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Centre Number					Learner Registration Number				
Pearson BTEC Level 1/Level 2 First Certificate									

Business

Unit 9: Principles of Marketing

Thursday 14 May 2015 – Morning Time: 1 hour 30 minutes	Paper Reference 21325E
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You do not need any other materials.	Total Marks
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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.

Turn over ►

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PEARSON

SECTION A

Answer ALL questions.

1 In which type of market does a business selling cooked food to its customers operate?

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(Total for Question 1 = 1 mark)

2 A business sells unique machinery to other companies.
What type of market is this?

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(Total for Question 2 = 1 mark)

3 Give **one** example of a social issue that could influence a business's marketing mix.

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(Total for Question 3 = 1 mark)



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4 Town and City Style is a chain of clothing retailers with stores in major cities. It uses above the line promotional methods.

(a) Give **two** forms of above the line promotion.

(2)

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Town and City Style uses a price taking strategy when launching a new clothing range.

(b) Outline what is meant by price taking.

(2)

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Town and City Style's owners want to develop a website to sell the clothing ranges online. They will be able to trade 24 hours a day 7 days a week.

(c) Explain **two** other benefits of having this type of website.

(4)

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The owners of Town and City Style are planning to open a number of new stores. They have previously located all their stores in the centres of major cities.

(d) Discuss whether Town and City Style should continue to locate its new stores in city centre locations.

(8)

A series of horizontal dotted lines provided for writing the answer to question (d).

(Total for Question 4 = 16 marks)

TOTAL FOR SECTION A = 19 MARKS



SECTION B

Answer ALL questions.

The Supreme Wonder

Amy Banks has recently formed a new band called The Supreme Wonder. Music journalists have started to write about the band after seeing them play concerts in small venues.

Amy, Robert and another band member have been making regular posts on websites for music fans. They tell them about upcoming performances and new CDs they are planning to release. Amy and Robert do not want to get a record deal with a big company. They want their band to be independent, so they record their music at home on their laptop and produce CDs themselves. They print the CD packaging and distribute the CDs through the post.

They have an online shop on a website called Tune Fire. This site gives new musicians an opportunity to set up a low-cost online store alongside other new bands. They sell their CDs at a low price to encourage people to buy them. This is because they want to build up a fan base.

Robert studied art at college and produces all the band's promotional t-shirts. He aims to create distinctive designs that catch people's attention.

Amy and Robert use a page on a social media website where they keep track of how many people view the videos they upload. They are very active in replying to comments left by their fans. They take care to find out what people think of their new songs. If fans do not like their songs the band either changes them or does not put them on its CDs.

Sometimes they post messages or links to their videos on the social media pages of big bands. They hope that this will lead to the messages reaching a bigger audience.

Amy has carried out some market research by reading industry publications. She has also studied statistics published by the British Phonographic Industry (BPI). The BPI data shows that the market for CD sales is shrinking.

Amy and Robert are worried about the decline in the market for CDs, as they are not sure how they would go about publishing music downloads. They do not have the skills to produce this type of product. They also understand that music downloads have a low profit margin.



5 Identify the type of orientation that describes Amy's approach to marketing.

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(Total for Question 5 = 1 mark)

6 Amy and Robert use social media to promote their business.

(a) State **two** benefits to Amy and Robert of using social media as a form of promotion.

(2)

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Amy and Robert investigate the latest trends in the market for music by reading the music press and social media sites.

(b) Outline **one** other way that Amy and Robert could keep up to date with the latest trends in this market.

(2)

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(Total for Question 6 = 4 marks)



7 Amy wants to improve how the band uses marketing in order to become more successful. She thinks that the best way to start is to carry out a situational analysis.

(a) Name **one** method of situational analysis.

(1)

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(b) Give **one** example of quantitative data Amy has gathered that she could use in the situational analysis.

(1)

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(c) Amy also collects qualitative data for her situational analysis.

Outline **one** disadvantage of using qualitative data.

(2)

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(Total for Question 7 = 4 marks)



8 Robert designs distinctive t-shirts for the band to sell at concerts. He thinks that this helps to give the band a Unique Selling Point (USP).

(a) Outline what is meant by Unique Selling Point.

(2)

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Robert wants to create a strong brand image for the band. A brand image can make a business instantly recognisable.

(b) Outline **one** other benefit to the band of creating a brand image.

(2)

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Robert's t-shirts have a logo displaying the band's name in elaborate writing.

(c) Explain **two** other ways that Robert can build a brand image for the band.

(4)

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(Total for Question 8 = 8 marks)



9 (a) Identify the **two** distribution channels currently used by Amy and Robert.

(2)

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Amy is concerned that the market for music CDs is declining.

(b) Explain **two** reasons why a reduction in the size of this market might concern Amy.

(4)

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Amy would like to make the band more successful. She has carried out secondary research to help her achieve this goal.

(c) Evaluate the usefulness of secondary research to Amy.

(8)

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(Total for Question 9 = 14 marks)

TOTAL FOR SECTION B = 31 MARKS
TOTAL FOR PAPER = 50 MARKS





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