

**UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS**  
Cambridge International Diploma Standard Level

**MARK SCHEME for the May 2009 question paper**  
**for the guidance of teachers**

**CAMBRIDGE INTERNATIONAL DIPLOMA IN BUSINESS**

**5164      Marketing, maximum mark 100**

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes must be read in conjunction with the question papers and the report on the examination.

- CIE will not enter into discussions or correspondence in connection with these mark schemes.

CIE is publishing the mark schemes for the May/June 2009 question papers for most IGCSE, GCE Advanced Level and Advanced Subsidiary Level syllabuses and some Ordinary Level syllabuses.

<b>Page 2</b>	<b>Mark Scheme: Teachers' version</b>	<b>Syllabus</b>
	<b>Cambridge International Diploma – May 2009</b>	<b>5164</b>

Across the whole Paper, examiners should accept any examples given which are suitably justified.

Generally: (marks shown relate to a task of 10 marks)

Level 1 answers will leave the examiner to 'fill the gaps'. The answer will show little evidence of understanding of theory, simply listing terms and failing to explain them in a marketing context. [1–3]

Level 2 answers will be adequate answers that attempt to bring together theory and practice. Evidence of understanding is limited and the use of the context restricted. [4–5]

Level 3 answers will combine theory and practice in an effective manner. It is not a Level 4 answer because it fails to apply the theory as effectively and/or is not as realistic/relevant as it might be. [6–8]

Level 4 answers will be rare, and will be exceptional, bringing together theory and practice in a professional manner. The answer will demonstrate an understanding of theory used effectively in the context of marketing and the circumstances described. [9–10]

**1 (a) Define the term 'marketing' [5]**

Marketing is the relationship between the seller and the buyer, it is used to meet and anticipate the needs of the customer, it facilitates exchanges and identifies that the customer is important to all organisations. (5 marks)

**(b) Explain *three* facts from the case study which demonstrate Branfest are market or customer oriented. [3 × 5]**

Answers to this question will vary. However, candidates should identify three examples explaining each one clearly:

- They know what their competitors are doing and follow the market
- They conduct portfolio analysis
- They carry out market research
- They segment their market
- They have senior marketing employees
- They develop new products
- They promote their products

(Any three examples, fully explained 3 × 5 = 15 marks)

**[Total: 20]**

Page 3	Mark Scheme: Teachers' version	Syllabus
	Cambridge International Diploma – May 2009	5164

**2 Branfest has carried out some market research.**

**(a) Explain the *five* stages of the process used in the collection of marketing information. [10]**

The five stages of the planning process for the collection of information are:

- Setting objectives
- Select sources of information
- Collection of the data
- Analysis of the data
- Drawing conclusions (5 marks)

Candidates are also asked to explain, briefly, what happens at each stage:

- Reasons for research – what does the organisation need to know
- Should primary or secondary research be used, suitability and cost
- Sample size
- Analyse data to obtain useful information
- Use information to inform marketing decisions (5 marks)

**(b) (i) Explain the difference between primary and secondary research. [4]**

Primary research methods obtain first-hand information for a specific purpose and is often referred to as field research. Secondary research methods involve the collection of data which already exists and was originally collected for a different purpose. (3 marks)  
Level 4 candidates will identify that secondary research often occurs first when conducting a marketing research project. (1 mark)

**(ii) Explain *two* types of primary research that Branfest might have used to investigate their customers' attitudes to the cereal bars. [2 × 3]**

Candidates should offer **two** examples of primary research methods that could have been used by Branfest from the following, and explain it:

Primary

- Interviews
- Focus groups
- Observation
- Surveys (2 × 3 marks)

**[Total: 20]**

Page 4	Mark Scheme: Teachers' version	Syllabus
	Cambridge International Diploma – May 2009	5164

3 Branfest discovered that they were reaching a different segment to the one that they were targeting.

(a) Define the term 'segmentation'. [4]

Segmentation is – the **division of markets** into **groups of customers** with **similar needs** to enable more **effective targeting of marketing** activities (4 marks)

(b) Explain *two* methods that have been used to segment the consumer markets targeted by Branfest and their competitors. [8]

Three key bases for segmenting the consumer market:

- Geographic
- Demographic
- Behavioural
- Psychographic

Candidates can choose any two of the above, but the most likely are demographic and behavioural – young workers and mothers buying for children's snacks. 1 mark for base and 3 marks for description. (2 × 4 marks)

(c) (i) Choose *one* consumer segmentation method other than those in (b) above that could be used by Branfest. [2]

Candidates may choose any segmentation base providing it is different to the two identified in (b). The most likely (if the 2 in (b) are demographic and behavioural) is psychographic. (2 marks)

(ii) Explain two reasons for your choice. [2 × 3]

Choice should be justified e.g.

They could be bought by someone with an interest in a healthy lifestyle (3 marks)

They could be bought by someone who has a busy working and social life and needs a quick snack (3 marks)

(Justification should be suitable for the base selected in (i))

[Total: 20]

Page 5	Mark Scheme: Teachers' version	Syllabus
	Cambridge International Diploma – May 2009	5164

**4 You must prepare a marketing plan for the re-launched product for the coming year.**

**(a) (i) Identify *two* PEST factors from the case study. [2]**

Candidates' answers may vary but the two key examples are **Social** and **Political**  
(2 marks)

**(ii) Explain which part of the external analysis *each* factor represents. [2 × 2 = 4]**

Social – trend towards childhood obesity (2 marks)  
Political – government campaign to promote healthy eating (2 marks)

**(b) Explain which of Ansoff's growth strategies Branfest are following with their re-launch. [4]**

Branfest are relaunching their product to children so a strategy of Market Development is the strategy they are pursuing. They should explain that this strategy involves finding new markets to sell existing products into. (4 marks)

2 marks may be awarded to candidates who say that the strategy is product development, but candidates that say market penetration or diversification should not be awarded marks.

**(c) Explain where each of the following would fall in the marketing mix and give *one* reason for *each* answer.**

**(i) Repackaging to attract children [2]**

Product – packaging is part of the total product

**(ii) Providing PR about the health benefits to target mothers [2]**

Promotion – public relations is one of the 5 key promotional tools

**(iii) Offering free gifts with purchases of multi-packs [2]**

Promotion – free gifts are a form of sales promotion

**(iv) Extending the range with different fruit flavours [2]**

Product – adapting the product by adding fruit flavours

**(v) Getting a celebrity involved in the promotion of the product [2]**

Promotion – a celebrity may be in advertisements or make public appearances at launch events

**[Total: 20]**

Page 6	Mark Scheme: Teachers' version	Syllabus
	Cambridge International Diploma – May 2009	5164

- 5 (a) Identify the elements of the marketing mix (4Ps) and describe each element in relation to Branfest's re-launched product. [4 × 3 = 12]

The four Ps of the marketing mix are:

- Product
- Price
- Promotion
- Place

1 mark for identifying the elements and generic examples. (4 marks)

Level 3 and 4 candidates will describe each element in the context of the case study:

- Product – cereal bars. Flavours and packaging to suit children – ingredients to be healthy to meet needs of mother as purchaser
- Price – pricing strategies for re-launch. May be able to charge a premium for healthy product
- Promotion – use of the promotional mix to communicate with customers – advertising on TV using celebrity, PR on health benefits, free gifts for children as sales promotion
- Place – supermarkets or shops near schools

Up to eight marks can be awarded. (8 marks)

- (b) Explain the benefit of using a celebrity in the promotion of the product to children and recommend a suitable celebrity in your region, giving reasons for your choice. [8]

This question gives candidates some scope for creativity and an opportunity to pick a celebrity from their own country. It is anticipated that some celebrities may be suggested that are not known to the marker. The justification and explanation are more important.

1 mark – for recommendation of a celebrity

3 marks – for explaining that association with a celebrity will add credibility to the product and attract more attention

4 marks for justifying why the particular celebrity has been chosen – the link should be made between either popularity with children or association with sport and healthy lifestyle (8 marks)