

# GCSE Business Studies

## Topic 2 – Businesses and their Customers



Name:

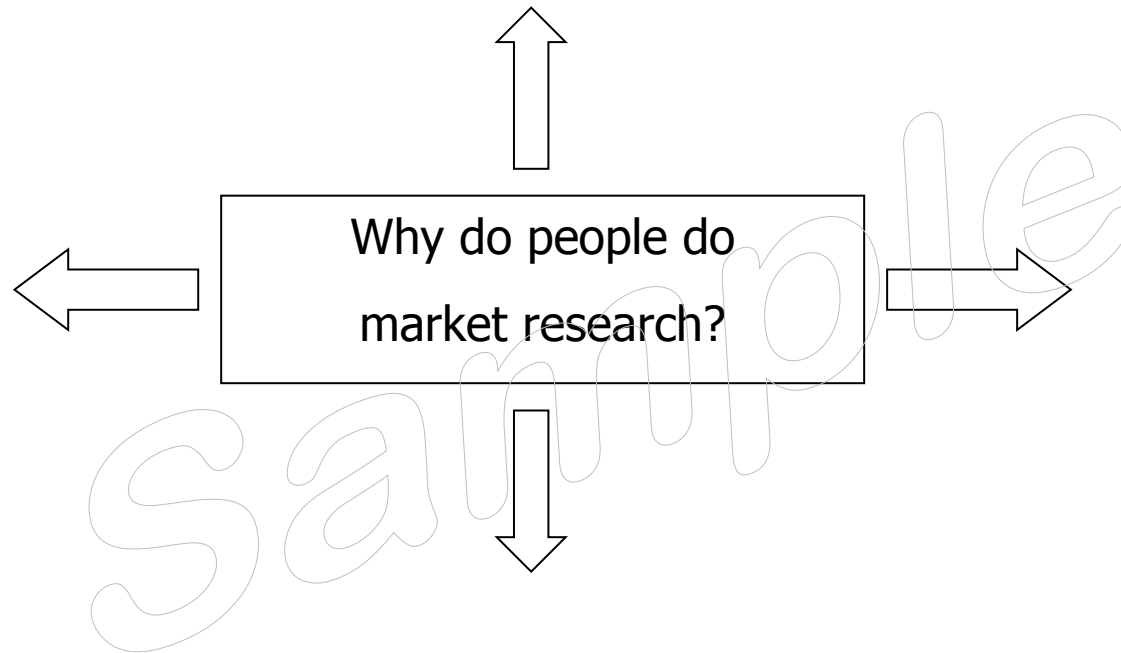
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## Section A – Market research

What is meant by market research?

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**Extension:** What things impact on how much market research a business actually does?

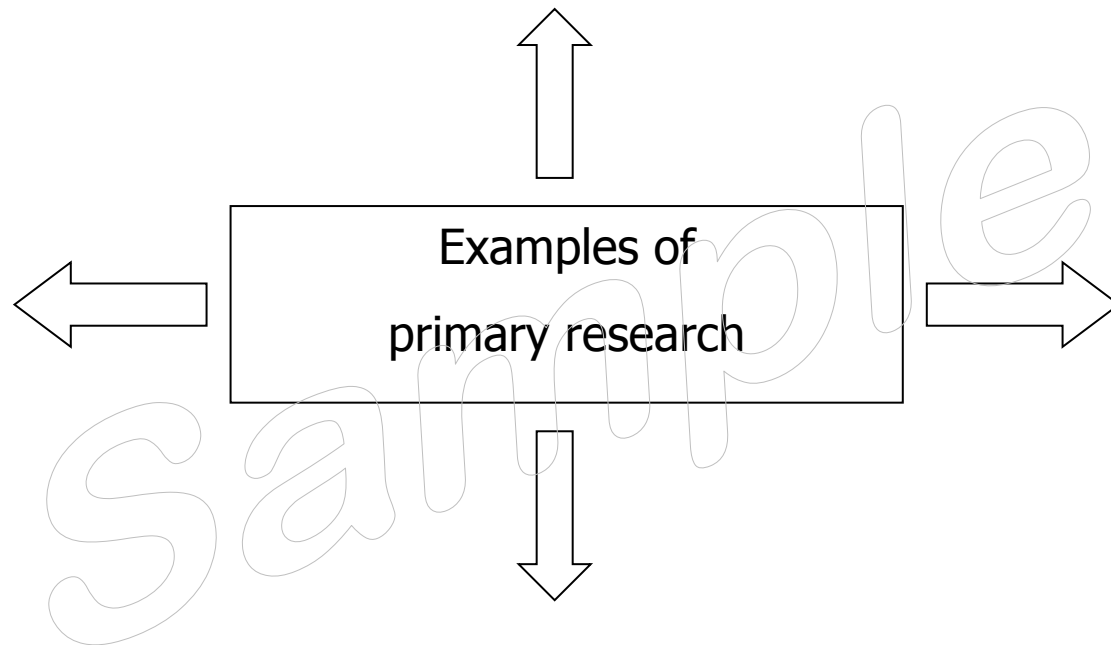
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## Section A – Market research

Give a concise definition of primary research.



**Extension:** Recommend and justify a method of primary research Apple could use if they were designing a new product.

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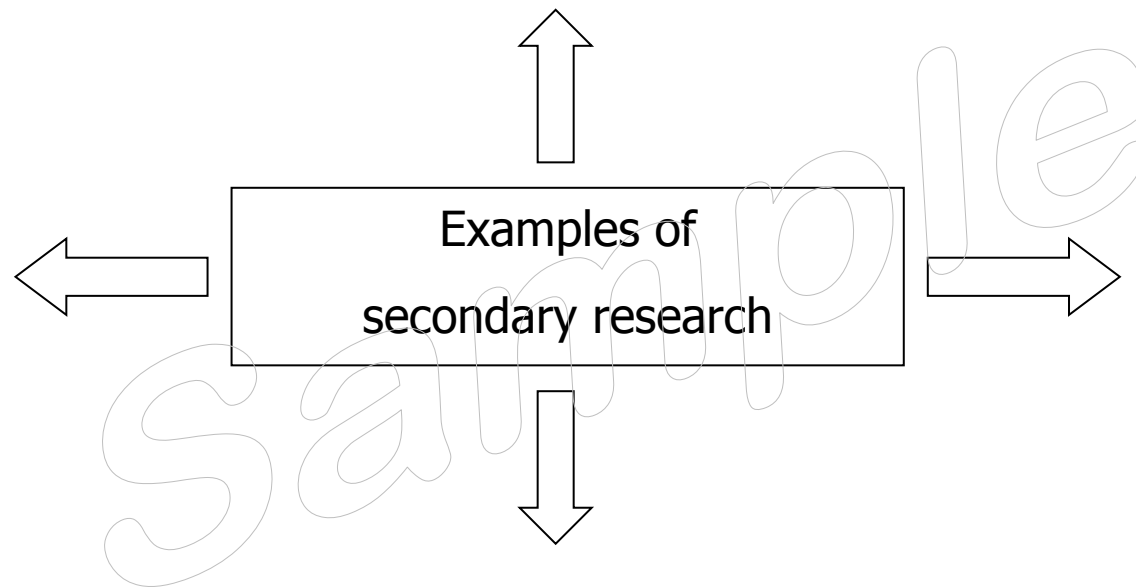
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## Section A – Market research



Give a concise definition of secondary research.

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**Extension:** Recommend and justify a method of secondary research a TV station could use if they were thinking of launching a new programme.

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## Section A – Market research

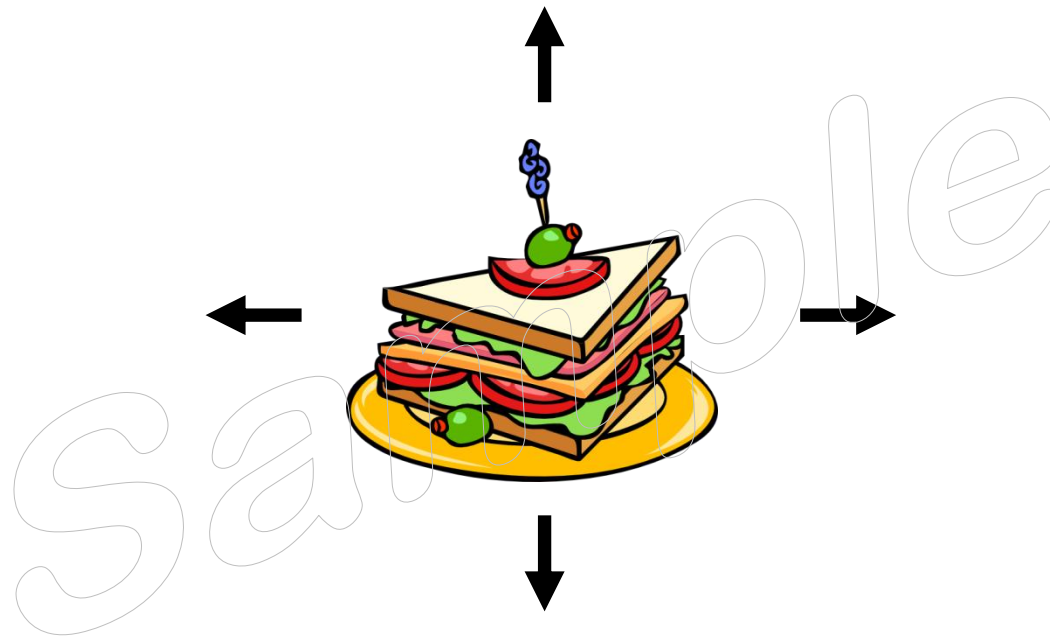
Describe how a local fish and chip shop owner with a lack of spare cash could still research other types of products he could introduce into his shop that would likely to be successful and boost his overall sales.



sample

## Section A – Market research

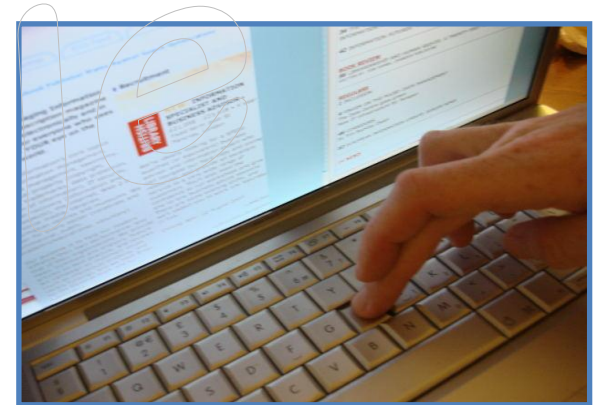
As you now know market research is all about finding out what your customers want. If we use the example of a sandwich shop, highlight below what kinds of things the business should find out from its customers in order to provide a better service.



## Section A – Market research

Desk research or secondary research as many people call it is about looking at information that has already been collected about the market by other companies.

Examples include:



How could using past sales data help the sandwich shop to make decisions about how they should go forward in the future?

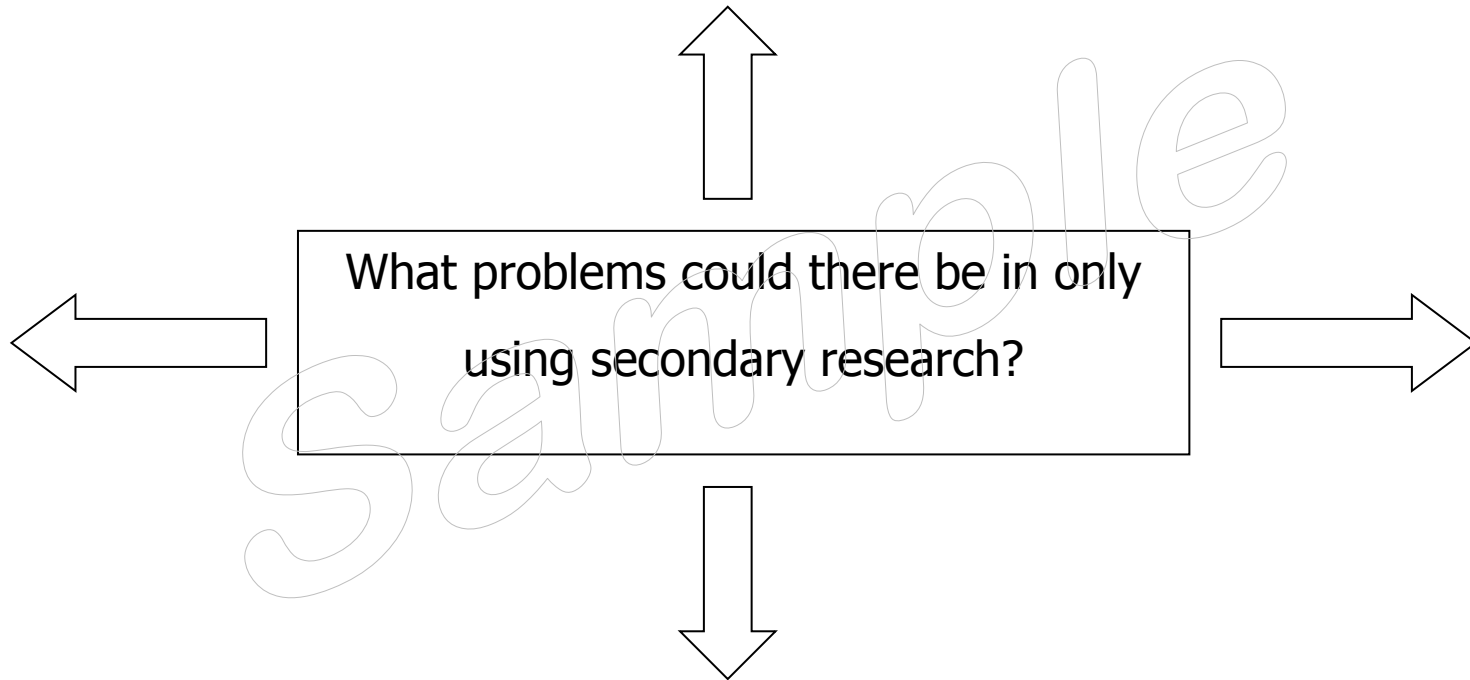
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## Section A – Market research



**Extension:** If the sandwich shop did only use secondary research, what specific things should they investigate?

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## Section A – Market research

Field research is also known as primary research and is carried out by the business themselves. They can then trust the results more and therefore may be more useful.

Examples include:



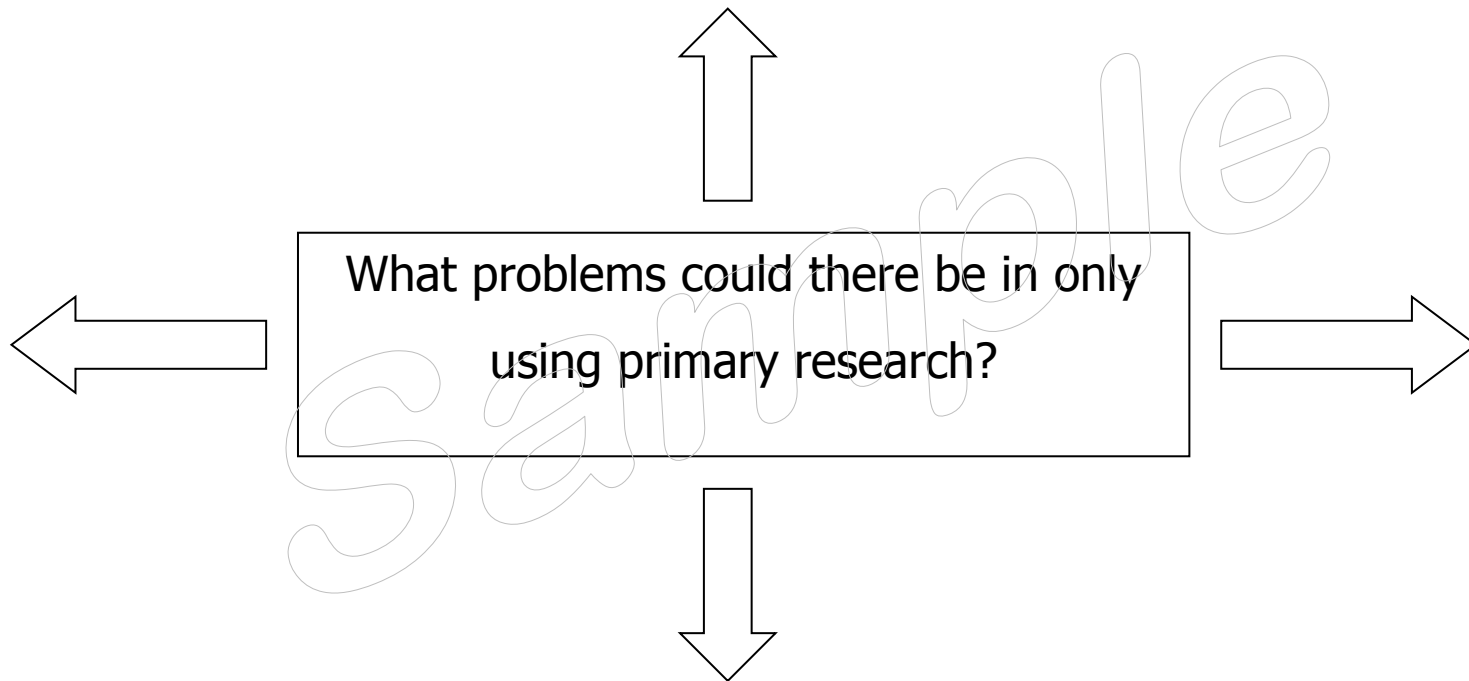
Why might a customer feedback box be a useful market research method in the sandwich shop?

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## Section A – Market research



**Extension:** If the sandwich shop did only use primary research, what methods do you feel would be the most appropriate?

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## Section A – Market research

A method of primary research that is often used is a questionnaire. Have a go at writing at least five questions that a sandwich shop could give to its customers about the type of sandwiches they like.

e.g. Do you prefer your bread toasted?

Yes

No

Sample

## Section A – Market research

Fill in the missing words in the paragraph below.

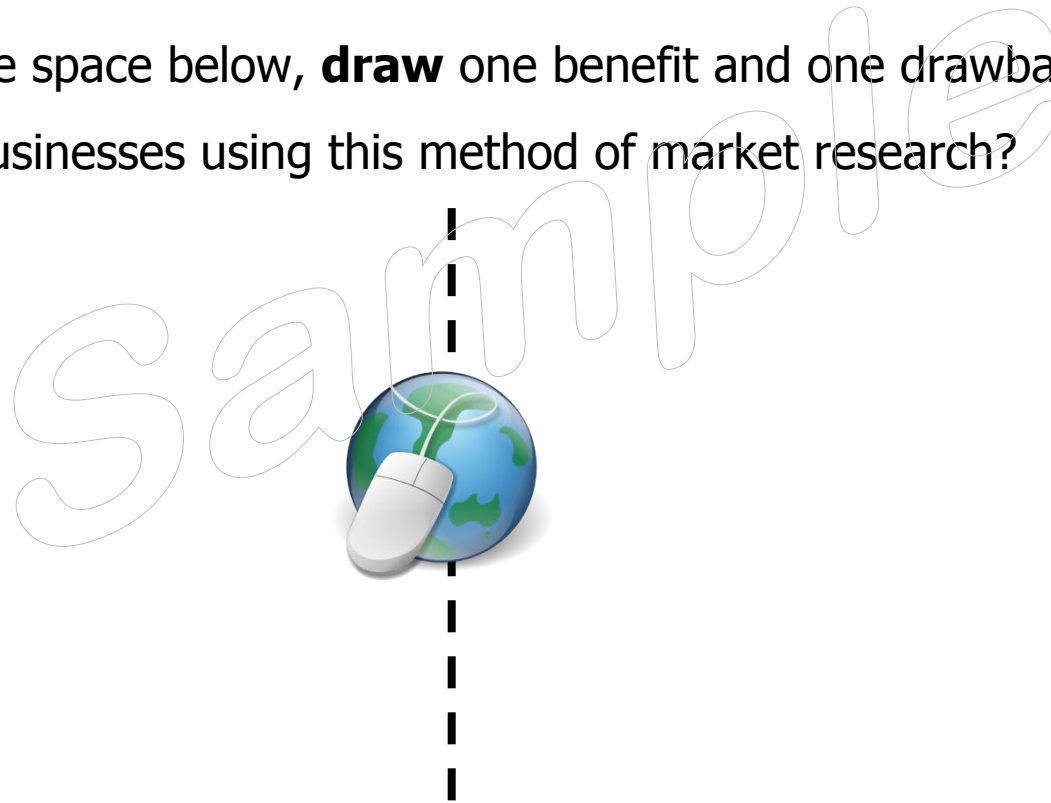
|            |           |           |                |        |
|------------|-----------|-----------|----------------|--------|
| Internet   | Secondary | Expensive | Questionnaires |        |
| Up to Date | Relevant  | Cheaper   | Field          | Market |

\_\_\_\_\_ research is all about finding out what your customers want. \_\_\_\_\_ research is also called desk research. This is \_\_\_\_\_ to carry out than primary research because the data has already been collected for you. A good example of secondary research is the \_\_\_\_\_. Primary research is sometimes called \_\_\_\_\_ research. This is more \_\_\_\_\_ to carry out. You have to collect this type of information yourself as a business. This does though mean that the information is more \_\_\_\_\_ and also \_\_\_\_\_ to your needs. An example of this is the use of \_\_\_\_\_.

## Section A – Market research

The Internet is used by a lot of consumers to help them make informed decisions before purchasing something but businesses will also make use of this resource. They may use it to help them view what their competition are doing or to find out if the market they are in is likely to grow.

Using the space below, **draw** one benefit and one drawback of businesses using this method of market research?

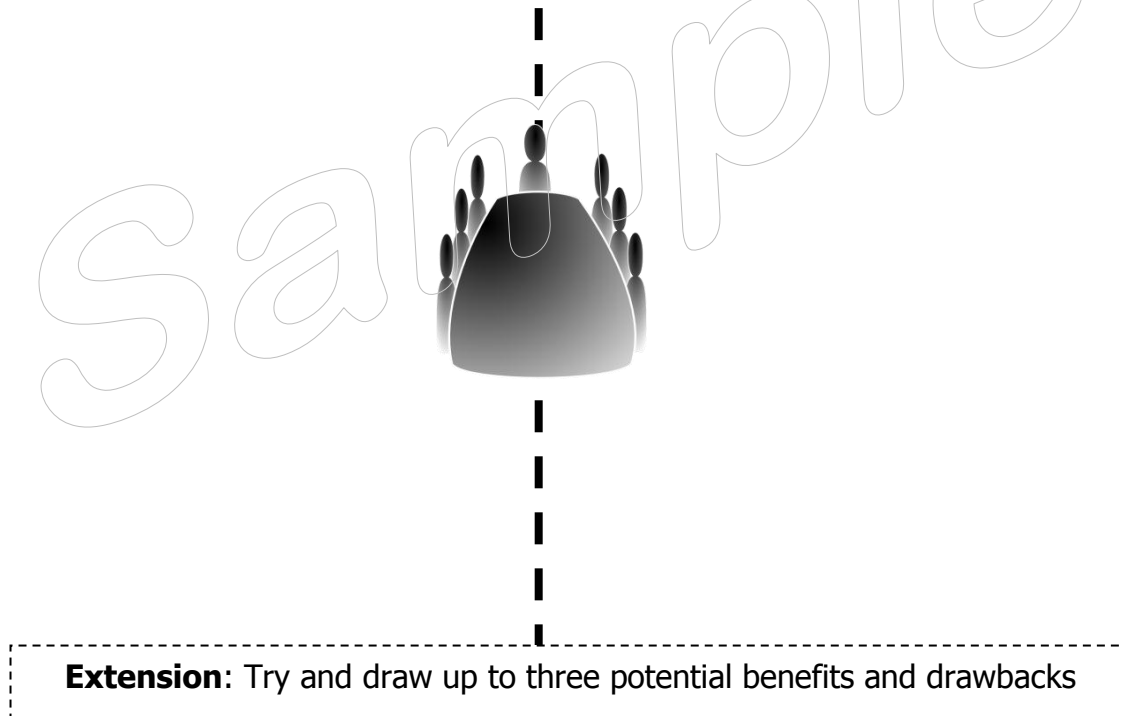


**Extension:** Try and draw up to three potential benefits and drawbacks

## Section A – Market research

Focus groups are used by businesses to help get some feedback from their target market about what they think of their products. This may involve giving a group of several people a new product and then recording their responses down. This could involve their thoughts on design, appearance, taste, price etc.

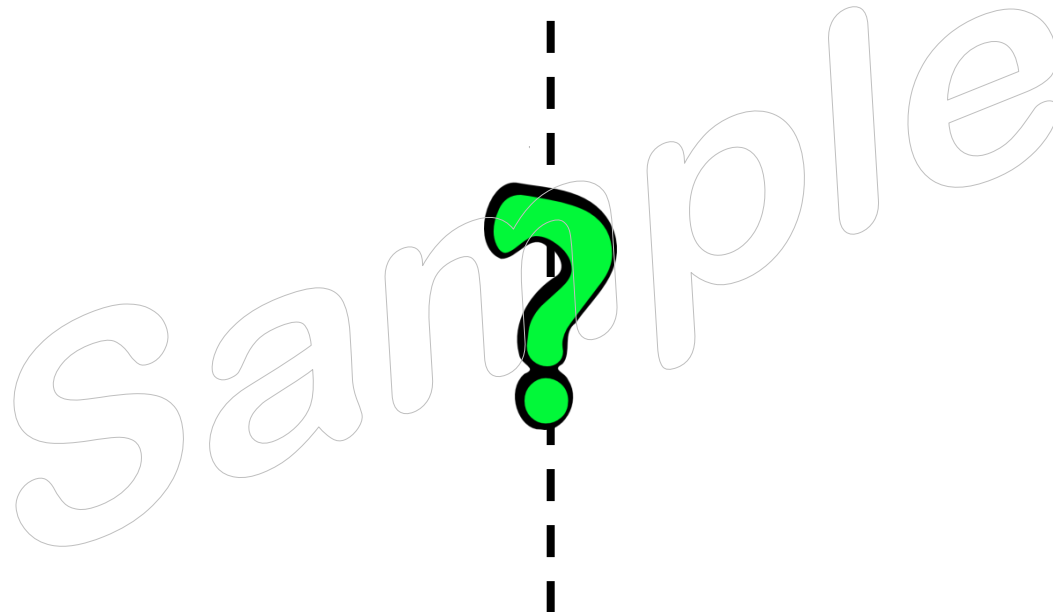
Using the space below, **draw** one benefit and one drawback of businesses using this method of market research?



## Section A – Market research

Questionnaires may be used by businesses to help them find out more information about what their customers or potential customers may want from their products and services. They may be distributed via mail, on the street or even on the Internet.

Using the space below, **draw** one benefit and one drawback of businesses using this method of market research?



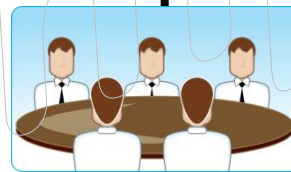
**Extension:** Try and draw up to three potential benefits and drawbacks



## Section A – Market research

Organisations may also interview some of their target market to gain more detailed information from them. This could cover a range of areas depending on what the business wants to find out but generally is likely to cover areas such as design, pricing, advertising and purchasing decisions.

Using the space below, **draw** one benefit and one drawback of businesses using this method of market research?



**Extension:** Try and draw up to three potential benefits and drawbacks

## Section A – Review

Working with another student, test each other on the following questions:

- Why do businesses conduct market research?
- What is the difference between primary and secondary research?
- Name three examples of both primary and secondary research methods.
- How can businesses with limited budgets still conduct useful market research?
- Why do businesses have to abide by the rules of the ASA?