

Examiners' Report/ Principal Examiner Feedback

January 2011

GCE

GCE Applied Business (6921)
Paper 01 Investigating Promotion

Edexcel is one of the leading examining and awarding bodies in the UK and throughout the world. We provide a wide range of qualifications including academic, vocational, occupational and specific programmes for employers.

Through a network of UK and overseas offices, Edexcel's centres receive the support they need to help them deliver their education and training programmes to learners.

For further information, please call our GCE line on 0844 576 0025, our GCSE team on 0844 576 0027, or visit our website at www.edexcel.com.

If you have any subject specific questions about the content of this Examiners' Report that require the help of a subject specialist, you may find our Ask The Expert email service helpful.

Ask The Expert can be accessed online at the following link:

<http://www.edexcel.com/Aboutus/contact-us/>

Alternatively, you can speak directly to a subject specialist at Edexcel on our dedicated Business and Commerce telephone line: 0844 372 2187

January 2011

Publications Code UA026060

All the material in this publication is copyright

© Edexcel Ltd 2011

General Comments

The feedback given below is based on comments from all examiners involved in marking this unit.

This paper considered two main businesses for the first two thirds of the marks. The first scenario related to a local evening newspaper, *The Messenger*, and two businesses, which advertised in that paper. The second scenario related to *Markham Sheds*, a business producing and retailing a range of self-assembly wooden buildings and furniture. Candidates related well to both scenarios and the two businesses advertising in *The Messenger*.

Questions 8 to 10 required an understanding of how specific real businesses actually carry out their promotions. Question 8 was about advertising on the side of public transport and was reasonably well answered, although part (b) was often poorly answered. Question 9 was also reasonably well answered but candidates do have a very poor understanding of what 'achieving action' means under AIDA. Question 10 on the legal requirements in terms of trade descriptions was very badly answered by the majority of candidates, even though this is specifically highlighted as a constraint in the syllabus.

Unfortunately the usual perennial weaknesses remain, despite them being flagged up after every series. They are:

- Not reading the questions carefully enough
- Not considering the context of the question in sufficient depth
- Not understanding some very basic terminologies
- Not considering the number of marks being awarded for a question
- Writing to the space provided, especially for candidates with large handwriting.
- Not developing answers.

Comments on specific questions

(1)(a) - Most candidates understood the context of this question and could provide good reasons for having a link to the business's own website, usually based on the additional information that could be given to potential customers. Some candidates ignored the fact that the link was on *The Messenger's* home page and simply wrote about the benefit of having a website, which limited the total mark available. A few candidates wrote about benefits to *The Messenger* assuming that *Homeland Furniture* was supplying the link.

(1)(b) Nearly all candidates could provide a way, but only the best candidates then justified why that would be suitable in terms of encouraging people to check out the website and relating that to finding information about the clearance sale. Some candidates ignored the fact that the way needed to encourage people to check out the website and simply wrote about a different method of advertising the clearance sale.

(2) Public relations as a form of promotion was generally well understood by candidates but selection of the most appropriate characteristics of PR in the context given in the stem was important in terms of ensuring that a full answer was given. That the PR was free for *The Messenger* was more difficult to justify than that it created a good opinion of the business. Most candidates did try to relate the PR to both the weather forecasts and the sample tracks, but some candidates only considered one of these and a few did not consider either.

(3) Often candidates can allow themselves to be misdirected by simply reading one word or phrase incorrectly, or by ignoring it. The answers to this question demonstrated a number of such misdirected approaches.

Some candidates read 'the website' as 'a website' so did not write about the benefits for the bands of publicising on *The Messenger's* website, but wrote about the benefits of having their own websites. Some candidates read 'to local bands' as 'of local bands' and wrote about benefits to *The Messenger* of bands using its website and not about the benefit to the bands. Some candidates ignored the word 'printed' in front of newspaper and wrote only about websites. Some candidates ignore the word 'rather' and failed to make a proper comparison.

Other candidates seemed to have forgotten what *The Messenger* provided for the bands, as shown on Figure 1, a facility for interested visitors to the website to play or download sample tracks. These candidates often assumed that the bands were placing an advertisement on the website and or an advertisement in the printed paper.

An encouraging number of candidates did understand the full context of the question and then selected appropriate features of what was on the website and what could be put into the printed paper. Candidates who focused on audio features gained good marks, but there were also well argued points about activating links to bands' websites and the local versus national and even international access of the two media.

(4)(a) There are still some candidates who confuse 'cost effective' with creating costs. Those candidates struggled to gain more than a mark for identifying a relevant feature of the promotion. The concept of cost effectiveness is very important in

implementing promotion and students should be comfortable with its significance.

Candidates who did understand the term gave good basic answers but only the best candidates considered the fact that the prize was only 10% off the price and that this was actually only being offered to one winner each week. Often the additional publicity that the competition would offer was picked up.

(4)(b) Yet again the context set in the stem was ignored by some candidates who wrote about *The Messenger* receiving payments from *Castaldi* for advertising in the paper, even though that had been specifically excluded. The majority of candidates did look for other benefits and gave valid explanations based on potential PR, attracting other business to advertise and the fact that in order to enter the competition people needed to buy the newspaper.

(5) There were some well thought out and argued answers to this question with candidates considering the positive and negative points of what was placed on the website and the current objective of increasing sales of the printed daily evening newspaper. These candidates used most of the relevant parts of the stem to support their evaluations.

Unfortunately there were also a significant number of candidates who missed some element of the question, for example not relating their answers to the current objective, not identifying that objective as increasing sales of the printed version of the newspaper and not evaluating the facilities so that the answer only considered positive or only considered negative points. These candidates struggled to get out of Level 2.

(6)(a) Nearly all candidates identified the size of Brighton as the significant feature and most then compared it to the relative sizes of Hailsham and Eastbourne. The reason for offering free delivery to Brighton was then well stated and most candidates scored either 3 or full marks for this question. Where candidates failed to score high marks this was generally caused by them attempting to answer the question with no reference to the stem at all, for example by arguing that this was a good place for *Markham Sheds* to sell its products because many tourists visited Brighton.

(6)(b) This was also generally well answered by candidates with the number of marks achieved being mainly dictated by the depth and detail of the answers given. Weaker candidates often limited their answers to stating the reaction and giving a basic reason for this. Strong answers came from relating the answer to the data and bringing in the distances from the workshop, the fact that Lewes was on the road to Brighton and the fact that the charge of £5.00 was a minimum.

(7) As with question 5 there were some very well developed and argued answers in which candidates used all of the information provided in the stem and combined this with other valid considerations such as the likely condition of the ex-display items and the fact that many businesses have sales in January.

Few candidates failed to get into Level 2 but many candidates did struggle to get into Level 3. This was sometimes due to considering only one of the special offers but more often due to lack of development in the explanations. Some candidates had poor analysis of the mathematical data, for example assuming that the discount on the items over £300 was proportionally more than the discount on the items bought between January and March, despite the fact that they were both 10%. Some

candidates ignored the information they had been given about where the display items were kept 'on land next to the workshop' and assumed that these items would be the newest items for sale so argued that these should not have a 20% discount on them.

Only the very best candidates recognised that there was a valid reason for having all of the special offers and that choosing which one to drop was, therefore, a matter of careful consideration and reasoning.

Questions based on own study of examples during the course

The correct choice of business, product or promotional campaign remains absolutely vital for providing good answers to these three final questions. Basic rules for preparing for and answering these questions have been given in previous reports to centres and these should be checked. There were some poor choices in this series and also some easy marks lost because candidates did not answer the actual question asked.

(8) The requirement for this question was the placing of an advertisement on a public transport vehicle. Some candidates did not know what that was and gave examples of advertisements on vans and lorries, rather than buses, trains or taxis. This did not prevent them from scoring marks in part (a) but they could only score 1 mark in part (b) for identifying an appropriate target population.

(8)(a) Candidates had no problems with identifying two details on the advertisement, although they did have to be distinct. Most candidates could then give a basic reason for why the detail was important and the majority of candidates developed the explanation so that 4 to 6 marks was typical for part (a).

(8)(b) This was only well answered by the best candidates. Some candidates had not given a method of public transport and so could not provide reasons for why this would be suitable for the target population. A significant number of candidates did not identify a specific target population and tried to justify the suitability in general terms, for example, it would be seen as it was driven around. Some candidates did identify a valid specific target but then did not tie features of the public transport to that target. Some candidates took the question to be an invitation to explain what ambient advertising meant and did not attempt to answer the actual question set.

(9) Overall candidates did not find this question particularly challenging, except when it came to the part on 'achieving action'. Selection of an appropriate promotion was very important and many promotions do not have an obvious achieving action element.

(9)(a) Generally 'creating desire' was well understood and candidates gave details of the promotion that showed understanding of the term and explained how the promotion created this. Some candidates gave details that showed stimulating interest more than creating desire. Although this might be a fairly subtle distinction, it is important that students are able to make that distinction.

The understanding of 'achieving action' was very poor. Some candidates did say that customers then went out and bought the product but gave no explanation, beyond creating desire, of how the promotion achieved this. There were good answers that gave details of coupons, time limits and phrases such as 'while stocks last' and it was these kinds of detail that were needed. Candidates should have considered this

before they chose the promotion they were going to write about.

(9)(b) Candidates could have selected limitations that applied to the general target market, for example people going out of the room when the advertisements are on during the break in a television programme, or that applied to a specific target market, for example a product aimed at both men and women that has been advertised in a women magazine. Usually candidates could identify a limitation and give a brief explanation of why it would limit the promotion in some way. Very few candidates considered the objectives of creating desire or achieving action in relation to the limitations.

(10) This was generally very poorly answered in all sections. Where candidates referred to legislation that had nothing to do with trade descriptions, as very many did, they could still score marks in parts (c) and (d), if the legislation related to promotion or marketing.

(10)(a) This was poorly answered and showed that many candidates simply did not know what the term trade descriptions meant and did not know what the basic legal requirement is in terms of promotion.

(10)(b) Only those candidates who understood the requirement gave valid details in this part and even some candidates who had given the correct requirement then gave very few, or no, details and wrote instead about the consequences for the business of not meeting the requirements. These candidates did not read the question carefully enough, did not seem to have read parts (c) and (d) before choosing the business and, having turned over the page to read parts (c) and (d) did not bother to go back to correct their answers to part (b).

A very wide range of inappropriate legislation was selected for this answer from related legislation such as product liability and safety to completely irrelevant legislation such as sex discrimination in the workplace.

(10)(c) Most candidates could give basic details of how the breach was identified but only the best candidates gave full details. Again, some candidates decided that this was the place to write about the business being taken to court and what the judgement was. That was not what the question asked for. There were also examples of breaches here that simply had not occurred, such as the finger in a McDonald's meal, which was a scam in the USA by a woman trying to get a huge compensation payout. Students need to ensure that the promotional campaigns are real and that the details they are including in the examination are correct.

(10)(d) Although this should have been a court ruling it was acceptable for candidates to give a ruling from another significant authority, such as the ASA. Usually the ruling was given although some candidates simply stated that the Act had to be followed or that the business itself did something. There were candidates who stated that the business did not go to court and there was no prosecution, which meant that the basic requirement in the stem to the question had not been followed so the whole answer was wrong.

Issues for future series

The points listed below repeat comments made on previous reports, but they are ones that are still **not** being addressed by many candidates - hence unnecessarily losing marks.

(1) **The applied approach** - All businesses used in these papers relate to real businesses, either named or with the names changed. Preparation for this paper should, therefore, include as much study of the promotional techniques used by real businesses as possible.

(2) **Terminologies** - Candidates need to know all of the terms given in the syllabus and common terms that relate to the real world of promotion.

(3) **Reading the question/following instructions** - Many marks are still being unnecessarily lost, simply because candidates have not read the question carefully enough or taken the context into consideration.

(4) **Questions requiring extended answers** - There will continue to be two questions with 11 marks in the future series. Students should be shown how to develop their answers so that they can provide in-depth and detailed answers for these questions.

(5) **Questions based on own study** - Students must be able to use knowledge and understanding of a wide range of real promotional situations in order to answer questions on any part of the syllabus. This must be in sufficient depth to show the details of promotional campaigns.

Please also note the comments made about online marking in previous reports and the comments made about writing only to the space provided on the paper itself. Centres need to ensure that their candidates are not being disadvantaged simply because of the layout of the paper. Additional work outside of the specified area on the paper, or on additional sheets, is totally acceptable, but, when this is done, it is vital that the candidates indicate somewhere on their answer to a specific question that they are using additional paper or completing the answer somewhere else in the actual booklet. Preferably, they also indicate where the rest of the answer is.

Grade Boundaries

Grade Boundaries for this, and all other papers, can be found on the website on this link:

<http://www.edexcel.com/iwantto/Pages/grade-boundaries.aspx>

Further copies of this publication are available from
Edexcel Publications, Adamsway, Mansfield, Notts, NG18 4FN

Telephone 01623 467467
Fax 01623 450481

Email publications@linneydirect.com

Order Code UA026060 January 2011

For more information on Edexcel qualifications, please visit www.edexcel.com/quals

Edexcel Limited. Registered in England and Wales no.4496750
Registered Office: One90 High Holborn, London, WC1V 7BH