Solutions

Marking: **K** knowledge, **App** use of the case or data, **An** analysis (a chain of reasons: cause, then effect), **Ev** evaluation (a judgement with a reason). In calculations, **M1** is for the method and **A1** for the answer; **B1** is an independent mark.

Each answer shows the steps, then the **result**.

2.1

(a) geographic; (b) demographic

(c) psychographic; (d) behavioural

2.2

substantial, and actionable (meals suit them)

hard to measure and not accessible: there is no list or channel that reaches them

2.3

subscribers $1{,}200 \times 0.15 = 180$

$180 \times 10 \times 12.60 =$ £**22**,**680**

2.4

target: busy professionals; frame: the weekly dinner box

point of difference: gives you your evenings back

reason to believe: five frozen meals arrive at 6 pm

3.1

(a) **300** and **180**

(b) $300 \times 8 \times 12.60 =$ £**30**,**240**; $180 \times 14 \times 12.60 =$ £**31**,**752**

(c) fitness fans: slightly higher value from fewer people, so lower delivery and service cost(App); and loyal customers bring referrals(An); but the gap is small and the estimates are rough: test both(Ev)

3.2

(a) high convenience with good health: no rival is there; risk: there may be no demand there, or A may move right quickly

(b) e.g. “For busy professionals, Nimbus is the weekly dinner box that saves your evenings, because five healthy meals arrive frozen at 6 pm”

3.3

(a) broad: 2,000 reached, **80** subscribers, £**75** each; targeted: 1,200 reached, **180**, £**33.33** each

(b) **5**–**6**: broad ads reach more people but most do not need the product, so conversion is low (An); targeted ads cost more per person but get over twice the subscribers (App); one clear message also builds the position, while “everyone” blurs it (An); but a small brand may miss segments it has not tested (Ev); judgement, e.g. target professionals now and test a second segment with a small budget (Ev). **3**–**4**: one side analysed, or no judgement. **1**–**2**: relevant points.

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