



Rewarding Learning

ADVANCED SUBSIDIARY(AS)
General Certificate of Education
2016

GCE Applied Business

Assessment Unit AS 4

assessing

E-Commerce

[A3B41]

TUESDAY 24 MAY, AFTERNOON

**MARK
SCHEME**

General Marking Instructions

Introduction

Mark schemes are published to assist teachers and students in their preparation for examinations. Through the mark schemes teachers and students will be able to see what examiners are looking for in response to questions and exactly where the marks have been awarded. The publishing of the mark schemes may help to show that examiners are not concerned about finding out what a student does not know but rather with rewarding students for what they do know.

The Purpose of Mark Schemes

Examination papers are set and revised by teams of examiners and revisers appointed by the Council. The teams of examiners and revisers include experienced teachers who are familiar with the level and standards expected of students in schools and colleges.

The job of the examiners is to set the questions and the mark schemes; and the job of the revisers is to review the questions and mark schemes commenting on a large range of issues about which they must be satisfied before the question papers and mark schemes are finalised.

The questions and the mark schemes are developed in association with each other so that the issues of differentiation and positive achievement can be addressed right from the start. Mark schemes, therefore, are regarded as part of an integral process which begins with the setting of questions and ends with the marking of the examination.

The main purpose of the mark scheme is to provide a uniform basis for the marking process so that all the markers are following exactly the same instructions and making the same judgements in so far as this is possible. Before marking begins a standardising meeting is held where all the markers are briefed using the mark scheme and samples of the students' work in the form of scripts. Consideration is also given at this stage to any comments on the operational papers received from teachers and their organisations. During this meeting, and up to and including the end of the marking, there is provision for amendments to be made to the mark scheme. What is published represents this final form of the mark scheme.

It is important to recognise that in some cases there may well be other correct responses which are equally acceptable to those published: the mark scheme can only cover those responses which emerged in the examination. There may also be instances where certain judgements may have to be left to the experience of the examiner, for example, where there is no absolute correct response – all teachers will be familiar with making such judgements.

- 1 Define the term ‘Search Engine Optimisation’ and explain why it might be important to Barking Mad.
- Definition: the process of influencing the visibility of a website/web page in a search engine’s logical search results. Generally, the higher ranking on a search results page indicates the frequency which a site appears in the search results list, thus more visitors it will receive from the search engine’s users (e.g. Google, Bing, etc.).
 - Application: initial search yields 4 results – Barking Mad is 2nd on the list;
 - Alternative search does not yield any results on first three pages/Top 10 results;
 - Search Engine Optimisation might enable Barking Mad to feature in the Top 3 results of a search, although this may cost money.
 - Search Engine Optimisation is important to Barking Mad as it enables greater prominence in an Internet search and increases customer awareness of the business.
 - Search Engine Optimisation is important to a business such as Barking Mad as it makes it easier to market the business in the local community and/or in related services, e.g. vet’s surgeries.

	AO1 Knowledge and Understanding	AO2 Application
Level 2	2 marks Candidate demonstrates a satisfactory understanding of the term ‘search engine optimisation’.	2 marks Candidate demonstrates satisfactory application of knowledge in the context of stimulus material.
Level 1	1 mark Candidate demonstrates a limited understanding of the term ‘search engine optimisation’.	1 mark Candidate demonstrates limited application of knowledge in the context of stimulus material.
Level 0	0 marks Candidate demonstrates no understanding of the term ‘search engine optimisation’.	0 marks Candidate does not attempt to apply knowledge to stimulus material.

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- 2 Using the case study, analyse **three** barriers which might suggest that consumers have been slow to adopt E-commerce.
- **Cost of Technology:** customers of Barking Mad may not be able to afford the technology (computer/Internet connection), thus acting as a barrier.
 - **Security:** customers may be put off by fraud possibilities, and also, the Barking Mad website does not have payment facilities or displays a ‘padlock’ symbol, indicating that payments are processed securely.
 - **Fear of Technology:** customers may have a fear of technology – e.g. computerised booking/payment systems may put customers off using the technology and thus using Barking Mad’s services.
 - **Speed of Connection:** efficiency and effectiveness of the website will be dependent on the availability of broadband technology and thus the speed of connection. Excessive costs of such technology may be prohibitive and act as a barrier for Barking Mad’s customers.
 - **Complexity of Technology:** Barking Mad’s current website is relatively simple and limited in the facilities provided for users, e.g. no appointment booking system/payment system. Such complex technology may put customers off visiting or using the services of Barking Mad.

	AO1 Knowledge and Understanding	AO2 Application	AO3 Analysis
Level 3	3 marks Candidate demonstrates a competent understanding of the barriers which suggest consumers have been slow to adopt E-commerce. Candidate makes adequate use of specialist vocabulary when it is appropriate.	3 marks Candidate demonstrates a competent attempt to apply knowledge.	3 marks Candidate demonstrates a competent attempt to analyse the barriers which suggest consumers have been slow to adopt E-commerce in the context of Barking Mad.
Level 2	2 marks Candidate demonstrates a satisfactory understanding of the barriers which suggest consumers have been slow to adopt E-commerce. Candidate makes adequate use of specialist vocabulary when it is appropriate.	2 marks Candidate demonstrates a satisfactory attempt to apply knowledge.	2 marks Candidate demonstrates a satisfactory attempt to analyse the barriers which suggest consumers have been slow to adopt E-commerce in the context of Barking Mad.
Level 1	1 mark Candidate demonstrates a limited understanding of the barriers which suggest consumers have been slow to adopt E-commerce. Candidate makes some use of specialist vocabulary when it is appropriate.	1 mark Candidate demonstrates a limited attempt to apply knowledge.	1 mark Candidate demonstrates a limited attempt to analyse the barriers which suggest consumers have been slow to adopt E-commerce in the context of Barking Mad.
Level 0	0 marks Candidate demonstrates no understanding of the barriers which suggest consumers have been slow to adopt E-commerce. Candidate makes no use of specialist vocabulary when it is appropriate.	0 marks Candidate does not attempt to apply knowledge.	0 marks Candidate demonstrates no attempt to analyse the barriers which suggest consumers have been slow to adopt E-commerce in the context of Barking Mad.

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- 3 Analyse **one** way in which Olive (the owner of Barking Mad) is required to comply with each of the following legal issues whilst engaging in E-Commerce:
- Copyright
 - Data Protection Act
 - Contract
 - Distance Selling Directive.
- Copyright: Barking Mad is likely to have copyright over the content and presentation of the information displayed on the website, including trade name, logo, colour scheme, contact information, photographs, and pricing information. This is important as this will ensure the future success of the business, in attracting customers. The design/drawings/cartoons are likely to be subject to copyright, hence cannot be reproduced without permission of the owner (Olive).
- Data Protection: As long as Barking Mad observes the privacy of personal data and processes private information in accordance with the law, then this will protect the owner. Examples might be the use of personal information related to customers, e.g. name/address/contact number and pet details. When a payment system is introduced, then a customer's bank details can only be used to process payments and not stored.
- Contract: Barking Mad is afforded protection in that once a booking is made and services provided to treat an animal, the owner is obliged to make a payment to the business for services rendered – i.e. both sides must fulfil their side of the transaction. Olive might well charge customers a booking fee, if an appointment is cancelled without notice, which is likely to be within her rights, as another customer could have been given the appointment.
- Distance Selling Directive: rules that protect the consumer when buying goods/services online – Barking Mad must provide: a description of the service provided, prices to be charged, cancellation rights and information about its location (i.e. address). Barking Mad provides this information on the website, therefore appears to be complying with the law and affords Olive a degree of legal protection.
- Consumer Contracts Regulations (replaced Distance Selling Directive (2000) in 2014). Rules which (similar to DSD) apply to contracts made on and away from business premises and new rules for businesses providing digital content. Detailed information is to be provided to customers, e.g. main characteristics of the goods, business identity (trading name), geographical address, whether or not the business represents a third party, address for complaints, total price (including taxes), payment arrangements, 14-day cancellation period and prohibition of use of premium-rate phone lines, and negative options. Olive in Barking Mad must comply with this.
(Note: alternative answers accepted where appropriate).

	AO1 Knowledge and Understanding	AO2 Application	AO3 Analysis
Level 3	4 marks Candidate demonstrates a competent understanding of various legal issues relative to Barking Mad. Candidate makes good use of specialist vocabulary when it is appropriate.	4 marks Candidate demonstrates a competent attempt to apply knowledge.	4 marks Candidate demonstrates a competent attempt to analyse the various legal issues relative to Barking Mad.
Level 2	2–3 marks Candidate demonstrates a satisfactory understanding of various legal issues relative to Barking Mad. Candidate makes adequate use of specialist vocabulary when it is appropriate.	2–3 marks Candidate demonstrates a satisfactory attempt to apply knowledge.	2–3 marks Candidate demonstrates a satisfactory attempt to analyse the various legal issues relative to Barking Mad.
Level 1	1 mark Candidate demonstrates a limited understanding of various legal issues relative to Barking Mad. Candidate makes some use of specialist vocabulary when it is appropriate.	1 mark Candidate demonstrates a limited attempt to apply knowledge.	1 mark Candidate demonstrates a limited attempt to analyse the various legal issues relative to Barking Mad.
Level 0	0 marks Candidate demonstrates no understanding of various legal issues relative to Barking Mad. Candidate makes no use of specialist vocabulary when it is appropriate.	0 marks Candidate does not attempt to apply knowledge.	0 marks Candidate demonstrates no attempt to analyse the various legal issues relative to Barking Mad.

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4 Discuss the impact of each of the following on the effectiveness of Barking Mad's website (**Fig. 1**):

- Image
 - Fast access
 - Ability to cope with demand.
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- Image: it is important the website is in harmony with the corporate image and is well presented, e.g. appropriate colour scheme (white/black/red/blue), logo, cartoon of dog, photographs of animals; this will be effective for Barking Mad as it reflects the nature of the business; the visual images allow customers to relate to the product/service Barking Mad provides.
 - Fast access: it is important that Barking Mad's website enables fast access by users (e.g. hyperlinks to other pages/sites operate quickly, images/ photographs/podcasts/text loads quickly, browser compatibility); this will be aimed at enhancing the visitor experience in terms of repeat visits to the website; it could encourage online visitors to visit the premises and increase customer numbers and revenues for the owner; in general, many users operate on the principle of the '3-click' rule – a user of a website should be able to find any information with no more than three mouse clicks. It is based on the belief that users of a site will become frustrated and often leave if they cannot find the information within the three clicks.
 - Ability to cope with Demand: the website must be able to cope with demand. It is a relatively new website, and must ensure efficient operation in order to ensure success (e.g. amount of travel coming to the website, ensuring availability of website, ensuring that website does not crash for whatever reason, i.e. hacking, security, demand), particularly if adopting an online booking and/or payment system; this will make Barking Mad's website more effective.

	AO1 Knowledge and Understanding	AO2 Application	AO3 Analysis	AO4 Evaluation
Level 3	<p>3 marks Candidate demonstrates a competent understanding of the various factors contributing to the effectiveness of Barking Mad’s website. Candidate makes good use of specialist vocabulary when it is appropriate.</p>	<p>3 marks Candidate demonstrates a competent attempt to apply knowledge.</p>	<p>5–6 marks Candidate demonstrates a competent attempt to analyse the various factors contributing to the effectiveness of Barking Mad’s website.</p>	<p>3 marks Candidate demonstrates a competent evaluation of the various factors contributing to the effectiveness of Barking Mad’s website. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.</p>
Level 2	<p>2 marks Candidate demonstrates a satisfactory understanding of the various factors contributing to the effectiveness of Barking Mad’s website. Candidate makes adequate use of specialist vocabulary when it is appropriate.</p>	<p>2 marks Candidate demonstrates a satisfactory attempt to apply knowledge.</p>	<p>3–4 marks Candidate demonstrates a satisfactory attempt to analyse the various factors contributing to the effectiveness of Barking Mad’s website.</p>	<p>2 marks Candidate demonstrates a satisfactory evaluation of the various factors contributing to the effectiveness of Barking Mad’s website. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time.</p>

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Level 1	<p>1 mark</p> <p>Candidate demonstrates a limited understanding of the various factors contributing to the effectiveness of Barking Mad’s website. Candidate makes some use of specialist vocabulary when it is appropriate.</p>	<p>1 mark</p> <p>Candidate demonstrates a limited attempt to apply knowledge.</p>	<p>1–2 marks</p> <p>Candidate demonstrates a limited attempt to analyse the various factors contributing to the effectiveness of Barking Mad’s website.</p>	<p>1 mark</p> <p>Candidate demonstrates a limited evaluation of the various factors contributing to the effectiveness of Barking Mad’s website. Candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear.</p>
Level 0	<p>0 marks</p> <p>Candidate demonstrates no understanding of the various factors contributing to the effectiveness of Barking Mad’s website. Candidate makes no use of specialist vocabulary when it is appropriate.</p>	<p>0 marks</p> <p>Candidate does not attempt to apply knowledge.</p>	<p>0 marks</p> <p>Candidate demonstrates no attempt to analyse the various factors contributing to the effectiveness of Barking Mad’s website.</p>	<p>0 marks</p> <p>Candidate makes no attempt to evaluate the various factors contributing to the effectiveness of Barking Mad’s website.</p>

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5 Evaluate the costs to Barking Mad of going on-line with regard to:

- Web designer
- Hardware
- Broadband
- Customer Registration/Appointments System
- Visitor Tracking and analysis software.

Web Designer: this represents staff/personnel with the expertise to create/design/implement the website and ensure successful operation in terms of availability, bookings and provision of information to users – in this case, Barking Mad’s website was designed, programmed and operated by Jookit – this is important as it would contribute to the long term success of the business – it gives Barking Mad an online presence generating sales revenues. The cost of a web designer would tend to reduce business profits.

Hardware: this includes costs of acquisition of computers, modems, memory/servers, printers, web cameras, speakers, cables and telephone lines etc. – important as the hardware must be in place to ensure effective operation of IT systems; this is an essential cost element, which will increase costs and reduce profits in Barking Mad, but it might facilitate an increase in sales revenue generally.

Broadband: this is a high-capacity transmission technique using a wide range of frequencies, which enables a large number of messages to be communicated simultaneously, e.g. emails, downloads, website access; this is an essential cost element, which will increase costs and reduce profits in Barking Mad, but it might facilitate an increase in sales revenue generally, since it does create an online presence.

Customer Registration/Appointments System: the current website does not facilitate online registration/appointments whereby customers can book their pets in for treatment; such a system might prove expensive, as it is essentially an automated diary facility coupled with personal details (customer contact details, estimated prices etc). This facility will be complex and thus likely to cost Barking Mad a significant amount of money, thus reducing profit, but customers might appreciate the convenience of such a facility and it might well increase revenues.

Visitor Tracking and analysis software: the current website does not facilitate visitor tracking and analysis software; such a system might prove expensive, as it is essentially an automated counting facility (counting ‘hits or visits’ to the website) and depending on complexity might provide a breakdown of customers (e.g. pet type; geographical area; amount spent on pet care, etc.). This facility will be complex and thus likely to cost Barking Mad a significant amount of money, thus reducing profit, but the owner (Olive) might appreciate the convenience of such a facility and it might well increase revenues when a detailed analysis of customers is undertaken enabling more accurate prices to be set in the future.

	AO1 Knowledge and Understanding	AO2 Application	AO3 Analysis	AO4 Evaluation
Level 3	<p>5 marks Candidate demonstrates a competent understanding of the various costs of trading online relative to Barking Mad. Candidate makes good use of specialist vocabulary when it is appropriate.</p>	<p>5 marks Candidate demonstrates a competent attempt to apply knowledge.</p>	<p>5 marks Candidate demonstrates a competent attempt to analyse the various costs of trading online relative to Barking Mad.</p>	<p>5 marks Candidate demonstrates a competent evaluation of the various costs of trading online. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.</p>

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Level 2	<p>3–4 marks Candidate demonstrates a satisfactory understanding of the various costs of trading online relative to Barking Mad. Candidate makes adequate use of specialist vocabulary when it is appropriate.</p>	<p>3–4 marks Candidate demonstrates a satisfactory attempt to apply knowledge.</p>	<p>3–4 marks Candidate demonstrates a satisfactory attempt to analyse the various costs of trading online relative to Barking Mad.</p>	<p>3–4 marks Candidate demonstrates a satisfactory evaluation of the various costs of trading online. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. Answer is organised in a satisfactory manner.</p>
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Level 1	1–2 marks Candidate demonstrates some understanding of the various costs of trading online relative to Barking Mad. Candidate makes some use of specialist vocabulary when it is appropriate.	1–2 marks Candidate demonstrates a limited attempt to apply knowledge.	1–2 marks Candidate demonstrates a limited attempt to analyse the various costs of trading online relative to Barking Mad.	1–2 marks Candidate demonstrates a limited evaluation of the various costs of trading online. Candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the purpose of the question. The organisation of the answer is limited.
Level 0	0 marks Candidate demonstrates no understanding of the various costs of trading online relative to Barking Mad. Candidate makes no use of specialist vocabulary when it is appropriate.	0 marks Candidate does not attempt to apply knowledge.	0 marks Candidate demonstrates no attempt to analyse the various costs of trading online relative to Barking Mad.	0 marks Candidate makes no attempt to evaluate the various costs of trading online relative to Barking Mad.

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- 6 Evaluate how each of the following methods might be used to market Barking Mad's trading on-line:
- Delivery of orders
 - Banner advertising
 - Linkage campaign
 - E-mail marketing
 - E-customers are your sales team.
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- Delivery of orders: Olive can deliver products such as shampoos, flea powder and collars to customers relatively promptly or customers can collect in the shop; Olive is heavily dependent on a booking system to manage the flow of customer orders/pets to be treated and organise the staff workload; indeed, the appointments system effectively creates a 'waiting list' for customers; a well-organised appointments system will create a good reputation for the business and will be an effective marketing tool, creating future revenue streams;
 - Banner advertising: banners are rectangular shaped advertisements on a website. This might be effective if the aim is to raise customer awareness/profile of the business initially. This might be an effective method of marketing the e-commerce business, as Barking Mad can advertise in this way on other websites, say within the local area/pet care providers/vet surgeries. This is an important aspect of marketing and ensuring the success in the long term;
 - Linkage Campaign: a form of advertising in which the purchaser pays only when there are measurable results, particularly using the Internet, where it is possible to measure user actions resulting from advertisement; thus, Barking Mad might link an advertisement to the website of a local vet or petshop, in order to increase customer awareness of Barking Mad's products/services. This may well be an effective marketing tool.
 - E-mail marketing: Barking Mad can market the business and various products/services using email to keep in contact with customers and prospect for new business. Feedback can be obtained from current customers. This is an important aspect of marketing an e-commerce business in order to ensure long term success;
 - E-Customers are your sales team: as stated, customers are likely to be the best ambassadors of the products/services of a business, equally so in the case of Barking Mad – Barking Mad's owner (Olive) would be keen to obtain customer feedback and ensure that the business is promoted in a positive way to ensure survival. This is an important element in marketing an e-commerce business, in order to ensure long term success.

	AO1 Knowledge and Understanding	AO2 Application	AO3 Analysis	AO4 Evaluation
Level 3	<p>5 marks Candidate demonstrates a competent understanding of the methods by which Barking Mad can market itself as an e-commerce business. Candidate makes good use of specialist vocabulary when it is appropriate.</p>	<p>5 marks Candidate demonstrates a competent attempt to apply knowledge.</p>	<p>5 marks Candidate demonstrates a competent analysis of the methods by which Barking Mad can market itself as an e-commerce business.</p>	<p>5 marks Candidate demonstrates a competent evaluation of the methods by which Barking Mad can market itself as an e-commerce business. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.</p>

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Level 2	<p>3–4 marks Candidate demonstrates a satisfactory understanding of the methods by which Barking Mad can market itself as an e-commerce business. Candidate makes adequate use of specialist vocabulary when it is appropriate.</p>	<p>3–4 marks Candidate demonstrates a satisfactory attempt to apply knowledge.</p>	<p>3–4 marks Candidate demonstrates a satisfactory attempt to analyse the methods by which Barking Mad can market itself as an e-commerce business.</p>	<p>3–4 marks Candidate demonstrates a satisfactory evaluation of the methods by which Barking Mad can market itself as an e-commerce business. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. Answer is organised in a satisfactory manner.</p>
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Level 1	<p>1–2 marks Candidate demonstrates a limited understanding of the methods by which Barking Mad can market itself as an e-commerce business. Candidate makes some use of specialist vocabulary when it is appropriate.</p>	<p>1–2 marks Candidate demonstrates a limited attempt to apply knowledge.</p>	<p>1–2 marks Candidate demonstrates a limited attempt to analyse the methods by which Barking Mad can market itself as an e-commerce business.</p>	<p>1–2 marks Candidate demonstrates a limited evaluation of the methods by which Barking Mad can market itself as an e-commerce business. Candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the purpose of the question. The organisation of the answer is limited.</p>
Level 0	<p>0 marks Candidate demonstrates no understanding of the methods by which Barking Mad can market itself as an e-commerce business. Candidate makes no use of specialist vocabulary when it is appropriate.</p>	<p>0 marks Candidate does not attempt to apply knowledge.</p>	<p>0 marks Candidate demonstrates no attempt to analyse the methods by which Barking Mad can market itself as an e-commerce business.</p>	<p>0 marks Candidate makes no attempt to evaluate the methods by which Barking Mad can market itself as an e-commerce business.</p>

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Total

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80