

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

**MARK SCHEME for the May 2012 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.

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

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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 marks)**

**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 marks)**

**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 marks)**

**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 marks)**

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**1 Bashir Designs are changing and Rehana will be bringing a new marketing orientation to the company.**

**(a) Explain what is meant by the term marketing orientation. [5]**

Marketing focus means that:

- The whole organisation puts the customer at the centre of what they do
- Customer needs are researched on an ongoing basis
- Products are developed to meet customer needs
- Promotion is used to engage with customers
- The market is segmented so that the organisation can satisfy the needs of target group(s)

(5 marks)

**(b) Explain the following key tasks of the marketing assistant that Rehana plans to recruit in the Case Study, and how each will contribute to the company's objectives.**

**(i) Contributing to the launch of the new wooden toy product range [5]**

Marketing's role is to research the new market, check its suitability, check there is a need for the product, check who the target audience is, etc. This could save the organisation money by taking the risk out of the exercise. It could contribute to objectives by growing the market profitably.

(3 marks for a suitable explanation and 2 marks for a link to objectives)

**(ii) Liaising with the market research agency [5]**

This could be linked to the previous point or any other need for research – e.g. changing customer needs. It can again contribute to objectives by reducing risk and waste. It can also ensure marketing activity is targeted appropriately.

(3 marks for a suitable explanation and 2 marks for a link to objectives)

**(iii) Arranging promotional material [5]**

Marketing can improve awareness, differentiate from competitors, provide information, remind existing customers of brand values, and reassure/reduce perceived risk through promotional campaigns. They can also persuade customers to buy and communicate with a wider group of stakeholders.

(3 marks for a suitable explanation and 2 marks for a link to objectives)

**[Total: 20]**

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**2 Rehana needs to carry out market research before expanding the business.**

**(a) List the five stages of the market research process [5]**

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 and reporting

(5 marks for list of stages)

**(b) (i) Describe two sources of secondary research that could be used to contribute to the marketing audit and explain how each source will contribute. [2 x 5 = 10]**

- Sales figures from previous years - internal audit – what was achieved
- Government statistics - demographics
- Economic intelligence bulletins - economic info
- Local chamber of commerce//trade - info on competition and retailers
- Online database of retailers - retailers
- Research reports on consumer trends in toy market

(2 marks for each relevant source identified – 2 x 2 plus further 3 marks for contribution of each to audit)

**(ii) Explain one type of primary research that could be used to investigate the market for the new wooden toy product range [5]**

Answers to this may vary – any appropriate type of primary research can be awarded marks, if linked to new wooden toy product range

Questionnaire

Focus group

Observation (although ethics of watching children playing should be mentioned as well as the fact that other research may be with parents and not children)

Experimentation

(2 marks for identification of a primary research method + 3 marks for explanation and link to new product research)

**[Total: 20]**

**3 The toys are sold through retailers.**

**(a) Explain two different ways that retailers can segment the market for toys. [2 x 5 = 10]**

Key methods for segmenting consumer markets are –

- Geographic
- Demographic
- Psychographic
- Behavioural

For toys demographic or psychographic are most likely – particularly as children are involved (5 marks for explaining any two appropriately for toys)

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- (b) Explain **two** reasons why effective marketing planning is important to Bashir Designs. [2 x 5 = 10]

Reasons:

Helps achieve competitive advantage

Keeps ahead of customer changing needs

Provides a road map for employees to work to in order to achieve objectives

(5 marks for each of two reasons, suitably explained)

[Total: 20]

4 Rehana has to carry out a marketing audit and put a marketing plan in place.

- (a) Explain **two** ways that a PEST analysis could contribute to the plan. [2 x 4 = 8]

Answers to this may vary –

- Helps identify what is going on in the external environment that need to be accommodated within the plan

- Helps identify the threats and the opportunities that are presented in the market place

(4 marks for each of two relevant ways, suitably explained and linked to the case study. Candidates that cite relevant examples from two different elements of PEST analysis should also be rewarded)

- (b) Explain how the results of a SWOT analysis might be used to help develop a marketing plan. [4]

Candidates gain 1 mark for identifying –

S = Strength

W = Weakness

O = Opportunity

T = Threat

= 1 mark

A further 3 marks are available for identifying –

SWOT provides a **summary** of the marketing audit and is used to help **set objectives** and **strategy**

= 3 marks

- (c) Explain the role of the marketing mix within the marketing plan. [8]

Answers to this may vary.

Product, Price, Promotion, Place 2 marks

People, Process, Physical evidence 2 marks

Tactical part of the plan 2 marks

Detail of how the objectives will be achieved 2 marks

(8 marks for a basic overview of the mix, suitably explained)

[Total: 20]

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- 5 (a) Explain how each of the 7Ps of the marketing mix that would apply to Bashir Designs' new range of wooden toys. [7 x 2 = 14]

The 7 P's of the marketing mix are –

- Product
- Price
- Promotion
- Place
- People
- Process
- Physical evidence

4 marks for identifying each element and 3 marks for generic examples. (7 marks)

Level 3 and 4 candidates will describe each element in the context of the Case Study –

- Product – quality wooden toys
- Price – premium pricing strategies for consumer market
- Promotion – Use of the promotional mix to communicate with customers – provision of literature to take away, website, advertising through magazines and TV.  
Also promotion to retailers to encourage them to stock
- Place – Through retailers or direct over website
- People – salespeople need to be knowledgeable of products
- Process – quality control processes, good logistics to get stocks to retailers efficiently
- Physical evidence – tangible goods

Up to 7 marks can be awarded. (7 marks)

- (b) Give two examples of how the product element of the marketing mix applies to Bashir Designs. [2 x 3 = 6]

Products in the case of Bashir Designs are **soft toys** and potentially **wooden toys**:

Must meet the needs of the customer

Must be positioned appropriately for the image of the company

Introduction of the new toys must match the quality offered in existing range

[Total: 20]