

Answers to revision worksheet:

- 1 a A special feature about a product [1] that makes it different to the products of competitors [1].
- b i decline [1]
ii growth [1]
- c It can extend the life of the Tree Skimmer model [1] and this will help create revenue that could be used to invest in developing new models [1].
It might be cheaper to use extension strategies such as a new social media campaign [1] than rushing into developing a new more advanced drone model which can be expensive [1].
- d A well-known brand means that it has a 'personality' of its own that makes it easy to recognise [1]. Consumers may be attracted to the TDC brand because of its reputation for exciting drone designs [1] and this helps to establish brand loyalty [1].
A well-known brand can reduce advertising and promotion costs [1]. If the TDC brand is well-known for reliable and high-quality drones [1] then this will reduce the need for constant advertising to encourage consumers to buy TDC products rather than those of competitors [1].
- e (Up to 6 marks are available.)
Extend product life cycle: Cheaper and quicker than developing new products; can help a product to achieve higher sales for a longer period – adding to the cash flow of the business and helping to pay back the high cost of developing the drone originally.
New products: This is quite a new and technically advanced industry – consumer tastes and preferences are changing quickly; new products essential to maintain TDC's brand image.
Overall conclusion/judgement needed, for example, keep Tree Skimmer 'going' as long as possible but avoid spending too much on extending product life cycle – finance needed for new drone developments.

Worksheet matching answer key

1. marketing mix a combination of factors that can be controlled by a company to influence consumers to purchase its products.
2. product an article or substance that is manufactured or refined for sale.
3. brand a type of product manufactured by a particular company under a particular name.
4. unique selling point a marketing statement that differentiates a product or brand from its competitor's
5. brand image general impression, perception, and associations any given customer has about a brand.
6. brand name identifies a specific company, product, or service and differentiates it from similar brands within a category
7. brand loyalty when customers continue to purchase from the same brand over and over again, despite competitors offering similar products or services.
8. product life cycle the length of time from a product first being introduced to consumers until it is removed from the market.

9. extension strategies a practice used to increase the market share for a given product or service and thus keep it in the maturity phase of the marketing product lifecycle rather than going into decline.

Answers to formal formative:

<p>Define ‘marketing mix’.</p> <p>Award 2 marks for a full definition. Award 1 mark for a partial definition.</p> <p>All activities that go into the marketing of a product or service. These activities are often summarised as the four P’s – product, promotion, place and price [2]</p> <p>OR Four marketing decisions needed for the effective marketing of a product [2]</p> <p>OR The combination of product, price, promotion and place (distribution) that determines how a firm markets itself to its customers and potential customers [2]</p> <p>Partial definition e.g. (combine) price, product, promotion and place [1]</p> <p>OR Different strategies a business can use to help market / sell its products [1]</p>	<p>2</p>		<p>For 2 marks candidates must understand that it involves four elements AND what it is used for (e.g. help sell products / attract customers / make marketing decisions / market a product). Do not award answers such as 4P’s or 1P’s these do not define the term.</p>
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<p>Define ‘customer loyalty’.</p> <p>Award 2 marks for a full definition.</p> <p>Award 1 mark for a partial definition.</p> <p>Likelihood of previous customers returning to buy goods or services from a business. [2]</p> <p>OR Customers keep buying from a particular shop, business or buy one particular product, rather than use other shops or buy products made by other businesses [2]</p> <p>Partial definition e.g. keeps customers [1]</p> <p>OR Choose your business rather than competitors (even if cheaper) [1]</p>	<p>2</p>		<p>Do not credit answers such as ‘brand loyal’ on its own as it does not explain the term.</p> <p>Do not award answers which simply reorder the term e.g. having lots of customers who are loyal.</p>
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<p>Define ‘brand image’.</p> <p>Award 2 marks for a full definition.</p> <p>Award 1 mark for a partial definition.</p> <p>Identity/logo/unique name of a product that distinguishes it from other brands [2]</p> <p>The general impression/perception/reputation of a product held by consumers [2]</p> <p>Partial definition e.g. identity given to a product (which gives it a personality of its own) [1]</p> <p>Something that distinguishes a product from its competitors [1]</p> <p>How the product is seen/perceived by others [1] Other appropriate responses should also be credited.</p>	<p>2</p>
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Q4.

Answer	Marks	Notes
<p>Outline <u>two</u> factors MTD should consider when deciding on the packaging for its new product.</p> <p>Award 1 mark for each relevant factor (max 2).</p> <p>Award 1 mark for each relevant reference to this business (max 2).</p> <p>Points might include:</p> <ul style="list-style-type: none"> • Protection/security for product [k] so no leakage of soap [app] • Carries / what information it needs to include about product [k] such as it took 18 months to develop [app] • Who selling to / attract target market / customers [k] which can help decide the method of promotion [app] • Promotes brand image [k] such as that it is environmentally friendly [app] • Type/quality of materials to use [k] to avoid action from pressure groups [app] • Ease of transport [k] • Ease of storage/display [k] • Whether/how easy it is to use/open [k] <p>Other appropriate responses should also be credited.</p>	4	<p>To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made.</p> <p>The following words are likely to be appropriate for this question:</p> <ul style="list-style-type: none"> • Soap/cleaning products or related words • Environmentally friendly • Sustainable development • 18 months to develop • Pressure groups • (Has to decide) method of promotion <p>Other appropriate examples in context can still be credited.</p>

5	<p>Do you think it is a good idea for a business to have only one customer? Justify your answer.</p> <p>Award up to 2 marks for identification of relevant points.</p> <p>Award up to 2 marks for relevant development of points.</p> <p>Award 2 marks for a justified decision as to whether it is a good idea for a business to have only one customer.</p> <p>Points might include:</p> <ul style="list-style-type: none"> • Only one source of revenue / sales [k] so if the customer does not buy, the business could fail / experience cash flow issues [an] • Can focus / specialise on the needs of that customer [k] increasing customer loyalty [an] • Can help planning / know what need to order [k] reduces amount of wastage [an] • No need to advertise [k] leading to lower marketing costs [an] • Can give customer too much power to influence prices [k] • Less administration (compared to several customers) [k] <p>Other appropriate responses should also be credited.</p> <p>Justification might include: Having</p>	6	<p>This is a general question so there are no marks for application.</p>
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