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General Certificate of Education (A-level) Applied January 2011

Applied Business

BS04

(Specification 8611/8613/8616/8617/8619)

Unit 4: Meeting Customer Needs (External Test)



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General Comments

The paper proved to be accessible to candidates who were able to write answers which drew consistently from the items. The best candidates were able to demonstrate understanding of relevant topics such as customer needs, market research and product development and apply this to the scenarios set out in the examination paper. Many candidates were able to show practical understanding of these concepts which provided realism and a depth to their answers.

It was disappointing that a small number of centres had not developed an understanding among candidates of the key features of customer needs and product development which are stated in the specification. However numbers of answers failing to show a basic understanding of such key concepts are falling.

It was good to see that very few candidates failed to answer all questions. However, there still seems to be a misunderstanding of exactly what is the difference between Research and Development and Market Research which did cause significant problems for some candidates.

Question One

- (a) Candidates showed a good understanding of market segmentation and were able to apply this to the information provided on *Sony* in the case study. Weaker candidates simply relied on knowledge and failed to develop responses by using examples from the item.
- (b) Many candidates demonstrated a good understanding of customer needs but it was disappointing that some could not explain in the context of the case study. What was sometimes lacking was a demonstration of customer involvement with a complex electrical product and the consequent need for information and/or reassurance. Nevertheless, there were a minority of candidates who could not clearly identify what was meant by customer needs as shown in the specification.
- (c) The best quality responses explained the impact that an ageing population would have on a large manufacturer of electronic products and developed lines of argument such as the need for new product ranges. Weaker candidates did not consider the differing needs of different market segments or tended to engage in stereotyping the needs of an older population.

Question Two

(a) Stronger candidates responded well in the context of a manufacturer of electrical products whilst weaker candidates did not direct their answers at *Sony*, but tended to write about large companies in general. Some candidates did not understand the concept of 'green' products tending to refer to colour rather than environmental issues. It was a little disappointing that more candidates could not apply core, actual and augmented aspects from the specification to the case study.

- (b) A proportion of candidates produced generic answers on market research rather than focusing on why a large business such as *Sony* needs a range of market research methods. Stronger candidates could apply different methods and explain why they would be useful to develop new product ranges which would satisfy customer needs and thereby provide a competitive advantage.
- (c) It was pleasing to see many candidates using the information from the case study (including the graphs) to explain and justify the need of a large company like *Sony* to research and develop its products over time. The most able candidates recognised that a lag would exist between investment in research and development and increased profits and used this as a key part of their arguments. They also discussed the broader consequences of research and development for *Sony* in terms of competitiveness. In contrast some candidates misunderstood research and development and referred to market research only.

Question Three

- (a) There was much evidence of good understanding of the use of ICT in business activities but sometimes candidates provided generic answers without any reference to the case study. For example, there were a number of generic answers that explained how ICT could be used by a business but not in the context of the Sony Centre. This was an answer candidates were well prepared for, but to access the highest marks they had to show application to the case study and this was sometimes forgotten in a rush to write all they knew about the application of ICT in a business environment.
- (b) In responding to this question, many candidates slipped into offering a list of activities without any explanation of the effect these activities had on the *Sony Centre* or on building a long-term relationship with its customers. Stronger candidates could explain the link between good customer service and how it could contribute to the *Sony Centre* becoming a successful business enterprise. They understood that the *Sony Centre* was providing complex products where there would be a significant need for customer reassurance. Sadly, a number of candidates concentrated on customer service itself without referring to the *Sony Centre* or any material from the case study.
- (c) Most candidates made a good attempt at answering this question and could understand the difference between the Sony Corporation and the Sony Centre as business activities. There were some strong and interesting answers which explored the relationship between Sony Corporation as a multinational enterprise and the Sony Centres. Less able candidates could not see, and did not develop, this distinction. Most candidates were able to make effective use of the context in explaining good customer service to satisfy customer needs but could not understand why this was important to the Sony Corporation's business reputation. Some candidates found it more difficult to provide analysis and evaluation on this question possibly because they had not managed time efficiently.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the <u>Results statistics</u> page of the AQA Website.