## Solutions

Business answers are marked by **level of response** against the assessment objectives: award **AO1** knowledge, **AO2** application, **AO3** analysis and **AO4** evaluation.

Each answer shows the steps, then the **result**.

**2.1**

- new information a business collects itself for its own purpose, e.g. by survey, interview or observation (2 for a clear definition; 1 for a partial idea)

**2.2**

- any two of: random sampling; quota sampling; stratified sampling (1 + 1)

**2.3**

- quantitative data is facts in numbers that are easy to compare; qualitative data is opinions and reasons that give deeper understanding (2 for a clear difference; 1 for a partial idea)

**3.1**

- *[3]* **AO1** 1 — name a benefit (fits the firm's exact needs; up to date; the firm owns the data). **AO2** up to 2 — develop it, e.g. a survey asks exactly what this firm needs to know
- the findings match its product
- better decisions and less risk (2 developed / 1 limited)

**3.2**

- *[8]* For **each** of two reasons: **AO1** 1 + **AO2** 1 + **AO3** up to 2. Example chains — *lower risk*: research shows whether customers want the product
- the firm avoids launching an unwanted product
- less wasted cost. *Better mix*: research reveals the right price and features
- the product matches demand
- higher sales. Maximum 4 per reason, 8 total

**3.3**

- *[12]* **AO1** 2 / **AO2** 2 / **AO3** 2 / **AO4** up to 6. **Primary:** exact, current, owned — but costly and slow for a small firm. **Secondary:** cheap and fast to start — but may be old or not specific. Judgement: a small firm with little money often starts with secondary research to learn the market cheaply, then uses some primary research to check its exact idea — the best mix depends on its budget and time