Surname	Other names
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Pearson BTEC Level 1/Level 2 First Certificate	Learner Registration Number
Business	
Unit 9: Principles of Marketi	ing
Monday 9 January 2017 – Morning 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.

Turn over ▶



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SECTION A

SECTION A				
Answer ALL questions.				
Give one source of secondary data.				
	(Total for Question 1 = 1 mark)			
Outline what is meant by the term 'target market'.				
	(Total for Question 2 = 1 mark)			
Give one example of an external threat to a business.				
	(Total for Question 3 = 1 mark)			
State one way of measuring the value of a market.				
	(Total for Question 4 = 1 mark)			
Outline the meaning of the term 'benchmarking'.				
	(Total for Question 5 = 1 mark)			
	Outline what is meant by the term 'target market'. Give one example of an external threat to a business. State one way of measuring the value of a market.			



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6	Fielding and Sons Ltd is a company that employs specialist workers who decorate shops and set up displays before the shops open. The company provides a specialist service that appeals to a small number of other businesses.		
	(a) Identify the type of market Fielding and Sons Ltd operates in.	(1)	
	The owners of the company use marketing to improve profitability. (b) Outline what is meant by the term 'profitability'.	(1)	
	(c) Outline one way that a business such as Fielding and Sons Ltd could communicate effectively with the public.	(1)	
1	Fielding and Sons Ltd uses market research to understand the needs of its customers. (d) Explain two reasons why Fielding and Sons Ltd might want to understand the needs of its customers.	(4)	
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(e) Discuss how the ch affected by its targ	noice of marketing activitet market.	ities used by Fielding	and Sons Ltd is	
uncered by its raig	eemanea			(8)



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(Total for Question 6 = 15 marks)
TOTAL FOR SECTION A = 20 MARKS
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SECTION B

Answer ALL questions.

Amiable Donkey

Amiable Donkey is a coffee shop that was set up by a group of school friends. The business aims to target people who are willing to pay a premium price for a high-quality product.

The business is based on ethical principles. Amiable Donkey buys coffee from farms that have permission to use the 'Fairtrade' and 'Organic' logos on their products. This is important to the customers who visit the coffee shop. These customers want to buy a product that is different from those sold in ordinary coffee shops.

As part of the ethical commitment of the business, the owners carry out a range of activities including:

- holding regular charity events in the coffee shop
- highlighting political issues such as famine in developing countries
- working with a group called 'Sleep Easy' who try to help the homeless
- running a scheme called 'Get one give one' customers can buy a coffee for themselves and pay for a second cup for a local homeless person.

The owners want to have regular performances by musicians in the coffee shop, but they need a licence to do this. They applied to their local council for a licence. Their application was rejected because people living near the coffee shop complained that there would be a lot of noise.

The owners spend a lot of time writing letters to Members of Parliament (MPs). They have heard that one of their main competitors, Café Oxford Street, pays very little tax. They think this is unfair. They are campaigning to get the government to charge all companies the same rate of tax. Their campaign has gained a lot of attention from newspapers and local television.

The owners of Amiable Donkey have considered opening a second coffee shop. To prepare for this they have carried out a lot of market research. They have carried out foot counts on different streets. They have also interviewed a number of customers of other coffee shops. They have used the data collected to carry out a situational analysis to help them make their decision.

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State one form of situational analysis that could be used by the owners of Amiable Donkey.	
(Total for Question 7 = 1 m	ark)
The owners of Amiable Donkey have carried out market research to help them decide whether or not to open a second coffee shop.	
(a) Identify the method used by the owners to collect qualitative data.	(1)
One reason that the owners of Amiable Donkey collect market research is to identify competitor activity.	
(b) Explain one reason why the owners would want to know about competitor activity.	(2)
Another reason that the owners of Amiable Donkey collect market research is to understand consumer behaviour.	
(c) Outline what is meant by the term 'consumer behaviour'.	(2)
(Total for Question 8 = 5 ma	rks)

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	e two cultural issues that might influence Amiable Donkey's choice of et customer.	
ca. g		(2)
(b) Desc	ribe one way that market research can be used to identify a target market.	(2)
(c) Outl	ine one benefit of using internal data to identify a target market.	<i>(-)</i>
		(2)



		onkey's marketing mix	(4)
	(Total	for Question 9 = 10 r	narks)

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(a) Outline one ethical influence on Amiable Donkey's marketing activities.	(2)
(b) Explain two ways that SMART objectives might be used to evaluate the effectiveness of Amiable Donkey's marketing.	(4)



c) Evaluate the impact of political factors on the marketing mix of Amiable Donkey.	
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(Total for Question 10 = 14 marks)
TOTAL FOR SECTION B = 30 MARKS TOTAL FOR PAPER = 50 MARKS



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