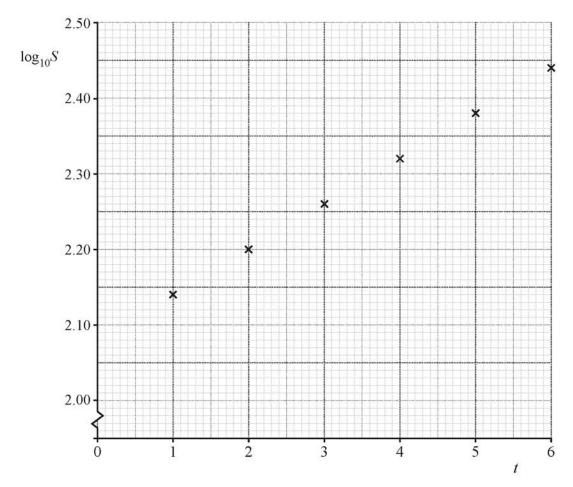
The owners of an online shop believe that their sales can be modelled by  $S = ab^t$ , where a and b are both positive constants, S is the number of items sold in a month and t is the number of complete months since starting their online shop.

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The sales for the first six months are recorded, and the values of  $\log_{10} S$  are plotted against t in the graph below. The graph is repeated in the Printed Answer Booklet.



(a) Explain why the graph suggests that the given model is appropriate.

**(b)** Show that the graph supports these estimates for the parameters.

The owners believe that a = 120 and b = 1.15 are good estimates for the parameters in the model.

[3]

[2]

[1]

- (c) Use the model  $S = 120 \times 1.15^t$  to predict the number of items sold in the **seventh** month after opening. [2]
- (d) (i) Use the model  $S = 120 \times 1.15^t$  to predict the number of months after opening when the total number of items sold after opening will first exceed 70 000. [4]
  - (ii) Comment on how reliable this prediction may be.