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## Question 7

- (A) Illustrate **two** internal and **two** external sources of new product or service ideas. (25 marks)
- (B) *If the Marketing Mix is to succeed, it must be based on customer needs and must support the required image for a particular product or service.*

Analyse, for a product or service of your choice, the elements of the marketing mix. (35 marks)

**(60 marks)**

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- (B) In the case of a particular product/service of your choice, evaluate the role of (i) Advertising (ii) Public Relations and (iii) Personal Selling in the promotion of the product/service. (30 marks)

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- (C) Explain the term Market Segmentation. (10 marks)

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*Olympian Ltd is a company that produces a range of high quality branded sportswear. Following a lengthy market research process, the firm is now expanding its business to include a new range of Hoodie Tracksuits, aimed at the teenage market.*

- (A) Outline the stages involved in the development process of the new range of Hoodie Tracksuits. (20 marks)
- (B) (i) Explain the term 'market segmentation', illustrating your answer with reference to Olympian Ltd.  
(ii) Outline **two** benefits to Olympian Ltd of segmenting the market. (20 marks)
- (C) Describe the factors that the Marketing Manager of Olympian Ltd should consider when deciding on the selling price of their new range of Hoodie Tracksuits. (20 marks)
- (60 marks)**

Read the information supplied and answer the questions which follow.

An Irish company, 'All-Weather Wellies Ltd' identified a niche market for colourful wellington boots of all sizes. The wellington boots are sold mainly on-line to people who enjoy the 'great outdoors' and festival-goers. The company wishes to expand and add accessories, such as, umbrellas, scarves and hats to the product range.

- (A) Outline the market research techniques available to 'All-Weather Wellies Ltd' for developing its product range. (20 marks)
- (B) (i) Explain the term 'market segmentation' with reference to 'All-Weather Wellies Ltd'.  
(ii) Discuss the reasons why the marketing department of 'All-Weather Wellies Ltd' might engage in market segmentation. (20 marks)
- (C) Outline the factors a marketing manager might consider in determining the selling price of products at 'All-Weather Wellies Ltd'. (20 marks)
- (60 marks)**

### Question 7

- (A) Read the information supplied and answer the question which follows.

**Kurve Ltd** provides broadband, phone and television services to homes in the Irish market. In January 2015 it launched its new digital television service '*VISION*', providing different bundles of channels at different prices. It charges a reduced subscription for the first six months to new customers. Orders can be placed directly online. The business operates in a highly competitive market and plans to increase its sales revenues by 20 % over the next two years.

Explain the *product*, *price* and *place* elements of the marketing mix.  
Relate your explanations to **Kurve Ltd**.

(25 marks)

- (B) (i) Explain the term *Public Relations* (PR).  
(ii) Discuss methods a business could consider to generate good Public Relations. (20 marks)
- (C) (i) Define the term *market segmentation*.  
(ii) Illustrate **two** methods a business could consider to segment its market. (15 marks)
- (60 marks)**

**Business in Action**

**Question 7**

Read the information supplied and answer the questions which follow.

*Cadbury is a confectionery company operating since 1932. It produces several well-known chocolate brands such as **Dairy Milk, Crunchie, Flake, Milk Tray, Roses** and **Creme Eggs**. In the Irish chocolate market Dairy Milk is the number one brand.*



- (A) (i) Draw a product life cycle diagram **and** explain **each** stage.  
 (ii) Outline **two** methods a business could consider to extend the product life cycle.  
 (25 marks)

(B) Read the information supplied and answer the questions which follow.

*Irish people are spending more on chocolate than ever before - and market experts say movie streaming services like Netflix could be partly to blame for our increased spend on chocolate, as more of us stay in with treats to watch a movie or our favourite TV show.*

**Source: Irish Independent, July 2017**

- (i) Discuss the benefits for a large chocolate manufacturer of engaging in **market segmentation**.  
 (ii) Illustrate **two** different ways the **chocolate market** could be segmented.  
 (20 marks)
- (C) Evaluate the benefits **and** challenges for a small start-up business of choosing a direct channel of distribution rather than selling through wholesalers and retailers.  
 (15 marks)  
**(60 marks)**

- (A) Explain **four** pricing policies that businesses can adopt as part of their marketing strategy and apply **one** of them to a product of your choice. (30 marks)
- (B) (i) What is a marketing plan?  
 (ii) Evaluate the role such a plan can have for a business. (20 marks)
- (C) Outline and illustrate the term 'niche market'. (10 marks)  
**(60 marks)**

- (A) (i) Explain, using a diagram, the stages in the product life cycle.  
 (ii) In the case of **each** stage, describe the implications for the cash flow of a business. (20 marks)

*Companies which invest in marketing in downturns benefit more when market conditions begin to pick up.*

- (A) Discuss the reasons why businesses carry out market research. (15 marks)
- (B) Evaluate 'Sales Promotion' and 'Public Relations' as forms of promotion. (20 marks)
- (C) 'Many businesses spend large sums of money developing a brand name'. Illustrate the benefits of branding for the business **and** the consumer. (25 marks)
- (60 marks)**

- (A) Outline the factors a business should consider when choosing a suitable Channel of Distribution. Provide examples to illustrate your answer. (20 marks)
- (B) Within the product element of the marketing mix, evaluate "product design" and "product packaging." (20 marks)
- (C) Read the information supplied below and answer the question which follows.

*SuperToys Ltd, a large retail chain with 45 shops throughout Ireland, had sales of €100 million in 2011. It has just commissioned a firm to design and manufacture a new range of soft toys for babies. These will be available for sale in its shops from Summer 2013. SuperToys Ltd plans to open its first shop in the UK in 2014.*

- Discuss the possible reasons for business expansion and growth at *SuperToys Ltd*. (20 marks)

(A) Read the information supplied and answer the questions which follow.

Maria Noone is the entrepreneur who owns Sensible Foods Ltd. This new company intends to manufacture a range of low calorie confectionery products. Initially consumers will be tempted by special offers. There will also be frequent coverage on national and local radio. *Goodbuys*, a leading supermarket chain, has agreed to stock the range, while wholesalers will distribute them to small independent shops.

Evaluate the role of advertising **and** sales promotion as elements of the promotional mix at Sensible Foods Ltd. (25 marks)

- (B) (i) Describe **two** factors Sensible Foods Ltd should consider when choosing a suitable channel of distribution for its products.
- (ii) Outline **one** positive and **one** negative implication for Sensible Foods Ltd of using a leading supermarket chain such as *Goodbuys* to sell its products. (20 marks)

### Question 7

Read the information supplied and answer the questions which follow.

#### Fantasia Clothing Ltd

Amy Carroll noticed that a lot of children's clothes available in the market are mini-versions of adult clothing. She identified a gap in the market for clothes which are bright, colourful and fun, designed specifically for children. She established **Fantasia Clothing Ltd** which, in two years, has earned a loyal customer base. Her unique designs, produced using quirky and comfortable fabrics, ensure her children's clothing stand out in the saturated children's clothing market.



- (A) (i) Explain the term **niche market** with reference to Fantasia Clothing Ltd.
- (ii) Illustrate the implications for a business operating in a niche market. (20 marks)
- (B) (i) Outline **three** pricing strategies a marketing manager could consider in setting a selling price for a product or service.
- (ii) Name **one** pricing strategy suitable for a product or service of your choice, explaining the reason for your choice of pricing strategy. (20 marks)
- (C) Discuss the factors a business should consider when choosing a source of finance. (20 marks)
- (60 marks)**



### Intezz - Sugar Free Soft Drink

Beveraton PLC is a global manufacturer of soft drinks. It developed **Intezz**, a new sugar free soft drink which will be launched in the market in September 2019.

- (A) (i) Explain the factors that should be considered before deciding on the price to charge consumers for a product.
- (ii) Outline the pricing strategy best suited to the **introductory stage** of **Intezz** and **explain** the reason for your choice. (25)
- (B) (i) Describe the role of Public Relations (PR) in a business.
- (ii) Discuss the methods Beveraton could consider to develop good PR, providing examples to support your answer. (20)
- (C) Outline the factors the marketing manager of Intezz should consider when designing the packaging for the brand. (15)
- [60 marks]**

Read the information supplied and answer the questions which follow.

Amazon is the world's most valuable brand for the third consecutive year.

Google was in second place. Huawei made it into the top ten for the first time.



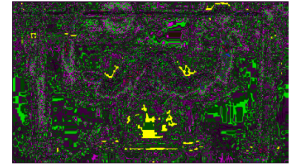
[www.branddirectory.com](http://www.branddirectory.com)

- (A) Discuss the benefits for a business of having a strong brand image. Provide examples to support your answer. (20)
- (B) (i) Explain the term **marketing concept**.
- (ii) Evaluate the **Promotion** and **Place** elements of the Marketing Mix for a product **or** service of your choice. (25)
- (C) Discuss the advantages of a **public limited company** as a form of business ownership. (15)

Read the information supplied and answer the questions which follow.

### Gym Culture

Dan used a bank loan to finance the setting up of a gym near a local university in 2010. He wanted to offer a no-contract, pay-as-you-train option to students while also offering personal programmes. In 2018 he opened two new gyms. He hired five full-time staff and now offers classes aimed at men and women who are preparing for a special event like a wedding. He also offers buggy bootcamp classes for parents of new babies. Dan believes employee empowerment has been the key to his success.



- (A) (i) Illustrate with reference to Gym Culture what a **niche market** is. (20)
- (ii) Outline the factors Dan's bank would consider before granting a loan application. (20)
- (B) (i) Discuss the benefits of Employee Empowerment. (20)
- (ii) Outline **one** possible barrier to Employee Empowerment. (20)

A consumer watchdog is to carry out an investigation into the public liability insurance market as businesses raise concerns about rising insurance costs.

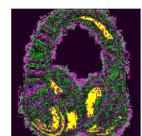
*The Irish Times, August 2019*

- (C) (i) Explain the term **public liability insurance**. (20)
- (ii) Outline **three** types of insurance, **other than public liability**, that a business might have. (20)

Read the information supplied and answer the questions which follow.

### Apple takeover of Beats Electronics

In 2014, Apple confirmed an acquisition/takeover of headphone maker and music streaming service Beats Electronics for a reported fee of \$3 billion dollars. As part of its business expansion, Apple conducted market research.



- (A) (i) Explain what is meant by a **takeover**. (20)
- (ii) Outline **two** advantages and **one** disadvantage of a takeover as a method of business expansion. (20)
- (B) Describe the reasons why a business conducts market research. (20)
- (C) Evaluate debt capital versus equity capital as methods of financing expansion for a business. (20)

