

Surname					Other Names				
Centre Number					Candidate Number				
Candidate Signature									

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General Certificate of Education
Specimen Paper



APPLIED BUSINESS
Unit 4 Meeting Customer Needs

BS04

Date and time

You will need no other materials.

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 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 unit is 60.
- The marks for questions are shown in brackets.

For Examiner's Use			
Number	Mark	Number	Mark
1			
2			
3			
Total (Column 1)		→	
Total (Column 2)		→	
TOTAL			
Examiner's Initials			

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

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

Item A

New phones increase Motorola sales



Motorola, the mobile phone manufacturer, has increased its profits due to the strong sales of its new-look phones. The new phones feature colour displays and built-in cameras.

As the market for mobile phones is very competitive, *Motorola* is constantly looking for new features to add to its products.

Mobile phone retailers have appreciated the additional features of *Motorola's* phones. For retailers, added product features are one way in which customer needs can be met.

Source: photograph printed with the permission of The Associated Press Ltd

(a) Using **Item A**, describe **two** ways in which mobile phone manufacturers have changed the **actual** aspects of the product.

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(6 marks)

- (b) Explain **two** ways in which the changes you described in 1(a) help retailers to meet customer needs.

Explanation 1

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(4 marks)

Explanation 2

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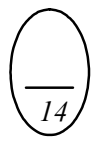
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(4 marks)



Turn over for the next question

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

Item B	
eTypes – Classifying Online Buyer Behaviour	
The table below summarises four different customer groups, segmented by their attitude towards buying goods and services online.	
Group	Online Buying Behaviour
Wired 4 Life	Most active and experienced internet users. Aged 25–44. Use internet for most purposes – banking, share dealing, shopping, games and email.
Generation e	Young people online from home, work, school or internet café. Aged under 24. The mobile phone and internet generation. They use the internet for chatting, games, music, gambling and looking for jobs.
Dot Com Dabblers	Occasional users, from home, work or school. Mixed age group. Varied internet usage. More likely to visit entertainment, music and job agency websites.
Silver Surfers	Relatively frequent users for their age. Aged 55–64. Their internet experience is slightly above average. Buy travel and holidays online, making their online spending higher than average.

Source: © CACI LIMITED 2004. All rights reserved.

(a) Describe how customers can be segmented by using the following characteristics:

(i) age;

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(2 marks)

(ii) lifestyle.

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(2 marks)

(b) Using **Item B**, and your own knowledge of consumer characteristics, explain how the following characteristics might affect a consumer's willingness to purchase goods through the internet:

(i) age;

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(4 marks)

(ii) lifestyle.

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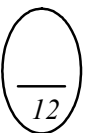
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(4 marks)



Turn over for the next question

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

Text extract adapted from BBC website, 12 December 2003,
– not reproduced here, due to third-party copyright constraints.

(a) Explain **one** way in which online retailing could improve the level of customer service offered by a business.

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(4 marks)

- (b) Using **Item C**, analyse the problems *Rapid Electrics* might face in the future if it fails to invest in online retailing.

(10 marks)

Question 3 continues on the next page

(d) Discuss the ways a business could use ICT to build and maintain good customer relations.

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(10 marks)

END OF QUESTIONS



