

= A03.

= A04.

9

Examiner  
only

- (c) Discuss the view that primary research is always likely to be of greater advantage to a business than secondary research. [8]

There are both advantages and disadvantages of using either form of market research. An advantage of using primary market research is that you can personally ensure the data is accurate and unbiased which allows for better and more reliable business decisions to be made.

Minimising risk. Another advantage of using primary market research is that often it is more up to date and current. This is advantageous to a business as if a certain idea seemed very popular in old market research it may have fallen out of fashion now which causes the data to be misleading. However, there are two main disadvantages and they are time and money. Interviewing people on the street or waiting for a questionnaire to be returned is a long process and therefore causes the business to make slower decisions and not move at the same rate as competitors. As well as this, an employee must be paid to carry out the research which increases the costs of the business which could negate any extra revenue generated by the adaptations made due to the research.

On the other hand a business may choose to use secondary market research such as consulting business magazines or searching the internet. But, secondary market research is also not without its pros and cons. One advantage of secondary research is that it may

A04  
counter-  
argument

A04.

8 marks

END OF PAPER

14

For continuation only.

from a larger sample than you would be able to produce. Giving a wider and better understanding of the market which is likely to be more beneficial to the business. Another advantage is that secondary market research is far simpler to carry out as it only involves research as opposed to calculating sample size and interpreting your own data. This allows the business to make faster decisions and gain a competitive edge over the competition making it more advantageous than primary. However, a disadvantage of secondary research is that it ~~is~~ could be un-biased or bias giving a skewed impression of the market and causing incorrect decisions to be made. As well as the fact that it is older and may not be appropriate to the needs of the business.

To conclude, I do believe that primary market research is likely to be more advantageous to a business due to the fact that it can be tailored to exactly what the business needs. However many businesses can still massively benefit from gain from the time and money saved from using secondary market research so therefore I cannot agree that primary market research is "always" more likely to be advantageous to a business.

Very clear judgement  
Clearly justified.

PO4  
counter-argument

PO4

Conclusion