



Please write clearly in block capitals.

Centre number

--	--	--	--	--

Candidate number

--	--	--	--

Surname

Forename(s)

Candidate signature

Level 3 Technical Level

BUSINESS: MARKETING

Unit 2 Marketing principles

Friday 26 January 2018

Afternoon

Time allowed: 2 hours

Materials

You will need no other materials.

For Examiner's Use	
Examiner's Initials	
Question	Mark
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
TOTAL	

Information

- The marks for questions are shown in brackets.
- The maximum mark for this paper is 80. There are 50 marks for **Section A** and 30 marks for **Section B**.
- There are two sections to this paper.
- Both sections should be attempted.
- Candidates should spend approximately 60 minutes on **Section A** and 60 minutes on **Section B**.

Advice

Please read each question carefully before starting.



J A N 1 8 Y 5 0 6 6 0 8 6 0 1

G/TI/Jan18/E6

Y/506/6086

Section AAnswer **all** questions in this section.**Total for this section: 50 marks**In the multiple choice questions, only **one** answer per question is allowed.

For each question completely fill in the circle alongside the appropriate answer.

CORRECT METHOD



WRONG METHODS



If you want to change your answer you must cross out your original answer as shown.



If you wish to return to an answer previously crossed out, ring the answer you now wish to select as shown.

**0 1**Which of the following is a method of **secondary** market research?**A** Focus group discussions.**B** Individual in depth interviews.**C** Analysis of government statistics.**D** Smart phone online surveys.**[1 mark]****1****0 2**A smoothie bar located in a university town and targeting 18–25 year olds wants to **communicate effectively with customers**.What would be the **most** appropriate way?**A** Adverts placed in national newspapers.**B** Leaflets posted through doors in the local town.**C** Meetings with local competitors.**D** Messages and videos on social media accounts such as Instagram.**[1 mark]****1**

0 2

G/Jan18/Y/506/6086

Do not write
outside the
box

0 3

A business supplies products direct to other businesses.

What would be the most important **element of the marketing mix** for them?

- A Building a relationship with customers.
- B Emphasising public relations.
- C Mass promotion of products to the general public.
- D Sharing the opportunity cost.

[1 mark]

1

0 4

A business operating in a fast changing market wants to **gather numerical data** that can be analysed quickly.

Which would be the most appropriate method?

- A Closed question surveys completed online by 50 customers on their social media.
- B Face to face interviews with 5 customers who purchased the product in the last month.
- C Focus group with 10 customers who shop regularly with the business.
- D Panel discussions with 3 potential customers.

[1 mark]

1

0 5

Which of the following would be classed as an element of the **internal** marketing environment?

- A Equipment
- B Intermediaries
- C Legislation
- D Suppliers

[1 mark]

1

Turn over ►



0 3

G/Jan18/Y/506/6086

Do not write
outside the
box

0 6

Ruth Wynne loves shopping and is always searching on social media for the latest fashion item to buy.

What will be the biggest **influence** on her **decision making process**?

- A Advertising between TV programmes on a Saturday night.
- B Celebrities that she sees pictures of online.
- C Reports on social media of the conditions of how items are manufactured.
- D The price of the item.

[1 mark]

1

0 7

Which of the following would be a benefit of co-ordinated marketing mix?

- A Competitive advantage.
- B Opportunity cost.
- C Personal selling.
- D Trade promotion.

[1 mark]

1

0 8

What would be the best way for a business manufacturing fitted kitchens to achieve **customer satisfaction**?

- A Advertise products using national newspapers.
- B Maintain a good relationship with suppliers of raw materials.
- C Suggest employees provide after-sales service.
- D Understand customers' exact requirements.

[1 mark]

1



0 4

G/Jan18/Y/506/6086

0 | 9

Explain how a café providing table service could **secure customer retention**.

[3 marks]

Do not write outside the box

1 | 0

Explain **one** problem of a business using **secondary market research**.

[3 marks]

3

3

Turn over for the next question

Turn over ►



1 1

Daniel Porter enjoys tea, but he also believes those that grow and pick the tea should be treated fairly. He is also concerned about the environment and wastage. He heard of a company called Teapigs. To help him decide whether to buy their tea he has done some online research and found the following information.

- Teapigs supports orphans and young people in Rwanda – the area where their tea is grown.
- They make donations to these young people from each pack they sell.
- Tea is sourced only from well-run areas where no chemicals are used.
- All teabags are biodegradable and all packaging is fully recyclable.

Use the information above to analyse how Daniel's **emotional needs** are met by purchasing Teapigs products.

[6 marks]

6



0 6

G/Jan18/Y/506/6086

A business that engraves smart phones with personal messages is planning to open its first store. The target market is college and university students. To find out the opinions of their target market they plan to use:

- a small sample of people passing through the train station on a Saturday
- a mix of both male and female participants
- an age range of 18–50
- closed survey questions that the sample can complete quickly and easily.

Use the information above to analyse the **validity of the data** for the business.

[6 marks]

6

Turn over for the next question

Turn over ►



A business offering printing on t-shirts, hoodies, and mugs is deciding how to achieve **growth**.

They have the following marketing mix:

Marketing mix

Place – offer an online delivery store as well as through an app on iTunes and Android store.

Product – remain loyal to their core product range by focusing on quality.

Price – offer a competitive pricing strategy and a price match scheme with other online competitors.

Promotion – through social media pages.

Use the information to analyse the benefits of a **co-ordinated marketing mix**.

[6 marks]

6



A small florist business has noticed the following changes in the external environment.

- **Political** – corporation tax has been reduced.
- **Economic** – unemployment and lack of disposable income means customers are being more careful with their spending on non-essential items.
- **Technological** – flowers can now be ordered online often at much lower prices than those offered by small florists.
- **Social** – trends indicate that only 40% of consumers buy flowers more than three times a year.

Use the information to analyse the impact that the **macro marketing environment** could have on the florist.

[6 marks]

6

Turn over for the next question

Turn over ►



1 | 5

TripAdvisor, Oyster and Holiday Check all provide customer reviews of holiday makers' experiences. They also provide an opportunity for customers to rate their stay. According to market research firm Mintel, 70% of customers now read reviews before booking holidays.

A hotel currently has 4 stars out of 5 on review sites and 98% positive reviews.

Use the information above to analyse the importance to the hotel of the **consumer buying process** when customers make a holiday purchasing decision.

[6 marks]

6



Natalie has inherited a housing construction company. As she is new to the company she is looking to conduct some research to help build her reputation as an owner who knows the industry and understands the market that the business operates in. The following options are available:

- 1 **Trade journals** – she is able to read journals such as Construction News, building.co.uk, Building Design and Construction magazine and construction.co.uk
- 2 **Online searches of competition** – she is able to Google the competition and their websites, such as Jones Homes and Barratt Homes.
- 3 **Government statistics** – websites such as www.gov.co.uk and www.statistica.co.uk provide information about the amount of homebuyers' disposable income and other information.

Use the information above to analyse how Natalie would benefit from the different forms of research.

[6 marks]

6

Turn over ►



Section B

Answer **both** questions in this section.

Total for this section: 30 marks

Read **Item A** and then answer question **1 7**.

Item A**Autism Now!**

Jamie is the Managing Director of Autism Now! which is a charity raising money to offer support to families of those affected by Autism, a condition that affects 1 in 100 people in the UK. Autism is characterised by people having difficulty communicating and forming relationships with others. Paul, the marketing manager is responsible for creating awareness of the charity across the UK and reports to Jamie.

Paul creates awareness through the charity's social media pages, distributing leaflets and posters for doctors' surgeries and hospitals. Paul has two main roles in his job: supporting volunteers who donate their time to the charity and also communicating with families of those affected by autism.

Jamie has given Paul a target to increase donations to the charity by 15% before the end of 2018.

Many people only donate to a charity if they or a family member has been affected. Also the charitable sector suffers from donation fatigue, where people stop donating to charities even though they have in the past.

Other charities in a similar area have seen incomes increase over the last couple of years, however donations to Autism charities are much lower.

Charity	2016	2015
Cancer research UK	£635 million	£522 million
Alzheimer's Society	£97.9 million	£90.5 million
Child Autism UK	£657 023	£588 698

Paul thinks that the best way to increase donations will be to work closely with volunteers and the local community to create a positive image of the charity through fun days and bake sales.



Jamie thinks the best way for Paul to achieve his target for 2018 is to create an aggressive advertising campaign to shock people into donating. Do you agree?

Use **Item A** to justify your answer.

[15 marks]

Do not write outside the box



Do not write outside the box

15



Turn over for the next question

*Do not write
outside the
box*

**DO NOT WRITE ON THIS PAGE
ANSWER IN THE SPACES PROVIDED**

Turn over ►



1 5

G/Jan18/Y/506/6086

Read **Item B** and then answer question **1 8**.

Item B

Tilly Mayer Ltd

Tilly Mayer Ltd started when Tilly brought back gifts for friends from her travels in the Far East. The first Tilly Mayer shop opened 24 years ago in the UK. Tilly is still with the company and there are now 60 stores across the UK as well as an online store. Promotion is carried out using a variety of social media and blogs, as well as more traditional methods such as magazines.

Tilly Mayer still sells items inspired by the Far East including clothes, accessories and items for the home such as rugs and cushions. Tilly works with a team of designers to ensure the products all fit the same theme.

The company motto is 'being kind', which means that the company wants to be kind in everything they do, from the way they treat employees to how they interact with suppliers.

They were one of the first high street chains to pay employees the National Living Wage. In 2017 this was £7.50 per hour.

Tilly thinks that 'being kind' can create a unique selling point when promoting the company.

General Public – provide vital services to an orphanage in Vietnam, and support over 300 local charities and schools.

Customers – offer customers the chance to recycle their old electrical items when buying any new product. They invite loyal customers to launch nights where they allow them to see reduced sale items first, and offer social evenings where they talk about ethical business.

Competitors – Tilly Mayer competes with businesses such as Oliver Bonas, Urban Outfitters, Joy and Cath Kidston.

Suppliers – treat suppliers fairly and in a kind manner, in the way that they work with them and deal with their contracts.



1 | 8

Tilly Mayer Ltd operates in a saturated market.

Using **Item B** evaluate the most important element of the **micro marketing environment** when promoting the business.

[15 marks]

Turn over ►



Do not write outside the box

15

END OF QUESTIONS



There are no questions printed on this page

Do not write
outside the
box

**DO NOT WRITE ON THIS PAGE
ANSWER IN THE SPACES PROVIDED**



1 9

G/Jan18/Y/506/6086

There are no questions printed on this page

*Do not write
outside the
box*

**DO NOT WRITE ON THIS PAGE
ANSWER IN THE SPACES PROVIDED**

Copyright information

For confidentiality purposes, from the November 2015 examination series, acknowledgements of third party copyright material will be published in a separate booklet rather than including them on the examination paper or support materials. This booklet is published after each examination series and is available for free download from www.aqa.org.uk after the live examination series.

Permission to reproduce all copyright material has been applied for. In some cases, efforts to contact copyright-holders may have been unsuccessful and AQA will be happy to rectify any omissions of acknowledgements. If you have any queries please contact the Copyright Team, AQA, Stag Hill House, Guildford, GU2 7XJ.

Copyright © 2018 AQA and its licensors. All rights reserved.



2 0

G/Jan18/Y/506/6086