

4(a)	Define ‘brand image’. Award 2 marks for a full definition. Award 1 mark for a partial definition. • The image or identity given to a product/business which distinguishes it from its competitors brand [2] • Characteristics that distinguish a business from others through design or logo [2] • The general impression of a product/business held by consumers [2] • Personality given to a product/business through marketing activities [2] Partial definition e.g. • Identity given to a product/business [1] • How product/business is seen by others [1] • Characteristics that make a <u>business</u> unique [1]
------	--

4(b)	Identify <u>two</u> reasons why some markets have become more competitive. Award 1 mark for each relevant reason (max 2). Points might include: • Globalisation/growth of free trade agreements • Changes in technology or examples e.g. ecommerce/internet/social media • Changes in legal controls / more or fewer regulations / government intervention in the market • Transport improvements/infrastructure improvements Other appropriate responses should be credited.
------	---

4(c)	Outline <u>one</u> way MTL could act ethically with each of the following stakeholder groups: Employees Customers Award 1 mark for each relevant way (max 2). Award 1 mark for each relevant reference to this business (max 2). Points might include: Employees: • Pay fair/good wages [k] to its 430 employees [app] • Ensure fair/good working conditions [k] when making the toys [app] • Not employ child labour [k] • Not use zero hours contracts [k] Customers: • Charge a fair price [k] which can help maintain its good brand image [app] • Not advertise misleading prices [k] when operating in a competitive market [app] Other appropriate responses should be credited.
------	---

4(d)	Explain <u>two</u> problems MTL might have when entering a new market in another country. Award 1 mark for identification of each relevant problem (max 2). Award 1 mark for each relevant reference to this business (max 2). Award 1 mark for each relevant explanation (max 2). Points might include: • Lack of market knowledge [k] so may not be aware of competitors' pricing/promotion [an] for toys [app] • Language differences [k] so it may have to translate/change wording on the packaging [an] to explain how it is ethical [app] • Cultural differences [k] so product may not sell there [an] which could damage its brand image [app] • Changes in exchange rates [k] may make it difficult to set prices [an] for this large business [app] • Different legal controls [k] which could restrict what/how they can sell [an] • Import restrictions or examples such as quotas [k] which could restrict the number of products they can import [an] • Economic differences e.g. average income, stage in business cycle [k] • Social differences e.g. age structure [k] • Increased transport costs [k] as products may have to be transported over long distances [an] • Level of competition [k] • Lack of recognition of the business [k] • High taxes [k] • Difficulty in locating suppliers [k]
------	---

4(d)	Increased risk of non-payment/incorrect payment [k] as methods of payment are likely to be different between each country [an] Other appropriate responses should be credited.
------	---

4(e)	Points might include: - Television [k] is expensive/can include moving images to attract attention [an] - Magazines [k] as able to target specific types of customers [an] - Discount offers/promotional pricing/ (money off) coupons/loyalty card [k] which can make the products more affordable [an] - Social media/internet-based advertising/influencers [k] to reach large numbers of people [an] - Leaflets [k] as this is a low-cost method [an] - Posters/billboards [k] as can be seen by everyone who is passing by [an] - Point of sale displays/demonstrations [k] as this allows the customer to be shown how it is used [an] - Radio advertising [k] which allows them to target specific regions [an] - Newspapers [k] - Gifts [k] - Sponsorship [k] - Competitions [k] encourage customer to buy to receive a reward/win [an] - Free samples [k] increase costs [an] - BOGOF [k] - After-sales service [k] Other appropriate responses should be credited. Justification might include: Television [k] as able to include moving images to attract attention [an]. Another method is posters [k] as it can be seen by everyone who is passing by [an]. Television is the best method as this is a large business so it should be able to afford the cost involved [eval] and is likely to reach far more people than a poster [eval].
------	---