

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

**MARKETING**

**5174/01**

Optional Module

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]

**‘Involve’**

A Singaporean company called Involve has adapted the sensory technology used in computer game pads and joysticks to send physical sensations via a mobile phone. "We're thinking in terms of virtual touch," says the Managing Director of Involve. "Today you can't really physically touch someone across the phone. With this technology you can." The company has been talking to mobile manufacturers about how to build 'touch' into future phones.

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The system developed by Involve is based on what is called 'force feedback technology', commonly found in video game controllers. The company has miniaturised the technology so that it fits inside a mobile phone. The technology works by making the phone vibrate in a number of ways. The vibration in today's mobiles is of a single strength and frequency. With Involve's system, the strength and pitch of the vibrations can be controlled and varied.

10

"The vibration in mobile phones today all feels the same," explained the Managing Director. "It is like a single note on a piano. What we can do is play multiple notes or combine the notes to make them feel like musical chords." Involve has developed what it calls 'vibe-tones' which are similar to ringtones. However, instead of a tune, the phone will play a range of vibrations which can be linked to a specific caller. It has also produced a series of vibrations designed to express emotion, which could be sent with a text message. A 'slap' delivers a short, sharp buzz to the hand, while a 'high five' creates a gentler and longer sensation.

15

The company has developed a prototype which it is to launch at the Consumer Electronics Show to be held in Singapore. It will show how the technology could be used to bring games on mobile phones to life. On a driving game, you could feel the engine vibrations, as well as the feeling of the car changing gears. On a shooting game, the phone provides different sensations when you fire and reload.

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Involve says the technology will add about one dollar<sup>1</sup> (US) to the cost of manufacturing a phone and could, in the future, be adapted for handheld computers.

You have just been appointed as a marketing executive for Involve and will be working on the launch strategy for the new product.

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<sup>1</sup> The dollar referred to in this text is the US Dollar [US\$]

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

- 1 Involve seems to be product focused at the moment.
- (a) Define the term 'marketing orientation'. [2]
- (b) Produce **six** slides and presenter's notes for a presentation to all technical staff working for Involve, in order to explain the important role of marketing in the company. [18]  
[Total: 20]
- 2 The senior managers have asked the marketing department to deliver a short talk on the subject of marketing research.
- (a) Explain why firms conduct marketing research. [5]
- (b) Explain the **five** key steps/stages of conducting marketing research. [15]  
[Total: 20]
- 3 (a) Explain the **five** stages of the consumer buying decision process. [2 x 5]
- (b) Recommend marketing actions that Involve can take which are linked to the **five** stages you explained in (a). [2 x 5]  
[Total: 20]
- 4 The Board of Directors have returned from a seminar which focused on relationship marketing. Prepare a report which:
- (a) explains relationship marketing [5]
- (b) explains **five** possible implications of adopting relationship marketing for the marketing planning process. [3 x 5]  
[Total: 20]
- 5 Involve needs to develop a **promotional** mix for their new product.
- (a) Identify **four** objectives that promotion can achieve. [4]
- (b) Explain fully the following methods of promotion for the new product from Involve, and describe the **advantages** and **limitations** of each:
- (i) advertising [8]
- (ii) sales promotion. [8]  
[Total: 20]

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