

### Task 6 – Multiple Choice

1. B. The financial plan for the next twelve months
2. B. They are historical (backward-looking) financial plans
3. C. Zero budgeting
4. D. 12 months
5. A. Variance
6. B. To assess performance related pay of managers
7. B. Flexible budgets
8. D. Unfavourable variance
9. C. Budget holder's length of experience
10. C. Favourable variances

## Unit 4.1 The role of marketing

### Task 1 – True or false?

	True / False
a.	T
b.	F
c.	F
d.	T
e.	T
f.	F
g.	F
h.	T
i.	T
j.	T

### Task 2 – Vocab Quiz

Identify the key terms from the clues given. *Hint:* the answers are in alphabetical order!

Key Term
Ethical code of practice
Market orientation
Market share
Marketing plan
Product orientation
Social marketing

### Task 3 – Explain...

- a. Marketing is about the identification, anticipation and satisfaction of the needs of customers, whilst making a profit (or financial surplus). This can be done through application of the marketing mix (product, price, promotion, place, people, physical evidence, process and packaging).
- b.
  - As market share refers to an organization's share of the total value of sales of all products within a specific market, it can be measured by expressing the firm's sales as a percentage of the total market's sales.
  - Alternatively, market concentration measures the degree of competition within a market by calculating the market share of the largest firms in a market. The sum of these market shares is known as the concentration ratio.
- c.
  - Gain market share in the rapidly growing markets or gain higher sales/profits by entering the new market
  - Cost of entry into new markets (e.g. finance, R&D and personnel) or the high risks involved in launching new products, even if they are growing.
- d.
  - Commercial marketing is concerned with selling a product to the customer with the purpose of making a profit, e.g. by portraying the glamour and appeal of smoking.
  - By contrast, social marketing focuses on changing people's behaviour for what is deemed to be in the best interest of society, e.g. anti-smoking campaigns with the purpose of dissuading people from smoking.
- e.
  - Firms without much competition or those that are highly innovative tend to be more product focused (product orientation), e.g. 3M, Apple and Google.
  - A market orientated business has its focus on the needs and requirements of the customer, producing goods and supplying services that it knows it can sell.

### Task 4 – Calculating market share

a.

Company	Sales (\$m)	Market share (%)
A		40
B		20
C	33	
D	27	

- b. Companies A and C (the largest two firms) account for 62% of the market (a combined \$93m in a market worth \$150m), i.e. the two firms have significant market power (market leaders) so dominate the market.

### Task 5 – Multiple Choice

- 1. C. Recruiting the best sales people
- 2. C. Marketing is all about selling products to meet the needs of customers
- 3. D. Marketing budgets
- 4. C. People
- 5. B. Packaging
- 6. C. Production

7. A. Perishable
8. A. Researching consumers' needs in order to develop new products
9. B. There is heavy spending on research and development
10. B. Products are designed according to what the producer feels will sell
11. C. Producing and marketing products that the firm believes will sell
12. B. Physical evidence
13. B. The percentage of total sales in a market that can be attributed to a firm
14. A. It can lead to market leadership
15. B. Social marketing
16. C. Increase market share by 5% within the next 18 months
17. D. People, Physical evidence and Process
18. C. Ethical marketing
19. D. Physical evidence
20. C. To gain higher market share

## Unit 4.2

### Marketing planning

#### Task 1 – Vocab Quiz

Identify the key terms from the clues given. *Hint:* the answers are in alphabetical order!

Key Term
Ethical marketing
Market segment
Marketing planning
Marketing strategy
Packaging
Positioning (perception map)
Unique Selling Point

#### Task 2 – True or False?

	True / False
a.	T
b.	T
c.	T
d.	F
e.	F
f.	F
g.	F
h.	T