MKTG1001 Marketing Principles

UNIVERSITY OF SYDNEY BUSINESS SCHOOL · SEMESTER 2, 2026

Full guide + ask Sia about MKTG1001

SIDE 1/2 WHAT MUST BE IN YOUR HEAD · definitions → decisions → comparisons → formulas WEEKS 7–13 Final: 20 MCQ + answer 2 of 4 extended responses

01 Exam map

COURSE DATA · L6 REVISION

FINAL EXAM 35%

PUBLISHED COMPONENT	WEIGHT
Research participation	2%
Final Exam	**35%**

"Closed book exam. No materials permitted."

MKTG1001 Lecture 6 revision slides, Semester 2 2026 (PDF_xMKTG1001_Lecture_6_Revision)

FINAL SHAPE

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90 min writing + 10 min reading · Weeks 7–13 only · Part A: 20 MCQ × 0.5 = 10 · Part B: choose 2/4 × 10 = 20 · total 30 → 35 in Canvas.
```

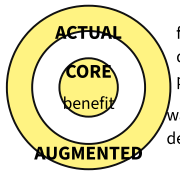
Priority: exact definitions for MCQ; for extended responses, name → apply → explore → evaluate. Pick questions whose framework you can draw and whose trade-off you can state.

PART	WHAT IT REWARDS	REVISION ACTION
A	precise vocabulary; distinguish close pairs	cover definitions, then classify scenarios
B	framework, application, detail, judgement	redraw model; attach one strength + limit

Memory test: for every examinable week, recite the model's parts in order, the cue that selects it, one brand-specific application and the failure mode that qualifies your recommendation. If any one is missing, that framework is not ready.

02 Product: three levels

W7 · CH7



features · design quality · brand packaging

warranty · service delivery · support

Source figure redrawn: buyers buy the core; actual + augmented deliver and differentiate it.

LAYER	RECITE	EXAM TEST
Core	fundamental benefit	never the object
Actual	features, design, quality, brand, packaging	what delivers core
Augmented	delivery, warranty, service, support	differentiation

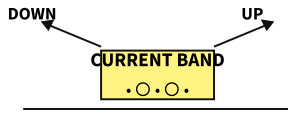
If you can hold the noun, it is not the core. Apply by naming a benefit first, then concrete actual attributes, then extras. Evaluate: augmentation can raise switching costs, but adds service cost and can confuse the offer.

FAST SORT

03 Lines, mix & brands

W7 · CH7

Product line = closely related products. *Product mix* = all lines/items. Mix **width** = number of lines; line **depth** = items within a line.



FILL inside · STRETCH outside

Source figure redrawn: filling deepens; stretching reaches a new price/quality tier.

MOVE	DIRECTION	PAY-OFF / RISK
Filling	within current price range	fills gaps, choice, blocks rivals
Stretch up	premium tier	margin/status; credibility
Stretch down	budget tier	reach; **dilution**
Both ways	up + down	coverage; complexity

Evaluation: both may cannibalise the existing range and raise promotion/distribution cost; downward stretching particularly risks premium brand dilution.

BRAND DEVELOPMENT MATRIX

BRAND NAME \ PRODUCT CATEGORY	existing	new
old	LINE EXT.	BRAND EXT.
new	MULTIBRANDS	NEW BRANDS

Source figure redrawn: existing/new brand name × existing/new category.

Line extension = same category; brand extension = new category. More "new" means more cost/risk, but less reliance on parent-brand equity.

IDENTITY, IMAGERY, CLASSIFICATION

TERM	EXACT DISTINCTION
Brand identity	name, logo, slogan the firm sends
Brand imagery	attributes, benefits and personality in the customer's mind
Consumer product	bought by final consumers
Industrial product	bought to make goods or run a business
Broadened product	organisation, person, place, event or idea can be marketed

Brand-matrix test: ask two binary questions only—*is the product category new?* and *is the brand name new?* Do not confuse line **extension** (a branding cell) with line **stretching** (movement beyond a price/quality band).

04 Services: the 4 I's

W7 · CH7

INTANGIBLE tangible cues guarantees	**INSEPARABLE** manage access expectations
VARIABLE train + standardise	**PERISHABLE** booking + off-peak

Course rule: each service characteristic creates a specific marketing response.

CHARACTERISTIC	PROBLEM	RESPONSE
Intangibility	cannot pre-judge	portfolio, testimonial, guarantee
Inseparability	provider tied to use	availability, expectations
Variability	quality differs	train + standardise process
Perishability	cannot store capacity	booking, off-peak price

SERVICES ADD 3 PS

```
People · Process · Physical evidence
```

When to use: any service application. Define each I, diagnose the risk in the named service, attach the matching response, then conclude that the extra 3 Ps make experience consistent and credible.

12 Place: route, width, control

W12 · CH10

A *channel level* is one intermediary layer: D2C = 0; producer → retailer → consumer = 1; add wholesaler = 2. More levels usually increase reach but reduce control. Intermediaries add reach, break bulk, create assortments, hold inventory, facilitate transactions and match supply to demand.

INTENSIVE max outlets convenience	**SELECTIVE** chosen outlets shopping	**EXCLUSIVE** very few prestige

reach ← coverage → control + prestige

Source figure redrawn: match distribution intensity to product type and positioning.

CONVENTIONAL producer · wholesaler · retailer ≠ **VMS** producer / wholesaler / retailer

Source figure redrawn: VMS coordination reduces vertical conflict.

ROUTE	MEANING	CORE TRADE-OFF
Direct	no intermediary	control vs own capability
Indirect	one or more levels	reach vs margin/control

06 NPD: eight-step funnel

W8 · CH8

1 IDEA GENERATION
2 IDEA SCREENING ★
3 CONCEPT DEVELOP + TEST
4 MARKETING STRATEGY
5 BUSINESS ANALYSIS ★
6 PRODUCT DEVELOPMENT
7 TEST MARKETING
8 COMMERCIALISATION

Source figure redrawn: many ideas enter; weak ideas die before costly development and launch.

GATE	WHAT MUST BE PROVED
Screening	**Real?** need + feasible · **Win?** advantage + resources · **Worth?** profit + fit
Concept test	target appeal, trial and purchase intent before build
Business analysis	forecast sales, costs and profit
Test market	validate demand + programme in simulated/controlled market

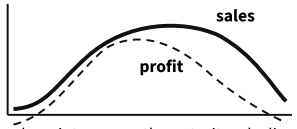
Concept board: heading · consumer problem · benefit · reason to believe · selling idea · price/availability · visuals. *Prototype:* comprehensive or focused. Product-use test: monadic, sequential-monadic or triangular.

Decision rule: kill cheaply, learn before scaling. Testing reduces launch risk but costs time and may alert competitors.

TEST FORM	WHAT THE CONSUMER DOES
Monadic	uses one product, then evaluates it
Sequential-monadic	uses products in sequence, rates each
Triangular	finds the different product among three
Simulated market	lab/store simulation before a real rollout
Controlled market	real but limited market exposure

07 PLC: diagnose, then act

W8 · CH8



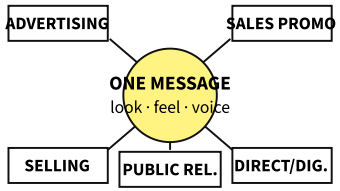
dev. intro. growth maturity decline

Source figure redrawn: profit peaks before sales; strategy changes by stage.

STAGE	OBJECTIVE	MIX CUE
Development	prove concept	sales 0; cost negative

08 IMC & promotion mix

W9 · CH11–12



Source figure redrawn: integration means consistency, not simply more channels.

TOOL	DEFINING FEATURE
Advertising	paid, non-personal
Sales promotion	short-term incentive
Personal selling	individualised, late-stage, costly
Public relations	earned, credible; crisis role
Direct + digital	targeted, immediate

IMC = one clear, consistent, compelling message. Owned/paid/earned media can all carry it. A premium ad beside a bargain-basement coupon is not integrated.

MEDIA STATUS	RECALL
Owned	channels the brand controls
Paid	placement the brand buys
Earned	coverage/attention gained from others

09 Push, pull & ad decisions

W9 · CH11–12



PULL ← consumer demand

Source figure redrawn: push works through intermediaries; pull creates final-buyer demand.

ADVERTISING CHAIN

```
Objective → Budget → Message + Media → Evaluation
```

DECISION	RECALL
Objective	inform · persuade · remind
Budget	affordable · % sales · parity · **objective-and-task**
Message	strategy → big idea → execution style
Media	reach + frequency; choose type
Evaluate	communication + sales effects

Creative follows the value proposition and insight. For evaluation, advertising effects are lagged and hard to attribute; pair awareness/recall/image measures with sales outcomes.

BUDGET AND EXECUTION CHOICES

10 Sales promotion

W10 · CH12–13

Sales promotion = short-term incentive to encourage purchase or sale **now**. Consumer promotion supports pull; trade promotion supports push.

CONSUMER TOOL	BEST JOB
Sample	**trial**; removes risk
Coupon	first-purchase price
Contest / sweepstake	engagement + buzz
POP display	shelf visibility / impulse
Rebate	big-ticket nudge
Loyalty bonus	**repeat purchase**
Price pack	sales now / stock clear
Premium	free/low-cost gift

Trade tools: discounts, allowances, free goods and sales-force support get wholesalers/retailers to carry, display and push.

Promotions must reinforce, not contradict, the value proposition. Overuse creates buyer conditioning: customers wait for deals, willingness to pay and margins fall, and premium positioning weakens. Advantage: the fixed window makes response easier to measure than advertising.

11 Pricing: band + base

W11 · CH9

COST FLOOR no profit ← **FEASIBLE BAND** → VALUE CEILING no demand

rivals + objectives locate price

Source figure redrawn: costs set the floor; customer-perceived value sets the ceiling.

VALUE	COST	RIVAL-BASED
starts with customer	starts with product	market start

value · cost · rivals

Source figure redrawn: distinguish each base strategy by its starting point.

Value-based: price on perceived value (good-value or value-added). **Cost-based:** fixed + variable costs, then markup. **Competition-based:** price relative to rivals. The course favours starting from value; in practice triangulate.

ONLY ARITHMETIC

```
Selling price = Cost × (1 + markup%)
Contribution/unit = Price - Unit variable cost
Breakeven units = Fixed costs ÷ Contribution/unit
Target-return units = (Fixed costs + Target profit) ÷ Contribution/unit
```

CHOICE	FAVOURED WHEN	MAIN AIM
Skimming	inelastic demand; strong difference/brand; few rivals; R&D to recoup	high initial revenue

Your exam is closed book: nothing printed goes in. Use this sheet to revise and self-test, not to carry.

https://www.asksia.ai/cheatsheet/usyd-mktg1001 · Shared by _____

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MKTG1001 MEMORY SHEET

v2 · 2026-10-24

Semester 2 formal examination period, from 16 November 2026 (the Exams Office publishes the exact date).

MKTG1001 Marketing Principles · Drills & judgement

UNIVERSITY OF SYDNEY BUSINESS SCHOOL · SEMESTER 2, 2026

Full guide + ask Sia about MKTG1001

SIDE 2/2 SELF-TEST · 4 worked paths · judgement cards · classic traps · exam-morning recall

COVER → ANSWER → CHECK

Extended response: framework first, evidence through it, trade-off last

13 The 10-mark answer engine W13 PRACTICE

1 NAME	2 APPLY	3 EXPLORE	4 JUDGE
define + draw	case facts to parts	why fit?	strength limit

NAME → EVIDENCE → JUDGE

Exam-answer figure: the Week-13 sample-answer shape, compressed for recall.

MOVE	WHAT EARNS THE MARK	SENTENCE STEM
Outline	correct framework + components	"The framework distinguishes…"
Apply	case-specific classification	"Here, X is … because…"
Explore	causal link / why factor fits	"This matters because…"
Conclude	recommend + limitation	"Therefore…; however…"

Do not list facts beside the framework; drive every fact through it. Use headings if they make the logic visible. A recommendation without conditions is assertion; a limitation without its consequence is decoration.

14 Pick the question FINAL STRATEGY

CAN YOU…	YES	NO
name + draw the framework?	continue	skip
apply every component?	continue	risk
state a trade-off?	**choose**	second choice

During reading, rank all four prompts. Choose the two for which you can produce both a complete framework and a defensible judgement.

14A Framework decoder W7–12

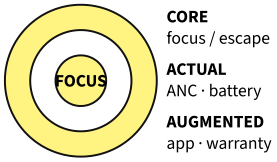
PROMPT LANGUAGE	NAME FIRST	JUDGEMENT TO FINISH
benefit / features / extras	3 product levels	differentiation vs service cost
idea to launch	8-step NPD	risk reduction vs time/rival warning
life-cycle signal	PLC stage	stage-fit of objective + 4 Ps
communications campaign	IMC + ad decisions	consistency / attribution
launch price	skim vs penetrate	conditions + likely trade-off
outlet/channel choice	intensity + integration	reach vs control/cost

MCQ ELIMINATION

1. Underline the noun that selects the model: *outlets*, *intermediary*, *trial*, *markup*, *category*.
2. State the exact definition before reading the options again.

15 Worked 1: headphones W7 WORKED EXAMPLE

Prompt: use the total product concept to analyse wireless noise-cancelling headphones and explain augmented differentiation.



Source application redrawn: name the benefit, not the hardware, at the core.

1. **Outline:** core benefit; actual features/design/quality/brand/packaging; augmented extras.
2. **Apply:** core = uninterrupted focus; actual = active noise cancellation, 30-hour battery, foldable design, brand, finish, retail box.
3. **Differentiate:** 2-year warranty, companion app/custom EQ, updates, 30-day returns, hearing test. Rivals can copy hardware more easily than the service ecosystem.
4. **Judge:** augmentation raises switching costs but adds ongoing service cost, needs a value-based price, and over-augmentation can confuse.

SELF-TEST

Can you give one item at each layer without putting a feature in the core? Can you explain *why* the augmented layer is harder to copy?

16 Product judgement cards W7

IF YOU SEE…	DO THIS
same price tier, more variants	**filling**
budget/premium tier	**stretching** + dilution/cannibalisation
service inconsistency	variability → training/standard process
unused appointments	perishability → booking/off-peak
existing brand, new category	brand extension

SERVICE DIAGNOSIS DRILL

OBSERVED PROBLEM	NAME IT	RESPONSE
buyer cannot judge a haircut first	intangibility	portfolio, reviews, guarantee
experience depends on stylist	inseparability	expectations + provider access
quality changes by shift	variability	training + standard process
empty appointment is lost	perishability	booking + off-peak price

BRAND CELL DRILL

17 Worked 2: chickpea crisps W8 WORKED EXAMPLE

Prompt: walk a high-protein chickpea crisp through all eight NPD steps; show where it could be killed.

1 trend idea: high-protein snack
2 real-win-worth? KILL GATE
3 concept board + purchase intent
4 target · position · planned mix
5 sales/cost/profit KILL GATE
6 prototype + use test
7 limited market test
8 full commercialisation

Source process applied: risk should fall before spend rises.

1. **Generate:** start from the high-protein snacking trend.
2. **Screen:** is the need real, can the firm win, is it worth doing?
3. **Concept:** state problem, benefit, reason to believe; test appeal and purchase intent.
4. **Strategy:** define target, positioning and proposed mix.
5. **Business analysis:** forecast sales, costs and profit.
6. **Develop:** build prototype; run product-use tests.
7. **Test market:** simulated or controlled, limited launch.
8. **Commercialise:** roll out fully.

Evaluation: killing early protects the budget; testing reduces launch risk but adds time and can alert competitors.

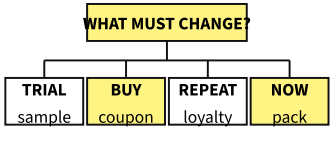
18 PLC judgement cards W8

SIGNAL	STAGE → RESPONSE
slow sales, high cost/customer	introduction → awareness/trial
sales/profit rising, entrants	growth → preference + wider place
flat sales, similar rivals, deals	**maturity** → defend/share-switch
falling sales	decline → milk/harvest/phase out

GATE AND TEST DRILL

QUESTION	EXACT RECALL
first major kill test?	idea screening: real–win–worth
consumer-facing concept contents?	problem, benefit, reason to believe, selling idea, price/availability, visuals
financial kill gate?	business analysis: sales, costs, profit
one product evaluated?	monadic test
different item among three?	triangular test
limited realistic launch?	test marketing: simulated or controlled

19 Promotion: objective decoder W9–10



CHECK: fit + conditioning

Decision figure: hire each promotion tool for one precise job, then test brand fit.

IF YOU SEE…	ANSWER PATH
retailers must stock/display	push → trade promotion + selling
consumers must request product	pull → advertising + consumer promotion
new product awareness	inform objective
switch lapsed buyers	persuade/remind
budget must follow goal	objective-and-task
conflicting channel messages	IMC failure

Ad answer: set objective → budget → benefit-led big idea/execution → media by reach/frequency → evaluate against objective. Do not start with a fashionable tactic and invent the objective afterwards.

20 Promotion traps W9–10 FAQ

TRAP	CORRECTION
more channels = more integrated	integration is message consistency
advertising = promotion	advertising is one of five tools
sample builds loyalty	sample drives trial; loyalty bonus drives repeat
consumer deal = push	consumer = pull; trade = push
constant discount has no cost	conditions buyers, erodes margin/position

FAST CHECK *Can you say why sales promotion is easier to measure? Fixed, short window gives a clearer before/after; advertising is lagged and attribution is mixed. Then name the buyer-conditioning risk.*

ADVERTISING DECISIONS DRILL

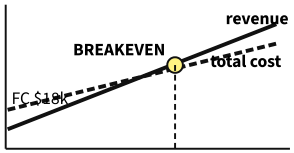
DECISION	CHOICES TO RETRIEVE	CHECK
Objective	inform · persuade · remind	fits current buyer state?
Budget	affordable · % sales · parity · objective-and-task	spend linked to goal?
Message	strategy → big idea → execution	benefit + insight?
Media	reach · frequency · types	target reachable?
Evaluation	communication + sales effects	measures match objective?

21 Worked 3: lamp maths W11 WORKED EXAMPLE

Given: unit cost $32; markup 50%; fixed costs $18,000; target profit $4,000.

CARRY THE NUMBERS TO THE END

Price = $32 × (1 + 0.50) = **$48**
Gross profit / contribution = $48 - $32 = **$16/unit**
Breakeven = $18,000 ÷ $16 = **1,125 units**
Target = ($18,000 + $4,000) ÷ $16 = **1,375 units**



Source figure redrawn with the worked values: revenue overtakes total cost at 1,125 units.

Denominator = contribution, not price. State formulas before substitution. Close: cost-plus is simple and covers cost, but ignores demand and competitor prices; check the result against value and the market.

22 Pricing decision cards W11

SKIM HIGH	PENETRATE LOW
inelastic demand differentiated few rivals · buzz recoup R&D	elastic demand strong rivals scale-ready place win share fast

Source comparison redrawn: choose a launch price from demand, differentiation, rivalry and scale.

PROMPT CUE	RULE
markup on cost	cost-based, even if "premium"
customer willingness to pay	value-based
match/undercut rivals	competition-based
small price → large quantity change	elastic
line/options/captive/by-product/bundle	product-mix pricing

MIX AND ADJUSTMENT SORT

CASE	PRICING NAME
price steps between models	product-line
accessory sold beside main item	optional-product
item required to use main product	captive-product
secondary output monetised	by-product
combined items at discount	product-bundle
student vs full price	segmented adjustment
price changes with conditions	dynamic adjustment

23 Worked 4: premium sunglasses W12 WORKED EXAMPLE

Prompt: choose distribution intensity and channel integration for a premium sunglasses brand.

INTENSIVE	SELECTIVE	EXCLUSIVE
reach	mage + reach	prestige

CORPORATE VMS
own retail + online = control

Source decision redrawn: recommended path balances premium positioning, reach and control.

1. **Outline:** intensive = maximum outlets; selective = chosen image-enhancing outlets; exclusive = very few with exclusive rights. Integration: conventional or VMS (corporate/contractual/administered).
2. **Apply intensity:** premium image fits selective or exclusive, not intensive. Selected boutiques/flagships protect margin and image.
3. **Apply integration:** corporate VMS—own retail and online—gives tight control of price, experience and brand; contractual VMS widens reach with less control.
4. **Recommend:** selective inside a corporate VMS; trade-off = lower reach and higher fixed retail cost.

Keep the two decisions separate: intensity asks how many outlets; integration asks how coordinated the channel members are. Producer–retailer conflict is vertical; retailer–retailer conflict is horizontal. Inspect in-store then buy online = showrooming; research online then buy in-store = webrooming.

25 Exam-morning recall plan COURSE FAQ · STUDY STRATEGY

RECALL	CHECK	SELECT	WRITE
draw 6 models	defs + formulas	best 2/4 in reading	apply + judge

RETRIEVAL = REHEARSAL

Final-morning figure: reproduce, check, select, then execute the four-move answer.

CHECKPOINT	ACTION
Before leaving	from memory draw product layers, NPD, PLC, IMC/push–pull, price formulas and distribution intensity/VMS; correct after recall
Equipment	student ID, 2B pencil and eraser for the bubble sheet
Reading time	scan all four prompts; rank by framework completeness + application + trade-off; choose the best two

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