**Rapid Revision: Marketing 2**

Ainm:

A. Draw a Product Life Cycle and label each stage.

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B. Give two ways a business can extend a Product Life Cycle.

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A. Give three benefits of strong branding.

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B. Give two reasons why a business may choose to use own-brand products.

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1. List three factors that can influence the price of a product or service.

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1. Match the correct pricing term to its definition.

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| 1. Premium Pricing
 | 1. Customers can choose the price level that best fits their budget. They can purchase the basic model car or the luxury model. Can help a business capture a larger portion of the market
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| 1. Price Skimming
 | 1. This is setting lower prices to push competitors out of the market. It can lead to price wars which is good for the consumer. Example would be Ryanair who reduce prices on popular routes.
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| 1. Penetration Pricing
 | 1. Charging different prices to different market segments for the same product. Cinema tickets/airline tickets
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| 1. Predatory Pricing
 | 1. Price is set at a high rate than competitors to reflect consumer’s perception of a superior product.
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| 1. Price Discrimination
 | 1. Selling multiple products together at a lower price. Sky packages/Vodafone
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| 1. Tiered Pricing
 | 1. Below cost selling to get the customers to buy more when in store.
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| 1. Loss Leader
 | 1. Often most effective in the early days of a product life cycle/very few close rivals/setting high prices during the introductory phase to maximise revenues/help cover R&D costs and lowering the prices as competitor products appear on the market.
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| 1. Bundle Pricing
 | 1. Undercut competitors to attract customers. Over time the business may increase their price. Example would be when Tesco came onto the phone market
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1. List three factors to consider when selecting a suitable channel of distribution.

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1. Explain key considerations for the following Promotion strategies.

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| **Sales Promotion** | **Personal Selling** |
| **Public Relations** | **Advertising** |