



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

MARKETING

5174/01

Optional Module

October 2013

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 **4** printed pages.



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

(This case study is fictitious.)

AMIR'S OFFICE SUPPLIES

Yaacob faces some difficult business decisions. He has been Marketing Manager for four years and the company has become so successful that it has recently merged with a Malaysian company to become Amir's Office Supplies. His original employer has traded for many years selling office supplies to businesses all over India, but mainly in the bigger cities. The Malaysian company has operated similarly. 5

Both companies have many sales people, all of whom have geographical territories. They also use direct marketing, sending out catalogues four times each year. As often happens following a merger, the newly appointed Chief Executive has set a new strategy in place and is also looking for all departments to operate more efficiently in achieving their new objectives.

The company wishes to grow and the new strategy includes an intention to spread across Asia. Yaacob has to present his new marketing plan in three weeks and he knows that he will have to gather information on a wider scale than before to help with making marketing decisions. 10

He also feels that he will have to think more seriously about online options. Although the company has a website, it will need to be updated with the new corporate image and it may now be the time to consider offering online ordering. The company was the first in its market to make life easier for its own sales team by giving them remote access to information about special offers, price lists and new products online. This gave them an advantage over their competitors when in front of customers. However, some customers are now asking for the ability to order direct via the Internet. 15

On the positive side, the new company is very strong financially, and Yaacob has realised that, as long as they can get the online ordering running very quickly, he will be able to achieve some cost savings by using some of the experienced sales team to help them enter new country markets. 20

He has been given the following marketing objectives by the senior management team:

- to grow sales volume in the existing markets of Malaysia and India by 1%
 - to develop a new online distribution channel
 - to establish a presence in the office supplies market in Singapore by the end of 2014
- 25

The sales team have always been a little suspicious of the marketing department, and seem to think that marketing's main role is just to provide literature to support the sales team when they are visiting customers. Yaacob also needs to think about how the sales team may feel about the marketing plan as he moves forward. 30

You must attempt ALL of the following tasks.

Where appropriate use information from the case study to support your answer.

- 1 Yaacob anticipates that there will be some problems with the sales team because of their perception of what marketing should do. He has decided to put together a presentation to explain 'The Role of Marketing in the Organisation'. Provide notes on the following to help him prepare.
- (a) Explain what is meant by 'market orientation'. [5]
- (b) Explain **three** key responsibilities of the marketing department, and explain how **each** contributes to the company's objectives. [3 x 5 = 15]
- [Total: 20]**
- 2 Yaacob needs to carry out marketing research before he puts together the marketing plan.
- (a) Explain **three** key issues that he needs to investigate before putting together his marketing plan. [3 x 4 = 12]
- (b) (i) Identify how sources of secondary research which could be used to investigate **one** of the issues identified in **2(a)** above; [4]
- (ii) Identify how **two** types of primary research which could be used to investigate **one** of the issues identified in **2(a)** above. [2 x 2 = 4]
- [Total: 20]**
- 3 Amir's Office Supplies operates in business-to-business (organisational) markets and not with personal consumers.
- (a) Explain **three** different categories of buying that are relevant to organisational markets. [3 x 2 = 6]
- (b) Explain the **six** stages of the **organisational** buyer decision process. [6 x 2 = 12]
- (c) Define the term 'segmentation'. [2]
- [Total: 20]**

- 4 Yaacob must prepare a marketing plan for the new company.
- (a) Explain what the PEST factors are in an analysis of the external environment, and identify **one** issue from the Case Study for **each** factor. [4 x 2 = 8]
- (b) None of the objectives that Yaacob has been given are SMART. For each of the following, explain what must be done to make it SMART:
- (i) to grow sales volume in the existing markets of Malaysia and India by 1%. [2]
- (ii) to develop a new online distribution channel. [2]
- (iii) to establish a presence in the office supplies market in Singapore by the end of 2014. [2]
- (c) Explain **two** control mechanisms that might be used to measure progress against the marketing plan. [2 x 3 = 6]
- [Total: 20]
- 5 (a) Explain the elements of an extended marketing mix (7Ps), and give an example of how **each** element would apply to Amir's Office Supplies. [7 x 2 = 14]
- (b) Explain how **two** of the elements of the marketing mix for Amir's Office Supplies might be affected by developments in technology. [2 x 3 = 6]
- [Total: 20]