

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

MARKETING

Optional Module

5164/01

October 2006

**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 page.



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

[The following Case Study is fictitious.]

Sani Camera Phones

The popularity of the camera phone has been boosted by more people owning mobile phones (cell phones), and people finding new uses for the mobile phone camera images. These vary from sending pictures of broken plumbing fixtures to plumbers to taking pictures of car number plates after hit and run accidents.

Latest figures from analysts have predicted 80 million mobile camera phones will have been sold globally by the end of the year. In a four-month period in Japan alone, 90% of mobiles sold had inbuilt camera technology, said mobile phone company The Sani Corporation. Global camera phone sales only reached 18 million in 2002 mainly because Multimedia Messaging Services (MMS), allowing pictures to be sent from one phone to another, were only introduced towards the end of that year. 5
10

As more people buy picturephones new uses are being identified, according to Texty, a website which monitors mobile phone trends. In a review of top uses for camera phones this year, Texty has found examples ranging across business and personal uses for the new technology. New trends like "digital shoplifting" have become an increasingly tricky problem in Japan, where pictures from fashion magazines have been photographed and sent to friends who then copy the designs. 15

At music concerts many users send photographs as well as sound recordings to friends instantaneously. Property agents have used picturephones to send potential buyers photographs of houses, flats, etc, and emergency services have made use of camera phones to send images of injured people to hospitals before their arrival. Hairdressers have even been letting customers download shots of possible hairdos to show their friends before being restyled. 20

There has also been a substantial growth in "mobile blogs", or moblogs, which feature photographs of events as they happen. There have been more serious sides to camera phone use though, which have touched on sensitive privacy issues. Around the world, gyms, cinemas and offices have banned the use of camera phones after complaints about invasion of privacy. Despite this, some analysts predict that by 2007, almost half of mobiles sold worldwide will include a camera. 25

"With image quality and picture snapping features improving with the launch of each model, it is clear we have yet to discover the full extent of how private individuals and businesses will find ways to use them," said a spokesperson for Texty.

You have recently been appointed as a marketing executive for the Sani Mobile Camera Phone Division, reporting directly to the Marketing Director. 30

You must attempt ALL of the following tasks

- 1 In order to be successful in the mobile phone market the Sani Corporation believes that it needs to be marketing oriented.
- (a) Explain the term 'marketing culture'. [6]
- (b) Explain **four** advantages of a marketing orientation to companies. [10]
- (c) List **four** marketing activities which contribute to successful marketing orientation in organisations. [4]
[Total: 20]
- 2 Effective segmentation of the market is important if mobile camera phones are going to be successful.
- (a) List **three** bases for segmenting the consumer market for mobile camera phones. [6]
- (b) Explain the benefits of market segmentation, using examples that might be suitable for the mobile camera phone market. [14]
[Total: 20]
- 3 Your Managing Director has asked you to prepare a slide presentation for the staff of the marketing department who have no experience of marketing research. Produce slides with brief notes for presenting each slide.
- (a) Define the term 'marketing research'. (1 slide) [2]
- (b) Distinguish between 'primary research' and 'secondary research'. (2 slides) [6]
- (c) Outline **three** main methods of data collection which are used in primary research. (3 slides) [3x4=12]
[Total: 20]
- 4 The senior management of the Mobile Camera Phone Division wish to develop a marketing plan.
- (a) Explain the following stages in the marketing planning process:
- (i) SWOT analysis [6]
- (ii) Setting objectives [6]
- (b) Explain why this organisation should develop a marketing plan. [8]
[Total: 20]
- 5 The Mobile Camera Phone is a relatively new product on the market.
- (a) Draw a labelled diagram to show your understanding of a typical 'product life cycle' for Sani Mobile Camera Phones. [6]
- (b) Using the 4Ps, explain how the marketing mix needs to change as the Mobile Camera Phone market moves into maturity. [8]
- (c) Using the 4Ps, explain how the marketing mix needs to change as the Mobile Camera Phone market moves into decline. [6]
[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 University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.