

General Certificate of Education

Applied Business 8611/8613

BS04 Meeting Customer Needs

Report on the Examination

2008 examination - January series

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General Comments

This January's paper was based around two businesses associated with the food industry, *Nestlé*, a large well known firm and *River Farm* an unknown small business. Item A focused on how *Nestlé* aimed to maintain a balanced product portfolio through new product development and how this was partly informed through taste panels. Item B looked at the products and services offered by a farm that grew organic vegetables and offered a vegbox delivery service. This was then extended in Item C which looked at expansion options for *River Farm*.

Question One

- (a) The majority of candidates were able to access full marks on this question, a popular approach being to link one reason to customers and the other to competitors. Where candidates did not perform well is when they chose to lift information about product portfolio, innovation and renovation from the Item without making effective use of it.
- (b) A range of suitable methods were identified, common answers being surveys, questionnaires and focus groups. Where candidates chose focus groups it was important for them to distinguish these from taste panels. Stronger candidates were able to explain why their stated method was suitable for *Nestlé* to collect information on customer attitudes rather than just describing the method of research.
- (c) Although candidates were generally able to explain what a taste panel was and how one could be used to collect information on customer attitudes, it was disappointing that more candidates did not see or explore the link between *Nestlé* as a manufacturer of chocolate and the use of taste panels.

Question Two

- (a) Candidates responded well to this question with many showing insight into the issue of meeting customer needs. In particular, candidates were comfortable writing about value and suitability and need for information. It was pleasing to see many examples of candidates making excellent use of the Item.
- (b) The majority of candidates were able to demonstrate knowledge of market segmentation and to recognise the importance of it to understanding target market. Stronger candidates were able to be selective in their use of market segmentation and focus on those aspects of it which were most likely to be relevant to the vegbox scheme, ie socio economic group, life style or geographical (due to delivery). Those candidates who performed less well gave either theoretical answers with no reference to *River Farm* or tried to cover all forms of segmentation.

Question Three

- (a) Candidates were generally able to explain why good customer service was important to a business. They were less able to put their explanation in the context of a farm shop/café. It was disappointing that few candidates really focused on customer service as opposed to more generic answers that could have been referring to meeting needs.
- (b) Item C was focused on Rachel's extension plans and this question required candidates to think about these plans, ie the introduction of a farm shop and café. Candidates who performed well were able to do this and recognised that the plans moved the farm away from an internet/ delivery business, to a much more personal business with greater opportunity for face-to-face contact. Recognition of this also allowed candidates to focus more on the long-term nature of the relationships to be built with customers.
- (c) Candidates were able to identify types of data and data collection methods.

 Candidates accessing the higher levels recognised the importance of the question stem and were able to offer judgements in relation to the farm shop and café. Some candidates however, appeared to ignore the stem and focused on data that would help inform the vegbox scheme, ie Item B and the farm's current practices.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the **Results statistics** page of the AQA Website.