give <b>two</b> benefits of branding to Pizza Perfection.	(2)
2		
		rke)
	(Total for Question 8 = 3 ma	rksj

9	Mario wants to increase Pizza Perfection's sales and for it to be more successful than ts competitors.	
	(a) Identify <b>one</b> method that Mario is thinking about using to communicate with his customers.	
		(1)
•••••	(b) Identify <b>two</b> methods that Mario is using to increase sales.	(2)
1.		
2.		
	(Total for Question 9 = 3 ma	arks)

(a) Describe <b>one</b> other method that Mario could use to find a target market for Pizza Perfection's new pizzas.  (2)
(2)

The diagram shows Mario's market map for pizzas. **Organic Ingredients** Potacker Χ Pizza Unique Ordinary Flavours **Flavours** Mama's Nice 'n' Country Kitchen Tasty Kitchen Supermarket own brand Non-organic Ingredients Mario decides that x is a suitable gap in the market for Pizza Perfection's new range of pizzas. (b) Explain one advantage and one disadvantage to Pizza Perfection of targeting this gap in the market. (4) Advantage Disadvantage



Mario using	currently sells his pizzas through supermarket chains. Mario is thinking about other distribution channels.	
(c) (i)	Identify <b>two</b> distribution channels, other than supermarket chains, that Mario is thinking about using.	(2)
		(2)
(ii)	Explain <b>two</b> reasons why it is important to choose an appropriate distribution	
	channel for Pizza Perfection's new range.	(4)



Evaluate whether guerrilla advertising would be	e appropriate for the new brand.
3	(8
	(Total for Question 10 = 20 marks
	(Total for Question To – 20 marks
	TOTAL FOR SECTION B = 29 MARK
	TOTAL FOR PAPER = 50 MARK









