

OCR A291 Controlled Assessment – 2010

Stuart M – Commentary

General comments

The assessment as a whole is rather poorly balanced, with a great deal of effort being put into the first investigation. By comparison, investigation three is given little time and the good primary research collected is generally ignored. This illustrates the point that the controlled assessment needs careful planning, and attention paid to the marks available. It is clearly better to spend more time on a component valued at 25 marks rather than one valued at 10.

Investigation 1

This represents a rather different approach to the Investigation. There is an abundance of good work in this component, really too much for the marks available. Credit must be given for the detailed application of the wide knowledge base, the analysis of Heather and Matthew's entrepreneurial skills, SWOT analysis and the final detailed evaluation. As only two marks are available for analysis and evaluation (AO3) far too much time has been spent on this area. However, recognition must be given to the quality of work presented.

Investigation 2

There is again good knowledge of the methods of primary and research available to Matthew, with some application to his situation. The *detail* of the context however is ignored to some extent. Matthew is young, and starting a new, small business, all of which impact upon the choices he will have to make regarding market research. He will also be offering different products and services. Whilst these are listed, there is no clear link made between the differing services and the method of research which may be most suitable.

Analysis of the different research methods is started, and some recommendations are made, though there is a lack of evidence to justify the choices being put forward. Primary research is lacking here. If data was available from say targeted consumer opinions on the research methods they are likely to cooperate with (e.g. telephone surveys, questionnaires left for them to fill in), then more evidence could be put forward for justifying a particular approach. Consideration then must be given as to whether the method suggested suits a particular service Matthew might offer and also Matthew's circumstances (new, small business etc.).

Investigation 3

There is good knowledge and understanding shown of a range of pricing strategies, though the application is weak by comparison. What is needed here is whether a strategy is worthy of consideration for the context which has been given. Whether a new, small business being run by someone just starting out could consider skimming as an option, is debatable. More precise application is needed in this section. The work presented is at times generic. What competitors would Matthew look to in competitive pricing? Other small photographic studios or larger well established businesses who already charge a premium price?

It is clear from the work that some extensive primary research has been completed, though there is no copy of any questionnaire used. This has left some of the data with no clear meaning. The graphs and charts would indicate that there is the potential for high level analysis and later evaluation which would have led to justified conclusions which quote from the earlier analysis. It is a shame that this was not completed. The only analysis which is present is perhaps the least useful – looking at the age of those who responded to the questionnaire, rather than any opinion as to which type of pricing strategy would induce them to buy a particular product or service.

The lack of reference to how pricing might change over time has further downgraded the marks available.

Stuart M – Marking

	AO1	AO2	AO3	Total
Investigation 1	4	4	2	10
Investigation 2	7	6	3	16
Investigation 3	6	3	1	10

This gives a total of 36 marks, placing the candidate just into a notional C grade.

Business Studies

**A291 Marketing and Enterprise
 Unit Recording Sheet**

Centre number		Series and year	
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Centre name	
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Candidate name		Candidate number	
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Please fill out the mark awarded against each assessment objective for each investigation and comment on why the mark has been awarded.

Investigation 1	Max Mark	Mark Awarded
AO1 Detailed recall of business concepts and knowledge	4	4
AO2 Joshua shows a high degree of knowledge applying business concepts and terminology accurately to the business context	4	4
AO3 Clear evidence of analysing and evaluating entrepreneurial skills and likelihood of success for both businesses	2	2
Investigation 2		
AO1 Market research methods described	8	7
AO2 Some analysis of market research methods and application to Mathew's business. Possible products discussed. Data used to support analysis	10	6
AO3 Some evaluation in final recommendation	7	3
Investigation 3		
AO1 Pricing strategies described	8	6
AO2 Some attempt to apply pricing strategies to Mathew's business. Some data used but not clearly applied.	10	3
AO3 Little evidence of evaluation, some recommendations made.	7	1
Overall Mark (max 60)		36

Additional comments:

Investigation 1

Full description of entrepreneurial skills, factors leading to success or failure. SWOT analysis used to support findings. recommendations made

Investigation 2

Market research methods recalled and analysed. Attempt to use data to support choice of market research.

Investigation 3

Pricing strategies recalled. Some analysis. Data included but not applied.

Investigation 1 Research on Heather and Matthew

A02

A02

A03

Factor	Heather	Matthew	Comments
Roles and Qualities of an Entrepreneur	Heather has set her target market at teenagers because she thinks that it will sell. She is confident and determined and will have to take control over her business, she has put her interests into use, such as; arts and crafts (budget priced jewellery). She has an idea where to sell her jewellery. ✓	Matthew has had experience in the photography business (worked for a photographer as assistance) and he saw how well wedding portraits sell. He has an idea where to put his shop. He's confident, determined and has an ability to work with others. ✓	They both have some roles and qualities of an entrepreneurs, Matthew is confident and has a plan on location but possibly is too confident and should do some more market research. Heather doesn't know where to have her shop but she knows her target market, she is very wary in taking decisions and consults all her staff. ✓ Heather 8/10 Matthew 7/10
Factors that lead to success	Heather works well with others and although she hasn't got much business experience she knows where to get help and advice. If she chooses to work at home she will save a lot more money than opening a shop outside of town. Selling low budget jewellery during the credit crunch she will be able to sell lots of her product. ✓	Matthews has a lot of experience and good exam results, although this doesn't guarantee success it will help him a lot and gained a lot of market research from his past job. He knows and has seen that people will buy family or wedding portraits. His location is in the middle of town which is closer to his customers and target market. ✓	They both have different factors which lead to success, Matthew has the background experience and results whilst Heather has the options of help she's safe and has a product cheaper and easier to sell. ✓ Heather 7/10 Matthew 8/10
Factors that lead to failure	Heather lacks a lot of business experience; she has come from working in a supermarket to wanting to run her own business. She isn't confident in her abilities and doesn't think she can compete with her competitors. ✓	Matthew is very confident, over confident. He is quick to take risky decisions and has been known for making bad decisions. He doesn't get on with staff or finds it hard to work with others. He needs to consult with others and needs to be safer. ✓	Matthew has got to stop rushing into things, such as; important risks, working better with others and should consult with staff before risks. Heather needs to gain confidence and should be prepared against competitors. ✓ Heather 4/10 Matthew 5/10
Enterprise	Heather has got determination and confidence, but she hasn't started up her business yet and hasn't really put any other enterprise roles into use, such as; Decision making, Judgement, Risk-taking, Persuasive or the ability to work with others. ✓	Matthew has had a lot of experience in the photography industry (worked as a photographer's assistance). He has determination, confidence and the ability to work with others. He has a good idea and has had lots of experience. ✓	Matthew has an idea and got lots of market research from his past job, Heather is determined to run her own business. ✓ Heather 7/10 Matthew 8/10

Analysis of Matthew and Heather's Entrepreneurial Skills

Factor	Explanation	Heather	Matthew	Comments
Enterprise	Enterprise is the skills of innovation, risk taking, determination, motivation and leadership possessed by an entrepreneur. ✓	Matthew wants to start selling portraits of young families and weddings. Fig.2 c1 and above. Heather wants to sell low budget jewellery, she can work well with others and will be a good leader ✓	Matthew wants to start selling portraits of young families and weddings. Fig.2 c1 and above. ✓	They have different target market. Heather doesn't know where her business is going to be, either at home or in the town centre. ✓
Role of an Entrepreneur	The role of an entrepreneur is to launch new ideas and business ventures taking into consideration the potential risks and rewards. ✓	She either wants to set up her own business at home or outside the city centre of Tonbury or Dyton ✓	For his role he wants to open his photography studio in the middle of Dyton ✓	Matthew knows where to set up his own business. He has more experience; it will cost him more to be in the town centre. But his business has the better social economic area. ✓
Qualities of an Entrepreneur	The qualities or an entrepreneur include: Risk taking Determination Ability to work with others Decision making Judgement Confidence	Always very careful, would like to avoid taking undue risks. Did well in Art and Design. But needs reassurance from others. She gets on well with other people at work. Makes decisions after taking in other peoples advise/ maybe too time consuming and thinks SWOT analysis is important She doubts her own ability, needs reassurance, doesn't think she can compete with competitors ✓	Willing to take risks, at times maybe rather reckless. A-levels in Business studies, regards competitors as a challengers, too confidence. He gets on well with customers, over confident so might not get on well with other people. Confident in making own decisions, doesn't listen to others (arrogant), reacts quickly to any opportunity, doesn't think SWOT analysis is important Matthew is very confident and has lots of ideas from his old jobs, experience and Market research. Matthew is over confident (big headed), thinks he can do it all because he has worked for a photographer and done A-levels business studies ✓	He might have a location wrong because it will cost a lot of money, should only take calculated risks. They both have good determination skills. Heather gets on better with people whilst Matthew is over confident which isn't always good. Heather is more aware and cautious and gets on better with people whilst Matthew thinks he knows it all such as, not believing in SWOT analysis. Matthew thinks he has good judgement but should do a lot more research and not be over confidence Matthew is very confident but should consult with others. Over confident which could lead to his business fail. ✓

Analysis and Interpretation of Heather and Matthew's Entrepreneurial skills

Heather: Heather is determined to run her own successful business selling low budget jewellery to teenagers; she's careful with risks and likes to get all her staff views on the decisions. She will be a good leader and will be able to motivate her team. She wants to start it up at home or just outside of town, but she is scared of being able to compete with her competitors. She isn't confident in her abilities and hasn't had much business experience.

Risk taking: Always very careful wants to avoid undue risks. 6/10

Determination: Has wanted to open her business for a while and ran a successful mini enterprise 8/10

Abilities to get on well with others: She gets on well with people 9/10

Decision making: Makes decisions after taking in other people advise, maybe too time consuming, but she thinks SWOT analysis is important. 7/10

Confidence: She doubts her own abilities and needs reassurance from others and doesn't think she can compete against competitions 4/10

Overall I think heather is a very good entrepreneur and I think she will be successful but her confidence is bring her down and she will have to gain confidence to be able to compete against competitors. 7/10

Matthew: Matthew is confident and determined in that he can run his own business. He wants to sell portraits of weddings and family and wants to open his shop in the town centre. He can't work with others and is very confident in his own abilities, too confident.

Risk taking: Willing to take risks sometimes known to be careless. 5/10

Determination: both have good determination skills, but Matthew has had the business experience and has market research. 9/10

Ability to work with others: He gets on well with the customers but is over confident and does things himself this may make him hard to get on with 3/10

Decision making: Doesn't believe in SWOT analysis and is very confident in him so he doesn't consult with others and will take decisions straight away without thinking about it. 3/10

Confidence: Matthew is very confident but it isn't always a good thing. 10/10

Overall I think Matthew is over confident and thinks he knows everything about business, although he knows about photography and worked for one he needs to do market research and find out more about what he wants. 4/10

Both are determined entrepreneurs but otherwise are very different, although Matthew is confident and has the results and business experience. Whilst Heather can work with others and likes to play it safe.

✓ A02

Factors which could lead to success or failure for Heather

Factor	Explanation ^{A01}	Success ^{A02}	Failure ^{A02}	Comments ^{A03}
Planning	A business needs to be planned carefully for it to be a success. Entrepreneurs who have good business planning and a plan should run a successful business. ✓	She knows where to get professional help from and knows organisations she can go to, such as Princes Trust. ✓	She will need professional help and has a limited knowledge of business planning. ✓	She has the right attitude to business planning and she knows she will need help, but she knows who to go to which is good. 6/10
Product	The product has to be sold to its target market and has to be wanted and has to sell well to make a profit. The product has to be the right price for it to sell. ✓	She's only selling low budget jewellery so it won't be expensive to buy parts and she can buy them in big orders cheaply. ✓	Because she's selling low budget jewellery her competition might sell more because of well known names (accessories) ✓	As Heather is working from home and plans to make and produce jewellery this will make it cheaper in costs. ✓ 7/10
Timing	The business will have to sell or open there business at the right time, for example; open an Aston martin garage in the recession. That would be bad timing. ✓	I think Heather has timed it right because the recession has made people turn to buying cheaper products, so selling low budget jewellery, people will buy it. ✓	If Heather chooses to buy a shop she will have to sell lots of jewellery to make a high profit to keep her shop.	Heather has timed it right if she works at home and she should be able to make a profit. ✓ 7/10
Experience	Having business experience will help an entrepreneur a lot, it will help them because its market research and they will have better judgement. ✓	She ran successful young enterprise selling jewellery to fellow students; this is good experience for her because she plans to sell jewellery. ✓	She worked in a supermarket for a long time and that won't give her much business experience and running a mini enterprise she wasn't dealing with large amounts of money. ✓	Heather has run mini enterprise selling jewellery but other than that she hasn't had any other Business experience. ✓ 5/10
External Factors	Businesses can be affected by external factors such as; Politics, Economy, Technology, society and seasonality. ✓	Heather wants to sell low budget jewellery, so during the credit crunch she will be able to sell lots of her product. She could get a grant from the local government. She can sell more seasonally e.g Xmas ✓	Politics and laws might change after she opens her business e.g VAT might change. Because her business is small bigger businesses might have better technology than her. ✓	She will never know what might happen with external factors, but I think she sell most of her product seasonally. She could also get grants to help her business succeed. ✓ 6/10

Factors which could lead to success or failure for Matthew

Factor	Explanation ^{A01}	Success ^{A02}	Failure ^{A02}	Comments ^{A03}
Planning	A business needs to be planned carefully for it to be a success. Entrepreneurs who have good business planning and a plan should run a successful business.	Matthew is confident in his abilities that he can open and run his own photography studio. He's had business experience and has seen other businesses run.	Matthew is over confident and although he worked for a photographer and seen that business run successfully doesn't mean his will.	Matthew is confident perhaps overly confident but he has an idea and a plan on how to run his business, and has had plenty of business experience 7/10
Product	The product has to be sold to its target market and has to be wanted and has to sell well to make a profit. The product has to be the right price for it to sell.	Matthew knows where his target market is from his last job (market research) he can also make two for one deals with his product.	He's starting up a business in the middle of the credit crunch, people will go for cheaper photographers and he will have to sell lots to make a profit.	Matthew's product will be expensive so if he sells only a few he will make a lot of money but he will have to make a profit to stay in the town centre. 8/10
Timing	The business will have to sell or open there business at the right time, for example; open an Aston martin garage in the recession. That would be bad timing.	Although he's opening in the credit crunch with his product he will make a profit but his service is seasonal so in summer he will do more weddings.	Photographers are expensive and in the middle of credit crunch people are looking to buy cheaper products and service.	Being a photographer during the credit crunch is a bad idea, they are expensive so people will be looking for the cheapest one they can find. 4/10
Experience	Having business experience will help an entrepreneur a lot, it will help them because its market research and they will have better judgement.	He worked for a photographer for four years, gained a lot of business experience and market research and also got good results in GCSE and A-levels.	He hasn't had any experience running a business or owning one and this could ruin him, especially if he can't work with others.	He has gained lots of business experience and market research from his past job but hasn't run a business. 8/10
External factors	Businesses can be affected by external factors such as; Politics, Economy, Technology, society and seasonality.	The credit crunch could end and people will want to spend more on photographers, he will have most of his business in summer (weddings)	The credit crunch might not change for a while which would make it difficult for Matthew to run his business the summer might be wet (no weddings)	Weddings are expensive more people live together and during this credit crunch, it could ruin him. 7/10

SWOT Analysis For Heather

Strengths What's the Business doing well?	Weaknesses What should the business improve?
<p>Heather product is low budget jewellery, there is lots of competition in that industry such as Accessorise, but her product should be cheaper than bigger shops. She hasn't decided where her shops is going to be, either open a shop just outside of the town or sell her product from home. Selling her jewellery from home will save her more money than opening a shop outside of town. But if she opened her shop in town she would be closer to her target market and her competition. She works well with others and takes other people's views into consideration.</p> <p>Evaluation point 8/10</p>	<p>Although Heather ran a successful mini enterprise, she's had no other experience running a proper business. She is also selling low budget jewellery if she ran her own shop outside of town; she would have to make a lot of money to make a profit. Her product and target market will have a lot of competitors against her and her business sp she will have to make a lot of profit to stay ahead of her competitors.</p> <p>Evaluation Point 5/10</p>
Opportunities Competitive advantage?	Threats What problems does the business face?
<p>During this recession selling low budget and cheap jewellery, which looks good, this is a advantage for Heather and her business, she might even be able to sell more than her competitors because her product is cheaper. She will also be able to sell lots of her product seasonally, such as; Christmas, Easter and Birthdays. Depending on her location, if it is at home she will save more money than opening her shop outside of town.</p> <p>Evaluation point 6/10</p>	<p>Heather isn't confident in her abilities and although she knows where to find help but is afraid that she won't be able to fight of competitors. The credit crunch might affect her, but it depends on her location. If she opened her shop near town then she would have to sell a lot of jewellery to make a profit, but it wouldn't affect her as much if she worked from home. She isn't confident and needs reassurance of others.</p> <p>Evaluation point 5/10</p>

A02

SWOT Analysis For Matthew

Strengths What's the Business doing well?	Weaknesses What should the business improve?
<p>Matthew has a plan on his product and location and is very confident that his business will be a success; he's very determined to make it work. His location is in the middle of town so he is near his customers and closer to his market. He wants to be a wedding photographer and sell portraits. He's had lots of experience working for a photographer and has seen both of these products/service sell and make a profit.</p> <p>Evaluation point 8/10</p>	<p>Both of his product/services cost a lot of money and during the credit crunch not as many people are going to buy high price products. Not as many people get married as they used to. He finds it difficult to work with others and doesn't consult with anyone else when making decisions and won't be able to motivate his staff.</p> <p>Evaluation point 6/10</p>
Opportunities Competitive advantage?	Threats What problems does the business face?
<p>Selling portraits Matthew can make deals such as; 5 portraits get 1 half price (example). His wedding photography will be more in summer rather than winter. His shop is in the middle of town this means he's closer to his market and customers. He's had a lot of experience working for a photographer and has gained lots of business experience and market research. Leaving school at 18 he got both good GCSEs results and A-levels.</p> <p>Evaluation point 7/10</p>	<p>Matthew is very confident but that isn't always good, he needs to get on with his staff and take in their advice. The credit crunch will affect his business a lot, portraits and wedding photography is very expensive and having a shop in the middle of a town it will be very difficult to make a profit. During the credit crunch most photographers will be trying to make as much money as possible, starting up a new business against all this competitions will be tough.</p> <p>Evaluation point 6/10</p>

A02

Analysis of Matthew and Heather and final evaluation and judgement

Heather: she is very determined to run her own business. She wants to start a small business selling budget priced jewellery aimed at the teenage fashion market. She left school at 16 with 6 good GCSE passes, she did very well in Art and Design. She's been working in a supermarket for three years but was in charge of a successful mini enterprise at school selling jewellery to students in her school. This shows that she has had experience selling jewellery (mini enterprise), she also has 6 good GCSE and has done well in Art and Design. This will help her with her business and also if she makes the jewellery which she hopes to sell.

She is not very confident and doubts her own abilities, she will need to gain more confidence to run her business. Although she's not confident she won't be alone, as she can work well with other and she will make a decision after taking in other people's views on the situation. This can be good but can also be time consuming or wasting time, maybe she should react quicker to opportunities, she has to be more independent if she wants to run her own business. She seems very cautious of risks and the decisions she makes and needs the reassurance of others.

She has a serious attitude when it comes to potential competitors but she is concerned that she won't be able to compete with them, this is a confidence issue and could be a problem when she starts her own business. She thinks it's a good idea collecting market research and thinks that SWOT analysis would be useful to help her with decisions.

She works well with others which will help her in the future, but I think she needs to be more confident and independent. She is very determined to start up her own business, but she's not sure of her location yet. Having her business in a town centre would be good because you don't have to advertise as much but it costs a lot more than starting her business at home. ✓

Matthew: Matthew has a very good educational background; he left school at 18 with A-levels in Business studies, Geography, English and General studies. He then worked as a photographer as an assistant for the last 4 years but has had no experience running his own business. Although he has such a good educational background this could lead to him being over confident, but he has had a lot of experience in the photography industry and has had lots of market research. He wants to open his photography studio in the middle of Dyton selling family and wedding portraits, working as a photographer he has seen these two products sell the most. He knows where his location will be, but being in the middle of a town will be expensive to keep. He has had a lot of previous market research from his last job and this will help him a lot.

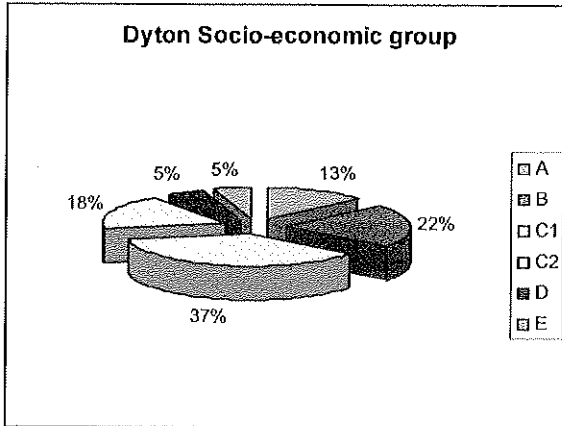
He is very confident in himself and his abilities and is willing to take risks, which at times can be reckless. He is also very determined to run his business. He should consult with others before making decisions and shouldn't be over confident. He can't work with others which isn't good, he says he can only work well with the customers, for his business to succeed he will need to work with others and be able to consult with them on decisions. ✓

I think they can both be successful in creating and running a business, but I think Heather will succeed because she is safer, during credit crunch choosing to work at home which will help her and she can work well with others. ✓

Investigation 2

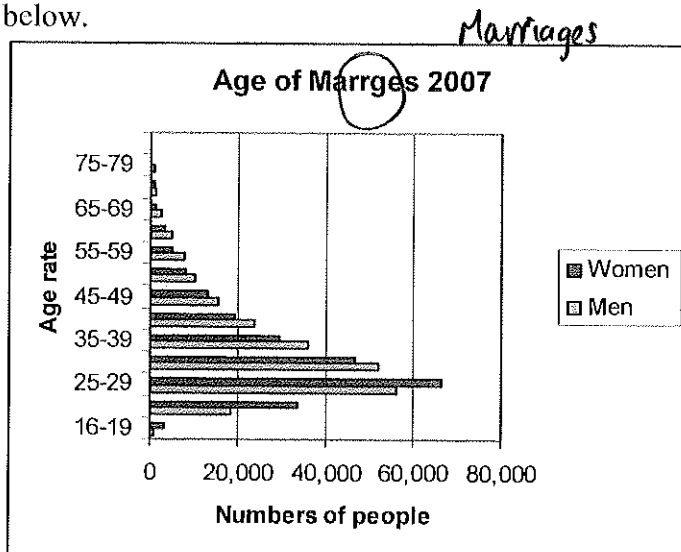
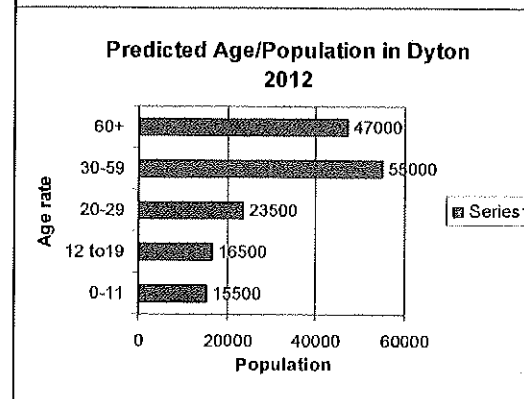
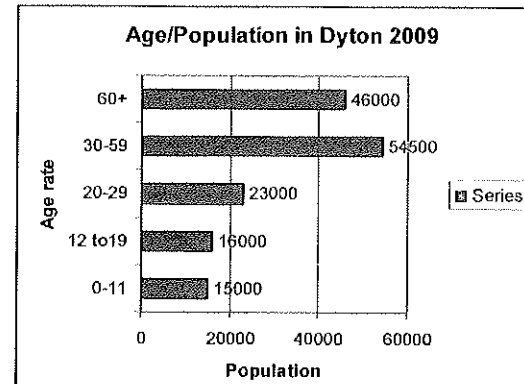
How the target market and products to be offered by Matthew might influence the choice of market research methods

Matthews Target Market



Matthews target market is to the people who live in Dyton and the surrounding area, because they are closest to his shop and it isn't a huge business. It will be set to the middle class as he is selling an expensive product/service so it will be aimed at socio-economic group A, B and possibly C1. In Dyton for Socio-economic groups there are a higher percentage of people in the higher job types A, B and C1. As Matthew's product/service is very expensive his

target market won't be aimed at anyone below C1. The age rate that Matthew will aim at for his wedding photography will be ages 20-29 and 30-59, this is because most people get married or have children at those ages. In 2006 and 2007 the most popular age to get married was from the ages of 25-29. Although marriage is dropping over the years, in 1980 370,022 got married whilst in 2007 only 231,450, people are still getting married and it shouldn't affect Matthews's business. These graphs show that the main population in Dyton is with the 20-29, 30-59 and 60+, the 20-59 are the most likely people to get married and have kids and they will be Matthews target market. This is shown in the overall marriage graph below.



Market Research

Primary Research

Primary Research Methods	Explanation
Face-to-face	The interviewer will ask people on the streets or go to doors and ask them questions about their product/service. Matthew would be able to use face-to-face when he has his shop in the middle of town; he will be close to his customers and target market.
Telephone interviews	Same sort of questions as Face to face except they are often shorter. Telephone interviews could help Matthew but he would need staff to help, he wouldn't be able to do Telephone interviews by himself.
Online surveys	Interviewers use internet as a way of collecting information. Technology is changing so online surveys are getting increasingly more popular than Face to face. He could make his webpage with his brand and put his survey on that, it would help him because it would be quick and easy to use.
Questionnaires	These questionnaires are sent in the post, generally if the customer has bought their product or used their service. Once he has done a wedding he could hand out these questionnaires or when he does portraits of people he could hand them out then.
Focus groups and consumer panels	A small amount of people meet with a facilitator and they observe the product and then are asked questions about it. This is usually used when the business is introducing a brand name or new product. He doesn't need a focus group because he hasn't opened a new brand name or created a new product.
Sampling (there are different types Quota sampling, Random sampling, Stratified sampling, Cluster Sampling)	This is when an amount of people are allowed to use a sample of the product or asked questions about the product. He could use this but sampling would be better for bigger company and shops such as Tesco, but using sampling on a smaller scale could help him.

Analysis

The main advantages with primary research are that it is fresh and up to date. They are specific to what your business wants, such as; questionnaires can ask "do you like the product and why?" it's what the business wants, the main points and reasons. The results are only for your business; to anyone else it is confidential. When use online or telephone interviews you can get your information quick and easy. For Matthew I think that Face-to-face and online questionnaires would be the best primary research for him. He wants to open his shop in the middle of town so he is near his customers and target market, and using the internet he would be able to source his information quick and easy. The disadvantage for Matthew is that it can be difficult and time consuming to collect this information also it can be expensive to collect. If there are mistakes on the questionnaires some of the results could be misleading and affect his business.

Secondary research

Types of Secondary research	Explanation
A01 Internet – There are large amounts of information on the internet and it's easy to access. Many companies also put information about themselves and their products on the internet. Occasionally through advertisement, about the product or the company.	It will be easy for Matthew to access and he can research his competitors as well as information about customers, future employees or just general information.
Census data – For the census, every person living in Britain is questioned on how they live, what their income is, etc. The information is extremely useful for businesses, and is collected every ten years. The last census was in April 2001. The next one will be in 2011.	The Census data could be useful for Matthews business because it gives useful information about the people of Britain (customers). Also the information is updated recently (every 10 years), it can be easily obtained from the internet. www.statistic.gov.uk
Internal data – Many businesses have their own secondary data. This is in the form of past sales figures, profits from departments as well as comments from customers. This is usually kept on computers and can be used by a business when it is making decisions for the future.	This internal data could help Matthew's business because he can collect information about past sales, profits and also get comments from customers. It can help Matthew when making important decisions.

A02

Analysis of secondary research

Secondary research has already been completed by another organisations, secondary research is usually much cheaper to collect than primary research. Also a wide range of data is readily available, especially with the growth of the internet. Someone else out of the business has done the research therefore it might be not what the business. Also it is cheap for a new business, the data won't always be up to date. The data can't always be easy for the business to understand/analyse.

For Matthew Census data would help his business because the data he would collect would be very useful, although it won't help him now until 2011 because it was last done in 2001. But once it has been updated it will be useful because it will give him information about his customer.

Analysis of Primary and Secondary Research for Matthew

Matthew could collect a lot of useful information from using secondary research; he could use the internet to find out about how many weddings there is each year. Also internal data can help Matthew and give him information about past sales and profits. The census data could give him recent and exact data, it could help his business a lot. The problem about secondary data is that it can be very time consuming. Matthew has spent 4 years working in the photography industry and therefore will know a lot about the industry itself. This means that he won't necessarily need any primary research and this means that secondary research would be better suited for Matthew.

✓/102

How Matthew Target Market might influence his choice of market research methods

There are numerous research methods that Matthew could use. The ones I think would be best for his small photography studio would be:

Cluster sampling: the information would be from his region, this would be cheaper for him because his business is smaller and his target market is people who live close to him.

Government statistics: this would give him information throughout the country about anything he wants such as, age, married rates, anything.

Questionnaires: He could give these to his customers, or if he opened a web page for advertisements he could also put online questionnaires.

Customer interviews or focus groups: these could help Matthew because it wouldn't cost a lot of money and he would be getting information from his customers and his target market.

Products and Services Matthew may offer

Weddings and Family portraits

Weddings	Portraits	Both
Wedding album	Parent albums	Albums
Story book	Portfolios	Coffee table book
Engagement Shoot	Baby's	DVD
Thank you card	Children	Photo Disks
Trash the dress	Teenagers	Canvases
	Pets	Prints
	Family portrait	Book frame wrap
		Bronze, Silver and Gold package
		Mugs
		Key rings
		T-shirts

Matthew has a wide choice of products/services he could choose to use and make a high profit. So even if some of his products don't sell well he has plenty other products he could sell to his customers.

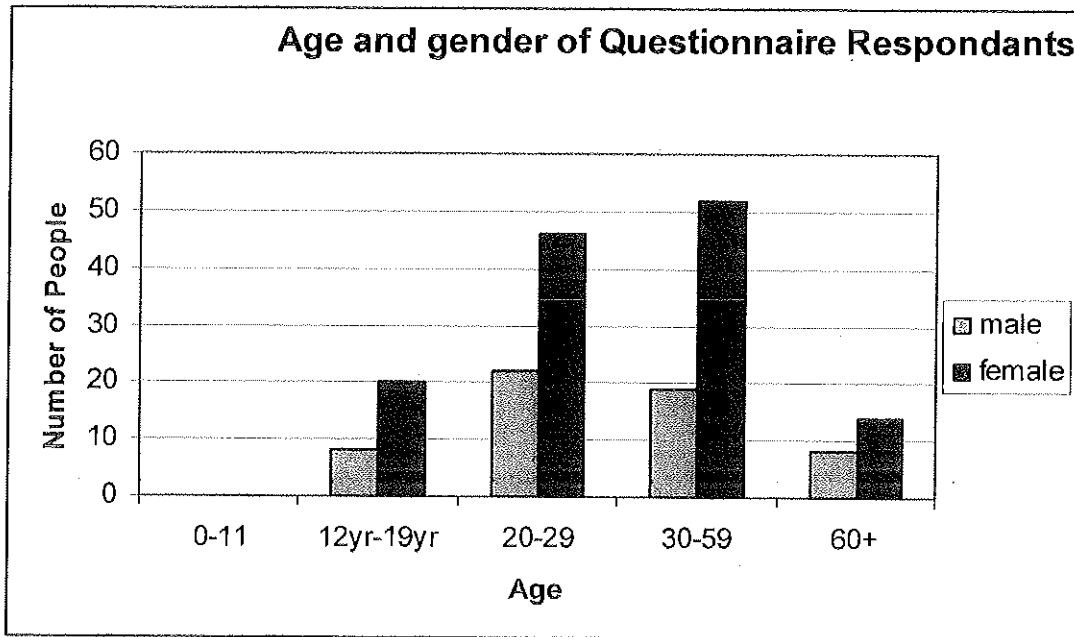
Investigation 3

Pricing Methods for Matthew

Methods of Pricing	Explanation
Competitors Pricing	When your business checks on competitors prices and compares them to your own. Maybe if opening your own business tries to have your prices lower than your competitors to start your business of.
"Cost Plus" Pricing	A pricing method that adds a percentage for profit to the cost of creating the product. So Matthew would look at costs of a product and then add the profits he makes to his product ✓
Penetrating pricing	Setting the price lower than other competitors but should only be used as a short term strategy. Matthew should use it just to get his product on to the Market.
Skimming	This is when a new product is more advanced than its competitors so the price is set high because customers are willing to pay more for the better product. If Matthew had new camera or equipment then he could charge more. ✓
Differential pricing	When you charge different prices to different customers for the same product/ service. Matthew could use this for example: wedding photography, he could charge cheaper prices for senior citizens. ✓
Promotional Pricing	This is when you reduce the costs of your products a boost or to sell old products. Known as sales, for example: half price. If Matthew has a problem he could use this to boost profits or to help start up his business. ✓
Psychological Pricing	This is when a business tries to make the price tag look less expensive than it actually is, for example £19.99 instead of £20. Matthew could use this on all of his products to make them look cheaper and get more sales. ✓

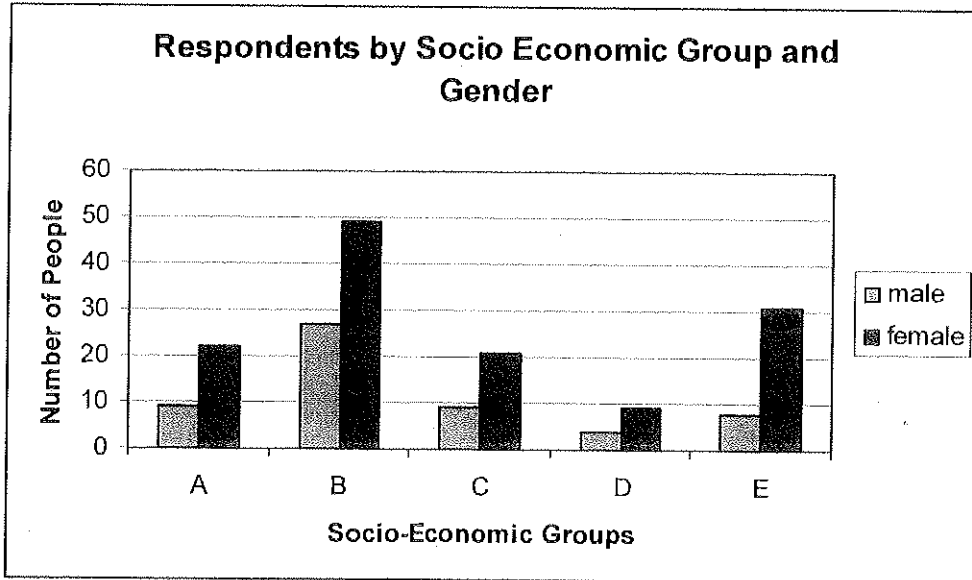
Primary Research for Pricing Strategies

We interviewed 189 people, 132 were women and 57 were men. We interviewed them with questionnaires to find out information about Matthew's target market, their Age and Gender and their Socio-economic group. A lot more women took the questionnaire than men. Using the questionnaire is Primary research, this means the information is fresh and first hand. Hopefully this will give useful information for Matthew's business and give him his Target Market.



Analysis

This graph shows that the two most popular ages from the respondents both genders, they are 20yr-29yr and 30yr-59yr this is 139 out of the total of 189 which is 74% , this makes those two ages Matthews main Target Market. The women (his Target Market), there was a response of 52 women at the age of 30yr-59yr that responded to Matthew's questionnaire that's 39% of the women. The males' response was a lot less than the women's, the popular age from men was the age of 20-29, that's 22 out of the 57 that took the questionnaire that's 38%. Between the ages of 20-29 and 30-59 there are 98 out of the 132 women who replied to the questionnaire, that's 74% of the women that took the questionnaire. In Dyton, there are 39000 people at the age of 20-29 and 30-59; this means there are a lot of people that fit in to Matthews Target Market age grouping. This part of the questionnaires was a success and has given Matthew the information he will need for his Target Market.



Target Market Age Gender and Socio Economic Group

Competitors Analysis

1. <http://www.theweddingphoto.co.uk/digitalextras.html>
2. <http://www.swpp.co.uk/members/goto/rd.cgi?redir=http://www.kirstenjane.co.uk>
3. <http://www.swpp.co.uk/members/goto/rd.cgi?redir=http://www.tomabbottphotography.co.uk>

Competitor 1

Wedding Product description	Price	Additional information
Wedding thank you cards	£20-£75	Print area: 14cm x 10cm. Price changes with quantity
Coffee table book	£250	The cost for our x-large book (30cm x 30cm) is £250. For the same price we can offer 2 square books (21cm x 21cm) or 3 small books (14cm x 13cm)
CD	0.90 - £48.00	The prices differ with the sizes and the amounts ordered.
Canvas	£70-£280	The prices differ with the sizes and the amounts ordered.
Black or White photographs	£5-£90	The prices differ with the sizes and the amounts ordered.
Contemporary 100 + images taken from the ceremony to the reception. The packages include your wedding album and leaves	£500-£700	Package a 30 8x6 prints - £500.00 Package b 50 8x6 prints - £600.00 Package c 30 10x8 prints - £700.00
Photo Moderno 200 + images taken from the bridal preparations to the reception including album and CD	£950.00	20 10x8 and 30 7x5 prints - £950.00
Storybook Options All storybook packages include consultation time to finalise your bespoke design of the album and unlimited Photoshop tweaking of images	£700- £1450.00	The prices differ with the sizes and the amounts ordered.

Competitor 1

The company is called "The Wedding Photo" and specialises in nothing but wedding photography and products. The reason I chose it as a competitor for Matthew because it is a huge company which has a lot of experience in the industry Matthew wants to join. The web page gives lots of information on its products, prices and photographers. They've made the web page easy to use and find so just about everyone would be able to use it. They can make any product fitted to the customer's needs and will already make every product that Matthew hopes to make. All though this company is aimed to a bigger target market than Matthew it is still none the less a competitor for him.

Products and prices (prices differ with different sizes or amounts)

Competitor 2

This company specialises in both of Matthews future products. It's a site to find photographers and the main one is Kirsten and Jane. I chose this company as a competitor for Matthew because it's a business which has been running for 10 years. The web page gives loads of information and is easy to use, you can find what you want and quickly. The company has a bigger range of a target market as it has been around longer and has a lot of photographers. Although on its web page it fails to give any prices on any of its products making it hard to predict what the price might be. But this company offers many packages to try and create a higher profit and to get people to know the business.

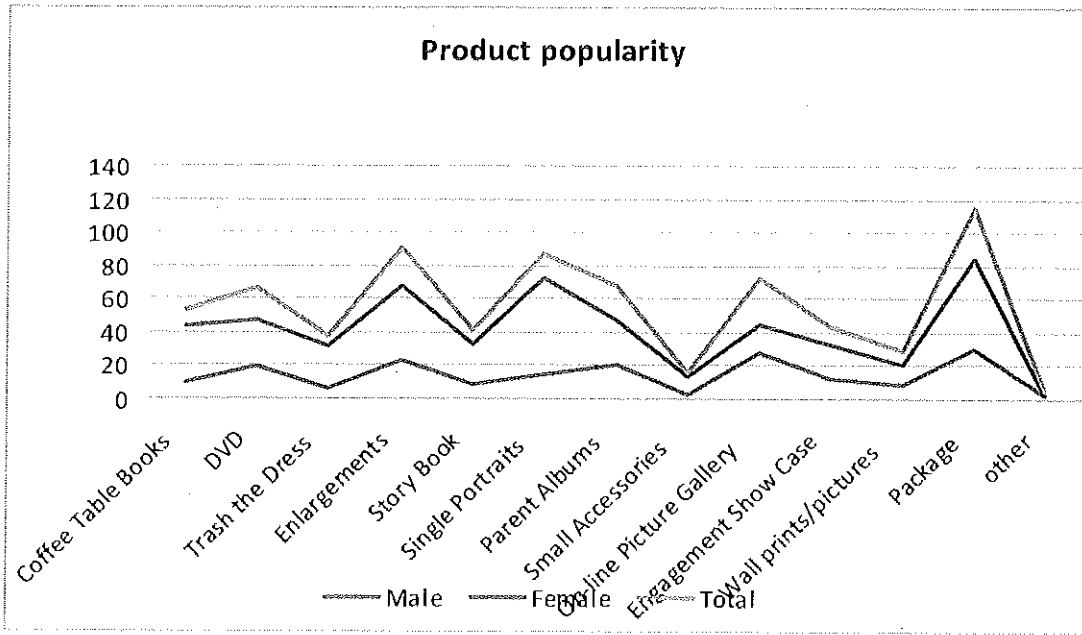
Competitor 3

Tom Abbot Photography is focused on weddings and portraits and is based in Frimley near Camberley. Out of all three sites I found this one most easily to use and it gave me most information on its products. Although the site doesn't offer as many products as the other sites it's more specific in the products they sell. They also offer packages such as Gold, Silver and Platinum and create deals making prices fit the customers need. The company is mainly based on wedding photography but will do portraits. I think Matthew is very similar to Tom, they have the same products and have the same target market and will be a good competitor for Matthew.

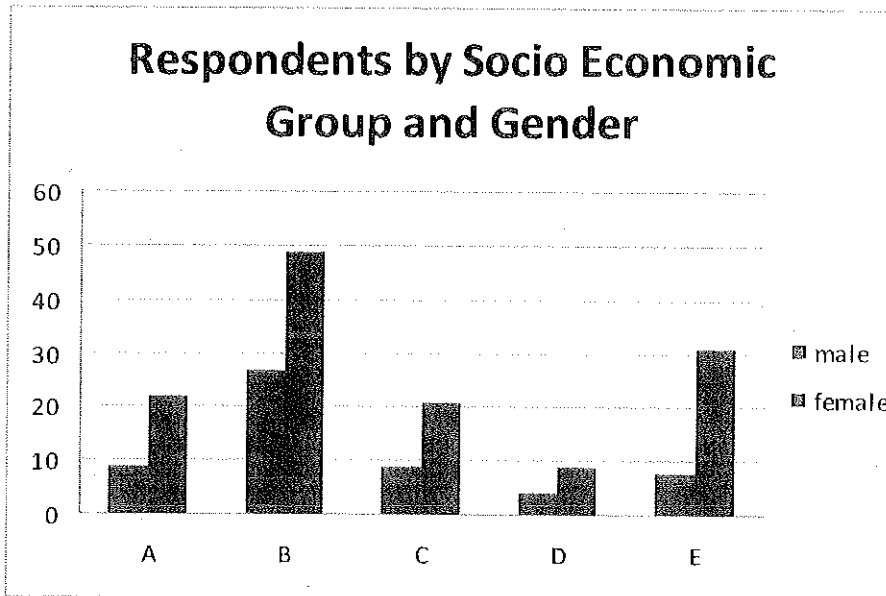
✓ R01/R02

All Respondents by Socio-Economic Class

Stated as a percentage	Coffee Table Books	DVD	Trash the Dress	Enlargements	Story Book	Single Portraits	Parent Albums	Small Accessories	On-line Picture Gallery	Engagement Show Case	Wall prints/pictures	Package	other
Male	24	46	15	56	22	37	49	7	68	29	20	73	7
Female	44	48	32	68	33	73	48	13	46	33	21	87	2
Total %	38	47	27	65	29	63	48	12	53	32	21	83	4

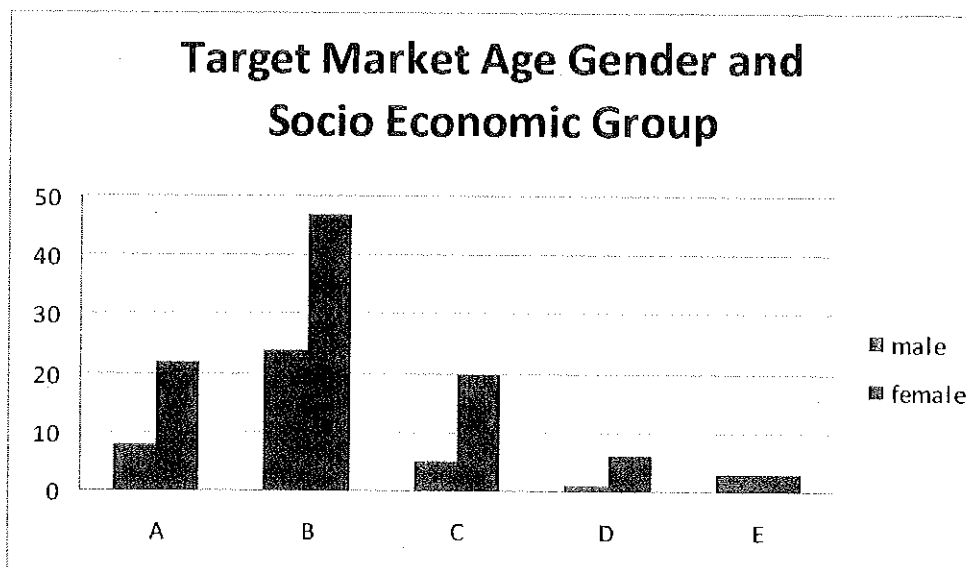


	A	B	C	D	E	
male	9	27	9	4	8	57
female	22	49	21	9	31	132
						189



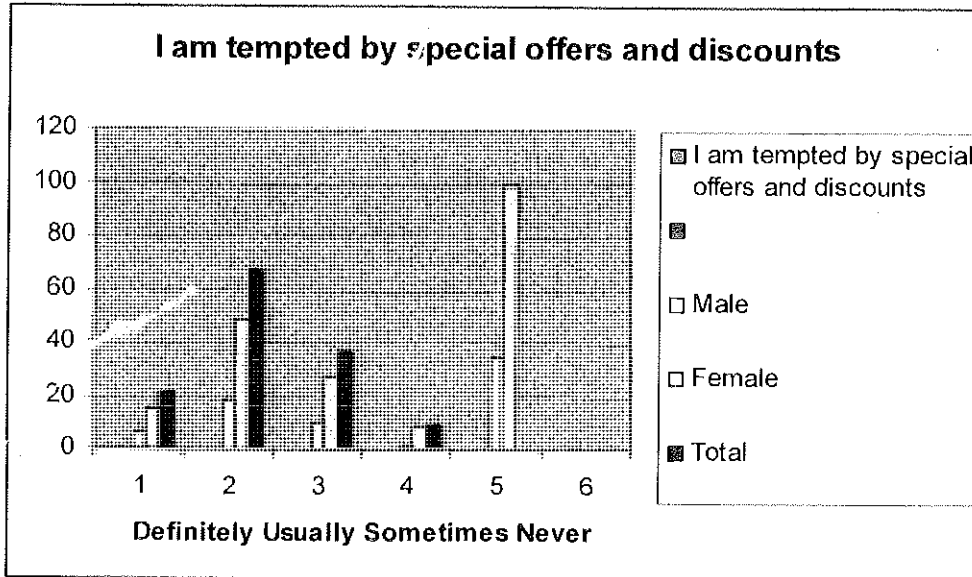
Target Market Age and Socio Economic Class

	A	B	C	D	E	
male	8	24	5	1	3	41
female	22	47	20	6	3	98
						139



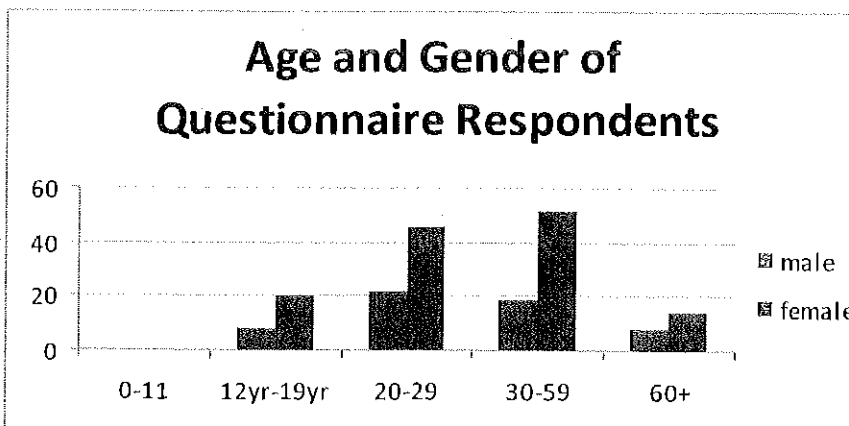
I am tempted by special offers and discounts

	Definitely	Usually	Sometimes	Never	
Male	6	18	10	1	35
Female	15	49	27	8	99
Total	21	67	37	9	



How old are you

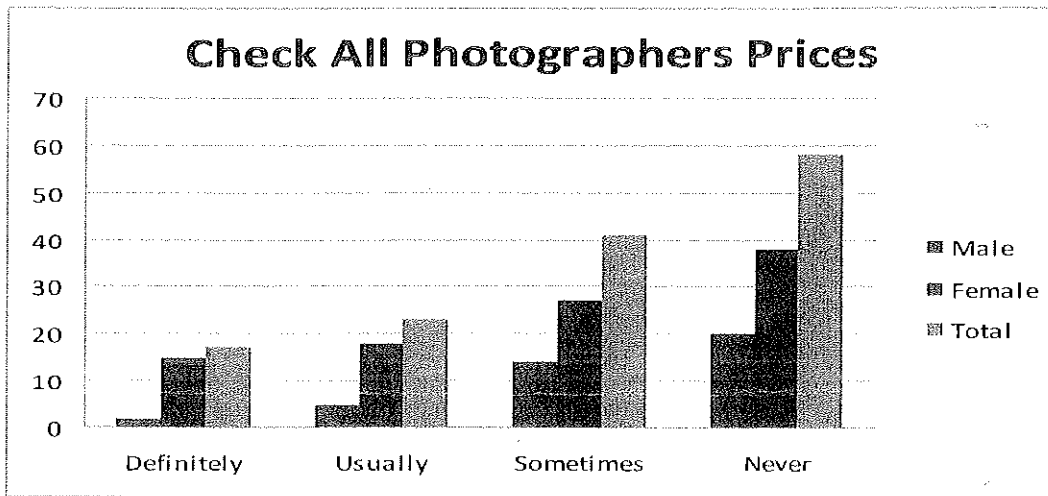
	0-11	12yr-19yr	20-29	30-59	60+	
male	0	8	22	19	8	57
female	0	20	46	52	14	132
						189



Charts Investigation 3

I check the prices of all photographers in the area before deciding which studio to use?

	Definitely	Usually	Sometimes	Never	
Male	2	5	14	20	41
Female	15	18	27	38	98
Total	17	23	41	58	



I am willing to pay more for advanced/specialist photography

	Definitely	Usually	Sometimes	Never	
Male	17	18	4	6	45
Female	44	40	9	5	98
Total	61	58	13	11	

