



External Assessment

NCFE Level 2 Certificate in Business and Enterprise (601/0048/5)

Unit 02 Marketing for business and enterprise

Paper number: THIS IS NOT A LIVE PAPER

Assessment window: Sample

This booklet should be used for Tasks 2, 3, 4, 5 and 6 only.

Full name	
Learner number	
Centre name	
Centre number	

Learner declaration:

- I confirm that the work contained in this external assessment is all my own work.
- I have not copied work from anyone else.
- I have not copied work directly from handouts/internet/textbooks or any other publication.
- If I have used a quote, then I have referenced this appropriately.
- My full name above is my registered name with NCFE.

Learner's signature:

Date:

Time allowed

4 hours to complete Tasks 2, 3, 4, 5 and 6.

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Instructions for learners

- Read the tasks and questions carefully and make sure that you understand:
 - what you need to do to complete the assessment
 - what you need to submit
 - how much time you need to allow for each task.
- You **MUST** complete **all** of the tasks to address all the assessment criteria. You cannot achieve a Pass grade unless you meet the required standard for **all** the assessment criteria.
- Write your responses to the tasks in the spaces provided. If you need more space, you may use extra paper. Make sure any extra paper is labelled clearly with your name, Centre name, Centre number, learner number and task number, and is securely attached to this assessment.
- All the work you submit for the External Assessment must be clearly identified with:
 - your name and learner number
 - Centre name and Centre number
 - task number.
- All the work for this external assessment must be completed at your Centre within the invigilated timed session.
- If you write your answers using a word processor, you **must** make sure that any printouts are labelled clearly with your name, Centre name, Centre number, learner number and task number, and are securely attached to this answer booklet.
- The Invigilator will explain where you will save your work between each external assessment session.

Resources

- You may use all of the material given within this external assessment paper but no other resources should be taken into the examination room.
- You're **not** allowed to use the internet during the external assessment.

DO NOT TURN OVER UNTIL YOU ARE INSTRUCTED TO DO SO BY THE INVIGILATOR.

Before you attempt Tasks 2–5 you must read Source 1 below and relate this to your responses.

Source 1

Hart's Farm

Target Markets

Hart's Farm is a family-owned farm business based in North Lancashire. The crops are all grown organically which means that no chemical fertilisers or pesticides are used. Its main product is potatoes, but it also grows root vegetables such as beetroot and parsnips. These vegetables are sold in small quantities to local restaurants who regularly use Hart's Farm as a supplier for 2 reasons:

1. The produce is organically grown. This appeals to restaurant owners because customers will pay more for a meal made with organic ingredients.
2. Hart's Farm will make daily deliveries. Restaurant owners find this very convenient as they can guarantee that the vegetables are fresh, which improves the quality of their meals.

Hart's Farm also sells and delivers its vegetables to the increasing number of manufacturers who make organic crisps. These customers require large quantities of potatoes to be delivered. Deliveries are only made once a week as the factories have large storage facilities. The crisp manufacturers are happy with Hart's produce and renew their contract every year.

The market for organic snacks is growing rapidly. To take advantage of this, the Hart family produce organic crisps on the farm. They sell these directly to the major supermarket chains on a two-year contract. People who buy and eat these crisps are in socio-economic groups A, B and C1. They want a crisp that is better quality than the usual crisps and they are prepared to pay a premium price. Sales of these crisps are growing, with sweet potato the fastest seller.

The 'Posh Crisp' is Hart's most recent development and is a premium snack product. It is a triple-thick, gift-quality crisp intended for special occasions. They are packaged in decorative boxes and sold online to customers all over the world. Although the market for premium snacks is growing, sales of the Posh Crisp have been very disappointing. The Hart family think this is because the price is too high and it is only available through the website.

The oldest of the Hart children, Chris, develops recipes using the farm's vegetables. The recipes and photographs of the dishes are available on the farm website. Chris also runs cookery courses using recipes from the website. These events are very popular with people living within easy travelling distance of the farm. Despite a recent price increase to £110 the cookery courses are fully booked for the next 6 months.

Many children do not have the opportunity to see how a farm works or where food comes from, so the Hart family set aside Wednesday mornings for secondary school groups to visit the farm. Children get the opportunity to plant, pick, taste and cook the crops. Refreshments, however, are not provided. Some schools book this visit every year.

The farm also takes part in Open Farm Sunday once a year, where anybody who wishes can visit the farm free of charge. This is especially popular with families who have young children. Hart's provides a number of activities suitable for small children. There is an opportunity to buy lunch, with a separate menu for young children. High chairs are provided.

Task 2

Your work in Task 2a addresses 2.1 and Task 2b addresses 2.2. You can refer to the assessment criteria at the end of the task.

2a. The Hart family have a number of target markets. Identify **4** target markets from Source 1.

How do the Hart family know that this target market is suitable for their business?

Target market 1:

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Suitability of target market 1:

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Target market 2:

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Suitability of target market 2:

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Target market 3:

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Suitability of target market 3:

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Target market 4:

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Suitability of target market 4:

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Assessment criteria	Pass	Merit	Distinction
2.1 Identify the various target markets for an organisation	Learners will identify the various target markets for an organisation	Learners will justify reasons why the various target markets are suitable for an organisation	No distinction criteria for this AC

2b. Choose any **2** target markets from Source 1 and describe their needs. Give as much detail as you can.

Target market 1:

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What are the needs of this target market?

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Target market 2:

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What are the needs of this target market?

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Assessment criteria	Pass	Merit	Distinction
2.2 Compare the different needs of the target markets for an organisation	Learners will compare the different needs of the target markets for an organisation	Learners will compare in detail the different needs of the target markets for an organisation	No distinction criteria for this AC

Source 2

Market Research

The Hart family are continually looking for new ways to develop their business. They regularly carry out primary and secondary market research to collect both quantitative and qualitative data.

To improve the cookery courses, Chris conducts questionnaires on the farm website. Customers who have attended a cookery course are asked to complete a questionnaire. These are all closed questions and there is no space for customers to give ideas or opinions. The response rate is poor and only 5% of customers complete the questionnaire.

Chris arranges focus groups of restaurant owners once every 12 months. As a result of their feedback, potatoes are now supplied already washed and peeled. Since introducing this service 4 new restaurants order their potatoes from Hart's Farm and this number is expected to grow.

Mr Hart purchases Mintel reports to gain more intelligence into market trends, industry changes and competitor profiles. A recent report showed that the market for organic crisps is rising, with the biggest seller being parsnip crisps. As a result, Hart's introduced parsnip crisps but is thinking of withdrawing them as sales have been poor. It did not carry out any other research before launching the parsnip crisps.

A search of competitor websites, such as Tyrells, provides information on their different products, services and prices. Mr Hart reads industry magazines such as the Grocer, where he found that sales of their main competitor crisps has increased by 16.7% in the last year despite a rise in selling price.

Mr Hart sent a postal questionnaire to all the local secondary schools. He wanted to find out what services the farm could offer to make the visit more popular with schools as fewer and fewer schools attend each year. There were 10 questions, all of which were open ended. Only 2% of the questionnaires were returned, even though a stamped addressed envelope was included.

Task 3

Your work in Task 3 addresses assessment criterion 2.3 which is given at the end of the task.

Read Source 2

3a. The Hart family have used primary and secondary research methods to collect quantitative and qualitative data.

Describe how any **2** of these research methods have been used by the Hart family and explain **one** advantage and **one** disadvantage of each method.

Research method 1 (please circle one research method):

Primary Secondary Quantitative Qualitative

How have the Hart family used this method?

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Advantage:

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Disadvantage:

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Research method 2 (please circle a different research method):

Primary Secondary Quantitative Qualitative

How have the Hart family used this method?

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Advantage:

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Disadvantage:

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3b. The Hart family would like to improve their market research methods. Recommend **2** ways in which they could do this and explain how these could benefit the business.

First recommendation:

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How could this benefit the business?

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Second recommendation:

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How could this benefit the business?

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Assessment criteria	Pass	Merit	Distinction
2.3 Describe how an organisation would research their target market	Learners will describe how an organisation would research their target market	Learners will describe in detail how an organisation would research their target market	Learners will describe how an organisation would research their target market showing critical judgement

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Please turn over for the next task.



PROUD SPONSORS OF:

- Lancashire School Games
- Lancashire Road Athletics

It's been another busy month at Hart's Farm and it's been great to see many of our local school children having a wonderful time on our farm learning about their environment and the food they eat.

DID YOU KNOW WE OFFER EDUCATIONAL VISITS?

Our programmes are fun and full of hands-on activities, easily adaptable to various areas of the national curriculum.

We believe all school children should have the opportunity to visit therefore our prices are reduced for schools.

- Whole day £5.50 + VAT per pupil.
- Half day £4.00 + VAT per pupil.
- Supervising adults are free.
- Lunch not included.
- Suitable for 11-16 year olds.

EXTRA CRUNCH

Have you heard about our organic crisps made here on our farm and sold in most major supermarkets?

Try our new flavours!*

- Mature cheddar and red onion
- Maple barbeque
- Ham and English mustard

**Introductory price £1 normal price £1.99 per bag.*

Looking for something a little different?

Try our **POSH CRISPS**. Only £3!!

The perfect gift and stylishly packaged, we deliver anywhere in the world. You can order now from our website. Take advantage of the discount voucher in this month's issue of the local village magazine.

Thank you to everyone who attended our cookery course last month. We had such fun preparing recipes from the new cookbook, using the freshest organic ingredients from the farm. We look forward to seeing you back again soon!

Course information:

- £110 (free recipe book included)
- 10am until 4.30pm
- all bookings must be made in advance
- maximum class size 10.

WE'RE NOW IN PRINT!

I'm pleased to announce the new cookbook is available to buy for £4 in all good book stores and through our website. Recipes still available FREE on our website. It was given a great 4* review in this month's local village magazine.

NEXT MONTH

- We're looking forward once again to hosting many local chefs at our cookery demonstrations.
- It's also time for our annual Food4Thought event - a networking event with local, national and international food journalists and bloggers. We will be showcasing our new crisp flavours and recipes.
- Due to popular demand! Visit us FREE next weekend at our Open Farm Day. The perfect family day out!

COMPETITION TIME

Tell us about a new flavour to win a year's supply of crisps and have your flavour promoted in our product range for 6 months. What are you waiting for? Enter NOW through our website, Facebook and Twitter page.

FIND OUT MORE Visit us at www.supaspuds.co.uk for regular updates, our blog, links to video clips and to receive our monthly newsletter and information about new products.

CONTACT US Email supaspuds@gmail.com



We'd love to hear your feedback!

Task 4

Your work in Task 4 addresses assessment criterion 3.1 which is given at the end of the task.

Read Sources 1 and 3.

4a. Explain the marketing mix for **one** of the Hart family's products or services, giving as much detail as you can.

Product/service:

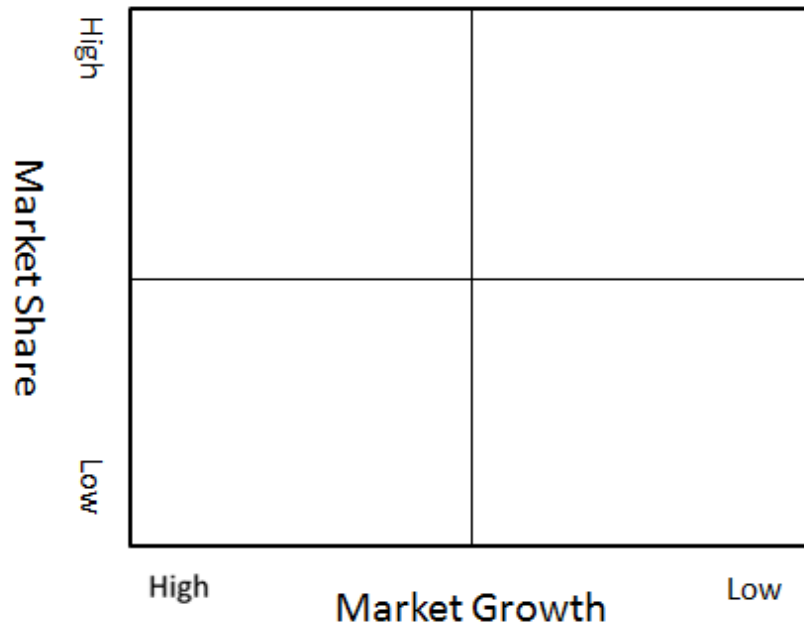
Explanation:

SAMPLE

Read Source 1.

4b. Place the following products in the correct boxes of the Boston Matrix below.

- (i) Sweet Potato Organic Crisps
- (ii) Posh Crisps



Explain your answer.

- (i) Sweet Potato Organic Crisps:

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(ii) Posh Crisps:

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Assessment criteria	Pass	Merit	Distinction
3.1 Explain the marketing mix	Learners will explain the marketing mix	Learners will explain the marketing mix in detail	Learners will explain the marketing mix perceptively

Source 4

Marketing methods

Many of Chris's customers suggested publishing a cookbook of recipes using vegetables grown on the farm. This was first advertised on the website, but sales in the first 3 months did not cover the publishing costs. However, since the recipe book was featured on local radio there has been a steady stream of sales. Chris wonders whether selling through bookshops and the website is enough.

One of the complaints made by customers attending the cookery course is that the farm is impossible to reach by public transport. The closest railway station is 5 miles away and there is only a local bus service in the summer. This is of great concern to Chris who noticed that bookings for the courses are always down in the winter months when there are fewer daylight hours and the weather is always wetter and colder.

Every year Chris sends a leaflet to schools to let them know about the farm visits on offer. This leaflet is also available on their website, but not on their Facebook page or Twitter feed. Response has been poor. Few schools book a visit because they have not seen the leaflet. Most of the visits are booked through recommendation from other schools.

Three years ago Hart's Farm ran a television advertising campaign to promote its organic crisps. It will not do this again. It was very expensive and Hart's could not be sure it was reaching its target market. Despite an increase in sales, this did not cover the cost of the advertisement.

However, Hart's Food4Thought events remain very popular. They provide an opportunity for the Hart family to network with local, national and international food journalists and bloggers and to showcase their new crisp flavours and recipes. Most of the people who attend say they find out about the events through Hart's Facebook page and Twitter feed.

Task 5

Your work in Task 5 addresses assessment criterion 4.1 which is given at the end of the task.

This task is about the marketing mix for Hart's Farm. You will need to use information from Sources 1, 3 and 4 when responding to this task.

5a. Choose **2** of the four P's. For each of them, explain what has gone well and what has not gone well for Hart's Farm.

First P:

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What has gone well?

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What has not gone well?

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Second P:

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What has gone well?

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What has not gone well?

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SAMPLE

5b. Suggest **two** improvements Hart's Farm could make to its marketing. Give reasons for your suggestions.

First improvement:

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Reasons:

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Second improvement:

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Reasons:

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5c. Explain why you think your improvements might not be successful.

SAMPLE

Assessment criteria	Pass	Merit	Distinction
4.1 Evaluate the effectiveness of different marketing methods	Learners will evaluate the effectiveness of the marketing of the business or enterprise methods	Learners will coherently evaluate the effectiveness of different aspects of the marketing of the business or enterprise methods. Learners will indicate where improvements may be made	Learners will comprehensively evaluate the effectiveness of different aspects of the marketing of the business or enterprise methods. Learners will show critical judgement and indicate where improvements may be made

Task 6

Your work in Task 6 addresses assessment criterion 3.2 which is given at the end of the task.

6a. Explain in detail **2** positive impacts that social media and the internet can have on a business when **promoting** products and services, and compare these to traditional methods.

First positive impact:

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Comparison to traditional methods:

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Second positive impact:

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Comparison to traditional methods:

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SAMPLE

6b. Explain in detail **2** negative consequences that might arise when a business uses social media and the internet for promotion.

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Assessment criteria	Pass	Merit	Distinction
3.2 Explain the impact of social media and the internet on promotion	Learners will explore the impact of social media and the internet on promotion	Learners will clearly explain the impact of social media on promotion in comparison to traditional methods	Learners will explain the positive and negative impacts of social media on promotion

What you need to hand in after your external assessment

At the end of the timed external assessment you'll hand in the following to your Invigilator:

- this external assessment paper
- any extra paper you have used, securely attached to this assessment paper.

Make sure that all your work, including any extra paper, is clearly identified with your:

- full name
- learner number
- Centre name
- Centre number.

If you have completed this assessment on a computer, your work **must**:

- be printed out
- securely attached to this external assessment.

You must not submit any electronic evidence.

This is the end of the external assessment.

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