2 (a) If the price of Apple iPhones increases, the company would be willing to supply more because (1)

1. Producing Apple iPhones had become more profitable
2. Costs of producing iPhones had recently increased
3. VAT on mobile phones had increased
4. Prices of competitors’ mobile phones had fallen  
     
   Answer [ ]
5. Explain your answer. [3]

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1. (a) High street retailer, Marks and Spencer, has become more market orientated in recent years.  
   Each of the following is a likely benefit of market orientation, except (1)
2. Sales revenue increases
3. Advertising costs might fall
4. Customer loyalty increases
5. Producers can sell what they want  
   Answer [ ]

(b) Explain your answer. (3)

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