Candidate Name	Centre Number	Candidate Number	
OXFORD CAMBRIDGE AND General Certificate of Second		IS	
BUSINESS STUDIES A		19	951/6
OPTION: BUSINESS COMM AND MARKETING	MUNICATION		
PAPER 6 HIGHER TIER			
Tuesday 20 JUNE	2006 Aft	ternoon	1 hour
Candidates answer on the question particular to the control of the	aper.		

TIME 1 hour

INSTRUCTIONS TO CANDIDATES

- Write your name, Centre number and candidate number in the spaces at the top of this page.
- Answer all questions.
- Write your answers in the spaces on the question paper.
- The spaces should be sufficient for your answers but if you require more space use the lined pages at the end of the booklet and number your answers carefully.

INFORMATION FOR CANDIDATES

- The number of marks is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is 60.
- The quality of your written communication will be taken into account when marking your answer to the question labelled with an asterisk (*).
- You may use an approved calculator.

FOR EXAMIN	NER'S USE
Question 1	
Question 2	
TOTAL	

1 Tracey Greens Ltd is a department store which sells a range of clothing, electrical equipment and food.

of a computer controlled system.

(a) Explain why it is important that Tracey Greens Ltd has effective communication within the business.

(b) Tracey Greens Ltd is considering changing from a manual stock control system to a computer controlled system. Evaluate the possible implications for the business of making this change. Your answer should include both advantages and disadvantages

[6]

[3]

- (c) The Managing Director carried out a SWOT analysis for Tracey Greens Ltd.
 - (i) Complete Fig. 1 by stating **one** possible strength and **one** possible threat which companies such as Tracey Greens Ltd may experience.

STRENGTH	[1]]
WEAKNESS	Poor service	
OPPORTUNITY	Possibility of expanding to Europe	
THREAT	[1]]

Fig. 1

(ii) Explain how a SWOT analysis may benefit Tracey Greens Ltd.

[2]

*(d) The Managing Director of Tracey Greens Ltd feels the company is not competing well with other department stores. To make itself more competitive, the company could decrease prices, improve service or increase the product range.

Possible choices for Tracey Greens Ltd

Choice 1	Choice 2	Choice 3
Decrease prices on all products	Improve service	Increase product range

Fig. 2

Using the information in Fig. 2, advise the Managing Director whether to use Choice 1, Choice 2 or Choice 3 to make Tracey Greens Ltd more competitive. Give reasons for your answer.

QWC

[6+2]

(e) The Finance Director of Tracey Greens Ltd provided the following information for the UK shown in Fig. 3 below.

5





Advise Tracey Greens Ltd how the data might affect its marketing strategy.

 [6]
[Total : 27 Marks]

6 For Examiner's Use 2 Really Fresh Fish Ltd is a large supplier of fish to individuals, An image of a fish restaurants and supermarkets around the UK. has been removed due to third party Really Fresh Fish Ltd now uses e-commerce in its business. (a) (i) copyright Explain two pressures that may have persuaded Really restrictions Fresh Fish Ltd to use e-commerce. 1_____ Pressure 1 Pressure 2 ______ [4] (ii) Explain how Really Fresh Fish Ltd may promote itself using e-commerce. [2] (b) Really Fresh Fish Ltd has a strong brand name amongst its customers. (i) Explain how Really Fresh Fish Ltd may have developed this strong brand name. [3] State and explain one possible advantage to Really Fresh Fish Ltd of having a (ii) strong brand name. [2]

(c) Fig. 4 shows the shift in the demand curve during 2005 for cod provided by Really Fresh Fish Ltd.



Quantity of cod demanded

Fig.4

The information below shows three events that may have caused the demand curve to shift from D to D1 as shown in Fig. 4.

(i) Indicate, with a tick, if each event was likely or unlikely to have caused the shift in the demand curve.

Event	<u>Likely</u> to cause a shift in the demand curve from D to D1	<u>Unlikely</u> to cause a shift in the demand curve from D to D1
An improvement in fish catching techniques.		
A decrease in competitors' prices of cod.		
A successful advertising campaign by Really Fresh Fish Ltd.		

[3]

(ii) Explain **one** action Really Fresh Fish Ltd may take in response to the shift in the demand curve from D to D1 as shown in Fig. 4.

[2]

- For Examiner's Use
- (d) Fig. 5 provides a summary of financial information regarding Really Fresh Fish Ltd and the amount spent on fish by UK households.

	2001	2003	2005	Forecast 2007
Really Fresh Fish Ltd Sales percentage change on previous year	+20%	+25%	+20%	-10%
Really Fresh Fish Ltd Market share percentage	5%	6.5%	8%	6%
Expenditure on fish as a percentage of total UK household spending on food	4	5	6	7

Fig.5

Discuss the possible effects on Really Fresh Fish Ltd of the trends shown in Fig. 5.

- (e) Really Fresh Fish Ltd is thinking about selling coley fish.
 - (i) Really Fresh Fish Ltd wants to carry out market research using either a random sample or a quota sample to see if the public would buy coley.

9

RANDOM SAMPLE Random selection of 10 000 people

QUOTA SAMPLE 5 000 people selected by certain criteria

Explain which sampling method Really Fresh Fish Ltd should use. Justify your answer by explaining why you did not recommend the other method.

Choice	
Reasons	
	[4]

(ii) Really Fresh Fish Ltd decided to **test market** coley as a cheaper alternative to cod. It narrowed the possible test market locations to the three choices shown below.

Location A	Location B	Location C
 50 000 people Socio economic background mainly A and B High consumer spending 	 45 000 people Socio economic background mainly C1 and C2 Average consumer spending 	 40 000 people Socio economic background mainly D and E Low consumer spending

Advise Really Fresh Fish Ltd which location it should choose to carry out its test market. Your answer should make reference to each location.

____ [5]

[Total : 33 Marks]

If you use the following lined pages to complete the answer to any question, the question number **must** be clearly shown.

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