

Market research: should Mei open a bubble tea kiosk?

Teacher guidance and answers | Original TBS classroom practice

Use this lesson when teaching market research. Students plan research for a bubble tea kiosk, choose research methods, calculate percentages from a survey, read a bar chart of what shoppers would pay, use secondary data to find a mean price and a market share, judge in pairs how far each source can be trusted and recommend a launch price and a target segment. The tasks are planned to take about 55 minutes and have not been trialled in a classroom. The minutes include brief answer checking but not handing out materials or a full plenary; allow about 65 minutes in the timetable. Suited to Year 10 or Year 11 classes studying AQA GCSE Business 8132.

Curriculum fit

AQA GCSE Business (8132) specification, Version 1.0, 19 August 2016, for exams in 2019 onwards, section 3.5 Marketing. Main focus: 3.5.3 The purpose and methods of market research (printed pages 21 and 22): purpose (demand, competition, target market); primary and secondary methods (questionnaires, surveys, interviews, focus groups, internet research, printed press); qualitative and quantitative research; benefits and drawbacks of techniques; interpreting and using findings; manipulating and interpreting data from tables and charts; identifying market size and market share. Links: 3.5.2 Segmentation by age (printed page 21) and, in 3.5.4, competitive pricing, degree of competition and the basic relationship between price and demand (printed page 22). Appendix 6 quantitative skills (printed page 35): percentages, averages, graphs and charts, market research data.

The specification does not use the words sample or bias. The lesson treats how many people were asked, who was asked and how old the data is as drawbacks of a research method, which the specification asks students to identify. Checked against the archived Version 1.0 specification; please confirm the current version for your cohort with your exams officer. This is a TBS lesson, not an AQA resource; it is not endorsed by AQA and uses no AQA exam questions or mark schemes. All business details and numbers are fictional.

Lesson plan (about 55 minutes of tasks, estimated)

Stage	Minutes	What happens
Starter: which word?	4	Match four research terms.
Task 1: what should Mei find out?	7	Purpose, method and type; focus group pros and cons.
Task 2: what did the survey say?	9	Percentages by age group; choose a segment.
Task 3: how much would people pay?	8	Read the bar chart; price and demand.
Task 4: secondary data	6	Mean rival price, market size and share.
Task 5: how far can Mei trust it?	8	Pairs classify and rate four sources.
Task 6: recommend	9	Written recommendation.
Exit ticket	4	Two quick questions.
Total	55	

45-minute version: starter 3, Task 1 6, Task 2 7, Task 3 6, Task 4 5, Task 5 7, Task 6 7, exit ticket 4 (total 45). Ask for about 50 words in Task 6. This timing has not been trialled. The 45 minutes are task time only, so in a real 45-minute period, with handing out and feedback, move the exit ticket to homework.

Answers: starter, Task 1, Task 2 and Task 3

Indicative guidance for teachers. This is not an exam board mark scheme and carries no marks or grades. There is no official mark tariff, level descriptor or AO allocation for these tasks and no grade claim is made.

Starter: (i) primary; (ii) secondary; (iii) qualitative; (iv) quantitative.

Task 1a: (i) demand, questionnaire or survey, primary; (ii) competition, internet research, secondary; (iii) target market, focus group, primary (accept interview, primary). Task 1b, one of each, for example: Benefit: Mei hears detailed reasons and opinions, and can ask follow-up questions. Drawback: only a few people take part, so their views may not match most shoppers. Also accept: cost or time to organise; friends may just agree with each other.

Task 2a	Working	Percentage who said yes
13 to 18	$14 / 20 \times 100$	70%
19 to 30	$18 / 30 \times 100$	60%
31 to 50	$6 / 20 \times 100$	30%
51 and over	$1 / 10 \times 100$	10%
All shoppers asked	$39 / 80 \times 100 = 48.75$	48.8%

Task 2b, for example: 13 to 18 year olds: 70% said yes, compared with only 10% of people aged 51 and over. Also accept 19 to 30 year olds if the student notes they gave the most yes answers (18) with 60%. Teaching point: the highest percentage and the largest number are not the same thing.

Task 2c: $14 + 18 = 32$ yes answers from 13 to 30 year olds; $32 / 39 \times 100 = 82.05$, so 82.1%.

Task 3a: $13 + 6 + 2 = 21$ shoppers would still buy at £4.00; $21 / 39 \times 100 = 53.85$, so 53.8%. Task 3b: $12 + 13 + 6 + 2 = 33$ shoppers would buy at £3.50; $33 / 39 \times 100 = 84.62$, so 84.6%. Common error: counting only the bar at £4.00 (13) instead of every shopper willing to pay £4.00 or more.

Task 3c, for example: It falls from 33 to 21 people, so as the price rises, demand is likely to fall. Twelve fewer shoppers ($33 - 21$) would buy at the higher price.

Answers: Task 4, Task 5 and exit ticket

Task 4a: $(£4.50 + £3.90 + £3.60) / 3 = £12.00 / 3 = £4.00$. Task 4b: market size about 3,000 bubble teas a week; Tea Cloud's market share = $1,350 / 3,000 \times 100 = 45\%$. Task 4c, for example: Setting a price close to what rival businesses charge, such as about £4.00.

Task 5a: A primary, quantitative; B primary, qualitative; C secondary, quantitative; D secondary, quantitative. Trust ratings are a judgement; accept any that are explained. A suggested view: A medium (a fair number of real shoppers, but one afternoon only); B low (few people, all friends of one age); C high (current, but online prices may differ from shop prices); D low (an old estimate that may have changed).

Task 5b, for example: Source B: only 6 people took part, and they are all Mei's friends aged 17 to 19, so they may be kind and do not represent other shoppers. Accept source D: three years old, an estimate, and the shops or demand may have changed.

Task 5c, for example: Ask more people, on weekdays and at different times of day, not only one Saturday afternoon.

Exit ticket: a. Quantitative research gives numbers; qualitative research gives opinions and reasons in words. b. $12 / 40 \times 100 = 30\%$.

Task 6: indicative guidance

A well supported answer gives a price, a target segment, at least two figures and one weakness in the research. Example response (not a mark scheme): I recommend a launch price of £3.50 and targeting 13 to 30 year olds. At £3.50, 84.6% of the shoppers who said yes would buy, but only 53.8% would at £4.00. £3.50 is also below the mean rival price of £4.00, which should win customers in a competitive market. 82.1% of yes answers came from 13 to 30 year olds. However, Mei asked only 80 people on one Saturday afternoon, so she should also survey shoppers on weekdays.

Accept £4.00 (matching the mean rival price) if justified: more money per drink, but only 21 of the 39 (53.8%) would buy. The lesson gives no cost data, so profit cannot be worked out; strong answers may say Mei must check her costs before she sets the price. Look for correct figures, a clear link to Mei's kiosk and a weighed judgement. Do not award a grade or percentage from these tasks.

Sources and limits

Curriculum source: AQA GCSE Business (8132) specification, Version 1.0, 19 August 2016, sections 3.5.2, 3.5.3 and 3.5.4 (printed pages 21 and 22) and Appendix 6 (printed page 35). The specification verifies the topic scope only. The tasks, figures, chart, timings and guidance are original TBS teaching design.