2.9 Extension Strategies and the Product Portfolio: 10-minute Pack

Total Marks

AQA 8132 · Calculators not allowed · about 10 minutes

Name: _____ Date: ____ / ____ / _____

Answer ALL questions in the spaces provided. Use the Oak & Ember Foods scenario in questions that name it. Show brief reasoning where asked.

1 Which one of the following is an example of using advertising as an extension strategy for a product in the maturity stage?

- ☐ A) Increasing the price of the product
- ☐ B) Removing the product from all shops
- ☐ C) Running a new advertising campaign to remind customers about the product
- ☐ D) Reducing the size of the product without changing the price

(Total for Question 1 is 1 mark)

---

2 Explain one way Oak & Ember Foods could find new markets for Summer Chutney, for example exporting to another EU country, and how this could extend the product life.

(Total for Question 2 is 3 marks)

© Revision Library | revisionlibrary.co.uk

3 Identify two internal benefits Oak & Ember Foods gains from having a product portfolio containing items at different life-cycle stages, using Summer Chutney and the spicy jam example.

(Total for Question 3 is 2 marks)

---

4 State two limitations of relying only on extension strategies to keep Summer Chutney selling, without developing new products.

(Total for Question 4 is 2 marks)

© Revision Library | revisionlibrary.co.uk

Mark scheme · 2.9 Extension Strategies and the Product Portfolio: 10-minute Pack

Question 1

C cao	**B1**

Answer: C

Question 2

identifies the action, e.g. exporting to a new country	**B1**
explains how accessing new customers increases potential sales	**B1**
links increased sales to delaying decline and extending the product's commercial life	**B1**

Answer: Exporting Summer Chutney to a new country opens the product to new customers and retail channels; this increases potential sales and demand, which can delay the decline in domestic sales and extend the product's overall commercial life.

Question 3

steady cash flow from mature products like Summer Chutney	**B1**
future profit potential from growth products like the spicy jam	**B1**

Answer: Steady cash flow from mature products; future profit potential from growth products.

Question 4

extensions may only delay decline and not reverse market shifts	**B1**
constant changes can increase costs and may fatigue customers	**B1**

Answer: Extension strategies may only delay decline rather than reverse long-term market changes; repeated changes can raise costs and fatigue customers.

© Revision Library | revisionlibrary.co.uk