



Rewarding Learning

ADVANCED SUBSIDIARY (AS)
General Certificate of Education
January 2010

GCE Applied Business

Assessment Unit AS 4

assessing
E-Commerce

[A3B41]



THURSDAY 14 JANUARY, MORNING

TIME

1 hour 30 minutes.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number on the Answer Booklet provided.
Answer **all six** questions.

INFORMATION FOR CANDIDATES

The total mark for this paper is 80.
Quality of written communication will be assessed in **all** questions, except question 1.
Figures in brackets printed down the right-hand side of pages indicate the marks awarded to each question or part question.

ADVICE TO CANDIDATES

You are advised to take account of the marks for each part question in allocating the available examination time.

Study the information below and answer ALL the questions that follow.

Case Study

Argos and E-commerce

Argos is a unique retailer recognised for choice, value and convenience. It sells general merchandise and products for the home from over 690 stores throughout the UK and Republic of Ireland, on-line and over the telephone. During 2007, Argos sales revenue increased 8% to £4.2 billion and it currently employs 34 000 people throughout the business. Argos serves over 130 million customers a year through its stores and accepts four million customer orders either on-line or over the telephone. It is estimated that on average, 17 million UK households, or around two thirds of the population, have an Argos catalogue at home at any time. Argos expects to add around 30 stores per annum with the chain expected to exceed 800 over time. Its Internet site is the second most visited Internet retail site in the UK.

Argos is part of Home Retail Group, the UK's leading home and general merchandise retailer. It is committed to making its stores and services accessible to everyone including customers with disabilities. Argos provides the visually impaired with an audio CD version of its services, featuring many of the products in the catalogue, which is available by ringing a dedicated number.

Argos is keen to show that it cares for the environment and is taking such responsibilities seriously. All Argos catalogues and flyers can be recycled! Many local authorities provide kerbside collection schemes for old newspapers and catalogues. Old Argos catalogues are particularly sought after by newspaper print manufacturers as they help to improve the quality of the recycled paper in newsprint. Argos also aims to reduce carrier bag usage by 25% by encouraging customers to reuse carrier bags as often as possible. It also asks customers to look out for local recycling schemes and dispose of carrier bags safely to avoid litter problems. Being awarded the prestigious ISO 14001 for its Environmental Management System further complements Argos's commitment to care of the environment.

The Argos chain provides a 'Check and Reserve' facility which enables customers to check the latest prices, reserve items so they're ready and waiting for them in-store, or order **extra** products from any store! The convenience of Argos stores makes it easy to visit a local store and buy items straight away but stock of some items can be very limited so they may be out of stock by the time the customer gets there. 'Check and Reserve' enables the customer to shop from the comfort of home cutting down on an unnecessary journey! Items marked **extra** may not be available for immediate collection in a regular non-extra store but can usually be ordered from the warehouse and be ready for collection within three working days.

There are 3 ways to reserve items:

- On-line – Check the latest prices and availability by adding items to your trolley and selecting the 'Reserve for Store Pick Up' option.
- Call 0845 640 1010 – Make a note of the catalogue number(s) and store number, which can be found in the Store locator or at the back of the Argos catalogue (please make sure you use the full store number).
- Text 61201 – Text the catalogue number and store name or number with a space in between (e.g. 5003727 Woking or 5003727 108) to 61201.

© adapted from www.argos.co.uk/static/Home.htm & © www.homeretailgroup.com/home/media/argos/corpnews/2008/2008-01-30/

www.argos.co.uk Log in | Price & stock checker | Store locator | Customer services | Trolley 0 Items = £0

Argos

Search by word or catalogue number **GO >** [A-Z Index](#) [Quick Shop](#)

Kitchen & Laundry | Home & Furniture | Garden & DIY | Sports & Leisure | Health & Personal care | Jewellery & Watches | Christmas & Gifts | Home Entertainment & Sat Nav | Video Games | Photography | Office, PCs & Phones | Toys & Games | Nursery | Latest Price Cuts **£**

Most popular searches: [Wii fit](#) [Wii](#) [iPod](#) [High School Musical](#) [Nintendo DS](#) [Ben 10](#) [Lego](#) [Mobile phones](#) [Heater](#)

How to Argos it

- Now even more choice over 19,000 products to choose from
- Reserve online, by phone or text for store pick-up
- Collect it today over 700 stores [Find your local store](#)
- Get it delivered only £5.95 per order online or by phone
- Easy online shopping

Quick shop by cat number up to 10 cat numbers in one go

Buying guides helping you choose wisely

Gift list service set up a gift list or buy online

Need a gift? Can't decide? give them an Argos Gift Card

Sign up to the Gos receive special offers by email (will open a new window)

Argos Credit & Insurance

The Argos MasterCard Apply online today!

Buy now, pay 9 months later Typical 27.9% APR variable

Pet cover £4.06 Get a quote now!

MUST END TUESDAY

THIS WEEK'S INFLATION BEATING DEALS

See all DEALS >>

Save 25% on these toy brands!

Selected lines. Subject to availability. Offer ends 11/11/08.

[Toy Deal](#) | [Cycle Deal](#) | [Winter Home](#) | [Christmas](#) | [PAUSE II](#)

Design a toy of the future

Get your toy manufactured and sold at Argos next year (will open a new window)

2 for £15 on selected toys!

Click here and choose any 2 toys from our selection for only £15. Offers end 24/12/08

Argos Value Range

A new range of everyday essentials bringing you even better Argos value

Latest price cuts

See all our current price cuts 1000s of great value offers to help you live for less

TOY OF THE FUTURE

2 for £15

VALUE RANGE

£

[As seen on TV](#)

[Top sellers](#)

[Deals of the week](#)

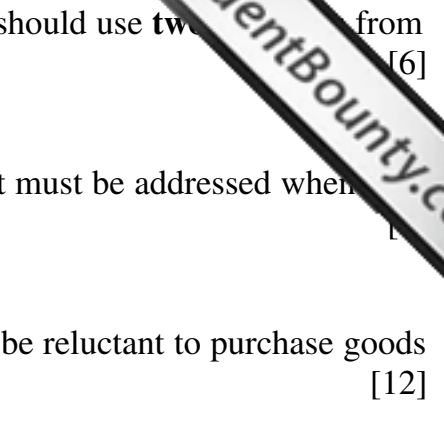
	<p>Silverfox Black 26 Cycle Dual Disc. 332/1793</p> <p>Half Price £119.99</p> <p>Was £239.99</p>		<p>Playstation 3 with 80Gb Hard Disc Drive. 566/6786</p> <p>2 free games and accessory pack with this PS3 console.</p> <p>£299.96</p>
	<p>Fur Real Squawkers McCaw. 383/6941</p> <p>Save Over £17.00 £52.49 *</p> <p>Was £69.99</p>		<p>Remington Shine Therapy Straightener. 443/1307</p> <p>Half Price £34.99 *</p> <p>Was £69.99</p>

Shop online at Argos.co.uk, the official Argos UK online catalogue shopping website. At Argos, you will be spoilt for choice with a fantastic range of over 19,000 great value products across 13 categories. Whether you're looking to buy furniture, toys, TVs or PCs & laptops there is no better place than Argos.co.uk. Now there is even more choice online at Argos.co.uk with over 1000 internet only products. The Argos online store can also help you check all the latest prices, check your product is in stock, make a purchase or reservation and even locate your nearest store. So, Don't Shop for it, Argos it!

<p>Website Info</p> <p>Site map</p> <p>Secure online shopping</p> <p>Terms & conditions</p> <p>Privacy policy</p>	<p>Customer services</p> <p>Contact us</p> <p>Check & Reserve</p> <p>Delivery info</p> <p>Free returns</p>	<p>Argos Services</p> <p>Argos Credit & Insurance</p> <p>Argos Business Solutions</p> <p>Product insurance</p> <p>Gift list service</p>	<p>About Argos</p> <p>About Us</p> <p>Argoscareers.com</p> <p>Argos.ie</p>	<p>Argos partners</p> <p>Affiliate programme</p> <p>Argos gift card</p> <p>Argos Spares</p>
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Fig. 1 Screen shot of the home page of Argos

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- 1 Explain what is meant by the term E-commerce. Your answer should use **two** from the case study. [6]
 - 2 Explain **four** terms/conditions of the Consumer Credit Act that must be addressed when a customer is applying for an Argos credit card. [6]
 - 3 Discuss **four** reasons why potential customers of Argos might be reluctant to purchase goods on-line. [12]
 - 4 Evaluate **four** ways in which Argos might benefit from trading on-line. [16]
 - 5 Discuss **six** pieces of Internet, Business and E-commerce software that Argos would require in order to create its own website. [18]
 - 6 Evaluate **four** methods that a business such as Argos might use in order to market its on-line trading activities. [20]

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