

Surname						Other Names					
Centre Number						Candidate Number					
Candidate Signature											

For Examiner's Use

General Certificate of Education
 January 2007
 Advanced Subsidiary Examination



APPLIED BUSINESS
Unit 4 Meeting Customer Needs

BS04

Friday 12 January 2007 1.30 pm to 2.30 pm

You will need no other materials.
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For Examiner's Use			
Question	Mark	Question	Mark
1		3	
2			
Total (Column 1) →			
Total (Column 2) →			
TOTAL			
Examiner's Initials			

Time allowed: 1 hour

Instructions

- Use blue or black ink or ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions.
- Answer the questions in the spaces provided.
- Do all rough work in this book. Cross through any work you do not want to be marked.
- If you need additional space, you should continue your answers at the end of this book, indicating clearly which question you are answering.

Information

- The maximum mark for this paper is 60.
- The marks for questions are shown in brackets.
- You are reminded of the need for good English and clear presentation in your answers. Questions 2(c) and 3(c) should be answered in continuous prose. Quality of Written Communication will be assessed in these answers.

Answer **all** questions in the spaces provided.

1 Read **Item A** and then answer the questions that follow.

Item A is not reproduced here due to third-party copyright constraints.

(a) Identify and explain **two** advantages for *Innocent* of using online surveys to research customer opinion.

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(2 marks)

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(2 marks)

(b) Using **Item A**, explain how *Innocent* could use the results shown on **Screen 2** to meet customer needs in the future.

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(6 marks)

Turn over ►

(c) *Innocent* could consider developing its online survey to enable it to collect customer details. Explain how *Innocent* might use this information to maintain good customer relations.

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(6 marks)

Turn over for the next question

Turn over ►

2 Read **Item B** and then answer the questions that follow.

Item B is not reproduced here due to third-party copyright constraints.

(a) Briefly explain **two** possible reasons why the *Coca-Cola Company* has 22 variations of Coca-Cola.

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(2 marks)

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(2 marks)

(b) Using **Item B**, analyse how the *Coca-Cola Company* might have used market segmentation when developing Coca-Cola Zero.

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Question 2 continues on the next page

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(c) Discuss the extent to which investment in product development might help businesses such as the *Coca-Cola Company* to improve their profits.

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Turn over for the next question

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3 Read **Item C** and then answer the questions that follow.

Item C

Meeting the needs of coffee shop customers

Charlotte is the owner of a small independent coffee shop. With falling sales and increasing competition from large firms such as Starbucks, she is concerned about her future. She is considering increasing her product range by including smoothies and juices hoping that this will help her better to meet her customers' needs.

Charlotte's research has found *Juiceberry*. This company offers equipment and drink combinations that are tailor-made to the requirements of small coffee shops and cafeterias.

Juiceberry's products are designed for ease of use where locations do not have the space for a full juice bar. Each combination of equipment and drinks is designed to provide everything the coffee shop owners need to start making and selling smoothies and juices.

Combinations range from £25 to £55 per week. A basic combination includes:

- a small fruit blender (counter top, no tank or tap, jug included)
- a small citrus fruit juicer
- enough products to get started (fresh oranges and frozen fruit sachets)
- free point-of-sale display materials
- *Juiceberry* branded glasses
- a full year's parts and labour warranty
- free installation and training.

(a) Describe **two** customer needs that people might have when visiting Charlotte's coffee shop.

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(2 marks)

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(2 marks)

- (b) Analyse how the *Juiceberry* product could improve the **core** and **actual** product offered by Charlotte.

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