



Marketing

Business Past Exam Questions

Higher Level

Section 2

APPLIED BUSINESS QUESTION

GALAXY GAMES LTD

Galaxy Games Ltd is a small indigenous company, operating in the new gaming technology sector. It was founded by two college graduates, David Whelan and Jane Ward. David is a software engineer and a web architect while Jane is a marketing graduate. Their design team recently identified some ideas for new games in action-adventure, music, and e-learning.



After reviewing the various ideas put forward, 'Knights' Domain', a new action-adventure game that involved building a fantasy kingdom, was chosen. The design team decided to use Irish music and cutting-edge graphics to set the game apart. Jane completed a business report, including a detailed break-even analysis, to determine the potential of 'Knights' Domain'. Following on from this report, the design team introduced more challenging levels to the game and added more 3D graphics. The game was introduced to a group of transition year students from a local secondary school, who commented positively on the different levels and on its distinctive graphics. The product 'Knights' Domain' was launched in various games stores with an advertising campaign accompanying the launch.

Social responsibility is a key element in Galaxy Games' corporate business plan. Funding was invested in supporting the development of a highly skilled customer service department. Galaxy Games Ltd attracts and retains high quality, creative employees. A major European venture capital firm has invested €1.5 million in the company to date. Galaxy Games Ltd maintains good relationships with its suppliers, many of whom have continued a business relationship with the company since its establishment. When choosing a suitable business premises, David and Jane prioritised energy efficiency.

As a result of Ireland's growing international reputation in the gaming technology sector and Galaxy Games' successful company presentation at the '2012 Dublin Web Summit', the company became a target for acquisition. In January 2013 it was taken over by BizzBuzz, a US global gaming company and a market leader in the industry. BizzBuzz implements a global approach to marketing its games. All games are available in ten different languages. Prices per game are set taking account of competitor prices and various economies of scale. Recent developments in technology enable BizzBuzz to distribute its games worldwide through download from the internet to laptops, smartphones and tablets. BizzBuzz is a globally recognised brand name and uses the slogan 'A new game every day' on its website.

- (A) Outline the stages involved in the product development process of 'Knights' Domain' for Galaxy Games Ltd. (30 marks)
- (B) Discuss the social responsibilities of Galaxy Games Ltd to its stakeholders. (20 marks)
- (C) Evaluate the global marketing mix of BizzBuzz. (30 marks)
- (80 marks)**

Section 3 - Question 7

Read the information supplied and answer the questions which follow.

An Irish company, 'All-Weather Wellies Ltd' identified a niche market for colourful wellington boots of all sizes. The wellington boots are sold mainly on-line to people who enjoy the 'great outdoors' and festival-goers. The company wishes to expand and add accessories, such as, umbrellas, scarves and hats to the product range.

- (A) Outline the market research techniques available to 'All-Weather Wellies Ltd' for developing its product range. (20 marks)
- (B) (i) Explain the term 'market segmentation' with reference to 'All-Weather Wellies Ltd'.
(ii) Discuss the reasons why the marketing department of 'All-Weather Wellies Ltd' might engage in market segmentation. (20 marks)
- (C) Outline the factors a marketing manager might consider in determining the selling price of products at 'All-Weather Wellies Ltd'. (20 marks)

(60 marks)

2012

Section 3 – Question 7 B

(20 marks)

- (B) Within the product element of the marketing mix, evaluate “*product design*” and “*product packaging*.”

(20 marks)

2010

Section 3 – Question 7

Companies which invest in marketing in downturns benefit more when market conditions begin to pick up.

- (A) Discuss the reasons why businesses carry out market research. (15 marks)
- (B) Evaluate 'Sales Promotion' and 'Public Relations' as forms of promotion. (20 marks)
- (C) 'Many businesses spend large sums of money developing a brand name'. Illustrate the benefits of branding for the business **and** the consumer. (25 marks)
- (60 marks)**

Section 1 – Question 2

2. Using today's date draft a memorandum (memo) from Peter Murphy, Marketing Manager, to Mary O'Brien, Managing Director of a retail business outlining **two** different sales promotion incentives to encourage sales.

Section 1 – Question 4

4. Explain the terms 'desk research' and 'field research'. Use **one** example of each to support your answer.

(a) Desk Research is:

Example: _____

(b) Field Research is:

Example: _____

Section 1 – Question 7

Olympian Ltd is a company that produces a range of high quality branded sportswear. Following a lengthy market research process, the firm is now expanding its business to include a new range of Hoodie Tracksuits, aimed at the teenage market.

- (A) Outline the stages involved in the development process of the new range of Hoodie Tracksuits. (20 marks)
- (B) (i) Explain the term ‘market segmentation’, illustrating your answer with reference to Olympian Ltd.
(ii) Outline **two** benefits to Olympian Ltd of segmenting the market. (20 marks)
- (C) Describe the factors that the Marketing Manager of Olympian Ltd should consider when deciding on the selling price of their new range of Hoodie Tracksuits. (20 marks)
- (60 marks)**

Section 2

Applied Business Question**Fruit First Ltd**

Fruit First Ltd produces a range of 'smoothies', a fruit drink made from crushed fruit. Mary Ryan, a food scientist in the food industry, identified a gap in the market for an Irish supplier of natural fruit drinks. In her spare time she produced a batch of smoothies, supplying samples to local shops. Encouraged by the favourable responses, she left her job and set up Fruit First Ltd in 2001.

The business, based in the midlands, sources fresh fruit locally and from abroad. Bringing new investors on board in 2006 enabled Fruit First to invest in larger premises, doubling its production capacity. Profits are approaching €1million and the business now employs thirty full-time workers.

The chilled drink products come in attractively designed cartons of different sizes, supplied by a local firm. Fruit First vans deliver the products to retail outlets, nutrition shops and fitness centres nationwide. Mary's focus on producing a quality product has allowed her command a higher price than her competitors. Annual investment in research and development has led to a widening of the product range and development of a green image for the business. Initially Mary used local supermarkets to encourage consumers to taste the products. Over time Fruit First's marketing strategies expanded and the brand has now become associated with 'National Healthy Heart Day'.

As the leading Irish supplier of smoothies, further expansion in the small Irish market is unlikely. Mary sees the potential to grow the business and she is considering entering the UK market initially and subsequently the wider EU market. While recognising the high cost base in Ireland and the perishable nature of the product, Mary has begun developing an export strategy. Fruit First is in discussion with a leading food retailing chain in relation to supplying shops throughout the UK. Mary views this as an opportunity and a necessary step before entering the wider EU marketplace.

- (A) Evaluate the elements of the marketing mix for Fruit First Ltd. (30 marks)
- (B) Discuss how Fruit First Ltd benefits the local **and** national economy.
Refer to the above text in your answer. (25 marks)
- (C) You have been appointed to advise Fruit First Ltd on entering international markets.
Outline your analysis of the opportunities **and** challenges facing Fruit First Ltd and make
an appropriate recommendation. (25 marks)
(80 marks)

2007

Section 3 – Question 7 A

- (A) Explain **four** pricing policies that businesses can adopt as part of their marketing strategy and apply **one** of them to a product of your choice. (30 marks)

Section 3 – Question 7 A

Stylish Décor Ltd.

Ruth Cavanagh became Managing Director of Stylish Décor Ltd., a retail and wholesale business, one year ago. She took over the paint, wallpaper and tiling business when her father Paddy retired. Paddy had been a popular employer locally but the business had not grown and kept pace with developments in technology, marketing or human resource management. The company's premises is based in an expanding town within a one-hour commuting distance of Dublin and is in need of modernisation.

The town has seen a large increase in new house building over the last few years and its development plan provides for further housing and industrial units. Ruth is ambitious. Her aim is to become a market leader. Research has convinced her of the benefits of adding a 'Do-It-Yourself' (DIY) department to the existing business and setting up a second shop in a town less than twenty-kilometres away. These initiatives will require an increase in staff, a retraining programme for existing staff, incentives, and capital investment, if the business is to succeed.

Ruth is a Business graduate and understands the importance of marketing for the success of a business. Her enterprise's market share and turnover are below those of comparable businesses. Ruth intends to penetrate the market by a further fifty-percent within the next five years, to improve the expertise of staff, the quality of customer service and the product range. The fact that a major multiple is due to open a new hardware and gardening outlet with good parking just four-kilometres away has concentrated her mind. Stylish Décor Ltd. has not, up to now, invested in marketing activities. She also intends to introduce clearly defined lines of responsibility for staff in the areas of purchasing, sales/marketing and offer employees rewards for achieving targets. She wants to make changes and respond to customer needs quickly but she is facing strong opposition from her staff.

- (A) Discuss how management activities can help Ruth improve the performance of the business. (30 marks)
- (B) Advise Ruth on the strategies that will help her manage the changes that have to take place if the business is to succeed. (20 marks)
- (C) Illustrate, using the above text, how applying the Price and Promotion elements of the marketing mix can contribute to achieving Ruth's ambitions. (30 marks)

(80 marks)

Section 3 – Question 7 A

Deirdre Moloney hopes to start up her own cosmetics and personal beauty products business aimed at the consumer market. She has approached you as a marketing consultant for some marketing advice. In **one** single report, explain to her:

(A) The stages in the development of a new product/service. (20 marks)

(B) The significance of 'packaging', 'branding' and 'product life cycle' with reference to this business. (30 marks)

(C) The term 'channel of distribution' and recommend a suitable one for her business. (10 marks)

(60 marks)