

BIIAB LEVEL 3 ADVANCED CERTIFICATE IN LICENSED HOSPITALITY

Unit 2: Understanding Your Market

Specimen Questions

The specimen examination questions contained in this publication are representative of the type of questions used to assess candidates taking the written examination paper for this qualification.

A marking scheme for each of these questions is towards the end of this document.

Each unit of the Diploma in Licensed Hospitality is assessed in two parts:

- 1) Part A The Open Book Test
- 2) Part B The Written Examination Paper.

Part A The Open Book Test

The Open Book Test consists of five short answer questions and is marked out of 20 marks. Each question is marked out of 4 marks. Candidates need to obtain 10 marks out of 20 in order to pass.

Part B The Written Examination

The examination paper consists of 10 short answer questions. Candidates are given 1 hour to complete the paper. Each question is marked out of 4 marks. The examination paper is marked out of 40 marks and candidates will need to obtain 20 marks to pass

You need to pass both Part A and Part B to pass the Unit.

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Specimen Questions

Question 1

The owner of a chain of restaurants has recently appointed a manager to run one of his restaurants. He has received complaints from customers that service levels at this particular restaurant are falling. He has decided to use a mystery candidate to evaluate the business.

State **three** strengths and **one** weakness for the manager of using mystery customers to evaluate the performance of a business. **4 marks**

Question 2

The manager of the Shepherd and Flock has recently refurbished the restaurant and has decided to place an advert in the local newspaper to promote the restaurant. After a few weeks, the manager finds that the number of customers using the restaurant is still disappointing. The manager concludes that advertising was a waste of money.

Give **four** reasons that might explain why the advertisement failed to attract extra customers to the restaurant. **4 marks**

Question 3

You have recently taken over as the new tenant of the Pig & Whistle public house. The pub has a flourishing catering trade attracting couples and families alike and also attracts a large crowd at weekends that follow the local football team on TV. In the past there have been problems between these two groups resulting in complaints from diners. You realise that you cannot please all people, all of the time so you decide to carry out a market segmentation exercise which will allow you to focus your business strategy on one of these groups.

- (a) Explain the meaning of the term “market segmentation”. **2 marks**
- (b) Give **two** examples from the Pig & Whistle of the main types of characteristics used to identify market segments. **2 marks**

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Marking Scheme

The following answers to Questions 1-3 are not exhaustive and examiners are instructed to give credit to valid answers which are not specifically mentioned in the marking scheme.

Question 1

This question assesses Assessment Criteria 5.2 which states:

Describe methods of collecting information about customers, outlining the strengths and weaknesses of each.

State **three** strengths and **one** weakness for the manager of using mystery customers to evaluate the performance of a business.

Strengths, any three of the following:

Provides accurate and detailed information	1 mark
It is not intrusive	1 mark
Full written reports are provided	1 mark
An objective/independent view of the business is given	1 mark
	(maximum 3 marks)

Weaknesses, any one of the following:

The cost involved if using an external supplier	1 mark
The visit may be unrepresentative of what is really happening	1 mark
	(maximum 1 mark)

Question2

This question assesses Assessment Criteria 4.2 which states:

Considering the advantages and disadvantages of the range of promotional techniques, design an appropriate promotional mix for a defined target market.

Given **four** reasons that might explain why the advertisement failed to attract extra customers to the restaurant.

Any four of the following:

The position of the advertisement in the newspaper may have been unsuitable – possibly crowded out by other advertisements, wording of the advert etc	1 mark
The layout/content of the advertisement may not have attracted the reader's attention.	1 mark
Were the directions to (map of) the restaurant clear?	1 mark
The advertisement needed to be linked with some promotion eg £5 off the meal, free bottle of wine etc	1 mark
The readership of the newspaper may not be typical to the type of customer who would visit the restaurant	1 mark
	(maximum 4 marks)

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Question 3

This question assesses Assessment Criteria 3.2 which states:

Outline methods of identifying and segmenting customer groups within a market place:
socio-economic; lifestyle; demographic.

- (a) Explain the meaning of the term “market segmentation”.

Market segmentation describes the process of dividing a market into groups of customers with different needs, characteristics or behaviour, who might require separate products or marketing mixes.

2 marks

- (b) Give **two** examples from the Pig & Whistle of the main types of characteristics used to identify market segments.

Any two of the following:

Life-style - local football supporters

Socio-economic – couples or families

1 mark

1 mark