

Mark Scheme (Results)

January 2019

NQF BTEC Level 1/Level 2 Firsts in
Business

Unit 9: Principles of Marketing
(21325E)



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BTEC Next Generation Mark Scheme Template

Business Level 2 Unit 9

Question Number	Answer	Mark
1	<p>Award one mark for any of the following:</p> <ul style="list-style-type: none">• quantitative• internal• external• primary• secondary <p>(Accept spelling mistakes.)</p>	1

Question Number	Answer	Mark
2	<p>Award one mark for any of the following:</p> <ul style="list-style-type: none">• to understand customer needs• to keep ahead of competitors• to communicate effectively with the public• to increase sales and profitability• To gain market share• To develop brand awareness• Encourage customer loyalty• Promote / advertise products/new products <p>Accept any other appropriate response.</p>	1

Question Number	Answer	Mark
3	<ul style="list-style-type: none">• Strength• Strengths <p>(Accept spelling mistakes.)</p>	1

Question Number	Answer	Mark
4	<ul style="list-style-type: none"> • PESTLE/PESTEL/PEST/SLEPT <p>Accept any other appropriate response linked to PEST.</p>	1

Question Number	Answer	Mark
5	<p>Award one mark for any of the following up to a maximum of two marks:</p> <ul style="list-style-type: none"> • desk research/search internet • questionnaires • survey • interviews • customer reviews • focus groups <p>Accept any other appropriate response. Do not accept / do not allow multiple counting</p>	2

Question Number	Answer	Mark
6	<p>Award one mark for any of the following:</p> <ul style="list-style-type: none"> • Paid-for advertising • Newspapers • Radio/TV • Leaflets/brochures • internet paid advertising (pay per click etc)- Internet by itself is too vague) • Billboards <p>Accept any other appropriate responses. Do not accept social media as this is below the line</p>	1
Question Number	Answer	Mark
7a	<p>Award one mark for any of the following:</p> <ul style="list-style-type: none"> • Capital • Capital good(s) 	1

	<ul style="list-style-type: none"> • Capital good (s) market <p>Accept spelling mistakes</p>	
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Question Number	Answer	Mark
7b	<p>Award one mark for stating a difference between capital and consumer goods markets and one further mark for stating why they are different.</p> <ul style="list-style-type: none"> • Capital goods are used to make other goods (1) whilst consumer goods are bought/used by customers(1) • The goods would be targeted at a different audience (1) so the method of promotion would be different (1) • Consumer goods use mass market media/promotion (1) because the goods are aimed at non-specialist consumers (1) • Capital goods use niche market media/promotion (1) because the goods are aimed at specialist consumers (1) • Capital goods use methods such as personal selling (1) because customers will require specialist knowledge to help make buying decisions (1) • The volume of buyers/sellers will be lower (1) therefore the pricing strategy will be different to ensure the business makes a profit (1) <p>Accept any other appropriate responses. Do not accept responses which state difference between consumers and customers</p>	2

Question Number	Answer	Mark
8a	<p>Award one mark for any of the following:</p> <ul style="list-style-type: none"> • A subset of a wider market • A small market with specific customer needs <p>Accept any other appropriate responses.</p>	1

Question Number	Answer	Mark
8b	<p>Award one mark for identification of a benefit of selling into a niche market, one further mark for stating why it is a benefit to the business.</p> <ul style="list-style-type: none"> • The business makes a higher profit per unit/can cover the greater cost of production (1) because prices for niche products tend to be higher (1) • <i>Upcycle</i> may convert more enquiries into orders (1) because the target segment will usually be interested in the products (1) • <i>Upcycle</i> may have more focused marketing activity (1) because it will have a better understanding of its target market (1) • Less chance competitors will be selling identical products/customers will place a higher value on them (1) because products produced are specialised (1) • Allows for a level of customisation /specialisation (1) so more likely to meet individual customer needs (1) • Potentially more loyal customers (1) because less competition (1) <p>Accept any other appropriate responses.</p>	2

Question Number	Answer	Mark
8c(i)	<p>Award one mark for identifying what an augmented product is.</p> <ul style="list-style-type: none"> • An extra feature added to the core product (1) • Feature that adds further value in the eyes of customers (1) <p>Accept any other appropriate responses.</p>	1

Question Number	Answer	Mark
8c(ii)	<p>Award one mark for identification of an augmented feature of <i>Upcycle's</i> product.</p> <ul style="list-style-type: none"> • The business offers a gift wrap service (1) 	1

Question Number	Answer	Mark
8d	<p>Award one mark for each appropriate identification of new way <i>Upcycle</i> could augment its product.</p> <ul style="list-style-type: none"> • Home delivery service (1) • Guarantees / Warranties (1) • Insurance (1) • Free servicing/resizing (1) • Personalisation/inscriptions (1) <p>Accept any other appropriate responses.</p>	2

Question Number	Indicative content	Mark
8e	<p>Strategy – set a high price when the product first comes to market and lower when competition increases.</p>	8

	<p>Advantages of skimming strategy</p> <ul style="list-style-type: none"> • Higher price allows costs to be recovered quickly • High profit per piece so need to sell fewer items • Customers may feel the high price is due to higher quality • Early adopters more willing to pay high prices. • Gives the business flexibility to change prices as required, and leads to profit maximisation <p>Disadvantages of skimming strategy</p> <ul style="list-style-type: none"> • May not be able to achieve the asking price if there are many competitors which could lead to a loss of customers/lower revenues. • May develop a poor reputation for unrealistic prices and so lose loyalty/repeat business • Can deter customers from buying a product at launch – may wait until price drops in the future • Buyers associate higher price with higher quality so can feel let down if product does not match their expectations resulting in customers moving to competitor’s businesses/ customers leaving poor reviews on social media. <p>Situation needs to have some references to custom made products.</p> <p>Do not reward</p> <ul style="list-style-type: none"> • Responses related to scaring customers away due to higher prices as these are custom-made products targeted at specific customers who are prepared to pay higher prices. • Judgements, only credit advantages and disadvantages. <p>NB can award</p> <ul style="list-style-type: none"> • less customers without development. • Definition of price skimming. 	
Level	Descriptor	
0 0 marks	No rewardable material.	
1 1-3 marks	- A few key points identified, or one point described in some detail.	

	<ul style="list-style-type: none"> - The answer is likely to be in the form of a list. - Only one viewpoint considered. <p>Points made will be superficial/generic and not applied/directly linked to the situation in the question.</p>
2 4-6 marks	<ul style="list-style-type: none"> - Some points identified or a few key points described. - Consideration of more than one viewpoint but there will be more emphasis on one of them. - The answer is unbalanced. <p>Most points made will be relevant to the situation in the question, but the link will not always be clear.</p>
3 7-8 marks	<ul style="list-style-type: none"> - A range of points described or a few key point explained in depth. - All sides of the case are considered and the answer is well-balanced, giving weight to all viewpoints. <p>The majority of points made will be relevant and there will be a clear link to the situation in the question.</p>

Question Number	Answer	Mark
9a	<ul style="list-style-type: none"> • Place • Do not credit if more than one P response is given. 	1

Question Number	Answer	Mark
9b	<ul style="list-style-type: none"> • Manufacturer/supplier • Producer • Factory • Making/produce/manufacture <p>Accept any other appropriate responses</p>	1

Question Number	Answer	Mark
10	<p>One mark for each correct response up to a maximum of two marks.</p> <ul style="list-style-type: none"> • Development/Research and Development/R&D • Launch/Introduction • Growth • Maturity • Saturation • Decline • Extension <p>Accept any other appropriate responses.</p>	2

Question Number	Answer	Mark
11a	<p>Award one mark for any of the following:</p> <ul style="list-style-type: none"> • Social media sites (1) • Competitor websites (1) • Competitor campaigns (1) <p>Accept any other appropriate responses. Do not award internet as too vague.</p>	1

Question Number	Answer	Mark
11b	<p data-bbox="488 264 1114 327">Award one mark for any of the following up to two marks.</p> <ul data-bbox="488 349 997 976" style="list-style-type: none"><li data-bbox="488 349 997 412">• To identify the number of views a site has received<li data-bbox="488 423 997 486">• To see how long people stayed on the site<li data-bbox="488 497 997 604">• To see whether the sales volumes have increased as a result of a specific marketing campaign<li data-bbox="488 616 997 678">• To measure the success of a campaign<li data-bbox="488 689 997 752">• To avoid making mistakes in the next campaign<li data-bbox="488 763 997 790">• Identify target market<li data-bbox="488 801 997 828">• Identify trends<li data-bbox="488 840 997 866">• Identify market value<li data-bbox="488 878 997 904">• Improve client website<li data-bbox="488 916 997 976">• Identifying electronic devices used to access websites. <p data-bbox="488 1010 943 1037">Accept any other valid responses.</p>	2

Question Number	Answer	Mark
12a	<ul style="list-style-type: none"> • Unique <p>(Accept spelling mistakes.)</p>	1

Question Number	Answer	Mark
12b	<ul style="list-style-type: none"> • The value of a market for goods or services measured in monetary terms or quantity of products sold • The number of buyers in a market <p>Accept any other appropriate response. Do not accept a simple rewording of the question i.e market size is the size of the market or make statements such as big or small.</p>	1

Question Number	Answer	Mark
12c	<p>Award one mark for any of the following:</p> <ul style="list-style-type: none"> • The amount of a market for goods or services that one business has • Percentage of sales of a product from one business <p>Accept any other appropriate response.</p>	1

Question Number	Answer	Mark
13a	<p>Award one mark for any of the following:</p> <ul style="list-style-type: none"> • Form of marketing where consumers share information about a product to others • Marketing using social networks/media/internet to promote products/services <p>Accept any other appropriate response.</p> <p>Do not reward the purpose of viral marketing. The response must be a definition.</p>	1

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Question Number	Answer	Mark
13b	<p>Award one mark for any of the following:</p> <ul style="list-style-type: none"> • release a video online/social media • launch new product online/social media • post online/social media • share ideas online/social media • send/share reviews of a product online/social media. <p>Accept any other appropriate answers. Do not accept market research responses and do not accept social media without an action.</p>	2

Question Number	Answer	Mark
13c	<p>Award one mark for identification of a benefit of situational analysis and one additional mark for an appropriate expansion of why it is a benefit, up to a maximum of four marks.</p> <ul style="list-style-type: none"> • Can make decisions about the timing of new product launches (1) if it has data about the economic environment in which the business is operating (1) • The business can make better/more appropriate marketing decisions (1) based on facts and not guesswork (1) • It allows marketing plans/decisions to focus on the strengths of a business (1) and to eliminate the weaknesses that may prevent a business from accessing opportunities (1) <p>Accept any other appropriate responses.</p>	4

Question Number	Indicative content	Mark
14	<p>Possible answers might include:</p> <ul style="list-style-type: none"> • The service offered is specialist advertising to other businesses • B2B relies on good relationships with customers so have a number of specialist sales staff. • B2B markets tend to be more stable and less affected by changes in customer taste • B2B customers tend to be more loyal and will sign contracts to supply for long periods, which gives stability to the business and allows it to plan • Often there are only a small number of clients/niche markets, so marketing/promotion costs are lower because the business does not have to undertake expensive mass market advertising such as TV adverts • The buyers (the companies buying the advertising) are often more knowledgeable and know what they want so there is less confusion • The business could use examples from previous work/references to help persuade new clients to buy from them. • The location of the business is less critical. It does not need to be on an expensive high street but may need to be near to media organisations <p>However:</p> <ul style="list-style-type: none"> • The service offered is specialist advertising to other businesses so there will be a limited number of promotional routes that can be used, e.g. the use of TV adverts would not be appropriate, but corporate videos showing what the business has done before might be used • The limited number of customers means that to lose one would be a major problem • The size of the purchasing businesses is larger and so they have more power to dictate prices or to ask for changes to the product/service offered • The buying process can be more complex/time consuming/take longer 	8

	<p>usually because more people are involved in the buying decision, unlike B2C markets where a single consumer may make the decision to buy</p> <ul style="list-style-type: none"> • Specialist staff are more expensive to employ and if poached by competitors may be difficult to replace 	
Level	Descriptor	
0 0 marks	No rewardable material.	
1 1-3 marks	<ul style="list-style-type: none"> • Demonstrates isolated knowledge and understanding of relevant information; there may be major gaps or omissions. • Provides little evidence of application and links between relevant information. Analysis likely to consist of basic description of information. <p>Meaning may be conveyed but in a non-specialist way; response lacks clarity and fails to provide an adequate answer to the question.</p>	
2 4-6 marks	<ul style="list-style-type: none"> • Demonstrates accurate knowledge and understanding of relevant information with a few omissions. • Evidence of application demonstrating some linkages and Interrelationships between factors leading to an analysis being presented. <p>Demonstrates the use of logical reasoning, clarity, and appropriate specialist technical language.</p>	
3 7-8 marks	<ul style="list-style-type: none"> • Demonstrates accurate and thorough knowledge and understanding of relevant information; any gaps or omissions are minor. • Evidences thorough application leading to a balanced analysis containing linkages and interrelationships between factors. <p>Logical reasoning evidenced throughout response which is clear and uses specialist technical language consistently.</p>	

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