

5. Which of the following functions of management does identifying target belong to?

- A) Leading
- B) Organizing
- C) Planning
- D) Controlling

6. Which of the following are the functions of organisation structure?

- i) To define relationship
 - ii) To assign responsibility
 - iii) To develop action plan
- A) i and ii only
 - B) i and iii only
 - C) ii and iii only
 - D) All of the above

7. Steps of organising do not include _____

- A) Review company's goal
- B) Review environmental factors
- C) Assign duties and delegate authority
- D) Categories and group the tasks

8. The factors affecting delegation include:

- i) Ability of the subordinate
 - ii) Academic background of the supervisor
 - iii) Scale of the company
- A) i and ii only
 - B) i and iii only
 - C) ii and iii only
 - D) All of the above

9. Which of the following is a disadvantage of division of work?

- A) Cost on training decreases.
- B) Product becomes standardized.
- C) Production process will become faster.
- D) Employee loses the sense of satisfaction.

10. Which of the following is an advantage of division of work?

- A) Save working time
- B) Avoid confusing instruction
- C) Achieve a better supervision effect
- D) Set up clear objective of job

11. Division of work is applicable

- i) in the department which is practicing participative leadership
 - ii) in the production of complicated product
 - iii) in large enterprise
- A) i and ii only
 - B) i and iii only
 - C) ii and iii only
 - D) All of the above

12. Which of the following violates the principle of the unity of command?
- A) One subordinate assigned to one supervisor
 B) Two subordinates assigned to one supervisor
 C) One subordinate assigned to two supervisors
 D) Two subordinates assigned to two supervisors
13. Under which of the following styles of leadership, the level of delegation should be the lowest?
- A) Participative leadership
 B) Autocratic leadership
 C) Laissez faire leadership
 D) None of the above
14. In accounting, capital refers to _____.
- A) the resources supplied to a business by its owner(s)
 B) the cash supplied to a business by its owner(s)
 C) the resources owned by a business
 D) cash and bank of a business
15. Bella Company has assets of \$678,000 and liabilities of \$263,000. Louis Company has assets of \$780,000 and capital of \$5438,000. Which of the following statements is correct?
- A) Both company has equal amount of capital.
 B) Both company has equal amount of liabilities.
 C) Bella Company has more liability than Louis Company.
 D) Bella Company has more capital than Louis Company.
16. Here is the information of three companies:

	Assets (\$)	Capital (\$)
Alice Company	987,000	860,000
Benjamin Company	966,000	852,000
Cynthia Company	899,000	784,000

Which company has the most liability?

- A) Benjamin Company
 B) Alice Company
 C) Cynthia Company
 D) Cannot be determined

SECTION B

Short Questions:

(30 marks)

- 1. Dove produces a wide variety of personal care products and has launched ‘The campaign of Real Beauty’, to convey the message that all women, regardless of their body size or age, are beautiful. With reference to Maslow’s Hierarchy of Needs, explain two levels of needs that Dove’s products may satisfy its target customers. (4 marks)

- 2. In what ways would middle-class consumers differ from lower income consumers when they shop at a supermarket? (4 marks)

4. a) In 1950s, Chicks sells standard knitwear and underwear to customers at the beginning, what kind of marketing strategy is that? (2 marks)

b) What are the two disadvantages of the strategy stated in part a)? (4 marks)

c) Today, in addition to woolen underwear, Chicks also sell casual wear, what kind of marketing strategy is that? (2 marks)

d) What are the two advantages of the strategy stated in part c)? (4 marks)

SECTION C

Case Analysis:

(40 marks)

5. Owing to its limited knowledge about Hong Kong mobile phone users, a Mainland mobile phone manufacturer intends to conduct qualitative research to explore how Hong Kong people evaluate a smartphone before they make their purchase.

a) Explain the two common qualitative research methods. (4 marks)

b) Briefly explain the type of segmentation this Mainland mobile phone manufacturer should adopt to divide the Hong Kong market? (3 marks)

c) Define the target population of the survey. Why can't the marketing manager survey the entire target population? (3 marks)

6. Instagram is a free social networking application (app) by which users can share their photos and short videos with others. After taking photos, users may apply filters to decorate the photos and upload them. As of February 2017, Instagram had 800 million active users around the world, including pop singers and movie stars.

Instagram users use the app for different purposes. Some users like sharing photos of food by the app. Others take travel photos and share scenery or happenings with the app. Others take travel photos and share scenery or happenings with the app. Many users also like taking photos of themselves or with their mates. Users can tag the location where the photos are taken.

Before, the developer of Instagram financed its operation only by venture capital. However, since October 2013, it announced that it would add advertising to the platform.

- a) With reference to Maslow's Hierarchy of Needs, explain the level(s) of need that Instagram tries to satisfy. (4 marks)

- bi) Identify two reference groups with regard to the case. (4 marks)

South Tuen Mun Government Secondary School
 Half-yearly Examination 2018-2019
 S4 Business, Accounting and Financial Studies (Management Module)
 Marking Scheme

SECTION A **Multiple Choice Questions:** **(40 marks)**

1)	D	2)	B	3)	C	4)	A	5)	C
6)	A	7)	B	8)	B	9)	D	10)	A
11)	C	12)	D	13)	B	14)	A	15)	C
16)	B	17)	C	18)	D	19)	B	20)	A

SECTION B **Short Questions:** **(30 marks)**

		Marks
1.	<ul style="list-style-type: none"> • Dove's products may satisfy consumers' safety needs because they help users keep their bodies clean and reduce the chances of infections. • Dove's products may also satisfy consumers' ego needs because they remind users of their real beauty. 	2 2
2	<p>Middle-class consumers put more emphasis on <u>product quality</u> and do not mind paying higher prices. They are less <u>price sensitive</u>. For example, they may prefer buying <u>organic</u> food which is <u>healthier</u> but more expensive. They may also prefer buying <u>imported</u> items as they think that the quality is better.</p> <p>In addition, they expect <u>better service</u> from shop staff and a <u>better shopping environment</u> (e.g., more spacious, contemporary layout, etc.).</p>	1 1 1 1
3.	<p>The owner will go through the following steps:</p> <ul style="list-style-type: none"> (i) <u>Problem recognition:</u> the owner recognizes the need to buy ingredients, e.g., the dishes the customers have ordered require new ingredients. (ii) <u>General need description and product specification:</u> the owner needs to think about the characteristics and how much of the ingredients she needs. (iii) <u>Supplier search:</u> the owner searches for different suppliers by reviewing her supplier list or seeking recommendations from other business partners. (iv) <u>Supplier selection:</u> the owner selects the ingredient supplier and buys the ingredients. (v) <u>Performance review:</u> the owner asks her customers about the quality and tastes of the dishes and sees if they are satisfied. If both the owner and her customers are satisfied with the ingredients, the owner is likely to continue buying from the same supplier. 	2 2 2 2 2

		Marks
4.	a) It pursued an undifferentiated marketing strategy.	2
	b) The disadvantages are: <ul style="list-style-type: none"> • Standard products cannot satisfy all consumers who have different needs and wants. • When consumer preferences change, the products can no longer satisfy customers. • When competitors using a differentiated strategy enter the market, the company will suffer a huge loss. 	2 2
	c) It pursued an differentiated marketing strategy.	2
	d) The disadvantages are: <ul style="list-style-type: none"> • Chicks can satisfy customers who have different needs. • As Chicks develops products for different segments, the total sales (from more segments) would increase. 	2 2

SECTION C

Case Analysis:

(40 marks)

		Marks
5.	a) The two common qualitative research methods are: <ul style="list-style-type: none"> ● <u>In-depth interview</u>: a personal interview with an interviewee who knows the research issue well. ● <u>Focus group discussion</u>: a gathering of 6 to 10 carefully selected people who are brought together to discuss a particular topic. 	2 2
	b) Segmentation of the mobile phone <ul style="list-style-type: none"> ● The mobile phone manufacturer can conduct focus groups for participants with different <u>demographic</u> profiles ● (e.g., one group for students and the other for working adults). This can further help the company tailor its products for different market segments. 	2 1
	c) The target population of this survey is all Hong Kong people who will use mobile phone. <ul style="list-style-type: none"> ● Since there are a lot of people who use mobile phone nowadays, it may be too time-consuming and costly (if not impossible) to collect views from the entire target population. 	1 2
	d) Mainland mobile phone manufacturer may conduct a <u>focus group discussion</u> to achieve its research objective. <ul style="list-style-type: none"> ● As the mobile phone manufacturer wants to know how Hong Kong people evaluate a smartphone, it most likely wants to grasp insights into the research problem from <u>general customers</u> instead of a few experienced smartphone users. Therefore, an in-depth interview is not appropriate. ● To conduct the <u>focus group discussion</u>, the mobile phone manufacturer can carefully select 6 to 10 people based on their gender, income, education level, or age to take part in the discussion. ● It can conduct several group discussions so that information can be obtained from more smartphone users. ● The mobile phone manufacturer can <u>hire a professional researcher as a mediator</u> to lead the discussion by providing questions which steer participants into discussing how they evaluate a smartphone. This can ensure that the discussion provides useful information about the research problem. 	2 2 2 2 2
	Total:	

		Marks
6.	a) Maslow's Hierarchy of Needs Theory:	
	<ul style="list-style-type: none"> Instagram tries to satisfy users' social needs. Users can share pictures and communicate with friends by the app. 	2
	<ul style="list-style-type: none"> Instagram also tries to satisfy users' ego needs. For example, fans follow celebrities, who are users of the app and gain publicity. 	2
	bi) Reference Group:	
	In this case, the direct reference group, friends, family and the indirect reference group, celebrities such as singers and movie stars,	2 2
bii) How reference help attract new users:		
<ul style="list-style-type: none"> To <u>be accepted by</u> their friends, people follow what their friends do. In this case, people are influenced by friends who have an Instagram account and register an account. 	2	
<ul style="list-style-type: none"> To <u>keep current with the life</u> of their idols, people will establish an account and 'follow' their idols. 	2	
c) Instagram may segment the market by		
<ul style="list-style-type: none"> <u>Benefits sought:</u> Users may use the app to share photos with their peers. 	2	
<ul style="list-style-type: none"> <u>Occasions:</u> Users may take photos and share them when they are dining or travelling. 	2	
<ul style="list-style-type: none"> <u>Age:</u> As young people are more likely to use social networking apps than elderly people, Instagram may target young people. 	2	
d) Segmentation not suitable for Instagram:		
Instagram may not segment the market by gender because gender does not lead to a significant difference in app use preferences.	2	
Total:		20 marks