

Start

State 3 needs ASOS customers may have

1. Reasonable price
2. High quality
3. Choice OR quick delivery OR ease of website use

Define what is meant by market research

The process of gathering information about the market and their customers' needs and wants in order to help inform business decisions, including the product design, price and marketing.

Describe what primary research is using ASOS as an example. **New research, collected by the business or on behalf of the business for a specific purpose, e.g. ASOS collecting feedback using a Focus Group**

List 4 types of primary research including 1 from the ASOS case study

Focus Groups, Questionnaires, Observation, Surveys

Describe what secondary research is using ASOS as an example. **Research collected in the past, by someone else, for a different purpose, e.g. ASOS using media such as Vogue and Trade Associations**

List 4 types of secondary research including 1 from the ASOS case study. **Business Accounts, Trade Association Reports, Chamber of Commerce Reports, Newspapers, Office of National Statistic Reports**

Explain how a business can use a SWOT analysis to analyse their competitors.

A SWOT analysis is a diagram used by businesses to analyse the current strengths & weaknesses of their competitors. It also enables business to predict the opportunities and threats that might exist in the future. Business should turn weaknesses into strengths and threats into opportunities.

Finish




ASOS is an online fashion clothing company selling a mixture of branded and non-branded items for men and women. ASOS conducts regular market research on it's target market to collect feedback on it's new designs. They have used focus groups to collect opinions with some customers commenting that their Autumn/Winter 2017 range was 'Too expensive'. They've also used online surveys, where they found out that 70% of customers were happy with the quality of their products. They also use a number of media sources including the magazine Vogue and the Fashion Retail Trade Association reports to inform their decision-making.

Further Resources:

<https://senecalearning.com/en-GB/>

<https://www.businessed.co.uk/index.php/home/theory/gcse/edexcel-gcse-9-1-theory-notes-public#1-2-spotting-a-business-opportunity>

<https://app.senecalearning.com/>

Explain the impact competition has on a business

- Lower sales & profit, harder to survive
- Customers get lower prices & more choice
- Forces businesses to improve, be more dynamic, offer better customer service
- Some businesses might behave unethically or against the law simply to beat the competition e.g. Paying staff unfair wages

Describe what a market map is, what it looks like and what it does

A market map is a diagram that includes two business attributes on its axes e.g. Price Vs Quality. Competitors are then plotted on the diagram.

This allows a business to spot a 'gap in the market'.

It can prevent 'overcrowding' in one segment', help business make decisions, ensure they meet the needs of their market segment

Give 4 reasons why it's beneficial for ASOS to segment it's market

1. Match product to needs
2. Increase market share
3. Personalise your marketing
4. Enhance profits
5. Growth

Describe what a market segment is

A group of customers with similar characteristics & similar buying habits

List 4 ways ASOS can segment it's market

Gender, demographics, socio-economics, behaviours, psychographics

Describe what 'Qualitative data' is using ASOS as an example

Data about feelings, opinions, judgements, collected using open questions.

Give an example of qualitative data from the case study

Some customers said the clothing was too expensive

Describe what 'Quantitative data' is using ASOS as an example

Data presented in numeric form e.g. stats, %, £s, collected using closed questions

Give an example of quantitative data from the case study

70% of customers are happy with the quality of their clothing

Outline the purpose of collecting market research

1. Identify & understand customer needs
2. To identify a gap in the market
3. To reduce risk
4. To inform business decisions
5. To identify your market segment

Key word	Definition
Convenience	A product or service's ability to fit in well with a customer's lifestyle or routine, the ease with which it can be used and/or its easy to reach location
Viable	Able to work properly or successfully
Market research	The process of gathering information about the market and customers' needs and wants in order to help inform business decision, including product design and marketing
Focus group	A group of people who discuss their views on a product, service advertisement or idea, either face-to-face or online
Target market	A particular group of consumers at which a business aims its products and services
Sample	A portion of the population asked for their opinions in order to draw conclusions about the behaviour of the whole population
Generation Y (also known as Millennials)	The people born shortly before the 21 st century, usually defined as born between 1980 and 2000
Data	Information, particularly statistics, that can be collected and analysed
Biased	Unbalanced or inclined to agree with a particular judgement or ideas rather than presenting the evidence fairly
Ethics	Moral principles or standards that guide the behaviour of a person or business
Source	A place, person or thing, such as a book or report, that can provide information to be used in research
Chamber of commerce	A local association that promotes the interest of businesses in a county or region
Trade association	Organisation founded and funded by businesses that operate in a specific industry
Analysis	The process of looking at data to identify patterns or trends
Incentive	Something such as a payment or gift that encourages someone to do something
Valid	Having a solid or accurate basis of facts
Segmentation	The process of breaking something into smaller parts
Demographics	Relating to the structure of a population
Axes	The reference lines on a graph
SWOT analysis	A study undertaken by a business to identify the strengths and weaknesses, opportunities and threats
Qualitative	Data about feelings, opinions, judgements, collected using open questions.
Quantitative	Data presented in numeric form e.g. stats, %, £s, collected using closed questions

Command	You are required to...
Multiple choice question	Select one or more correct answer from a choice of answers. These questions test recall of knowledge from the specification content
Define	define a term from the specification content
Give	give an answer testing recall of knowledge from the specification content
State	give an answer, no longer than a sentence, referring to a piece of contextual information from which students must select the answer
Identify	select the correct answer from reading a graph or table of data
Calculate	use mathematical skills to reach the answer, based on given data. Calculators may be used and workings should be given
Complete the table	work out the values missing from the presented table of data
Outline	give two linked points about a business concept or issue, placed in context in the question
Explain	give a statement of fact, with two further expansion points. These may expand on each other, or both from the same fact. There is no context in these questions
Discuss	write an extended answer, requiring expansion and exploration of a business concept or issue. These questions will not have context but students may bring one in for illustration purposes
Analyse	write an extended answer, requiring expansion and exploration of a business concept or issue. The answer will be placed in context by
Justify	write an extended answer, using information provided in order to recommend one of two options to a business owner
Evaluate	write an extended answer, using knowledge of specification content to reach a supported conclusion about a business situation.

Lesson Sequence
Primary Market Research
Secondary Research
Market Research Challenge
Quantitative and qualitative Data
Customer Needs
Market Segmentation
Market Map
Competition