AQA

A S S E S S M E N T and
Q U A L I F I C A T I O N S
A L L I A N C E

General Certificate of Education

Applied Business 8610

BS04 Meeting Customer Needs

Mark Scheme

2006 examination – January series

Mark schemes are prepared by the Principal Examiner and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation meeting attended by all examiners and is the scheme which was used by them in this examination. The standardisation meeting ensures that the mark scheme covers the candidates' responses to questions and that every examiner understands and applies it in the same correct way. As preparation for the standardisation meeting each examiner analyses a number of candidates' scripts: alternative answers not already covered by the mark scheme are discussed at the meeting and legislated for. If, after this meeting, examiners encounter unusual answers which have not been discussed at the meeting they are required to refer these to the Principal Examiner.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of candidates' reactions to a particular paper. Assumptions about future mark schemes on the basis of one year's document should be avoided; whilst the guiding principles of assessment remain constant, details will change, depending on the content of a particular examination paper.

	Assessment Objectives
	The Assessment Objectives represent those qualities which can be demonstrated in candidates' work and which can be measured for the purposes of assessment.
	AO1 Knowledge, skills and understanding Candidates demonstrate knowledge and understanding of the specified content and relevant business skills.
	AO2 Application of knowledge, skills and understanding Candidates apply knowledge and understanding of the specified content and relevant business skills.
	AO3 Research and analysis Candidates use appropriate methods in order to obtain and select information from a range of sources to analyse business problems.
	AO4 Evaluation Candidates evaluate evidence to reach reasoned judgements.
Quality of Written Communication	The quality of written communication is assessed in all assessment units where candidates are required to produce extended written material. Candidates will be assessed according to their ability to: • select and use a form and style of writing appropriate to purpose and complex subject matter • organise relevant information clearly and coherently, using specialist vocabulary when appropriate • ensure that text is legible, and that spelling, grammar and punctuation are accurate, so that meaning is clear. The assessment of the quality of written communication is included in Assessment Objective 4.

1   **Total for this question: 10 marks**

> *(a)   The only way to book a flight with easyJet is online.*
>
> *Explain how the online sales system helps easyJet to collect customer information.*
>
> *(4 marks)*

Level	Descriptor	Marks	Assessment Objective
3	Explains one way how the use of ICT enables *easyJet* to collect or process customer information.	3–4	AO2
2	Describes one way how the use of ICT enables *easyJet* to collect or process customer information.	2	AO1
1	States one way how the use of ICT enables *easyJet* to collect or process customer information.	1	

Whenever you book a flight with *easyJet*, you will need to provide a large amount of personal information, such as date of birth, nationality, gender, etc before you can book the flight. It is a compulsory stage before booking that means everyone who books has to submit the data required.

- Segment customers
- Use of the information
- Provides *easyJet* with valuable data.

> *(b)   Apart from ICT, identify and explain **two** other methods which easyJet could use to research **customer satisfaction**.   (6 marks)*

Apply the following grid to each answer.

Level	Descriptor	Marks	Assessment Objective
2	Explains why alternative methods would be suitable.	2–3	AO2
1	Identifies other methods in which *easyJet* could find out.	1	AO1

Onboard questionnaires would be an effective way to do this, due to 'trapped' audience. An online survey may be less effective, as it may not be responded to as well by customers. Check-in staff may be able to conduct survey while passenger checks in. A database of frequent fliers could be used to conduct consumer panels.

- Comment Card – quantitative feedback
- Personal interviews – qualitative feedback.

2   **Total for this question: 12 marks**

(a)	Describe how airlines could use **two** characteristics, other than those in **Item B**, to segment customers. *(4 marks)*

For any segmentation characteristic, one mark for relevant description, and one mark for development.

- **Age**
  Can segment by age groups (one mark) eg 18–22, 22–28 and so on (one mark)

- **Income**
  Again, ranges of incomes can be used to split target market (one mark) eg 10 000–20 000 (one mark)

- **Socio economic grouping**
  Can be done using ABC criteria or other systems such as ACORN criteria

- **Lifestyle**
  Hobbies, interests etc.

(b)	Using **Item B**, analyse how airlines could use segmentation by attitude to flying in order to meet the needs of global executives and frugal flyers. *(8 marks)*

Global executives
Having identified this type of traveller, the airline would go out of its way to provide the highest level of service and ensure that the customer has the most convenient services and the most attention. As a frequent traveller, he/she is likely to use air travel again in the near future and as a high fare paying customer, this is one person the airline will try its hardest to retain.

Frugal flyers
An airline will use this traveller to attract customers who are looking for the lowest possible fare. They will be able to fill their plane to capacity and offer them a limited range of services at a much lower cost. The airline will want to attract and maintain custom with as many of these types of passenger as possible.

Level	Descriptor	Marks	Assessment Objective
3	Analyses how useful this information would be to airlines.	7–8	AO3
2	Explains how airlines would use this information in order to meet the needs of one or both groups of customers.	4–6	AO2
1	Describes how airlines would use this information to effectively meet customers' needs.	1–3	AO1

3   **Total for this question: 38 marks**

> *(a)   Describe **two** ways in which Virgin Atlantic has changed the actual aspects of its*
> *product.   (4 marks)*

Apply the following grid to each answer.

Level	Descriptor	Marks	Assessment Objective
2	Describes a way in which *Virgin Atlantic* has changed the actual aspects of the product.	2	AO1
1	States a way in which *Virgin Atlantic* has changed the actual aspects of the product.	1	

Virgin Atlantic has enhanced the product by providing more advanced levels of entertainment, providing a choice of viewing and games, alongside an amenity kit for passengers' comfort. This has provided more than the basic service of getting from A–B and has added to the overall product.

- TV – less boring flight, amuses children
- Amenity kit – passenger comfort.

| (b) | (i) | Explain why Virgin Atlantic and Ryanair adopt different approaches to developing their products. | (6 marks) |

Level	Descriptor	Marks	Assessment Objective
2	Explains the differences between the way the two airlines develop their products.	4–6	AO2
1	Describes the differences between the way the two airlines develop their products.	1–3	AO1

A simple answer will state the differences and a more substantial response will highlight the stripping away of 'excesses' in favour of a far more basic flying experience.

- Types of passengers
- Amount willing to pay
- Level of service expected
- Distance involved in journey.

(b) *(ii) Discuss how airlines could use research and development to improve the core and actual aspects of their products.* *(10 marks)*

Level	Descriptor	Marks	Assessment Objective
4	Analyses how an airline would use research and development to improve aspects of the core and/or actual aspects of their services.	4–5	AO3
3	Explains how an airline could use research and development to improve aspects of the core and/or actual aspects of their services.	3	AO2
2	Describes how research and development could be used.	2	
1	States a method of research and development or states how research and development could be used.	1	AO1

Evaluation marked out of 5 using the following grid.

Level	Descriptor	Marks	Assessment Objective
3	Shows consistent judgement when discussing how airlines could use research and development to develop their products. Ideas are communicated using a logical structure, with some appropriate use of technical terms. There are occasional errors in accepted conventions of written communication.	4–5	AO4
2	Shows some judgement when explaining how research and development may be used to develop their products. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	2–3	
1	Shows undeveloped judgement when describing the use of research and development. Ideas are communicated in a simplistic way with limited use of technical terms. There are noticeable errors in accepted conventions of written communication.	1	

(c)	*Analyse the method of collection and the type of data that SwiftAir would need for its customer research plan.*		*(8 marks)*

Level	Descriptor	Marks	Assessment Objective
3	Analyses the types or methods of customer research.	7–8	AO3
2	Describes the type of research or types of data that could be collected.	4–6	AO2
1	States method(s) of research or types of data that could be collected.	1–3	AO1

A good starting point for this business would be its existing database of existing customers. Asking their opinions on usage, price, service levels, etc would enable it to find out the levels of price etc. Clearly, not all domestic customers are likely to be long-haul users and as a result, further research will be necessary to gain the opinions of these customers. As an easy database of these customers does not exist for *SwiftAir*, they will have to undergo further primary research, perhaps through travel agents, as other airlines are not likely to get involved.

- Prices
- Level of service
- Frequency of use.

(d)   *Assess the importance of staff and after-sales care to SwiftAir's customer service.*
(10 marks)

Staff
Helpfulness, communication, responding to customer needs, politeness and overall level of training. Clearly, all these have a role in good customer service but different skills will be required by staff under different situations.

After-sales service
Dealing with queries and complaints, such as changing tickets or providing refunds, cancelling or rescheduling flights and dealing with other issues are all skills important to the smooth running of customer service within this business. These issues can have a huge impact on customers and need to be dealt with appropriately.

Analysis, application and knowledge marked out of 5 using the following scheme.

Level	Descriptor	Marks	Assessment Objective
4	Fully analyses the importance of these features of customer service.	4–5	AO3
3	Partly analyses the importance of the different features of customer service.	3	
2	Explains why these features are important.	2	AO2
1	States features of customer service.	1	AO1

Evaluation marked out of 5 using the following grid.

Level	Descriptor	Marks	Assessment Objective
3	Shows consistent judgement when assessing the importance of customer service in different situations. Ideas are communicated using a logical structure, with some appropriate use of technical terms. There are occasional errors in accepted conventions of written communication.	4–5	AO4
2	Shows some judgement when explaining the importance of customer services to the business. Ideas are communicated with some structure evident with occasional use of appropriate technical terms. There are some errors in accepted conventions of written communication.	2–3	
1	Shows undeveloped judgement when describing the different features of customer service. Ideas are communicated in a simplistic way with limited use of technical terms. There are noticeable errors in accepted conventions of written communication.	1	