



Mark Scheme

AdSAMS
Final

Pearson LCCI Modern Marketing Principles
(ASE20201)

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit, according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.
- Candidates are not likely to be sitting this exam in their first language. Mark positively based on the ideas presented/understanding demonstrated rather than the quality of written English. It is acceptable for the answers to be presented in the form of bullets/short sentences.

Specific marking guidance for levels-based mark schemes*

Levels-based mark schemes (LBMS) have been designed to assess candidates' work holistically. They consist of two parts: indicative content and levels-based descriptors. Indicative content reflects specific content-related points that candidates might make. Levels-based descriptors articulate the skills that candidates are likely to demonstrate in relation to the skills being assessed in the question. The levels represent the progression of these skills.

When using a levels-based mark scheme, the 'best fit' approach should be used.

- Examiners should first make a holistic judgement on which band most closely matches candidates' response and place it within that band. Candidates will be placed in the band that best describes their answer.

- The mark awarded within the band will be decided based on the quality of the answer in response to the level descriptor, and will be modified according to how securely all traits are displayed at that band.
- Marks will be awarded towards the top or bottom of that band, depending on how they have evidenced each of the descriptor bullet points.

**Mark scheme
Section A**

Question number	Answer	Mark
1(a)	C: Distributor	(1)

Question number	Answer	Mark
1(b)	B: Warranty	(1)

Question number	Answer	Mark
1(c)	D: Manageable	(1)

Question number	Answer	Mark
1(d)	C: Customer loyalty	(1)

Question number	Answer	Mark
1(e)	C: Newspapers	(1)

Question number	Answer	Mark
2	<p>Award 1 mark for each correct response, up to a maximum of 2 marks.</p> <ul style="list-style-type: none"> • Suppliers • Distributor • Government • Community • Outside • Pressure groups • Other clients 	(2)

Question number	Answer	Mark
3	<p>Award 1 mark for identification of a point and an additional mark for a linked expansion with an example point, up to a maximum of 2 marks.</p> <p>Defined as additional characteristics or benefits that are believed to be attached to product offer (1), such as quality and durability design and styling/ branding and image/ packaging (1)</p> <p>Accept any other appropriate response.</p>	(2)

Question number	Answer	Mark
4	<p>Award 1 mark for a definition.</p> <p>B2C – Business to Consumer</p>	(1)

Question number	Answer	Mark
5	<p>Award 1 mark for the feature and 1 mark for the linked expansion up to a maximum of 2 marks.</p> <p>Maintaining a global image and brand (1) while adapting goods/product/service to meet local needs and/or preferences (1)</p> <p>Accept any other appropriate response.</p>	(2)

Question number	Answer	Mark
6	<p>Award 1 mark for each correct response, up to a maximum of 2 marks.</p> <ul style="list-style-type: none"> • Introduction (1) • Growth (1) • Maturity (1) • Decline (1) 	(2)

Question number	Answer	Mark
7	<p>Award 1 mark for each correct response, up to a maximum of 2 marks.</p> <ul style="list-style-type: none"> • Penetration (1) • Skimming (1) • Competitor-based (1) • Cost-plus (1) • Premium (1) • Psychological (1) 	(2)

Question number	Answer	Mark
8	<p>Award 1 mark for the feature and 1 mark for the linked expansion up to a maximum of 2 marks.</p> <p>Qualitative research: It is designed to measure people's attitudes, beliefs, preferences, intentions (1) and it produces no hard quantifiable data (1)</p> <p>Accept any other appropriate response.</p>	(2)

Question number	Answer	Mark
9 (a)	<p>Award 1 mark for a correct point and award 1 mark for an expansion point.</p> <p>Quota Sampling identifies the characteristics within a group which match the population to be researched (1) chosen by the researcher (1)</p>	(2)

Question number	Answer	Mark
9 (b)	<p>Award 1 mark for a correct response, to a maximum of 1 mark</p> <ul style="list-style-type: none"> • Sampling/selection bias • Classification of groups • Representativeness of the different aspects of the population • Size of sample to be used <p>Accept any other appropriate response.</p>	(1)

Question number	Answer	Mark
10	<p>Award 1 mark for a correct response, to a maximum of 1 mark</p> <ul style="list-style-type: none"> • Segmentation type • Demographic • Geographic/ Psychological • Behavioural <p>Any 1 others at Examiners Discretion</p>	(1)

Question number	Answer	Mark
11	<p>Award 1 mark for the feature and 1 mark for the linked expansion up to a maximum of 2 marks.</p> <p>CSR is a business approach that contributes to sustainable development (1) by delivering economic, social and environmental benefits for all stakeholders (1).</p> <p>Accept any other appropriate response.</p>	(2)

Question number	Answer	Mark
12 (a)	<p>Award 1 mark for the feature and 1 mark for the linked expansion up to a maximum of 2 marks.</p> <p>Statutory regulations are laws that are passed as legislation (1) which everybody expects to comply (1). Legislation which if not complied with may result in legal action being taken (1), which could lead to imprisonment or a fine (1).</p> <p>Do not accept examples.</p>	(2)

Question number	Answer	Mark
12 (b)	<p>Award 1 mark for the feature and 1 mark for the linked expansion up to a maximum of 2 marks.</p> <p>A code of conduct is an established set of principles (1) in the form of rules and regulations by which members of a particular professional body agree to operate (1). They have no legal validity (1) but could lead to the expulsion of a member from that professional body (1).</p> <p>Do not accept examples.</p>	(2)

Question number	Answer	Mark
13	<p>Award 1 mark for each response, up to a maximum of 2 marks.</p> <ul style="list-style-type: none"> • pre-testing advert • proofreading of promotional materials • training staff • providing clear procedures for restricted goods • protect personal data 	(2)

TOTAL FOR SECTION A = 30 MARKS

Section B

Question number	Answer	Mark
14 (a)	<p>Award 1 mark for the feature and 1 mark for the linked expansion for each reason up to a maximum of 2 marks for each explanation.</p> <ul style="list-style-type: none"> • Surplus sales/stock – opportunity to sell any surplus (and/or dump) products into other market • Home competition – difficult completion in the home market would suggest an international market may be more attractive to sell into, using a different pricing strategy • Resource costs – access to component/material of production in other countries/local market product price more attractive • Cash flow – through extra immediate sales and/or through production cost saving may be able to increase income or reduce costs to increase the company cash availability 	(4)

Question number	Answer	Mark
14 (b)	<p>Award 1 mark for each correct answer, maximum of 6 marks.</p> <ul style="list-style-type: none"> • Agent • Franchise • Joint venture distributor • Exporting – Online • Wholly owned subsidiary • Licensing • Distributor 	(6)

Question number	Answer	Mark
14 (c)	<p>Indicative content</p> <p>Agents: Is the most common method in the initial stages, it may be domestic or international and familiar with the specific international market, and is paid on commission only. Able to set relative prices to market. It can be low cost, low risk, and manage better cash flow. But the agent may handle other organisations' products.</p> <p>Distributors: It is similar to agents but distributors take ownership/buy the goods, experienced/established in the product and normally an exclusive territory or region model and distributors can insist on the range of products they handle and include other companies' products. It is of less financial risk paid for products and it may improve cash flow. But have less control over the end source and selling price and may be product selective.</p> <p>Licensing: Allows other organisations to produce on behalf of the domestic company, use of patents. Controlled through payments by fees and/or royalties and/ or commissions, some start-up financial risk issues of product quality.</p> <p>Conclusion: A balanced conclusion of the main points from the analysis of the options selected.</p>	(9)

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-3 marks	Demonstrates limited understanding of the data, there may be major gaps or omissions in the answer. Analysis likely to consist of description of information with little or no interpretation Response lacks clarity and there is little attempt at drawing conclusions or making connections between the context and the data.
Level 2	4-6 marks	Demonstrates some understanding of the data with a few omissions in the answer. Some interpretation and selection of key points of data approaching an analysis. Response is mostly clear, and there is an attempt to draw conclusions and make connections between the context and the data.
Level 3	7-9 marks	Demonstrates understanding of the data with few gaps or omissions. Interpretation and selection of key points of data leads to an analysis. Response has clarity and draws on Reasoned and justified conclusions and clear connections between the context and the data.

Question number	Answer	Mark
14 (d)	Distributor	(1)

(Total for Question 14 = 20 marks)

Question number	Answer	Mark
15 (a)	<p>Award 1 mark for each criterion and 1 mark for the linked expansion of each, up to a maximum of 2 marks for each explanation.</p> <p>Any three answers from:</p> <ul style="list-style-type: none"> • Distinctive (1) there are sufficient differences in the segment to separate it from other segments in the market (1) • Accessible (1) able to be reached and communicated with the promotions mix, is there a distribution channel that can be employed? (1) • Measurable (1) the segment can be measured in terms of potential customers, potential revenues and levels of profitability (1) • Sustainable (1) it is worth maintaining as the segment will endure over time (1) • Serviceable (1) can it be served with existing products or are new products required? (1) • Defendable (1) can compete with competitors or fight off other competitive entrants into the market (1) • Compatible (1) types of products or services needed for this segment are compatible with the organisation's image, mission statement and philosophy (1) <p>Accept any other reasonable answer (2 marks per response).</p>	(6)

Question number	Answer	Mark
15 (b)	<p>Current</p> <p>Mass marketing: This is the practice of trying to reach as many different people (and segments) within a total market as possible. It will have high volume goods and thus mass advertising and mass distribution into as many channels as possible, using one marketing mix.</p> <p>Possible new options:</p> <ol style="list-style-type: none"> 1. Selective marketing: This is where specific segments are selected from within a total market. Selective advertising and distribution will be adopted and may even involve the use of different marketing mixes. 2. Niche marketing: This sector is invariably only a small portion of the total market and, as such, will have its own special needs in terms of advertising, media and distribution, i.e. will have its own specifically designed unique marketing mix. 	(8)

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1–3 Marks	Demonstrates limited of knowledge and understanding and there may be major omissions/misconceptions. Tactics/strategies/objectives are unlikely to be appropriate to the context. Tactics/strategies/objectives are not likely to be supported or justified.
Level 2	4–6 Marks	Demonstrates mostly accurate knowledge and understanding with some omissions/misconceptions. Tactics/strategies/objectives will be mostly appropriate to the context. Tactics/strategies/objectives may not be fully justified.
Level 3	7–8 Marks	Demonstrates accurate knowledge and understanding with few omissions/misconceptions. Tactics/strategies/objectives will be appropriate and the link to the context will be clear. Tactics/strategies/objectives will be justified using evidence form the context.

Question number	Answer	Mark
15 (c)	<p>Award 1 mark for the feature and 1 mark for the linked expansion for each reason up to a maximum of 2 marks.</p> <p>Cost-plus – Cost-plus pricing involves adding a mark up to the cost of goods and services to arrive at a selling price.</p> <p>Competitor - consists of setting the price at the same level as one's competitors. Once a price for a product or service has reached a level of equilibrium.</p> <p>Penetration - the pricing technique of setting a relatively low initial entry price, usually lower than the intended established price, to attract new customers.</p> <p>Accept any reasonable answer.</p>	(2)

Question number	Answer	Mark
16 (a)	<p>The strategies have to be linked to the set scenario. Other entries at the Examiner's discretion to max. 2 marks per 4P strategy (4x2)</p>	(8)

	Strategies
Product	<ul style="list-style-type: none"> • to ensure the range of camping/outdoors equipment offered is continuously expanded to cover more outdoor activities by 20xx. • to develop own brand of outdoor clothing by 20xx.
Price	<ul style="list-style-type: none"> • to have the reputation of the best priced value for money retailer in the industry by the end of 20xx. • to increase profit margins by reducing variable costs by 20xx.
Promotion	<ul style="list-style-type: none"> • to have created 90% awareness within the target markets by the end of 20xx.

	<ul style="list-style-type: none"> • to sponsor a major sports event or team by the end of 20xx.
Place	<ul style="list-style-type: none"> • to ensure facilities are available to accept all types of payment cards and methods by the end of 20xx. • install the latest electronic payment and stock control systems to ensure minimal queuing and stock outages by 20xx.

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-3 Marks	<p>Demonstrates limited of knowledge and understanding and there may be major omissions/misconceptions.</p> <p>Tactics/strategies/objectives are unlikely to be appropriate to the context.</p> <p>Tactics/strategies/objectives are not likely to be supported or justified.</p>
Level 2	4-6 Marks	<p>Demonstrates mostly accurate knowledge and understanding with some omissions/misconceptions.</p> <p>Tactics/strategies/objectives will be mostly appropriate to the context.</p> <p>Tactics/strategies/objectives may not be fully justified.</p>
Level 3	7-8 Marks	<p>Demonstrates accurate knowledge and understanding with few omissions/misconceptions.</p> <p>Tactics/strategies/objectives will be appropriate and the link to the context will be clear.</p> <p>Tactics/strategies/objectives will be justified using evidence form the context.</p>

Question number	Answer	Mark
16 (b)	2 marks per 4P tactic (4x2)	(8)

	Tactics
Product	<ul style="list-style-type: none"> • introduce new equipment for wider outdoor activities during 20xx. • to negotiate with suppliers to produce own label clothing in 20xx.
Price	<ul style="list-style-type: none"> • to renegotiate with suppliers on prices during 20xx. • to introduce activity-based costing to minimise and control costs more efficiently by 20xx.
Promotion	<ul style="list-style-type: none"> • to engage in intense media advertising during 20xx. • to begin reviewing possible sponsorship opportunities during 20xx.
Place	<ul style="list-style-type: none"> • negotiate with suppliers and install EPOS payment systems during 20xx. • exploring and investing in all the newest electronic systems for rapid payment and EPOS controlled stock systems during 20xx.

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1–3 Marks	Demonstrates limited of knowledge and understanding and there may be major omissions/misconceptions. Tactics/strategies/objectives are unlikely to be appropriate to the context. Tactics/strategies/objectives are not likely to be supported or justified.
Level 2	4–6 Marks	Demonstrates mostly accurate knowledge and understanding with some omissions/misconceptions. Tactics/strategies/objectives will be mostly appropriate to the context. Tactics/strategies/objectives may not be fully justified.
Level 3	7–8 Marks	Demonstrates accurate knowledge and understanding with few omissions/misconceptions. Tactics/strategies/objectives will be appropriate and the link to the context will be clear. Tactics/strategies/objectives will be justified using evidence form the context.

Question number	Answer	Mark
17 (a)	<p>Award 1 mark for each criterion and 1 mark for the linked expansion of each, up to a maximum of 2 marks for each explanation. Maximum 6 marks.</p> <ul style="list-style-type: none"> • price dumping in foreign markets (1) to dispose of old stock (1) • predatory pricing (1) to try and destroy competitors (1) • price fixing with other suppliers (1) to maintain artificially high prices (1) • price wars to destroy competition (1) with a view to becoming a monopoly supplier (1) • bid rigging by colluding with other suppliers (1) to obtain a high price (1) • hidden pricing (for essential extras) (1) added on at the end of a transaction (1) <p>Examiners to use their own experience and knowledge to assess any alternative answers across all sections.</p>	(6)

Question number	Answer	Mark
17 (b)	<p>Indicative content</p> <p>Evaluation of the impact:</p> <ul style="list-style-type: none"> • subliminal advertising • false and misleading advertisements • post-purchase dissonance (customers not getting what they thought they would in terms of benefits) • promotion of alcohol, tobacco and other potentially harmful goods • advertisements as mirrors or statements of prevailing norms • advertising directed to minors and young children. <p>Products and services:</p> <ul style="list-style-type: none"> • built-in obsolescence resulting in product failure • essential product extras sold as separate items • switching to using inferior raw materials • reducing content size without notification • dangerous goods released without full research or relevant safety certification • unskilled service providers charging full price 	(12)

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-4 marks	<p>Demonstrates limited knowledge and understanding and there may be major omissions/misconceptions.</p> <p>Provides little or no application or reference to relevant evidence from the context, and any conjecture is unsupported.</p> <p>Recommendations are likely to be only partially relevant and unsupported.</p>

Level 2	5–8 marks	<p>Demonstrates some accurate knowledge and understanding with some omissions/misconceptions.</p> <p>Exemplification is partially developed, and conjecture is occasionally supported through the application of relevant evidence from the context.</p> <p>Recommendations will be mostly appropriate but will only be partially justified.</p>
Level 3	9–12 marks	<p>Demonstrates accurate knowledge and understanding with few omissions/misconceptions.</p> <p>Exemplification is well developed displaying coherent reasoning and conjecture will be supported by applying relevant evidence from the context.</p> <p>Recommendations will be appropriate and mostly justified.</p>

TOTAL FOR SECTION B = 70 MARKS