

## **IELTS Listening Practice Test 46**

**You will hear a number of different recordings and you have to answer questions on what you hear. There will be time for you to read the instructions and questions and you will have a chance to check your work.**

**All the recordings will be played once only. The test is divided in Sections. At the end of the test, you will be given 10 minutes to transfer your answers to an answer sheet.**

### **SECTION 1**

**T = Tutor**

**M = Mark**

**S = Susan**

**T: OK, everybody, good morning! It's Mark's turn to talk to us today so Mark, I'll ask you to get straight down to business.**

**M: Right!**

**T: Now following on from what we were discussing last week in Susan's tutorial on approaches to marketing, you were going to give us a quick rundown on a new strategy for pricing which is now being used by many large companies known as "revenue management"... before we go on to your actual tutorial paper on Sales Targets. Is that correct?**

**M: Yeah, OK, well...**

**T: So what exactly is revenue management?**

**M: Well, it's a way of managing your pricing by treating things like airline tickets and hotel rooms rather more as if they were perishable goods.**

**S: Yeah, I just tried to book a ticket yesterday for Perth and would you believe there are three different prices for the flight?**

**M: Right! And what was the rationale for that?**

**S:** Well... the travel agent said it depended on when you book and the length of the stay, like it's cheap if you stay away for a Saturday night, presumably because this isn't business travel and even cheaper if you buy a ticket where you can't get a refund if you have to cancel; in that case the ticket costs about half the price. You wouldn't think it would make that much difference, would you?

**M:** Well it does, and that's basically because the airlines are now treating their seats like a commodity. You see — if you want a seat today, then you pay far more for it than if you want it in three weeks' time.

**S:** That seems rather unfair.

**M:** Well... not really... when you think about it, that's just common sense, isn't it?

**S:** I suppose so!

**T:** What this actually means is that in the same row of seats on the same flight you could have three people who have all paid a different price for their tickets.

**S:** And is this just happening in Australia?

**M:** No, no it's the same all over the world. Airlines are able to "market" a seat as a perishable product, with different values at different stages of its life.

**S:** Well like mangoes or apples at the market.

**M:** Yeah, it's exactly like that. The fact is that the companies are not actually interested in selling you a cheap flight! They're interested in selling the seats and flying aeroplanes that are full.

**T:** Mark why do you think revenue management has come about?

**M:** Well, as far as I can see there are two basic reasons: firstly because the law has been changed to allow the companies to do this. You see in the past they didn't have the right to keep changing the prices of the tickets, and secondly, we now have very powerful computer programs to do the calculations and so the prices can be changed at a moment's notice.

**S:** So you mean ten minutes could be critical when you're buying a plane ticket?

**M: Absolutely!**

**T: That's right!**

**M: And I understand we have almost reached the stage where these computer programs that the airlines are using will eventually be available to consumers to find the best deals for their travel plans from their home computer.**

**S: Heavens! What a thought! So the travel agent could easily become a thing of the past if you could book your airline tickets from home. Are there any other industries using this system, or is it restricted to the airline business?**

**M: Many of the big hotel groups are doing it now. That's why the price of a bed in a hotel can also vary so much... depending on when and where you book it.**

**T: It's all a bit of a gamble really.**

**M: Yes, and hire car companies are also using revenue management to set their tariffs, because they are also dealing with a "commodity" if you like... so the cost of hiring a car will depend on demand.**

**T: Well, thank you, Mark, for that overview... that was well researched. Now let's get on with your main topic for today...**

## **SECTION 1**

### **Section Three - Questions 24-32**

#### **Questions 24-27**

**Circle the correct answer**

- 24. Mark is going to talk briefly about**
- A. marketing new products**
  - B. pricing strategies**
  - C. managing large companies**
  - D. setting sales targets**
- 25. According to Susan, air fares are lowest when they**
- A. include weekend travel**
  - B. are booked well in advance**

- C. are non-refundable
- D. are for business travel only

26. Mark thinks revenue management is

- A. interesting
- B. complicated
- C. time-consuming
- D. reasonable

27. The airline companies want to

- A. increase profits
- B. benefit the passenger
- C. sell cheap seats
- D. improve the service

Questions 28-32

Complete the notes using NO MORE THAN THREE WORDS for each answer

Two reasons for the new approach to pricing are:

(28) ..... and (29) .....

In future people will be able to book airline tickets (30) .....

Also being marketed in this way are (31) ..... and (32)

.....

## SECTION 2

Marketing Consultant:

Good morning. Welcome to this talk on Space Management. And today I'm going to look particularly at space management in the supermarket. Now since the time supermarkets began, marketing consultants, like us, have been gathering information about customers' shopping habits.

To date, various research methods have been used to help promote the sales of supermarket products. There is, for example, the simple and direct questionnaire which provides information from customers about their views on displays and products and

then helps retailers make decisions about what to put where. Another method to help managers understand just how shoppers go around their stores are the hidden television cameras that film us as we shop and monitor our physical movement around the supermarket aisles: where do we start, what do we buy last, what attracts us, etc.

More sophisticated techniques now include video surveillance and such devices as the eye movement recorder. This is a device which shoppers volunteer to wear taped into a headband, and which traces their eye movements as they walk round the shop recording the most eye-catching areas of shelves and aisles. But with today's technology, Space Management is now a highly sophisticated method of manipulating the way we shop to ensure maximum profit. Supermarkets are able to invest millions of pounds in powerful computers which tell them what sells best and where.

Now, an example of this is Spaceman which is a computer program that helps the retailer to decide which particular product sells best in which part of the store. Now Spaceman works by receiving information from the electronic checkouts (where customers pay) on how well a product is selling in a particular position. Spaceman then suggests the most profitable combination of an article and its position in the store.

So, let's have a look at what we know about supermarkets and the way people behave when they walk down the aisles and take the articles they think they need from the shelves. Now here's a diagram of one supermarket aisle and two rows of shelves. Here's the entrance at the top left-hand corner.

Now products placed here, at the beginning of aisles, don't sell well. In tests, secret fixed cameras have filmed shoppers' movements around a store over a seven-day period. When the film is speeded up, it clearly shows that we walk straight past these areas on our way to the centre of an aisle. Items placed here just don't attract people.

When we finally stop at the centre of an aisle, we pause and take stock, casting our eyes along the length of it. Now products displayed here sell well and do even better if they are placed at eye level so that the customer's eyes hit upon them instantly. Products here are snapped up and manufacturers pay a lot for these shelf areas which are known in the trade as hotspots. Naturally, everyone wants their products to be in a hotspot.

But the prime positions in the store are the ends of the aisles, otherwise known as Gondola ends. Now, these stand out and grab our attention. For this reason, new products are launched in these positions and manufacturers are charged widely varying prices for this privileged spot. Also, the end of an aisle may be used for promoting special offers which are frequently found waiting for us as we turn the corner of an aisle.

Well, now, eventually, of course, we have to pay. Any spot where a supermarket can be sure we are going to stand still and concentrate for more than a few seconds is good for sales. That's why the shelves at the checkout have long been a favourite for manufacturers of chocolates — perhaps the most sure-fire “impulse” food of all.

## **SECTION 2**

### **Section Four - Questions 33-42**

#### **Questions 33-37**

**Complete the table. Write NO MORE THAN THREE WORDS for each answer**

# SPACE MANAGEMENT

RESEARCH METHOD	INFORMATION PROVIDED
<b>Questionnaires</b>	what customers think about (33) .....
(34) .....	how customers move around supermarket aisles
<b>Eye movement</b> (35) .....	the most eye-catching areas of the shop
<b>Computer programs</b> e.g. (36) .....	the best (37) ..... for an article in the shop

## Questions 38-42

*Label the diagram. Write NO MORE THAN THREE WORDS for each answer.*

# A SUPERMARKET AISLE

