



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

**MARKETING**

**5164/01**

Optional Module

**October 2007**

**2 hours plus 15 minutes reading time**

Additional Materials: Answer Booklet/Paper



**READ THESE INSTRUCTIONS FIRST**

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 pages.



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

(The following Case Study is fictitious.)

## **MUSICWAY**

The largest mobile phone manufacturer and the largest computer software producer have agreed a deal to work together on the delivery of music to mobile phones. The music download market has been growing steadily since music firms adopted digital distribution. Ease of use, relatively low prices and increased access to broadband<sup>1</sup> have helped the significant growth of MP3 players.

Full-length music downloads on mobile phones have been slow to take off – they have been held back by technical challenges as well as issues over music availability. However, the mobile music industry is confident that the days of MP3 players are coming to an end because of mobile phones. 5

Nuo Liang Kong, chief executive of mobile music firm MusicWay, said: "Music downloads on mobiles have the potential to be the biggest ever medium for music." MusicWay provides downloading infrastructure for the mobile phone market and Mr Nuo says the industry is enjoying "a definite momentum." 10

The current generation of mobile phones can store up to 250 songs and the first mobile phones with hard disk players will be on the market soon. An international news website reports that the world's largest mobile phone manufacturer is working in the hard disk area and will be bringing out exciting new devices. 15

Different regional markets use different tools to obtain music. In Asia the majority of digital revenue comes from mobiles. In North America it is fixed line telephones, while Europe uses both methods equally.

Mr Nuo said the mobile phone has a number of advantages over computers which will see it become the focus for music downloading in the future. Mr Nuo added that "Getting music from your computer onto a device is not easy as it involves several steps, but it can be done in one step on a mobile phone." 20

He said the mobile phone's billing system would make it easier for teenagers to download music, because pre-paid cards were already accepted by this age group. "Certainly, we currently have a problem with battery, memory and the amount of data that can be transmitted in a short space of time. However, it's not about the current status. It's about the potential. In the future, you will have all of your music on your mobile." 25

You have recently been appointed as a Marketing Executive for the MusicWay Mobile Phone Division reporting to the Marketing Director.

---

<sup>1</sup> A fast connection to the Internet

**You must attempt ALL of the following tasks.**

- 1 You have been asked to produce a briefing document for all staff within MusicWay in order to increase the understanding of the marketing concept.
- (a) Define the term 'marketing'. [4]
- (b) Explain **four** reasons why marketing is important. [8]
- (c) Outline **four** benefits to MusicWay of adopting a marketing orientation. [8]  
[Total: 20]
- 2 Your Marketing Director has asked you to prepare a short report outlining the types of marketing research available.
- (a) Define the term 'marketing research'. [4]
- (b) Distinguish between 'primary research' and 'secondary research'. [6]
- (c) Identify **five** sources of data used in 'secondary research' and explain what each might be used for. [2 x 5 = 10]  
[Total: 20]
- 3 (a) Using examples suitable for MusicWay, define **three** bases which could be used to segment the consumer market. [3 x 3 = 9]
- (b) Explain how business-to-business bases differ from consumer bases in market segmentation. [11]  
[Total: 20]
- 4 The Senior Management at MusicWay have asked you to prepare a presentation for the junior members of the marketing department.
- Produce **five** slides, with brief notes for presenting each slide, on the stages of the marketing planning process. [5 x 4 = 20]  
[Total: 20]
- 5 (a) Draw a diagram that details each stage of the product life cycle. [6]
- (b) Describe a suitable extended marketing mix (**7P**'s) for the MusicWay product at the growth stage of the product life cycle. [7 x 2 = 14]  
[Total: 20]

**BLANK PAGE**

---

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (UCLES) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

University of Cambridge International Examinations is part of the Cambridge Assessment Group. Cambridge Assessment is the brand name of University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.