

1. Study the information below and then answer the questions that follow.

WHAT TO WEAR

Trinny and Susannah give style advice to customers on Littlewoods' website

Littlewoods, the popular catalogue business, is set to hit internet sales of £500 million this coming year, spurred on by a new online campaign fronted by TV style-queens Trinny and Susannah.

According to a company source, the business is forecasting total sales of £2 billion for the 2007-8 financial year, with internet sales worth a quarter of this total.

Littlewoods signed an agreement with Trinny and Susannah last autumn and it has added features to the website in which the fashion divas offer style advice to women. Its **target market is women under the age of 45**, who currently represent some 85% of Littlewoods' customers.

The growth in internet sales also reflects a move up-market for Littlewoods. Last year, following the collection of **primary data** through extensive market research, Littlewoods poured £30 million into an effort to change its image from an outdated mail order business into a fashionable online retailer.

Recently, Littlewoods hired former Next chairman David Jones to lead the business, working alongside chief executive Mark Newton-Jones, who previously ran Next Directory. The pair had been given responsibility for selling more clothing and electrical items to customers who would normally shop at Next, Debenhams and Marks & Spencer.

Adapted from the Sunday Express 03 June, 2007

- (a) (i) Identify **two** methods of market research that Littlewoods may have employed to collect its **primary data**. [2]
- (ii) Explain the advantages to a retail business, such as Littlewoods, of using primary data. [4]
- (b) How will Littlewoods' decision to target women under the age of 45 influence the marketing mix for the new Trinny and Susannah range? [6]
- (c) Discuss the view that businesses which do not offer their goods for sale on the Internet are likely to fail. [8]