

1996 Paper 9 Question 5

Business Studies

What is meant by *SWOT analysis*? [5 marks]

A small computer company with strong and innovative hardware expertise is considering manufacturing a network interface computer (NIC). The device, which would sell for about half the current price of a PC, is based on games console technology, with a built-in modem. It would allow a user to convert his or her television to a web-browser. Apart from a small amount of parameter storage, the proposed device contains no disc or other long-term memory.

How would you determine the market for such a device? [5 marks]

Perform an analysis of this opportunity. What advice would you give the company? [5 marks]

Comment on changes to the business model that may be expected to be caused by the rapid development of the Internet. [5 marks]