IGCSE BUSINESS STUDIES • EXERCISE SHEET

3.2 Market research

Name: ____________ Class: ________ Date: __________ **Total: 16 marks**

Objective

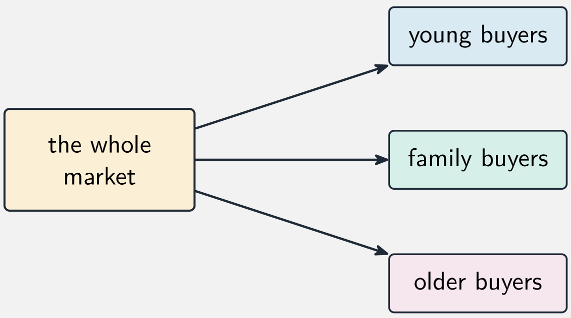
Build the skills to answer exam questions on **market research** 市场调研—**primary and secondary** 一手与二手 research, **sampling** 抽样, and using research data.

You must be able to:

- distinguish primary from secondary research
- explain why a sample must be chosen with care
- read and use research data to support a decision

1 Worked examples

Researching the market



split into segments (here, by age)

Market research collects information to make better decisions

- **Primary (field) research** 一手调研: new data you collect (questionnaires, interviews) —fits the need but costly.
- **Secondary (desk) research** 二手调研: existing data (reports, sales records) —cheap and quick but may be old.
- **Sampling** 抽样: ask a small, typical group; a poor sample gives unreliable **data** 数据.
- Results are shown in tables and charts —read them to support a decision.

Answer shapes: K + App + An + Ev (a justified judgement, for "do you think" questions).

2 Practice

2.1 Define the term *primary research*. [2]

2.2 Identify two methods of primary research. [2]

2.3 State why a sample must be chosen carefully. [2]

3 Exam-style questions

3.1 Identify two sources of secondary research. [2]

3.2 Explain two reasons why a business carries out market research before launching a product. [6]

3.3 A small business has little money. Do you think it should use mainly secondary research rather than primary research? Justify your answer. [6]

4 Go further

You are now ready for the real exam questions on this subtopic. Open the **3.2 Market research** past-paper sheet in the Library, or try these in **Practice mode**:

- 0450/13 N25 —Q2 (market research)
- 0450/21 N25 —Q2 (research, case study)
- 0450/22 J25 —Q3 (data and sampling)

Solutions

IGCSE Business answers are marked by **level of response**: award **K** knowledge, **App** application, **An** analysis and **Ev** a justified judgement.

2.1 new information a business collects directly for the first time, for its own purpose (2 for a clear definition; 1 for a partial idea).

2.2 any two of: questionnaires; interviews; surveys; tests/observation (1 + 1).

2.3 because a sample that is too small or not typical gives unreliable data, so decisions based on it may be wrong (2 for a clear reason; 1 for a partial idea).

3.1 any two of: government reports; websites; past sales records (1 + 1).

3.2 *[6]* For **each** of two reasons: K 1 + An up to 2 —e.g. *lower risk*: research shows whether customers want the product → the firm avoids launching an unwanted product → less wasted money. *Better mix*: research reveals the right price and features → the product matches demand → higher sales. Maximum 3 each.

3.3 *[6]* Both sides + judgement. **For secondary:** cheap and quick, good for a firm short of money to learn the market. **Against:** it may be old or not specific to the firm's exact idea, so primary research checks the real product. **Judgement (Ev):** a small firm should start with cheap secondary research, then do some primary research to test its exact idea —it depends on its budget and how new the idea is.