

Topic 3.1 Past exam questions – revision

June 2013

Section A – Q3 a and b

ShakeAway is the world's largest milkshake bar company. With over 170 different flavours and millions of combinations, *ShakeAway* is well-known for blending confectionery brands such as *Mars*, *Twix* and many more into delicious milkshakes. The latest invention from *ShakeAway* is the Millionaire's Milkshake. This is made from *Green and Black's* chocolate, roasted hazelnuts and topped with whipped cream and real 23ct edible gold. It is priced at £11.95.

- (a) Which **one** of the following is **most likely** to lead to the repeat purchase of a *ShakeAway* milkshake?

(1)

Select **one** answer.

- ☐ **A** Higher prices
- ☐ **B** Unfriendly staff
- ☐ **C** Market research
- ☐ **D** Loyalty cards

- (b) Explain **one** method *ShakeAway* could use to encourage potential customers to give the Millionaire's Milkshake a product trial.

(3)

Question 4 a and d

4

The Lego Group produce sets of plastic building bricks for children. Many *Lego* sets are themed around popular movies such as *Star Wars* and *Harry Potter*. Sales of *Harry Potter* sets have fallen since the final movie was released in 2011. In recent years, competition in the building brick market has increased with companies such as *MEGA Bloks* and *COBI* producing similar products.

- (a) At which stage of the product life cycle were *Harry Potter* themed *Lego* sets **most likely** to have been by the end of 2012?

(1)

Select **one** answer.

- ☐ **A** Introduction
- ☐ **B** Growth
- ☐ **C** Maturity
- ☐ **D** Decline

There is increasing competition in the building brick market. *The Lego Group* want to remain competitive against other companies such as *COBI* and *MEGA Bloks*. To do this it is considering two options.

Option 1: Link more of its sets to newly released movies.

Option 2: Increase its advertising.

- (d) Which of these two options do you think would be **more** effective in helping *The Lego Group* to remain competitive and why?

(6)

June 2012 - Question 10 d – 10 marks

Mulberry plc produces high-quality designer leather goods such as bags and belts. In the 1990s the company was facing collapse, but since then it has become one of British fashion's biggest success stories.

Mulberry's successful turnaround was due to the appointment of Nicolas Knightly as design director. His bag designs became instant hits with high-profile celebrities such as Kirsten Dunst. Nicholas' most recent bag design is known as the 'Alexa' – so called because the company gave one in every size and colour to *MTV* presenter and model Alexa Chung (pictured above). Giving celebrities free bags has always been an essential part of *Mulberry's* marketing. It provides *Mulberry* with free publicity in fashion magazines and helps make the brand and its bags appear cool.

Using your knowledge of business, assess the importance of 'giving celebrities free bags' in allowing *Mulberry* to build a successful marketing mix.