

UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
Cambridge International Diploma in Business
Standard Level

MARKETING

Optional Module

5164/01

October 2005

2 hours 15 minutes

Additional Materials: Answer Booklet/Paper

READ THESE INSTRUCTIONS FIRST

The time allocated for this examination includes 15 minutes reading time.
Write your Centre number, candidate number and name on all the work you hand in.
Write in dark blue or black pen.
You may use a soft pencil for any diagrams, graphs or rough working.
Do not use staples, paper clips, highlighters, glue or correction fluid.

Attempt **all** tasks.

Start each task on a new piece of paper.

Please leave a margin on the right and left hand side of each new page.

At the end of the examination, fasten all your work securely together, in the correct order.

The number of marks is given in brackets [] at the end of each question or part question.

This document consists of **3** printed pages and **1** blank page.



You must read the case study below and attempt all the tasks which follow.

[The following Case Study is fictitious]

‘Biospace’

Investors are starting to look for new investment opportunities. One of the major areas for growth in the coming years is generally expected to be developments in human and plant biology (biotechnology).

Singapore is hoping to become a world centre for this kind of research. A huge science park (a business area for science companies) called North Space is currently being built in Singapore, with an area dedicated to biomedical research in order to take advantage of predicted growth in the sector. 5

Once finished, North Space, a futuristic centre of sleek glass buildings complete with all the latest technology, could play a significant role in transforming Singapore's economy.

The park is designed to encourage people to be more innovative and entrepreneurial. A section of the science park called ‘Biospace’ will have premises to rent out for biomedical research, a field in which Singapore hopes to specialise. One of the companies which has been asked to move to Biospace is Marrion Pharmaceuticals. The Chief Executive, Terry Bliss, has wide experience of the industry. In the past he held senior positions at Weston, now part of one of the world’s largest international drugs company WestonJones. Mr Bliss sees Singapore's geographical location as a positive benefit rather than a problem now that technological advances allow communication across the globe. 10 15

Terry Bliss suggests that, "Singapore's overhead costs are lower than those in Europe or North America which makes it good sense to do business here. Singapore is in the middle of one of the world's most biodiverse areas. Because we are looking to source new drugs from nature, this provides an added incentive for being here." 20

Singapore's government is hoping that companies such as Marrion will ensure that the economy becomes more varied. The government will also promote the fact that Singapore has a strong record as one of Asia's economic successes.

However, the question now is whether the country can adapt to ensure it stays one step ahead of the competition, which is intensifying. You have just been employed as a marketing assistant, reporting to the Marketing Manager for ‘Biospace’. 25

You must attempt ALL of the following tasks.

- 1 One of your jobs as marketing assistant is to attract and build relationships with customers by creating customer value and satisfaction. However, success will depend on how customers view your service.
- (a) Identify from the case study **four** benefits that Biospace's location offers to potential customers (that is, companies wanting to rent the premises). **[4 x 2]**
- (b) Using **four** suitable examples, explain how the external environment affects the marketing plan of a company. **[4 x 3]**
[Total: 20]
- 2 Your Marketing Manager has to deliver a presentation to the Senior Management on 'The Benefits of Marketing Research' and has asked you to help prepare this.
- (a) Explain **two** key reasons why Biospace might carry out marketing research. **[2 x 4]**
- (b) Compare the **advantages** and **disadvantages** of using postal questionnaires and telephone questionnaires in measuring customer satisfaction. **[12]**
[Total: 20]
- 3 Biospace wishes to attract companies involved in biotechnology to the research park, but the senior management are unsure of which companies to approach.
- (a) Explain the term 'market segmentation'. **[6]**
- (b) Biospace aims to attract a specific business sector to its facilities.
- (i) Explain **three** business-to-business segmentation methods that are available to companies. **[3 x 3]**
- (ii) Recommend a suitable basis for segmentation to Biospace, explaining your answer. **[5]**
[Total: 20]
- 4 Biospace would like to attract and retain multi-national companies as their customers. The quality of the service which Biospace provides is seen as very important to its success.
- (a) The marketing of services presents challenges to the service provider. Describe the **four** characteristics of services that pose these challenges. **[2 x 4]**
- (b) Write a memo to the senior managers proposing a programme that will ensure the quality of service provided by Biospace. This programme should use the 'People', 'Process' and 'Physical Evidence' elements of the marketing mix. **[3 x 4]**
[Total: 20]
- 5 The marketing manager has asked you to prepare a presentation on the appropriate **promotional** mix for Biospace to use at this stage.
- (a) Identify the **five** key promotional tools used in the **promotional** mix. **[5]**
- (b) Prepare notes for the presentation of an appropriate **promotional** mix that Biospace could employ at this stage. Give examples for each **promotional** tool used. **[3 x 5]**
[Total: 20]

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