



General Certificate of Education

Applied Business 8611/8613

BS04 Meeting Customer Needs

Report on the Examination

2007 examination - January series

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General Comments

This examination was based around the soft drinks market, looking at *Innocent* smoothies, the launch of Coca-Cola Zero and the choices faced by a small independent coffee shop. Candidates were generally confident in using the case material and understood the need to answer in context.

The general performance of candidates on this paper was pleasing with the majority managing their time effectively to read the materials and attempt all questions. There was evidence that many candidates were well prepared for the examination and had a degree of confidence in using the terminology of the specification. Terms were often accurately defined and applied. Fewer candidates, however, were able to develop a logical and analytical argument. Candidates should be encouraged to develop one or two lines of thought rather than purely stating a larger number of possible ideas or solutions.

Question One

- (a) This was generally well answered by the majority of candidates. Successful responses outlined appropriate advantages to *Innocent*. These included the ease of calculating questionnaire results and the reduced use of resources, eg staff, time and data collection materials. Less successful candidates wrote generally about the advantages of surveys without being specific to online surveys. Unfortunately, some candidates explained the advantages to consumers rather than to *Innocent* and received no marks.
- (b) This question required candidates to give a practical response to how *Innocent* could respond to the information provided by the online survey. The majority of candidates were able to use and interpret the information provided in **Screen 2**. Candidates achieving top marks realised that *Innocent* would not simply do as the customer wanted but would need to find an effective way of doing this, eg reduce price by finding cheaper suppliers to reduce costs.
- (c) This question provided a wide range of marks. Unfortunately, few candidates gave any real consideration to maintaining good customer relations as opposed to just meeting short-term needs. Candidates were expected to recognise from the question that this was about expanding what *Innocent* already do and therefore just referring back to **Screen 2** was insufficient. Those candidates who recognised this could then talk about using the customer details to send promotions etc.

Question Two

- (a) This question was generally very well answered. Unfortunately, some candidates gave the same reason twice and limited themselves to a maximum of half marks.
- (b) The majority of candidates were able to identify methods of segmentation and recognise, from the Item, that Coca-Cola Zero had been segmented both by lifestyle and gender. Many candidates were able to analyse how this had been done. Unfortunately, some candidates talked about why it had been done and this restricted their mark for this question.

- (c) This was the first question on the paper that assessed AO4. The judgement aspect of the question was not generally well done. Some candidates relied on a theoretical response, without reference to the context, and limited themselves to low level marks. Others focused on the market research element of product development which also restricted the marks they could gain. Few candidates gave a logical and well structured consideration of the relative importance of product development to businesses such as the *Coca-Cola Company*.

Question Three

- (a) This question was generally well answered. It was pleasing to see many candidates using the terminology of the specification, ie 'value' and 'suitability' and then developing this in relation to a coffee shop. Candidates should avoid developments which add nothing to the point, eg value for money so product is not too expensive.
- (b) Many candidates were able to quickly access AO2 by showing understanding of the terms 'core' and 'actual'. They then went on to relate these concepts to the context shown in **Item C**. Successful candidates were able to think about the context and understand how the addition of this new, branded product range would help an independent coffee shop improve its ability to meet customer needs and compete.
- (c) The final question assessed AO4 and was poorly answered by many candidates. The question asked candidates to identify the type of customer data that should be collected and how it could be **analysed**. This emphasises the need for candidates to read the question carefully, as many answered the question in relation to how the data should be **collected**. Successful candidates identified what items of data would be needed and how they could be analysed. These candidates showed some consideration of why this would be of use to Charlotte in her decision making process.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the [Results statistics](#) page of the AQA Website.