

Centre name:	Godalming College	Centre Number	64395
Unit name	Unit 2: Developing a marketing campaign	Unit number	31489H

NQF BTEC Level 3 in Business/Enterprise and Entrepreneurship -

January 2018

LEARNER RECORD SHEET

DO NOT ATTACH ANYTHING TO THIS FORM

Section A: Must be completed by the Centre

Learner Name	Registration Number	
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Section B: Must be completed by the examiner

ACTIVITY 1	Structure	Marketing aims and objectives	Research and analysis of market information	Justification	TOTAL MARKS
Marks awarded	2	2	3	5	12
Total available marks	4	8	12	10	34
ACTIVITY 2	The marketing mix	Budget	Timescale	Presentation	TOTAL MARKS
Marks awarded	5	0	1	1	7
Total available marks	20	4	8	4	36

Grade: Unclassified. (near miss)





Turn over ▶

- Read each activity carefully before you start to answer it.
- Try to answer every activity.
- Check your answers if you have time at the end.

**Advice**

- The total mark for this paper is 70.
- The marks for **each** question are shown in brackets
- use this as a guide as to how much time to spend on each question.

**Information**

- relevant series.
- **Part B** task booklet is specific to each series and this material must only be issued to learners who have been entered to undertake the task in the timetable appropriate supervised sessions for all learners.
- and under the conditions specified by Pearson. The period will allow centres to
- The **Part B** task booklet must be issued to learners during the 2-day period
- should be kept securely.
- The **Part B** task booklet must be issued to learners as defined by Pearson and
- **Part A** will need to have been used in preparation for completion of **Part B**.
- Answer **all** activities.
- learner registration number.
- **Fill in the boxes** at the top of this page with your name, centre number and
- Use **black** ink or ball-point pen.

**Instructions**

<p><b>Business / Enterprise and Entrepreneurship</b></p> <p><b>Unit 2: Developing a Marketing Campaign</b></p> <p><b>Part B</b></p>		<p>Window for supervised period:                  Tuesday 9 January 2018 – Wednesday 10 January 2018</p> <p>Supervised hours: 3 hours</p>	<p>Total Marks</p> <p>19</p>
<p>Write your name here</p> <p>Surname</p> <p>Other names</p>		<p>Pearson BTEC                  Level 3                  Nationals                  Certificate</p> <p>Centre Number</p> <p>6 4 3 9 5</p>	<p>Learner Registration Number</p> <p>3 1 4 8 9 H</p> <p>Paper Reference</p>
<p>You do not need any other materials.</p>			



This paper must be read in conjunction with the unit information in the specification and the BTEC Nationals Instructions for Conducting External Assessments (ICEA) document. See the Pearson website for details.

The **Part B** set task is undertaken under supervision in a single session of three hours within the timetabled days. Centres may schedule a supervised rest breaks during the session.

In order to enable learners to have access to computer resources, a period of two days is provided within which centres can timetable the assessment. Centres should schedule all learners in the same sessions if possible and must release **Part B** to individual learners only for their scheduled sessions.

The **Part B** set task requires learners to apply research. Learners should bring in notes as defined in **Part A**. The teacher/tutor and/or invigilator needs to ensure that notes comply with requirements.

Work should be completed using a computer.

All learner work must be completed independently and authenticated by the teacher/tutor and/or invigilator before being submitted to Pearson.

Refer carefully to the instructions in this task booklet and the Instructions for Conducting External Assessments (ICEA) document to ensure that the supervised period is conducted correctly and that learners submit evidence that is their own work.

Learners must not bring anything into the supervised environment or take anything out without teacher/tutor and/or invigilator knowledge and approval.

Centres are responsible for putting in place appropriate checks to ensure that only permitted material is introduced into the supervised environment.

### Maintaining security

- During supervised assessment periods, the assessment areas must be accessible only to the individual learner and to named members of staff.

- Learners can access their work only under supervision.

- During any breaks materials must be kept securely.

- Any work learners produce under supervision must be kept securely.

- Learner notes will be retained securely by the centre after **Part B** and may be requested by Pearson if there is suspected malpractice.

### Outcomes for submission

Two documents need to be submitted by each learner:

- a rationale for a marketing campaign

- a budgeted plan for the marketing campaign.

Each learner must complete an authentication sheet.

### Instructions to Teachers/Tutors and/or Invigilators

- To expand The Bicycle Shop's business and increase brand awareness
- To increase The Bicycles Shop's revenue and gain a bigger share in the market
- To draw more customers in and increase the probability of them making a purchase
- To attract a greater number of price-conscious customers

The main objectives for this marketing campaign will be:

The Bicycle Shop is already an established business that specialises in selling bicycles and accessories aimed at commuters. However, now the medium-sized independent retail store wants to expand their steadily growing business by launching a marketing campaign for 12 to 16 weeks, that will focus on a particular part of the bicycle market to draw more customers in to purchase their products and increase their sales. This small segment in the market involves bicycles that can be folded up.

Most of The Bicycle Shop's customers are commuters that want to buy a product that they can use to commute and easily travel on. Many of their existing customers buy bicycles that can be folded up as they are also using other types of travel that include trains and buses. Now the owners of The Bicycle Shop want to launch this marketing campaign to increase their revenue and capitalise on the popularity of cycling among urban commuters. The Bicycle Shop have a tight budget of just £10,000 to be spread over 12 to 16 weeks.

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<b>Title of Exam:</b>	Business/Enterprise and Entrepreneurship	<b>Centre Number:</b>	64395
<b>Date:</b>	Tuesday 21st January 2018	<b>Candidate ID:</b>	

AH2  
MR1-2

AH1  
MR2

<ul style="list-style-type: none"> <li>Whippet and Hummingbird that focus just on the selling</li> <li>Large and very well-known brands such as Brompton,</li> </ul>	EXTERNAL THREATS-
<ul style="list-style-type: none"> <li>The UK bicycle market only has a small segment for folding bikes, taking up just 4% of the market's sales in 2016. This gives The Bicycle Shop a huge opportunity to increase this percentage for the number of sales for folding bicycles in the UK and also to gain a larger brand recognition.</li> </ul>	EXTERNAL OPPORTUNITIES-
<ul style="list-style-type: none"> <li>By launching a marketing campaign that just focuses on folding bicycles could mean that The Bicycle Shop's sales in their other products could go down.</li> </ul>	INTERNAL WEAKNESSES-
<ul style="list-style-type: none"> <li>The Bicycle Shop is already an established business that mainly sell products including bicycles and accessories to affluent professionals and price-conscious customers. This means that the business is already known to a number of customers and potential customers.</li> </ul>	INTERNAL STRENGTHS-

AP4

SWOT:

<p>Name:</p>	<p>Paper Number: 31489H</p>	<p>Date: Tuesday 27th April January 2018</p>
<p>Title of Exam:</p>	<p>Business/Enterprise and Entrepreneurship</p>	
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A marketing campaign to promote folding bicycles can mean the people that purchase the product will be potentially more involved in social activities.

Social-

bicycles and increase their market share and brand awareness.  
 opportunity for The Bicycle Shop to make their move to increase their sales of folding  
 The further growth that is anticipated in the UK market for folding bicycles is a huge  
 and the market has been growing by around 5% per year with further growth anticipated.  
 According to Mintel, the total bicycle market in the UK is estimated to be worth £1.5 billion

AK4

Economic-

The total market for the sale of new bicycles is estimated to be worth £800 million.

Political and Legal-

PEST:

of folding bicycles could be a potential threat to The Bicycle Shop who are only a medium-sized independent retail store.	
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Halfords plc Investor Presentation.

All data has been taken from recent and well-known publications. The data used in the SWOT and PEST analysis has been taken from a source that was published in 2016. This shows that the information is reliable and valid as the data is recent. For example, in the PEST analysis for the political and legal point, I have used reliable and valid information from

The reliability and validity of the information gathered-

this particular product.

4%. This means that The Bicycle Shop has a window of opportunity to increase their sales of want to focus on selling products in only has a small percentage in the UK market of around customers. Another strength is that the segment of the bicycle market that The Bicycle Shop an established business with customers that include professional and price-conscious

selling folding bicycles has a number of strengths. For example, The Bicycle Shop is already Looking at the SWOT analysis shows that the launching of the marketing campaign for

made.

Products such as the folding bicycle can mean that more entrepreneurs, such as engineers will become interested in the innovation and technological side of how the products are

Technological-

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AF3  
MB1-3

AF4  
MB2-5

qtk





The product that The Bicycle Shop has decided to promote using a marketing campaign is a folding bicycle. The folding bike is part of a very small segment in the bicycle market, taking up just 4% of all bicycles sold. The Bicycle Shop's number of sales has been gradually increasing month by month, improving the businesses sales revenue. With the business

Product

The Bicycle Shop mainly sells their products to commuters, affluent professionals and price-conscious customers. The business want to attract more customers to buy folding bicycles. The Bicycle Shop only has a tight budget of £10,000 for a 12 to 16 week marketing campaign. The type of target market that The Bicycle Shop should aim their marketing campaign at price-conscious customers that want to buy a product which makes travelling and other methods of transport a lot easier to use when commuting.

Target Market

The message that The Bicycle Shop wants to promote is their selling of folding bikes. This is the main reason for launching the campaign and also so that the medium-sized independent business can increase their sales revenue by selling more from their existing range of products.

Marketing Mix

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2/15

AKS  
MB1-5

gradually improving their sales, now is the perfect time to launch a marketing campaign for the folding bike.

Price

The budget of £10,000 for the campaign is needed as the methods of marketing and promotion will be quite expensive. It is important that The Bicycle Shop do not go over budget and spend more than £10,000 as the money allocated to each type of promotion is enough to spread the important message that The Bicycle Shop wants to spread around the local area and hopefully reach other areas.

Place

The location of the marketing campaign will be at the independant business' shop itself where the main activities such as the distribution of leaflets and posters will be. However, as The Bicycle Shop want to be expanding their medium-sized business the rest of the marketing and promotion will be spread around the local area. For example, one of the methods of advertisement is to release an advert on the local radio so the location for this will be different to the location for the main activities.

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UK	5.3	6.3	7.8	8.0	8.7
Revenues (£million):					
	2012	2013	2014	2015	2016

The table below shows Brompton's financial information from the years 2012-2016. Although The Bicycle Shop has a much smaller budget for its marketing campaign and a lower gross profit for the sales of their folding bicycles, this table is useful as it shows the clear market leader in the UK and suggests that the UK market for folding bicycles is worth around £15-20 million at retail prices.

Budget

The methods of promotion that will be used are effective and are an efficient way to advertise the marketing campaign with eye-catching posters, adverts and leaflets and also interesting advertisements to listen to on the local radio. By using very different types of promotion, for example hearing an advertisement about the folding bicycles and reading an advertisement about the folding bicycles are very different, this gives more opportunity for the marketing campaign to reach as many people as possible and therefore become successful in the objectives given prior to the campaign.

PKS

Promotion

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Standard.

I have allocated the budget to these types of promotion as they have been proved to be very effective when marketing a campaign. For example, spending 30% of the budget on putting an advert in the newspaper could mean that many people who purchase newspapers will see and even read the advertisement. Depending on what type of newspaper the advert will be published in, for example if it was published in a local newspaper the advert will be more likely to be bigger as the cost of the advertisement would not be as much as one published in a bigger newspaper, for example The Evening Standard.

The Bicycle Shop	Newspaper	15%	25%	30%
	Leaflets			
	Posters			
	Local Radio			

The Bicycle Shop's Budget

Operating Profit (£million)	1.6	2.4	3.5	1.5	2.7
Gross Profit (£million)	5.4	7.2	10.1	10.3	11.3
TOTAL REVENUES	16.7	21.3	27.2	27.5	28.4
Rest of World (export)	5.3	8.1	11.3	10.9	10.4
European Union (export)	6.1	6.9	8.1	8.6	9.3

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RF6



I have allocated 15% of the budget towards the making of leaflets as they are an easy way of advertising the folding bicycles. The reason for this is in producing the leaflets, they will then not take a lot of time and effort to hand out to customers or people out in public who can just take the leaflets to look at.

Allocating 25% of the budget to producing posters is important as ink for the posters will be expensive and the posters are likely to be bigger than the leaflets, using more ink and costing more money. The reason for using posters to promote the marketing campaign of folding bicycles is that posters, if designed well, are usually eye-catching.

Finally, I have allocated 30% of the budget to advertising the product in the local radio as the other types of promotion I have selected have all been for people to look at and read. Using the local radio to promote and advertise is very useful as a lot of people still listen to the radio, especially when driving. If done well, the advertisement that is put on the local radio could mean that more people become interested in folding bicycles and also become aware of The Bicycle Shop which could then help to increase sales and revenue for The Bicycle Shop.

4/6

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**Instructions for Learners**

Read the set task information carefully.

This session is three hours. Your teacher/tutor and/or invigilator will tell you if there is a supervised break. Plan your time carefully.

You have prepared for the set task given in this **Part B** task booklet. Use your notes prepared during **Part A** if relevant. Attempt all of **Part B**.

Your notes must be your own work and will be retained by your centre until results are issued.

You will complete this set task under supervision and your work will be kept securely during any breaks taken.

You must work independently throughout the supervised assessment period and should not share your work with others.

**Outcomes for submission**

You will need to submit two documents on completion of the supervised assessment period:

- a rationale for the marketing campaign
- a budgeted plan for the marketing campaign.

You must complete a declaration that the work you submit is your own.





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**Set Task**

**You must complete BOTH activities.**

You will need to refer to the additional task information on the following pages and your notes from the research and preparatory work undertaken in **Part A**.

**Activity 1**

Prepare a rationale for the marketing campaign to increase the sales of folding bicycles. This should include:

- marketing aims and objectives
- research data on the market, to include:

- an analysis of your research using appropriate tools
- target market
- size, structure and trends
- competition

- evaluation of the reliability and validity of the information researched
- justification for your rationale.

**(Total for Activity 1 = 34 marks)**

**Activity 2**

Based on your rationale from Activity 1, you must produce a plan for your marketing campaign for *The Bicycle Shop* which should include an appropriate:

- marketing mix
- marketing message
- selection of media
- campaign budget
- timescale.

You must produce this plan in an appropriate format for the owners of *The Bicycle Shop*.

**(Total for Activity 2 = 36 marks)**



## Part B Set Task Information

## The UK Bicycle Market

The number of bicycles sold globally in 2015 was the same as it was in 2005.

During the same period:

- the number of bicycles sold in the UK decreased by around 10%
- spending on bicycles in the UK increased by over 40%.

In 2015 cycling contributed £2.9bn to the UK economy:

- 85% was from the sale of bicycles and cycling accessories
- 15% was from related services such as repairs.

In the UK 40% of all bicycle sales are through two retail chains, Halfords and Evans. There is a significant concentration of bicycle sales in UK 'urban cycling hot spots' including London, Leeds and Birmingham. In these cities the most popular cycling products are folding bicycles such as those produced by premium brands e.g. Brompton Cycles.

Approximately 3.6 million bicycles were imported into the UK in 2015, which was similar to the annual average for the previous 10 years. Many of these imported bicycles were manufactured in Taiwan. In 2014 Taiwanese manufacturers sold 588,000 bicycles to UK retailers, with an approximate average retail value of £179 each.

The national governing body for cycle sport in the UK, British Cycling, reported that applications for membership increased in 2015. There was also growing interest in different types of competitive cycling.





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**The Bicycle Shop**

The *Bicycle Shop* is a medium-sized independent retail store. The business currently focuses mainly on sales of bicycles and accessories aimed at commuters. The *Bicycle Shop's* customers include a mixture of affluent professionals and price-conscious customers. Sales revenues have been growing steadily from month to month, but the owners of the business believe that there is potential to further increase revenue by selling more from their existing range of products. The owners wish to launch a marketing campaign that will focus on one particular segment of the market. They would like to attract more customers to the store and increase the probability of them making a purchase. The campaign should run for 12 to 16 weeks.

**Promoting Existing Products**

The owners of *The Bicycle Shop* set it up to capitalise on the popularity of cycling among urban commuters. Many of their existing customers buy bicycles that can be folded for storage while on a train or at work. The owners would like to focus on one segment of the market to encourage more people to purchase folding bicycles from them. The campaign will focus on attracting a greater number of:

**EITHER**

1. affluent professionals

**OR**

2. price-conscious customers.

The marketing budget for the campaign is £10,000.

**What is commuting by bicycle?**

This is when a person regularly travels some or all of the distance from home to work by using a bicycle. Some commuters use a bicycle to travel the whole distance while others will use a bicycle alongside forms of public transport such as a train.

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