Week 12

IGCSE Business Studies

Homework bundle for this week

本周作业合集

exercises.lol

Contents 目录

IGCSE Business Studies Name: ____________ Score: ______

1. Marketing is best described as:
   - ☐ identifying and satisfying customer needs profitably
   - ☐ television advertising only
   - ☐ setting the lowest price
   - ☐ making as much as possible
2. Carrying out a new customer questionnaire is:
   - ☐ primary research
   - ☐ secondary research
   - ☐ desk research
   - ☐ sampling error
3. Which are the 4 Ps of the marketing mix? (Select all that apply.)
   - ☐ Product
   - ☐ Price
   - ☐ Promotion
   - ☐ Profit

   Tick every correct option.
4. Selling more of an existing product to existing customers is:
   - ☐ market penetration
   - ☐ diversification
   - ☐ product development
   - ☐ market development
5. A market-oriented business starts by:
   - ☐ finding out what customers want
   - ☐ making a product, then finding buyers
   - ☐ building a factory
   - ☐ cutting costs
6. Using existing data from the internet is:
   - ☐ secondary research

- ☐ primary research
- ☐ field research
- ☐ a focus group

7. A firm sells 20m in a market worth 80m. What is its market share (%)?

   ____

8. An extension strategy aims to prolong the life of a product.

   ☐ True ☐ False

9. A niche market is a small, specific segment of a larger market.

   ☐ True ☐ False

10. A small or biased sample can give misleading research results.

   ☐ True ☐ False

IGCSE Business Studies

1. **identifying and satisfying customer needs profitably**

   Marketing meets customer needs at a profit.

2. **primary research**

   Primary research collects new first-hand data.

3. **Product; Price; Promotion**

   The 4 Ps are Product, Price, Place and Promotion — not Profit.

4. **market penetration**

   Penetration deepens sales in the current market.

5. **finding out what customers want**

   Market orientation puts customer needs first.

6. **secondary research**

   Secondary research uses data that already exists.

7. **25**

   $20 / 80 \times 100 = 25\%$.

8. **True**

   Extension strategies delay the decline stage.

9. **True**

   Niches face less competition than mass markets.

10. **True**

   Sample quality affects reliability.

IGCSE BUSINESS STUDIES • EXERCISE SHEET

3.1 Marketing, competition and the customer

Name: __________ Class: ________ Date: ________ **Total: 20 marks**

KEY WORDS market 市场 • product 产品 • marketing 营销 • mass market 大众市场 • customer loyalty 顾客忠诚度

Objective

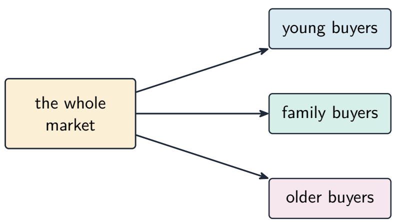
Build the skills to answer exam questions on **marketing, competition and the customer 营销、竞争与顾客** — the role of marketing, why customers matter, **niche and mass markets 利基与大众市场**, and **market segmentation 市场细分**.

You must be able to:

- explain the role of marketing and why keeping customers matters
- distinguish niche from mass markets
- explain the benefits of market segmentation

1 Worked examples

■ Marketing and the customer

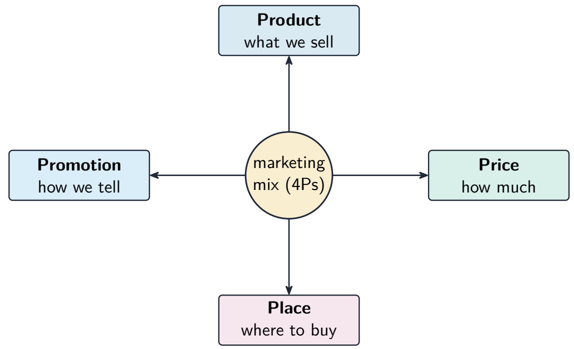


split into segments (here, by age)

Marketing finds out what customers want and satisfies it at a profit

- **Marketing 营销**: find and satisfy customer wants, build **customer loyalty 顾客忠诚度**.
- Keeping a customer is far cheaper than winning a new one.
- **Niche market 利基市场**: small, special needs. **Mass market 大众市场**: large, many similar buyers.

- **Segmentation 市场细分**: split the market by age, income, gender, location → target each group.



Once a segment is targeted, the four Ps of the marketing mix are used to satisfy it

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

2 Practice

2.1 Define the term *market segmentation*. [2]

2.2 State the difference between a *niche* and a *mass* market. [2]

2.3 Identify two benefits of segmenting a market. [2]

3 Exam-style questions

3.1 Identify two roles of marketing. [2]

3.2 Explain two reasons why keeping existing customers is important to a business. [6]

3.3 Do you think selling in a niche market is better than selling in a mass market for a small new business? Justify your answer. [6]

Solutions

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

2.1 splitting a market into groups of buyers who share something, such as age, income or location (2 for a clear definition; 1 for a partial idea).

2.2 a niche market is a small part of a market with special needs; a mass market is a large market with many similar buyers (2 for a clear difference; 1 for a partial idea).

2.3 any two of: design a product to fit each group; aim advertising at the right people; spot gaps in the market (1 + 1).

3.1 any two of: find and satisfy customer wants; keep and increase sales/market share; build customer loyalty (1 + 1).

3.2 *[6]* For **each** of two reasons: K 1 + An up to 2 — e.g. *cheaper than new customers*: keeping a customer avoids heavy advertising costs → lower costs and steady sales. *Loyalty and repeat sales*: loyal customers buy again and recommend the business → higher long-term revenue. Maximum 3 each.

3.3 *[6]* Both sides + judgement. **For niche:** less competition, loyal customers, a small firm can serve it well. **Against:** small sales, and risky if the niche shrinks; a mass market has high sales but tough competition. **Judgement (Ev):** a small new business often does better starting in a niche it can serve well, then growing — but it depends on its resources and how crowded the niche is.

2 (a) Explain **two** benefits and **two** limitations of a business operating in a niche market.

Benefit 1: ....

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Benefit 2: ....

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Limitation 1: ....

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Limitation 2: ....

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[8]

Name: IGCSE Business Studies: **w25 22**

(b) Using Appendix 2 and other information, consider the following **three** elements of the possible marketing mix for FF's new shop. Which element is likely to be the most important? Justify your answer.

- Price – cost-plus pricing
- Place – selling some flowers through wedding planners
- Promotion – television advertising

Price – cost-plus pricing: ....

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Place – selling some flowers through wedding planners: ....

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Promotion – television advertising: ....

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Conclusion: ....

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[12]

1 NFC manufactures shoes using batch production. Quality assurance is used to maintain quality. NFC uses market segmentation. The Marketing Director is reviewing NFC's product range. He knows there are both benefits and limitations to developing new products. He also knows the promotion of products is important.

(a) Define 'batch production'.

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.... [2]

(b) Identify **two** aims of promotion.

Aim 1: ....

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Aim 2: ....

.... [2]

(c) Outline **one** advantage and **one** disadvantage to NFC of using quality assurance.

Advantage: ....

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Disadvantage: ....

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.... [4]

Name: IGCSE Business Studies: **s25 12**

(d) Explain **two** benefits to NFC of using market segmentation.

Benefit 1: ....

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Explanation: ....

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Benefit 2: ....

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Explanation: ....

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.... [6]

(e) Do you think the benefits for a business of developing new products are greater than the limitations? Justify your answer.

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2 (a) Explain **one** advantage and **one** disadvantage of PF selling its products in a mass market.

Advantage: ....

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Explanation: ....

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Disadvantage: ....

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Explanation: ....

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[8]

(b) Consider the following **three** factors that may influence the location of PF's new factory. Which factor is likely to be the most important when deciding on the location? Justify your answer.

- Availability of raw materials
- Transport links
- Government influence

Availability of raw materials: ....

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Transport links: ....

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Government influence: ....

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Conclusion: ....

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[12]

2 **(a)** Explain **two** benefits of market segmentation for VV.

Benefit 1: ....

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Explanation: ....

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Benefit 2: ....

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Explanation: ....

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[8]

(b) Using Appendix 2 and other information, consider the following **three** possible locations for Jemi's new restaurant. Which location should Jemi choose? Justify your answer.

- Location A
- Location B
- Location C

Location A: ....

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Location B: ....

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Location C: ....

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Recommendation: ....

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[12]

3 IDT manufactures clothes for the mass market. It is a multinational company with factories in 4 countries. IDT has short-term and long-term financial needs. The Finance Director is analysing IDT's statement of financial position. An extract is shown in Table 3.1. He has been asked to calculate working capital and to explain how an increase in non-current liabilities might affect IDT.

Table 3.1

Extract from IDT's statement of financial position ($ million)		
	2022	**2023**
Current assets	380	420
Current liabilities	250	280
Non-current liabilities	300	400

(a) Define 'mass market'.

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.... [2]

(b) Calculate IDT's working capital in 2023.

Working: ....

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Final answer: .... [2]

(c) Outline **one** reason why IDT might need the following types of finance:

Short-term finance: ....

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Long-term finance: ....

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.... [4]

(d) Explain **two** ways an increase in non-current liabilities might affect IDT.

Way 1: ....

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Explanation: ....

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Way 2: ....

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Explanation: ....

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.... [6]

(e) Explain **two** advantages to a business of being a multinational company. Which advantage do you think is likely to be the most important? Justify your answer.

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IGCSE BUSINESS STUDIES • EXERCISE SHEET

3.2 Market research

Name: ____________ Class: ________ Date: __________ **Total: 20 marks**

KEY WORDS market research 市场调研 • data 数据 • primary research 一手调研 • secondary research 二手调研 • questionnaires 问卷

Objective

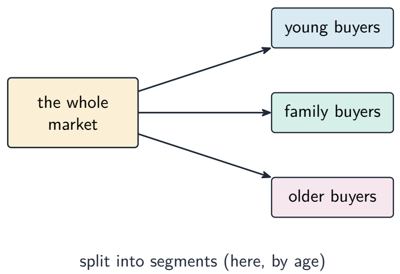
Build the skills to answer exam questions on **market research** 市场调研 — **primary and secondary** 一手与二手 research, **sampling** 抽样, and using research data.

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



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]

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.

2 Max is an entrepreneur who wants to start up a business selling books. He has decided to use ecommerce. Max has been told there is government support for start-up businesses. He will use market research to help make business decisions. Max knows it is important for a new business to build customer loyalty.

(a) Define 'entrepreneur'.

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.... [2]

(b) Identify **two** reasons why governments support start-up businesses.

Reason 1: ....

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Reason 2: ....

.... [2]

(c) Outline **two** opportunities for Max's business of using ecommerce.

Opportunity 1: ....

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Opportunity 2: ....

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.... [4]

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(d) Explain **two** ways Max could use market research to help make business decisions.

Way 1: ....

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Explanation: ....

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Way 2: ....

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Explanation: ....

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.... [6]

(e) Explain **two** ways a business could build customer loyalty. Which is likely to be the best way for a new business to use? Justify your answer.

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.... [6]

2 (a) Explain **two** advantages and **two** disadvantages to LB of using primary market research.

Advantage 1: ....

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Advantage 2: ....

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Disadvantage 1: ....

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Disadvantage 2: ....

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[8]

(b) Consider the advantages and disadvantages of the **two** options LB could use to distribute its new product range in country X. Which channel of distribution should LB use? Justify your answer.

- Selling to specialist retail shops
- Selling directly to customers through LB's website

Selling to specialist retail shops: ....

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Selling directly to customers through LB's website: ....

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Recommendation: ....

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[12]

3 **(a)** Explain **four** ways market research information can help a business.

Way 1: ....

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Way 2: ....

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Way 3: ....

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Way 4: ....

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[8]

(b) Consider the following **two** ways TSE could purchase the raw materials for its factories. Which way should TSE use? Justify your answer.

- Head office in country P continues to purchase the raw materials for all TSE factories
- TSE's factory managers in each country purchase raw materials locally

Head office in country P continues to purchase the raw materials for all TSE factories: ....

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TSE's factory managers in each country purchase raw materials locally: ....

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Recommendation: ....

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[12]

2 Mitchell is an entrepreneur. He wants to start up a business selling books. As part of his business plan Mitchell has carried out some market research. An extract is shown in Fig. 2.1. Mitchell will use microfinance as a source of finance. He wants to know whether the opportunities of using ecommerce for a new business are greater than the threats.

Extract from Mitchell's market research data for 2023

Chart 1: Type of people reading books

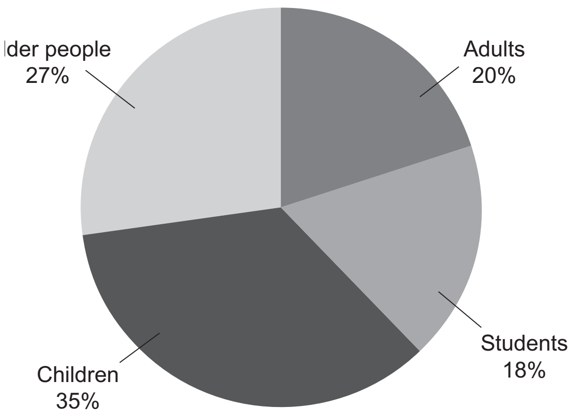

Chart 2: Book sales by type (million)

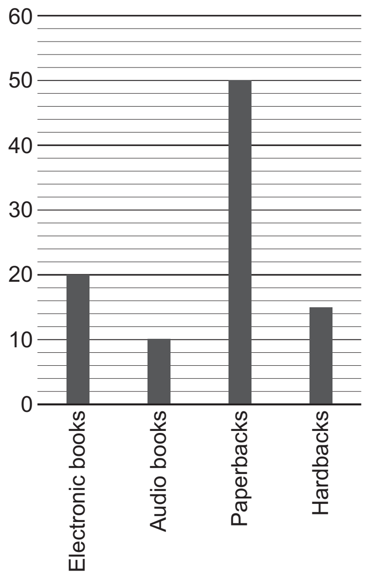

Fig. 2.1

(a) Define 'entrepreneur'.

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.... [2]

(b) Define 'business plan'.

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.... [2]

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(c) Outline **one** advantage and **one** disadvantage to Mitchell of using microfinance as a source of finance.

Advantage: ....

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Disadvantage: ....

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.... [4]

(d) Explain how the market research data in Chart 1 and Chart 2 in Fig. 2.1 could help Mitchell when making decisions.

Chart 1: ....

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Explanation: ....

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Chart 2: ....

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Explanation: ....

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.... [6]

(e) Do you think the opportunities of ecommerce for a new business are greater than the threats? Justify your answer.

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IGCSE BUSINESS STUDIES • EXERCISE SHEET

3.3 Marketing mix

Name: ____________ Class: ________ Date: __________ **Total: 20 marks**

KEY WORDS product 产品 • promotion 推广 • price 价格 • packaging 包装 • skimming 撇脂

Objective

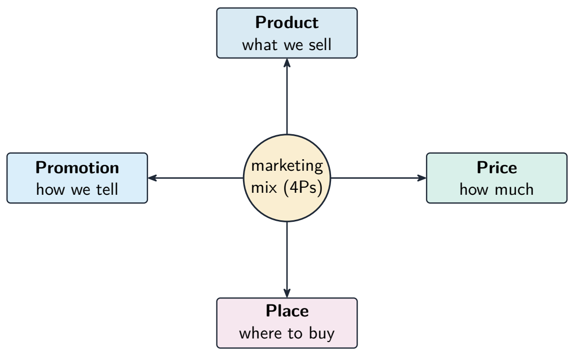
Build the skills to answer exam questions on the **marketing mix** 营销组合 — the **four Ps** (**product, price, place, promotion** 产品、价格、地点、推广), the **product life cycle** 产品生命周期, **pricing methods** 定价方法, and **distribution channels** 分销渠道.

You must be able to:

- name the four Ps and explain how they work together
- describe the product life cycle and extension strategies
- compare pricing methods and distribution channels

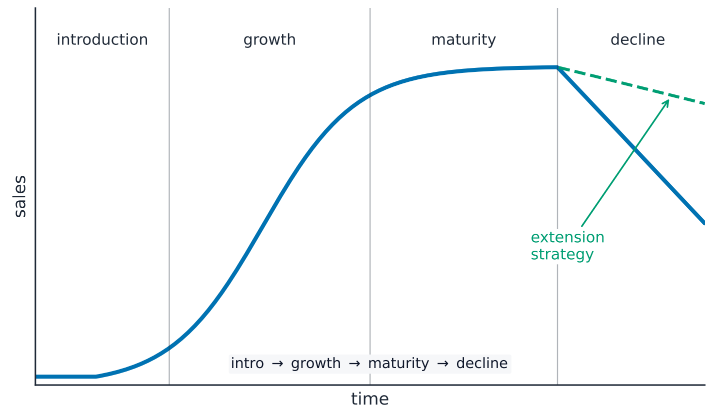
1 Worked examples

The four Ps



Product, Price, Place and Promotion must fit each other

- **Product** 产品: the **product life cycle** 产品生命周期 (introduction → growth → maturity → decline); **extension strategies** 延长策略 hold up sales.



The product life cycle — the Product P in detail, with extension strategies to delay decline

- **Price 价格**: **cost-plus** 成本加成, **penetration** 渗透 (low to enter), **skimming** 撇脂 (high for a new product), competitive.
- **Place** 地点: the **channel of distribution** 分销渠道 (direct, or via a **wholesaler** 批发商 and **retailer** 零售商).
- **Promotion** 推广: advertising and **sales promotion** 促销 (discounts, free gifts).

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

2 Practice

2.1 State what the **four Ps** of the marketing mix stand for. [2]

2.2 State the four stages of the product life cycle. [2]

2.3 Define the term *penetration pricing.* [2]

3 Exam-style questions

3.1 Identify two extension strategies a business could use. [2]

3.2 Explain two factors a business should consider when setting the price of a product. [6]

3.3 A business is launching a new chocolate bar. Do you think promotion is the most important part of its marketing mix? Justify your answer. [6]

Solutions

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

2.1 Product, Price, Place, Promotion (2 for all four; 1 for two or three).

2.2 introduction, growth, maturity, decline (2 for all four in order; 1 for a partial list).

2.3 setting a low price to enter a market and win customers quickly (2 for a clear definition; 1 for a partial idea).

3.1 any two of: a new design; a new advert; new packaging; selling in a new market; a lower price (1 + 1).

3.2 *[6]* For **each** of two factors: K 1 + An up to 2 — e.g. *cost*: the price must cover the cost of making the item plus a profit → or the firm makes a loss. *Competitors' prices*: a price far above rivals' → customers buy elsewhere, so the price must be competitive. Maximum 3 each.

3.3 *[6]* Both sides + judgement. **For promotion:** a new product is unknown, so advertising is needed to make customers aware and want it. **Against:** the product must be good, the price right, and it must be easy to buy — all four Ps must fit. **Judgement (Ev):** promotion is very important at launch to build awareness, but it fails if the product, price or place are wrong — the four Ps must work together, so it is *one* key part, not always *the* most important.

4 MTL is a large business which sells children's toys. MTL wants to act ethically with all of its stakeholder groups including its 430 employees. The market MTL operates in has become more competitive. The business uses a range of methods to promote its products. Having a good brand image is important. MTL's directors are considering entering a new market in another country. They are aware there may be problems if they choose to do this.

(a) Define 'brand image'.

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.... [2]

(b) Identify **two** reasons why some markets have become more competitive.

Reason 1: ....

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Reason 2: ....

.... [2]

(c) Outline **one** way MTL could act ethically with each of the following stakeholder groups:

Employees: ....

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Customers: ....

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.... [4]

(d) Explain **two** problems MTL might have when entering a new market in another country.

Problem 1: ....

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Explanation: ....

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Problem 2: ....

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Explanation: ....

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.... [6]

(e) Explain **two** methods of promotion a business might use for its products. Which method is likely to be the best for a large business to use? Justify your answer.

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2 OTK is a small jewellery shop in the centre of Main City. The business does not currently use ecommerce. OTK buys its jewellery from local suppliers. It pays for the jewellery 30 days later. The shop manager is analysing OTK's cash flow forecast. She is concerned that the business might have a short-term cash flow problem.

(a) Define 'cash flow forecast'.

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.... [2]

(b) Identify **two** reasons why cash is important for a business.

Reason 1: ....

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Reason 2: ....

.... [2]

(c) Identify **four** functions of management.

Function 1: ....

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Function 2: ....

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Function 3: ....

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Function 4: ....

.... [4]

(d) Explain **two** ways OTK could overcome a short-term cash flow problem.

Way 1: ....

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Explanation: ....

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Way 2: ....

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Explanation: ....

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.... [6]

(e) Explain **two** threats to a business of using ecommerce. Which threat is likely to be the most important? Justify your answer.

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.... [6]

2 Max is an entrepreneur who wants to start up a business selling books. He has decided to use ecommerce. Max has been told there is government support for start-up businesses. He will use market research to help make business decisions. Max knows it is important for a new business to build customer loyalty.

(a) Define 'entrepreneur'.

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.... [2]

(b) Identify **two** reasons why governments support start-up businesses.

Reason 1: ....

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Reason 2: ....

.... [2]

(c) Outline **two** opportunities for Max's business of using ecommerce.

Opportunity 1: ....

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Opportunity 2: ....

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.... [4]

(d) Explain **two** ways Max could use market research to help make business decisions.

Way 1: ....

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Explanation: ....

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Way 2: ....

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Explanation: ....

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.... [6]

(e) Explain **two** ways a business could build customer loyalty. Which is likely to be the best way for a new business to use? Justify your answer.

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.... [6]

1 NFC manufactures shoes using batch production. Quality assurance is used to maintain quality. NFC uses market segmentation. The Marketing Director is reviewing NFC's product range. He knows there are both benefits and limitations to developing new products. He also knows the promotion of products is important.

(a) Define 'batch production'.

....

....

....

.... [2]

(b) Identify **two** aims of promotion.

Aim 1: ....

....

Aim 2: ....

.... [2]

(c) Outline **one** advantage and **one** disadvantage to NFC of using quality assurance.

Advantage: ....

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Disadvantage: ....

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.... [4]

(d) Explain **two** benefits to NFC of using market segmentation.

Benefit 1: ....

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Explanation: ....

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Benefit 2: ....

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Explanation: ....

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.... [6]

(e) Do you think the benefits for a business of developing new products are greater than the limitations? Justify your answer.

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.... [6]

1 MDZ manufactures a range of chocolate bars. It has 300 employees. MDZ purchases its ingredients from suppliers in the local area. Acting in an ethical way with its stakeholder groups is important. MDZ has products at different stages of the product life cycle. The business is also developing a new product. The Marketing Director needs to make decisions about the packaging and the price of the new product. She knows it is important for a business to use a suitable method of sales promotion for a new product.

(a) Identify **two** roles of packaging.

Role 1: ....

....

Role 2: ....

.... [2]

(b) Identify **two** stages (other than development) of the product life cycle.

1: ....

....

2: ....

.... [2]

(c) Outline **two** factors MDZ's Marketing Director should consider when deciding the price of the new product.

Factor 1: ....

....

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Factor 2: ....

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.... [4]

(d) Explain **one** way MDZ could act in an ethical way with each of the following stakeholder groups:

Employees: ....

....

Explanation: ....

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Suppliers: ....

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Explanation: ....

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.... [6]

(e) Explain **two** possible methods of sales promotion a business could use for a new product. Which is likely to be the best method to use? Justify your answer.

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.... [6]

IGCSE BUSINESS STUDIES • EXERCISE SHEET

3.4 Marketing strategy

Name: ____________ Class: ________ Date: __________ **Total: 19 marks**

KEY WORDS marketing strategy 营销策略 • legal controls 法律管制 • international market 国际市场 • tariffs 关税 • consumer protection 消费者保护

Objective

Build the skills to answer exam questions on **marketing strategy 营销策略** — using the **four Ps** together, **legal controls 法律管制** on marketing, and selling in an **international market 国际市场**.

You must be able to:

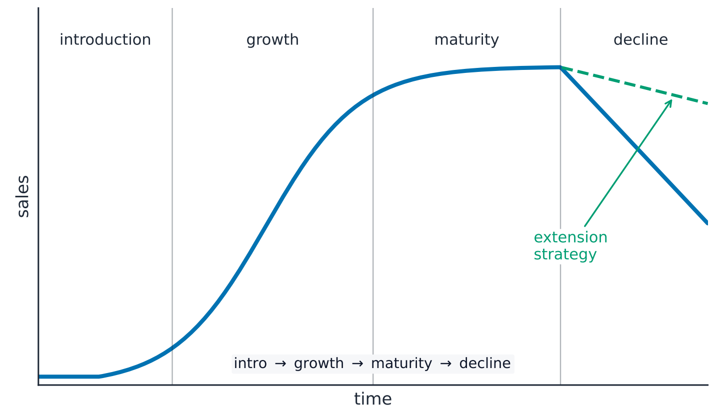
- explain how the four Ps fit together in a marketing strategy
- describe legal controls on marketing
- analyse the opportunities and problems of selling abroad

1 Worked examples

■ A joined-up marketing strategy

The four Ps must fit each other and the target customer

- **Marketing strategy 营销策略**: a plan using the four Ps together to meet objectives — e.g. a luxury product needs a high price, smart packaging and image-based adverts.



A strategy changes the mix across the product life cycle — extension strategies revive maturing sales

- **Legal controls** 法律管制: **consumer protection** 消费者保护 (no unsafe goods) and bans on **misleading** 误导 adverts.
- **International markets** 国际市场: more customers and higher sales, but different tastes, **tariffs** 关税 and local competition.

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

2 Practice

2.1 Define the term *marketing strategy*. [2]

2.2 Identify two legal controls on marketing. [2]

2.3 State one problem a business may face when selling in another country. [1]

3 Exam-style questions

3.1 Identify two opportunities of selling in an international market. [2]

3.2 Explain why the four Ps of the marketing mix must fit together. [6]

3.3 Do you think a business should always sell its products in other countries to grow? Justify your answer. [6]

Solutions

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

2.1 a plan that uses the four Ps together to reach the business's marketing objectives (2 for a clear definition; 1 for a partial idea).

2.2 any two of: consumer protection laws (no unsafe/faulty goods); a ban on misleading promotion (1 + 1).

2.3 any one of: different languages and tastes; higher transport costs; foreign laws and tariffs; strong local competition (1).

3.1 any two of: more customers; higher sales; spreading risk across markets (1 + 1).

3.2 *[6]* K 1 + An up to 5 — each P sends a message about the product; if they clash (e.g. a high price but cheap packaging), customers are confused and the product fails → when the Ps fit (a high price *with* quality packaging, smart shops and image adverts), they reinforce each other → the product sells well to the target customer.

3.3 *[6]* Both sides + judgement. **For:** selling abroad brings many more customers, higher sales and spreads risk. **Against:** different tastes and languages, transport costs, tariffs and tough local competition can make it costly and risky, especially for a small firm. **Judgement (Ev):** selling abroad can help a business grow, but only if it can adapt to the new market and afford the costs — it is not always the best route; it depends on the firm's size and the market.