GCE

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GCE Applied Business
6916 January 2006

This Report is divided into three sections.

- **Overview of Unit 1**
- **Comments on individual questions**
- **Future developments**

It is hoped that centres will find information in all three sections helpful.

1. Overview of 6916

a) Relevance of the specimen paper
January 2006 was the first examination series for 6916 (Unit 1: Investigating People at Work). The paper was structured in a similar way to the specimen paper:

- three questions, each worth 30 marks
- three businesses that vary in (for example) sector, size and type
- the first 20 marks in each question testing an understanding of issues relating to each business
- the final 10 marks in each question testing candidates on businesses they have studied during the course

All three businesses in the January paper were based on real ones, although information such as name, location and workforce-related issues, were all fictionalised.

b) Content area and AO mark distribution
The paper was written to reflect the structure and weightings shown in the specimen paper: ie,

Marks	Content area 1.1	Content area 1.2	Content area 1.3	Content area 1.4
	30	30	18	12

Marks	AO1	AO2	AO3	AO4
	36	32	13	9

Further information on this can be found in the published mark scheme, which confirms the marks awarded against each content area and each Assessment Objective (AO). Every effort will be made to follow this structure and weighting in future, subject to the following.

- Because there is the occasional overlap of topics in the four Unit sections of 6916, judgements have to be made when categorising the marks awarded.

- The mark weightings for AO2 and AO3 are 31.5 and 13.5 respectively so on occasion there will be a slight variation.

c) Interpretation of Unit content

The Unit contains content statements derived from the content for the core units in AS Applied Business. Because the Specification is not written in an NVQ occupational evidence-based format, interpretation regarding exactly what is and what is not covered by each bulleted point is necessary. This is acknowledged on the Edexcel website (www.edexcel.org.uk): for example, the 'Ask Edexcel' section currently contains an answer to an enquiry whether mission statements should be taught.

"Although mission statements are not specifically mentioned in the Specification, area 1.1 includes businesses' aims. There are close links between a mission statement and the aims for a business, and - given that students are required to study real businesses - it is appropriate that linked topics such as this should be taught."

This illustrates the policy, when writing 6916 papers, that such relevant topics may be included even if not specifically named in the Unit. Centres are strongly advised to consult the Edexcel website on a regular basis for any updates.

It is hoped that centres will find the following guidance helpful.

- Where business terms can be used almost synonymously, the paper will attempt to include both, and/or markers will be instructed to accept the terms as interchangeable.

- The current range of textbooks acts as one source of information for judging content coverage and interpretation when the paper is being written. Relevant publishers include *Causeway Press*, *Collins*, *Heinemann*, *Hodder Arnold* and *Osborne Books*. However, centres are advised that the Edexcel 'badge' is an indicator of general suitability only, and does not confirm that any one of these textbooks provides a 100% correct and appropriate interpretation of all content in relation to the examination.

d) The number of real businesses to study

An important feature of this paper is that one-third of the marks are for the candidates' own businesses. The advice presently on the 'Ask Edexcel' area of the website is as follows.

"An important challenge that candidates face with this paper is in selecting an appropriate business from those they have studied, when answering the "You will need to refer to this business . . ." final section in each question (see the Sample Assessment Material examination paper for Unit 1). They will need to carry in their heads a list of the (say) five businesses studied, and select from this list the one most suitable to help them answer the 'real business' sections in each question.

Some candidates will no doubt choose to use the same business throughout their answers, whereas others will decide to use a different business for each question. What is important? Clearly, does the business chosen have features that relate to the question content, and can it therefore be used to answer the questions? If the answer is 'yes', it is irrelevant whether candidates use one, two or three businesses when answering the paper. It is therefore possible - though perhaps unlikely - that the same business will enable a candidate to construct strong answers for each of the three questions."

Key tensions in this context are the quality of learning and candidates' examination technique. In general, the more opportunity that candidates have to study the workings of real businesses, the greater the quality of learning experience given that this is an 'applied' qualification. However, this has to be balanced by the issue of giving 'too much choice' for many candidates, when faced with the difficulty of selecting a business in order to answer the final 10-mark section. Centres will realise the value of exploring with candidates before the examination how to select the most appropriate business from the range studied in order to best apply their knowledge and understanding of all businesses studied.

It is important that centres study comments made later in the 'Future developments' section of this Report, where it is indicated that candidates need to study (at least) two contrasting businesses.

2. Comments on individual questions

General comments

The examination paper was designed to assess candidates across the full ability range at GCE level, and it achieved this purpose. The paper differentiated well between candidates, and all questions were answered as expected with no major misinterpretations. The overall performance was slightly disappointing - the arithmetic mean mark was in the low 30s - although there are a number of factors that will have led to this.

Completion in the 90 minutes allowed may have been an issue for some centres and candidates. Centres will understand that candidates are being tested on the quality of their answers, not on their quantity. This is an applied qualification, and those candidates who attempt to show the examiner all the generic business studies information they have learnt do no more than write down 'textbook' business studies information, for which few (if any) marks will be available.

- The number of answer lines allocated to each question part is a deliberate selection, indicating in general terms the typical maximum length of answer that is thought to be necessary to achieve full marks, given the differences in writing style and size.

- The 40 per cent of marks available for showing knowledge and understanding does not require candidates to write reams of generic business studies theory.

- The remaining 60 per cent of the marks are for application of knowledge, selection and analysis, and evaluation, all of which require careful thought and all of which can be shown through comparatively short answers.

It is extremely important that candidates develop the skills of being able to apply, analyse and evaluate what they have learnt to questions about the businesses given in the paper, and to the real businesses they are asked to select and use in the examination.

In this series, the ability of many candidates to undertake effective application, analysis and evaluation was often lacking. In many cases, the question as set was simply not answered. There was a particular tendency to ignore the requirement to evaluate in parts 1 (g), 2 (f) and 3 (e) (iii): in the last case, the phrase 'To what extent' has the same function as 'Evaluate'. Candidates tended to provide a description rather than make some judgement or assessment.

There was also a typical lack of knowledge - at least in depth - of some content areas. Notable examples are the role of unions (3 (b)), and of the limitations of Hygiene Factors (question 3 (c)). Although virtually all candidates had some knowledge of the content, many lacked sufficient understanding and were therefore unable to apply their limited knowledge effectively.

Centres are therefore strongly encouraged to work closely with their candidates on the following aspects of examination technique.

- Making the most effective use of the answer line space, for example by not copying out parts of the question.
- Following the requirements of the question: for example, discussing with candidates the meanings and purpose of the different action verbs such as 'State', 'Identify', 'Describe', 'Explain', 'Analyse' and 'Evaluate'.

The above issues are dealt with under the individual question part headings, although the following point concerning answers to the final 10-mark section is worthy of greater emphasis. It is expected that the more able candidates will 'personalise' their answers to the last section by making specific reference to some feature of the named business. Here is an example of where a candidates has failed to do this convincingly.

"Marketing makes a big contribution to Tesco because if they didn't make adverts or posters then there would be hardly any customers who use the business. Before the marketing function make adverts or posters they have to think who they want to attract to their business and what is the best way to do it. To do this they would do research into different segmentation groups."

The candidate has attempted to apply this answer to Tesco by naming the business, and has been partly successful in doing so. However, although the answer does at face value apply to Tesco, it could equally apply to any major retailer: the names of Sainsbury, Comet, Argos and Boots could be substituted without a loss of quality, logic or accuracy. Although there is nothing 'wrong' here in that the answer will receive some marks, there is nothing that analyses or evaluates the contribution made by Tesco's marketing function to Tesco as a unique business. This could have been achieved by, for example, reference to (and analysis/evaluation of) specific Tesco products, the location of a particular Tesco branch, or a description of one of Tesco's posters or television advertisements.

Performance on question 1, parts (a) to (e)

Part (a). Half marks were typically awarded, most candidates scoring marks for arguing the relative suitability of the specialist magazine compared with a local paper. These arguments were normally based on the likelihood that someone with specialist skills would read such a magazine, using phrases such as ". . . this is the kind of person that would read a specialist magazine . . .". Stronger answers often referred to the likely size of the company, the saving of administrative time ("the candidates would be easier to shortlist") or the local versus national coverage issue. The development of the comparison was sometimes repetitive, with some failure to identify and explain a second point.

Part (b). Many candidates identified two processes in (i) - adverts and application forms were popular - although the less able ones simply selected two bullet points from the given policy. Part (ii) was less well answered, with most failing to achieve reasonable marks. An illustration of part of a strong answer to (b) (ii) is: "The interview will be influenced by their policy to treat people equally. This means that they cannot treat a person with a disability different in an interview than someone who does not have a disability . . ." The weaker answers to (ii) were often due to candidates failing to link the process with aspects of the policy (for example, how equal opportunities would affect the recruitment/selection process). Some candidates simply described in (ii) what they had identified in (i) - "The job description will tell the applicant what the job is all about" - and as a result failed to gain marks.

Part (c). The difference between an application form and a CV was generally well understood although many candidates left it to the examiner to draw inferences, for example by giving the comparative advantage of an application form without clarifying the related disadvantage of a CV. The lack of clear application to the named business was disappointing, although there was not any loss of marks given the nature of the question. Examples of points well made are: "People's CVs may vary in layout and content. With an application form, NKG can compare candidate details more easily as everyone fills in the same form. This saves time . . ." and "NKG Ltd would rather use their own application form because it has been designed to give them the information they want to gather, whereas a CV doesn't have a fixed layout and will vary . . .". The clarity of the last extract can be compared with the following one: "The company can control what information they are looking for by using application forms".

Part (d). There were a number of good answers that took into account the motivation of existing staff and the counter argument of missing the opportunity of new skills and ideas. Some weaker candidates made two or more statements concerning benefits or drawbacks rather than describe one more fully, and therefore did not access the second mark in both cases: others tried to argue benefits or drawbacks from the employee standpoint, and again missed out on marks as a result of not reading the question carefully. Centres are therefore encouraged to continue working with candidates to 'train' them in the technique of answering questions by obeying the wording, and by recognising to whom or what the benefit/drawback relates.

Examples of stronger answers that focused on a single benefit and on the business include: ". . . NKG is likely to save money on recruitment because the post doesn't need to be advertised externally or NKG doesn't need to use a recruitment agency", and "NKG will have to employ someone else to do Kim's job, which will also have to be advertised internally and which might cost them money for training . . .". Illustrations of answers that were potentially good but lacked description or focus on the named business, are: "Hiring internally means that the person will already know about the business", and ". . . it limits the amount of people who can apply".

Part (e). Many candidates do not appear to understand non-financial incentives, although it is acknowledged that there can be a lack of certainty as to what is and is not 'non-financial'. The marking of part (e) was therefore relatively generous with quasi-financial answers allowed.

Performance on question 1, parts (f) and (g)

This ten-mark final section was the least well answered of the three. In part (f), many candidates did not follow the question requirement to focus on recruitment not selection, and therefore lost some marks (in this part only). It was pleasing in one sense to read answers where candidates used their own experience of obtaining work: however, some of these answers focused too closely on the recruitment process from the employee viewpoint. As a result, processes such as design of job description and/or person specification were overlooked in favour of selection and initial training processes such as interviews and induction. An extract taken from a strong answer is: "When a person leaves the store, the managing team identifies the vacancy and works out a job description . . posters are put up in the store and . . . application forms are either collected or can be posted . . ."

Part (g) attracted many long and detailed descriptions of a recruitment and selection process, which unfortunately gained few if any marks because a description of this process was not asked for by the question. Another major weakness was where candidates failed to go through the process in the context of the named business: they were essentially explaining what could have been any 'textbook' recruitment process. It was hoped there would be more evidence of phrases such as: "The value of shortlisting to Boots is . . . though because Boots receive so many applications for Saturday staff what happens is . . ." and "I think this is a good approach by McDonalds because . . ." or "In my view following this process could lead to these problems for Tesco because . . .".

Examples taken from stronger responses include: ". . . although a large business, Sainsburys must consider local store needs, and local advertising is therefore more appropriate for these posts . . ."; "By advertising in the shop window, Cargo attracts stakeholders who shop there in the first place . . . the Cargo application forms ask for specific skills related to the job, which is useful because . . ."; "Although the selection process is like many other stores, TK Maxx seems to concentrate more on . . ."; "The interview can be very important because the psychometric testing used by British Airways will show . . ."

An example of parts of a weak response that is simply descriptive and lacking in analysis, evaluation and any specific reference to the named business is: ". . . first they establish the job and what type of person . . . then they offer the chance to any employee . . once all applicants have applied they shortlist to find candidates, they then issue interview dates . . ."

Performance on question 2, parts (a) to (d)

Part (a). There was often a disappointing lack of knowledge of business ownership, with many candidates stating that the plc was either a private company or, confusing public companies with the public sector, was owned by the government. A common weakness with the sole trader when attempting to explain ownership was to repeat the term 'sole trader' in the question instead of (for example) referring to some feature of this ownership form, such as unlimited liability. Many candidates scored two marks for being able to describe an ownership feature of both businesses, but failed to develop their answers as required. Those candidates who attempted to link ownership and operations often referred to the difference in scale, although only the more able could explain the effect of this difference, for example by referring to the likely hierarchical structures or to the likely degree of specialisation in each business. An extract from a developed answer for the plc is: "Hewie plc is a public limited company that has shareholders . . . Hewie will be hierarchical with those at the top having most power . . . Specialists will be employed for . . .". An example of a less well developed answer is: "Hewie is a public limited company and is run and operated by the board of directors and managers, while Morris's is a sole trader who operates the business himself and makes all the decisions and all profit/loss goes to him".

Part (b). Many candidates gave vague answers to the first part, demonstrating a lack of understanding as to why businesses set aims or objectives. There were also many over-simplistic references to 'profit', and some candidates tried to argue that the stated objective was appropriate because it fitted the SMART criterion. Many candidates were awarded one mark at most for some acknowledgement of a key issue such as measuring success, with few exploring the connection with shares or shareholders. Compare the strong answer extract "So it is an attractive investment which will result in more investors . . as they will expect to receive a satisfactory dividend . . and through investment Hewie plc can remain competitive" with the weaker answer "To enable them to be in the same profit margin as competitors in order to increase the chance of survival".

For part (b) (ii) many gained one mark for suggesting another relevant objective, but few could develop their answer sufficiently to say why their choice was important in the context of 'a leading supermarket' as given in the question. One strong answer was: "To increase market share. This is appropriate because the business is likely to make a greater profit and become more competitive, which should make it a more attractive investment".

Part (c). Those candidates who realised there were four distinct parts to the question often gave strong answers, since a number of marks could be obtained through straightforward use of the context information. Answers that referred to shareholder support (eg, likelihood of increased dividends) tended to be stronger than for shareholder opposition (eg, because of the risk factor), whereas answers referring to local community opposition (eg pollution, loss of car park) were typically stronger than for local community support (eg, greater choice). Many candidates simply offered advantages to shareholders and disadvantages to the local community, and therefore gained half marks at best. Others confused shareholders with stakeholders, giving misdirected answers that included stakeholders such as employees and competitors. Some did not read the stem with sufficient care in relation to the use of the car park, thinking that this was a second store for the company.

Part (d). Although (i) was quite well answered - with maternity leave being almost universally identified - there was often some over-elaboration. All that candidates were required to do for the marks was to quote 'maternity leave' and 'minimum wage' as relevant evidence. Part (ii) was also quite well answered, with health and safety training and equal opportunities or anti-discrimination legislation being popular selections.

Performance on question 2, parts (e) and (f)
This was the best answered of the three 10-mark final sections. In part (e), many candidates could describe adequately two functions of their chosen business, thereby gaining two of the marks available, but few were then able to provide a sufficiently well developed description of how these functions worked together to gain one or more of the remaining marks. There were instances where candidates selected two of the functions in the list given, irrespective of whether they were appropriate to the chosen business: for example, a number selected research and development and then struggled to make sense of this selection in the context they themselves had chosen (especially where this business was in the tertiary sector and would be likely to source its products from suppliers so they could simply retail them). Some of these candidates were confused by R&D, trying to interpret it exclusively in the context of market or marketing research. An extract from a stronger answer is, in the context of Tesco: "The Finance function supports the HR recruitment process by . . . It also prepares wages for checkout staff, managers and . . . Both departments would be involved in meetings about pay rises and other costs associated with human resources, such as training to use the new tills at the checkout." Compare this with a less well developed answer, again using HR and Finance in the context of Tesco (although it could apply to almost any business): "The HR department will work together with Finance to see how many people can be recruited with the wages that

the business has got and they will also work together with things like pay and expansion projects".

Part (f) tended to attract long descriptions of the function chosen in (e), with repetition and reverse argument. Most of the answers were generic with little relation to the named business. The question asked for evaluation of the contribution made by the chosen function, but most candidates did no more than offer a full description of how the function operates. An extract taken from a stronger answer is: "The HR function in Tesco is important because this function recruits the employees. If HR don't recruit suitable applicants to fill the shop floor jobs then Tesco would not run smoothly . . . customers would not find Tesco so appealing and would leave . . . If HR do not take account of anti-discriminatory laws then there will be bad publicity and staff turnover will increase, costing Tesco its reputation and losing customers to competitors such as Asda". This can be compared with a descriptive answer that lacks specificity, such as: "Marketing makes a contribution to the success of the company because it puts out the product to the public . . . If the Marketing department is not producing good marketing ideas, then the company could fail from lack of sales . . .". In this answer there is no reference to specific products or situations, and it could apply to the marketing function in most businesses.

Centres are therefore strongly encouraged to continue working with candidates to ensure there is effective application of known business information in these questions, and to discuss how best to select an appropriate business in order to answer questions such as 2(e) and 2 (f).

Performance on question 3, parts (a) to (d)

Part (a). This question was well answered, with many quoting appropriately from the question stem. For example: "The Ice Rink staff are not motivated, which means they are less likely to be kind and polite to customers - 'skate in a safe and <u>enjoyable</u> atmosphere'. Also, they complain their health and safety training is too basic, which shows that people won't be skating in a 'safe' atmosphere". A few candidates seemed to misread the word 'paragraph' as 'photograph', and as a result described the number of people on the ice rink and speculated based on the fact that there were few customers shown in the photograph.

Part (b). In (i) many candidates identified a problem other than low staff morale, but there was sometimes little further description. Stronger answers linked the lack of induction training to potential risks to themselves, co-workers and customers, and commented on legal issues or the likely lack of custom. For example: ". . . If someone is injured on the ice, then they could sue MIR, which means . . ." and "MIR may have high staff turnover because the employees are not properly trained . . . may make some employees unhappy and so they are likely to leave MIR".

Answers to (b) (ii) confirmed that many candidates had a basic understanding of the role of unions, although others thought they were part of the government or an employers' federation. There were many weak answers, with confusion between the union representing the staff on pay and conditions and the union actually providing better pay and conditions: some candidates tried to explain that a union would take on the role of the business and carry out its duties if the management was not doing this. More able candidates explained that the union would provide help and support to staff, but even some of these thought it could grant pay rises rather than put pressure on the business to increase pay. Extracts that illustrate well-argued points are: ". . . through discussion with employees, making them feel like they are being heard . . . also communicate with MIR in order to identify the problems . . . come to an agreement about conditions which would improve morale by . . .". Many candidates made basic statements without linking back to the issue of morale: for example "A union would help to ensure they are being treated fairly and that they understand what rights they have within the workplace".

Part (c). In part (i) many candidates identified correctly the hygiene factors for full marks. There was the occasional lack of knowledge, with the more speculative answers thinking 'hygiene' meant a lack of cleanliness in the factory canteen. Answers were generally brief and to the point, which was all that was required by the question.

There were many weak answers to part (ii), which was badly answered. Few candidates provided evidence of the relevance or importance of motivators, with many making simplistic statements to the effect that addressing the hygiene factors would in itself provide full job satisfaction. Few related the hygiene factors to a reduction in job dissatisfaction: although there was sound knowledge of what hygiene factors are, there was too little understanding and very limited analysis of how these are applied and work in relation to a business. Example of a stronger answer is: "Fulfilling these factors may improve the current level of job satisfaction, because . . . but by themselves they won't increase it to a high level. To do this, the Ice Rink would also have to meet Herzberg's Motivators, such as . . . This will then improve job satisfaction . . .". Too often candidates thought 'pay and better working conditions' would be enough to guarantee job satisfaction. Some brought in Maslow's theory in an attempt to strengthen their answers - for example ". . . they may feel more self need and gain higher self esteem" - and there was also the occasional reference to Theory X and Theory Y. However, the inclusion of theoretical comment without supporting application will not gain marks.

Part (d). This question was sometimes well answered. Although some were confused, many candidates understood on-the-job training and were able to give some advantages and disadvantages. For example: "An advantage . . . staff will still be working as well as learning. This would save MIR having to pay additional staff . . ."; and "MIR may have to close the Ice Rink while the training is in progress, losing customers and income". Again, however, some failed to read the question carefully, answering the question in relation to employees rather than the named business, and others provided relatively simplistic answers without application.

Performance on question 3, part (e)

Nearly all candidates were awarded a mark for part (i) by identifying an appropriate aim for their chosen business. Few were able to explain how this aim varied from the one stated for the given business. Weaker candidates tended to re-write both aims, hoping that this would provide a sufficient comparison. The stronger candidates compared on the basis of (where relevant) private/public sector and associated emphasis of profit and service. An example of a strong answer is, using the high street fashion chain Monsoon: "The aims are similar in the way that both businesses want to create a happy and positive atmosphere for the customers. They are different in that MIR's aim is more about safety rather than Monsoon's, which is about its products . . .".

Part (iii) contained many answers that simply described the roles and responsibilities of managers and/or employees, and did not link these back to the achievement of the aim stated in part (i). It was noticeable that candidates who had selected the less 'mainstream' businesses tended to do better when compared with those who made typically generalised comments about Tesco, Boots and other large businesses. Most gained two marks for roles/responsibilities, but there was little evidence of evaluation. An example of an answer that is starts to relate roles and responsibilities to the aim (of a café 'to provide high quality food and a relaxing environment') is: "the manager helps by selecting a team of staff who are friendly and hardworking. The waiters/waitresses help by providing customers with their food in a positive and friendly manner . . . Another role of the manager that helps meet the aim is that he selects good food for his menu . . . and morale is high so there is a good atmosphere . . .". The candidates who selected Monsoon - aim 'to provide customers with an efficient service and quality products' - gave a strong answer: "The staff who have direct contact with the customers day-to-day need to be friendly, confident and outgoing to help the customers feel that they are receiving a high standard of customer service, therefore reaching the company's aims. It is important for managers to keep an eye on their staff to make sure they are always putting the customers first. Also the manager has to ensure that the staff are well prepared to deal with any customer concerns . . . An important role of the staff is to ensure that the shop is tidy and that the products are arranged in a practical manner, making it easier for customers to find what they want. This will make people more inclined to come back . . .".

3. Future developments

Selection and use of own businesses

There are two key developments on the paper that affect future series.

- Known fictional(or fictionalised) businesses such as the ones used in the specimen and any past papers will **not** in future be accepted. The reference in the 10-mark section to '. . . the details of ONE business that you have studied . . .' is meant to refer to an existing actual business, and will be treated as such.

- On occasion, one type of business - for example, one in a particular field or market, or in a particular business sector (primary, secondary or tertiary; public or private sector) - may be prohibited by the question. The purpose of doing this is to help ensure that candidates are placed in a position so they can develop an appropriate 'balance' or comparison in their answers. The effect of this is that candidates will need to have studied a **minimum of two contrasting businesses** in order to answer successfully the last parts of each question.

Paper design - general

- The mark allocations for content topic areas and for assessment objectives will continue as indicated earlier in this Report. Future papers will continue to feature the occasional use of diagrams, pictures, charts and other visual stimuli in order to assist candidates.

- In the immediate future, 6916 paper booklets are likely to be 20 pages in length: each of the three questions will consist of a six-page spread (including a blank page where relevant), with the final 10-mark section taking up the last two of these pages.

Paper design - the final 10 mark section

- The final double-page spread for the 'ONE business you have studied' section will in future contain the emboldened information box (in which candidates enter their chosen business's name and activities) **at the top of both pages.** The size of each information box will also be reduced slightly in depth, in order to free up more space for answers.

- Candidates must complete both information boxes in order to gain any marks for each part of question which it relates to.

There is now a further issue for centres to consider: a candidate who uses (say) Tesco to answer the question parts on the left hand page will no longer be required to use Tesco again when answering those question parts that are on the right hand page. One obvious benefit is that a poor initial choice of business can easily be remedied. However, centres should note that each 10-mark final section for each question will normally be written in such a way that a single business can be used to answer all question parts that comprise these 10 marks, and most candidates are likely to find it beneficial staying with the same business (always assuming they have made an appropriate choice in the first place).

The marking of future series

- Because candidates must name and refer to a (real) business studied, markers cannot award any marks where candidates do not name a business. See the above comment regarding the importance of completing the information boxes at the top of both pages.

- Marks will continue to be allocated for applying answers effectively: ie, where relevant by using more than the mere name of the business in the answer. Centres will no doubt continue working to ensure a more 'applied' approach is adopted by candidates in their answers, noticeably to the final 10-mark sections.

Applied GCE Applied Business
6917 January 2006

Centres sampled in the January 2006 Series were found to be consistently lenient in the assessment of portfolios. The largest mark adjustments were made where centres had only submitted copies of presentation slides with no supporting text. This resulted in the analysis and evaluations not being evidenced. The presentation evidence is insufficient to support the awarding of the higher grade mark bands as, without supporting materials and/ or detailed witness testimonies from the presentation, it is impossible to evidence and so moderate the higher skills of analysis and evaluation. The candidates needed to provide textual assignment answers from which the presentations evolved.

A number of planned businesses were suitable for this unit, the following issues were evident in the portfolios moderated:

1. Some candidates planned to set up a business in which food was sold. Where candidates choose to start a business selling, handling or delivery of food they must look at all the legislation covering handing and retailing food products and environmental health premises requirements.

2. Some businesses were far too large to be used for this unit. It would be better for candidates if they choose a small business that did not require large amounts of capital equipment, fixtures and fittings. This would reduce the amount of resource and premises research that candidates need to undertake.

3. The use of school premises as the location with the staff and students as the intended market restricts the achievement of higher grades as learners are working with an unreal market place. In the samples seen where this occurred rent, business rates and other associated costs were not identified with the candidates assuming that costs such as refurbishment, rent and rates would not need to be paid with the centre providing rooms as offices free of charge. The restricted market place and opening hours reduces the potential sales and results in unrealistic business planning.

4. Lack of realism, especially in the size of business that could be set up, sales and total wages showing in cash flows.

5. Some planned businesses required large amounts of capital to start up and/ or were planned to have a large market. This approach increased the amount of research and work that the candidates had to undertake.

6. Inaccuracies in the construction of cash flows.

7. Follow through mistakes, i.e. differences in statements relating to the business made in answers to (a) and (c).

8. As identified above the major issue with the work presented for moderation was where centres only sent presentation slides with no detailed witness statements or supporting reports.

There were some realistic, small businesses serving the local area that were used in the portfolios, examples include: window cleaning, wheelie bin washing, car valet services, henna tattoos, and party planning. Centres are directed to the Tutor Support materials and Ask Edexcel for this unit which gives further useful examples.

In theme (A) there must be some market analysis including competitor analysis. This was often present and candidates did carry out some analysis of results but the outcomes were often never used in developing the business or in any business decisions. Legal aspects should be wider than type of ownership and should include something on relevant legislation that will impact on the business, including references to employment and consumer protection legislation. Stakeholders and aims and objectives were often covered superficially, however the better portfolios looked at the relationships between the business and the stakeholders and discussed short and long term objectives, as well as making objectives SMART.

In theme (B), candidates must cover human, physical and financial resources. Additionally for higher grades, candidates should cover costing, availability and importance of resources to the business. Premises were often missing or very simple statements, e.g. in the High Street, were made. Costs shown here must carry through to theme (C).

Theme (C) : despite it being clear in all mark bands, a number of candidates did not identify start up and running costs.

A twelve month cash flow is preferred although a six month one is acceptable, expenditure should be broken down and not simply shown as expenses, raw materials and wages. There were a number of inaccuracies in cash flow format (and formulae in spreadsheet) presented in portfolios in January 2006.

Figures must flow through from other financial statements and written comments. Figures in these statements must be supported elsewhere in the portfolio and not seem to be “plucked from the air”. There must be a demonstration of knowledge and understanding of financial statements and their use.

For higher grades other basic financial statements of Profit & Loss and Balance Sheet need to be given explaining how these are used to monitor business performance or how these may be used to evaluate cash flow forecasts and break evens as tools for monitoring performance.

No evaluation of cash flow forecast and break even calculation.

In theme (D) there needs to be a coverage of the generic applications, e.g. spreadsheets, word processing, databases, etc. as well as business specific software. Candidates tended to refer to Sage but it is questionable whether or not small sole traders would use such an expensive piece of software when smaller, cheaper and more relevant accounting packages for small businesses are available.
The portfolios seen tended to be descriptive and had screen shots included but did not explain how these packages could be used to increase the efficiency of the businesses.

Administartion:
Most centres forwarded samples on time and an accurate number of samples portfolios were provided i.e. ten portfolios with the highest and lowest grade included.

Of the centres that submitted portfolios, Over a third did not send the full sample and further portfolios had to be requested from the centres. Two the centres submitted work after the deadline for receipt.

Mark sheets were not present on all samples and in one of these cases it was impossible to identify the allocation of marks across the themes/ assessment criteria. The remaining centres of those who did not complete mark sheets listed the marks per theme on the candidates' work.

Only one centre provided evidence of internal verification. There was no evidence of standardisation in any of the samples sent by the centres however in a number of centres only one assessor was evident.

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The work submitted varied in approach, content, style and volume across the centres. Some portfolios consisted of just a few pages with others stretching to nearly 200 sheets. Most of the work was assessed consistently with the majority of centre assessors lenient in their decisions.

As mentioned above, the approaches varied from the largely "academic" eg candidates working from a journal article or producing masses of theory on sampling to a more "applied" approach where the assessment requirement was more directly met in a practical way through a suitable choice of product or service. In the cases of the best work an integrated approach was apparent with the choice of product or service justified by careful research from several sources that, in turn, informed the final choice of marketing mix.

Weaker approaches often tried to re-launch both product and/or brand without really considering the current mix in use. Where "generic" products were suggested eg a new mobile phone for "Nokia", candidates struggled to produce a logical mix. Sometimes, overblown ideas were evident eg new supermarket chain to rival "Tesco" or a chain of clothes stores to compete with "TopShop" and these suggestions made the whole unit much more difficult than was the intention. As with "Investigating Business" in Unit 2, the best approach was where candidates took simple products or services and came up with practical suggestions for a suitable marketing mix that incorporated a clear idea of product, price, promotion and place (distribution) ie the "4P's" linked always to the market research. Weaker work underestimated eg the costs of promotion and advertising and made assumptions about budgets that would be unsustainable in reality, hence the need for clear, simple ideas, costs and prices. In some cases, candidates were able to produce mock-ups of advertising and promotional campaigns and these added to the whole approach.

Areas of the Specification:

(a) In some cases, candidates had been required to investigate the market or brand, rather than a particular product or service and this made for difficulties of analysis. Often, the nature of the product or service was not well explained and marks lost as a consequence. Where candidates had been guided to a clear, simple choice, the outcome was usually better. In Centres where the brief was too elaborate, candidates tended to become distracted by other issues eg product design and lost sight of the requirements of the specification as a result. Improvements here would include clearer linkage of the product to the marketing objectives, segmentation and the target market together with some justification for these.

(b) Generally well covered and better candidates used suitable research as the basis for much of the unit coverage. In some cases there was much theory, restricted sampling and little linkage when the marketing mix was discussed. In the better work, candidates had investigated a wider range of sources (including interviews with relevant people) and linked their analysis to the target market and segmentation highlighted in (a) above.

(c) Most candidates were able to discuss the appropriate “P’s” but better marks arose where these were developed through links to research findings, especially in relation to the target market identified in (a) above. Much theory was also in evidence with weaker work failing to apply this to the chosen mix. One improvement in this area would arise where the reasons and justification for links between the elements of the chosen mix are fully explained.

(d) Better evaluations arose where candidates used “SWOT” and/or “PEST” - style approaches. In some cases, evaluation occurred throughout and in the weaker cases simple, unjustified statements and/or opinions were much in evidence. Any evaluation needs to be of the whole suggested mix rather than of the chosen product or service as was sometimes the case.

In most instances, the recommendations for administration had been met eg highest and lowest marks, annotation, work arriving on time. However in some cases no OPTEMS were present and many of the portfolios lacked the required Mark Record Sheet or had used another document. One major concern was the inaccessibility of many of the portfolios – either tightly packed into plastic wallets, in ring binders or clipped into plastic folders. Most Centres presented evidence of internal moderation/standardisation.

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To successfully achieve this unit, learners need to demonstrate an appropriate level of understanding and application of knowledge across the full range and scope of the unit outcomes, in particular the unit assessment outcomes/criteria, the specific AO's, and the mark band (MB) distributions (Applied Business Awards Specifications Pages 37 and 38). In as much as learners need to show a clear understanding of the subject and the practical application of the unit requirements from a balanced contribution across the four knowledge/applications Themes/areas, the related AO's and marking criteria bands.

Therefore, in relation to the Unit specification (p35 and 36) learners should:

- Show knowledge and understanding of a range of business situations and web based concepts.
- Be aware of relevant and up-to-date information from a range of sources in relation to an online presence.
- Use adequate techniques and methods on the collection of information, analysis and design of a business web site.
- Be awareness of the issues, problems or opportunities of website/online presence.
- Be able to prioritise evidence and arguments
- Show judgement in the selection and presentation of findings
- Present additional examples and appropriate materials in support of a conclusions
- Demonstrate the application of techniques and methods in the design an building of a website in an appropriate business context.
- Evaluate the business context and is aware of the issues, problems or opportunities poses by a web presence.

The work sampled indicated appropriate websites being identified by learners. In general, an explanation of the features and purpose of the sites, how they functioned and supported the possible achievement of the businesses objectives as required for Theme (a) AO1/2, basic examples were included to show the linkage between the website and the business objectives. However, detailed analysis of how a business can use a web presence to meet its objectives and an evaluation (with examples) of how these are met by a web presence was limited.
To ensure the full development across Theme (a), to MB3, an appropriate selection of businesses and websites should present, if possible contrasting site/businesses should be encouraged to support further evaluation. e.g. B2B, B2C or G2C type sites

For theme (b), a single business needs to be selected to explore its strengths and weaknesses in an internet presence. As with Theme (a) above, the business choice is important for the depth of analysis, evaluation and the selection of drawback possible in moving from MB1 through to MB3. Learners should include examples of the drawback to having an internet presence relevant for that business and provide any recommendations for improvements in the website, in relation to the stated business aims and objectives, as required for Theme (b) AO4.

Evidence of independent research into the influencing factors of designing and producing a realistic online presence must be identified with some justification given as required for Theme (c) AO3. The depth of analysis and the development of realistic factors for the business must be considered, including consideration of legislation, costs and maintenance/training expenses as expected for Theme (c) MB2 and in addition, a justification and/or consideration of the business opportunities a website could offer as required for Theme (c) MB3.

In the sample, candidate's did demonstrated a good understand of the design and build processes for a creating a website for AO1 & A02 in criteria Theme (d).
The website can be an existing or planned business, provided it is realistic and offers a full opportunity for learners to fulfil the requirements of Theme (d). The use of initial plans and outlines for a website were generally appropriate for the business as required to satisfy MB1, However, learners need to include evidence e. g. flow diagrams, site layouts, page sketches and links, navigation structures and detailed content relating to the images, clips, page linkage and content outlines to support the construction of the site. These must be appropriate for the business and the subsequent website. Consideration of the value of the website, for the described target audience, its ease of use and user interface is important for gaining MB3, i. e. a consideration of how the site will be seen by users and its value to customers.

<u>Authentication</u>
For the web site as described/designed for Theme (d) MB2 & MB3, Centres should include evidence to confirm originality of leaner work, especially in relation to the website functionality and appropriateness for the business and user. The use of witness statement, tutor comments, observation checklist and signed screen/output documents should be present in the material.

<u>Standardisation</u>
Consistent marking and standardisation within centres was evident however in assessing higher performance, assessors need to consider the depth and scope of material, in terms of quality of examples and quality and reasoning of evaluation in the learner's work to award the higher MB3 marks.

<u>Enhancing Assessment</u>
Centre should ensure, especially in relation to the higher mark bands that clear evidence of analysis of how a business can use a web presence to meet its objectives and an evaluation with examples of how these businesses set objectives are met by a web presence is included for MB3 Theme (a).

Also for MB3 Theme (b) and Theme (c) more detailed analysis and consideration of legislation, on going costs of maintenance, training and updating expenses be included. Learners should be encouraged to explore and evaluate the influences, needs and design considerations for using a website to support a business in its achievement of objectives. Provide a justification an/or reasoned consideration of the business opportunities a website could offer should be encouraged, with appropriate examples.

For the design and operation of a website Theme (d), Learners should be encouraged to provide a working example of their designed website to achieve the Theme (d) MB3 band. To do this learners need to include authenticated evidence of navigation, examples of images, clips, page linkage and content outlines to support its construction and functionality.

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Moderation Process

The external moderation process was deemed to be straightforward.
Centres sampled in the January 2006 Series were found to be consistently lenient in the assessment of portfolios.

Overall centres forwarded samples on time and an accurate number of samples portfolios were provided i.e. ten portfolios with the highest and lowest grade included

Assessment Objectives and Mark Band Evidence

Overall it was felt that centres approach in delivering the unit was inconsistent in that, some centres asked candidates to produce written work and then extracted the presentation from the written work therefore, candidates were able to provide detailed evidence to meet the assessment objectives and higher mark bands. In contrast, to centres where only a Power Point presentation and Witness Statement were submitted as evidence. Lack of detail in the presentation and the witness statements prevented candidates in accessing the higher mark bands.

Overall candidates presented a description/explanation of internal and external customers and their needs and expectations. However, in some cases candidates only focused on one business. Centres should encourage candidates to select contrasting businesses. The needs and expectations of customers were identified however, in some cases customer needs and expectations were very similar or generic as a result of selecting similar organisations i.e. Morrison and Tesco. Evidence for how the organisations met customer needs and expectations was weak or not addressed.

Candidates identified and described UK legislation well. Application of UK legislation to the chosen business was basic however, the choice of business in some cases limited candidates in applying EU legislation. Evidence of working procedures was weak or not addressed by candidates. Useful information on EU legislation can be found on the following websites.

http://www.dti.gov.uk/ccp/topics.htm
http://www.dti.gov.uk/ccp/topics1/pdf1/bencheu.pdf
http://www.dti.gov.uk/er/emar/wtr.pdf

Some attempt was made by candidates to describe/ explain how the chosen business maintains, monitors and improves customer service. In some cases lack of research limited candidates in generating the evidence required for this assessment objective and mark bands.

Although strengths and weaknesses of customer service activities were implied in some portfolios. In main the evidence for this particular assessment objective was weak. Candidates should be encouraged to elaborate on the strengths and weakness stating why they felt this was a strength or weakness for each activity and then develop this further by making suggestions for improvements for any identified weaknesses.

Assessment

Assessors should be encouraged to annotate achievement of assessment objectives and mark bands against the evidence as the assessment was found to be lenient for this unit.

It is recommended that assessors include a detailed Witness Statement indicating the exact achievement of assessment objectives and mark bands.

Candidates should be encouraged to include any research gathered for the chosen business i.e. Customer Charters, questionnaires etc.

Unit Guidance

Centres need to ensure candidates select contrasting businesses as per unit specification, which will enable candidates to generate evidence requirements for the higher mark bands.

It is recommended that the centre encourage candidates to produce written work and then extract the presentation from the written work, this will enable candidates to submit detailed evidence towards the assessment objectives.

Grade boundaries

At the E/U boundary candidates demonstrated some basic knowledge and understanding of key concepts of the specification at assessment objective 1. In some cases basic application of knowledge and understanding was demonstrated for assessment objective 2. Assessment objective 3 candidates research was not appropriate or very limited or at this grade boundary, assessment objective 4 was not met at all or in some cases a very weak evaluation was included

At the A/B boundary candidates were able to demonstrate in depth understanding of knowledge and understanding of key concepts from the unit specification. For assessment objective 1, candidates were able to effectively demonstrate application of key concepts of the unit specification in the evidence generated for assessment objective 2. For this grade boundary candidates were able to select and use relevant up to date research and information to demonstrate the achievement assessment objective 3. For Assessment objective 4 at this grade boundary candidates were able to evaluate effectively.

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General Comments

This is the first time this paper has been taken. It has followed the basic approach taken by the sample paper with two scenarios on which approximately one third of the questions were set on each and three topic areas where the candidates were expected to use details from their own studies of specific businesses in order to answer questions. These three topics accounted for the final third of the marks for the paper as they did in the sample paper.

Overall the paper seems to have been well received by candidates. The vast majority of candidate attempted all questions and where questions were not attempted this seems to have been because some candidates did not know some of the basic terms, for example, ambient advertising and sponsorship. The use of scenarios has helped candidates to think about the promotional aspects of the businesses referred to and this has generally meant that candidates are able to reason out answers even where the questions are fairly challenging. In terms of time there was no significant evidence to suggest that candidates could not complete the whole paper.

The questions (8, 9 & 10) that were based on businesses the candidates had studied during their course were generally reasonably answered and did show a very welcome breath of knowledge and understanding about real businesses. The development of answers for many of these questions was, however, fairly limited and candidates frequently did not seem to appreciate the full requirements of the questions.

As always, unfortunately, there were common causes of candidates' failure to score marks, these included:

- Candidates did not read scenarios and questions carefully enough. This caused some candidates to answer questions that had not been asked, or to answer only parts of questions.
- Some of the basic terminologies are not known. This includes terms specifically referred to in the syllabus content such as ambient advertising and ones implied in the syllabus content such as the voluntary codes used by television advertisers.
- TMost of the questions required application to specific situations in order to gain full marks. Many candidates gave general, correct, answers, but then failed to apply what they were saying and so lost the marks allocated for that application. This is an applied paper that expects candidates to think about the business situations that frame the questions.
- The questions based on candidates' study of real businesses during their course required both application and analysis and in many cases there was limited analysis of what businesses were actually doing and why.

Details of the performance of individual questions.

Question 1

(a)(i) This was very poorly answered by most candidates. Candidates either did not think carefully enough about what Figure 1 was, a newspaper article, or they put down general promotional tools without thinking about what they meant or how they related to a newspaper article. Where candidates had not read the scenario carefully enough they described the article as an advertisement and the most commonly misused term was public relations. In both cases that would have required instigation by the hotel itself. This was only an article about the hotel and as such simply publicity.

(a)(ii) – This part was well answered and most candidates thought carefully about what the article said, rather than what type of promotion it was. Raising awareness and providing information were the most common answers. Where candidates failed to score they tended to be reading into the article things that were not there, such as 'providing special offers', or using phrases that did not apply, such as 'improving frequency'.

(b)(i) & (ii) – Most candidates could correctly identify negative elements of the article and gained full marks for part (i). For part (ii) good reasoning was generally provided, although some candidates found providing reasons for both negative elements difficult. Where candidates fell down on both parts this usually resulted from not reading the article carefully enough, for example some candidates assumed that everyone using the hotel would have to book up one year in advance.

Question 2

(a) – Most candidates did know what direct marketing was and could, therefore, provide a valid example. Some candidates did not understand the term and a common incorrect answer was to put down that is could be used for her television advertising. Some candidates provided more than one example and, in doing so, showed that they did not actually understand the term.

(b) – This question did require answers related to the medium being used and not to direct marketing, which is what question (a) had been asking about. Most candidates did read the question sufficiently carefully to write about video as a medium. Candidates could give the features of this medium, moving image, sound and picture, etc., but only the best candidates then went on to fully explain why this made the medium effective for promoting wedding receptions. There were too many general conclusions such as 'and this will make people want to come to the hotel', which did not add anything to the explanations.

(c) – This question required reference to the way that Mary had planned to make the video and not to just making a video. A significant number of candidates put down general constraints such as 'time' and 'cost' and without explanations of how these applied to Mary's plans in part (ii) they did not gain marks. Additional details, for example 'the time of the year', did allow candidates to gain marks in part (i) and generally lead on to good answers in part (ii). Part (ii) also required candidates to link the negative effects to the way in which Mary was planning to make the video. This was generally not explained.

Question 3
Generally candidates found it easier to answer the part related to Bride rather than to the Coventry Evening Telegraph. Again this was partly due to candidates not reading the question which asked them to take into consideration 'the services that the Hotel specialises in'. Some candidates only considered the wedding reception service and made comments such as 'not everyone in Coventry wants to get married'. Many candidates also ignored the trigger word 'explain' and simply listed advantages and disadvantages. Whilst this did gain marks it also meant that in some cases, without a clear explanation, the advantage or disadvantage was not obvious enough to gain the initial mark, for example simply saying 'the paper is produced every day.'

Question 4
(a) – This question was challenging and relied on candidates understanding the significance of the two words 'reliable' and 'effective'. Most candidates did not think about these two words and did not relate the method of research to them. Understanding how and why assessments of promotional campaigns are carried out is an important aspect of the unit on which candidates clearly need to spend more time.

(b) – This was generally fairly well answered although there were some candidates who saw this as a question about the process of analysing data.

Question 5
(a) – A very wide interpretation was allowed for this question which meant that most candidates performed well, with a large minority gaining all 6 marks. What tended to let the weaker candidates down was either repeating stages or, in part (ii), adding no additional description.

(b) – Most candidates could give a reasonable answer here, except those candidates who took door drop delivery to mean that the groceries were going to be delivered. That is worrying considering that Table 1 was on the adjacent page with figures for media spend which included Door Drops, and that this is a unit about Investigating Promotion. This was a fairly open question and it is clear that students need additional advice and instruction on how to approach such questions so that they can gain all the marks available. The main area of weakness was in responding to the need to explain the benefits in relation to 'this kind of business.' Having said that, there were some very well applied answers but they did not usually go on to consider other aspects that a 6 mark question would expect.

Question 6
This question very specifically asked candidates to use the evidence in Table 1. Most candidates did refer to Table 1, but some did not use the figures to support what they were saying. The full answer required three components, basic cause, evidence to support this from the table and an explanation of why that would lead to falling sales. Only the best candidates could effectively combine all three parts.

Question 7

(a) – About 40% of candidates simply did not know what ambient advertising meant. It is a difficult term to be precise about but there are very clear elements of promotion that it is not and these were being given as examples. These included advertising in the press and on television. For this series the use of billboards and posters were also accepted but in future the term will be limited. Details will be given below in the advice to centres for future examination series. The candidates who did know what the term meant could usually either explain how it works as promotion or why it would be appropriate for the business. The best candidates gave full, well reasoned answers.

(b) – This question could be answered without understanding ambient advertising and where the wrong example had been given in (a) that was ignored in this part so that only the reasoning for or against the chosen method was considered. Most candidates made good use of Table 1 although some candidates either ignored Table 1 or misinterpreted it, for example, claiming that the £1,000 could not be used for television because Hand Hours could not afford to advertise on television, where Table 1 showed that they already spent over £10,000 on this method. Again, full answers were only given by the very best candidates.

Question 8

This was the first of the three questions that required candidates to use details from businesses which they had studied during their course. General comments on these kinds of questions will be given in the advice to centres for future examination series. For the sponsorship it was very pleasing to see the width of valid examples taken, which confirmed that centres and student are using details of real businesses to support their understanding of how promotion actually works. Having said that, however, there are some worrying aspects in terms of understanding exactly what had been asked for.

(a) – Very few candidate were unable to give a sponsorship relation between two parties, although occasionally the actual name of, say, the football club, was not given. Where details were given they were nearly always details of what the sponsor got out of the deal and it is clear that more thought needs to be given to what specific benefit there is for the business being sponsored, other than just receiving money. There was also some confusion about individuals being sponsored, for example to use only specific sportswear, and individuals being paid to advertise products, for example crisps.

(b) – The main problem here was that many candidates did not think about the term 'public image' and simply wrote about the benefits in terms of exposure of the business's product or name. Even where candidates did highlight an elements of public image only about half of these candidates went on to clearly explain how this came from the sponsorship.

(c) – Nearly all candidates gave a valid negative effect and a basic reason why that came from the sponsorship but few gave full well argued explanations.

Question 9

(a) – This question was about effective promotion, and in this particular case a specific television advertisement. It was not about the product itself but the way in which it had been advertised, and about the standard elements of AIDA. In many cases candidates simply started to give details of the advertisement without thinking what element of AIDA they were being asked to demonstrate. Details were often not sufficient to show that the particular element was being demonstrated and few candidates actually explained why a particular feature of the advertisement would gain attention, stimulate interest, etc. The weakest part was achieving action as most candidates simply said that people went out and bought the product and did not describe how the advertisement made them do this. There were also some excellent full answers for all section which showed a very good understanding of AIDA.

(b) – Most candidates could identify a relevant body, although the actual body responsible for creating the standards was not referred to, namely the Committee of Advertising Practice (CAP). There was some confusion about what the ASA stood for and for this series Agency and Association were accepted. In future it will be expected that candidates know the correct name. There was also considerable confusion as to the actual role of the ASA and many candidates assumed that it had more power than it actually does. Students need to understand the different roles of the CAP, the ASA and Ofcom.

Question 10

Generally this question was not well answered, mainly because candidates did not give sufficient detail in their answers.

(a) – Many candidates simply listed the costs rather than explaining them, which required them to give a reason for why they were needed. Many candidates also ignored the instruction to deal with ‘creating **or** running’ costs which meant that only part of their answers could be awarded marks.

(b) – Most candidates did give a basic answer for this question but few went on to show how, for example a hit counter, measured the ‘effectiveness’ of the web site.

(c) – This was an invitation for candidates to explain their approach to their research and to gaining valid information about using websites for promotion. Most candidates simply gave the rather bland answer that they visited the website, with no further development or explanation.

Future developments

Most candidates were able to score marks in most sections but very few candidates gave the full expected answers and it was clear that candidates need more instruction on how to gain the full marks for these papers. Below are some details on how marks can be improved and what expectations there will be for future series.

1. **Mark scheme** – An important part of the preparation for examination is to look at past papers and in particular the way that the marks are awarded. The 'mark allocation' column indicates how the available marks will be awarded and the 'expected answers' column provides details of the kinds of answers that would be accepted. The expected answers are written in the same order as the points in the mark allocation column and mapping across should help students to understand the type of answer and detail needed to gain full marks.

2. **Writing full answers** – In many cases candidates did not fully answer the questions. There were four main reasons for this, which need to be addressed:
(a) Candidates must respond to the layout of the questions and the number of marks allocated to each question. These will indicate the length and detail expected in the answer.
(b) Candidates must understanding the requirements of trigger words such as, state, explain, justify and evaluate as these indicate both the expected nature of the answers but also the expected depth and detail required.
(c) Candidates also need to respond exactly to the question that was asked and ensure that they have included answers to all parts of it.
(d) Candidates must use additional sheets if they need more space than has been allocated to write. They must indicate clearly on the additional sheets which question they are referring to.

3. **Application** – This is an applied business course and all questions are set within a specific business context. The general rule is that part of the marks will be awarded for applying the theory to the given situation. It is therefore very important that candidates think about, and analyse, the situations and write their answers with reference to the given situations.

4. **Terminologies** – There are basic terminologies that candidates are expected to know that refer specifically to promotion. Questions will be asked that assume this basic knowledge and with the last three questions that could amount to about ten marks. Candidates must know these terminologies and not confuse terms that sound very similar, such as promotion, publicity, public relations and public image. Most of these have sound definitions and examples provided in textbooks and on specific marketing sites on the internet.

Ambient advertising does create a specific problem because it requires the type of promotion to be new and innovative and given time all new methods cease to be either. Billboards and posters are not new and in future will not, by themselves be accepted as examples. They might, however, be accepted if they were located or displayed in a particularly new way, for example posters being displayed on the back of fashion models on a cat walk. The definition of ambient advertising that will be used for future papers will be: **any kind of advertising that occurs in some non-standard medium outside the home**. Examples are messages on the backs of car park receipts and at the bottom of golf holes, on hanging straps in railway carriages, on the handles of supermarket trolleys, and on the sides of egg cartons. It also includes such techniques as projecting huge images on the sides of buildings, or slogans on the gas bags of hot air balloons.

5. **The last three questions** – These questions relate to real businesses that students have studied during their course. There are of course a huge number of potential businesses that could be studied, many of which may not be known to the examiners who are marking the papers. In general, in future, these questions will be set in such a way that candidates will be required to give sufficient details that the examiners can identify all of the features that will tell them about the business, or product, and allow them to mark the answers effectively and accurately.

In some cases this will be achieved by asking candidates to only select major UK businesses or products. In other cases candidates will be asked to provide clear details of the product or business. In all cases real businesses must be used and these should be readily identifiable to the examiner. The advice to centres is that for all topics major businesses and product are studied as part of the course. There is a great deal of information about major businesses and their promotions and policies available to centres. Studying smaller local businesses is acceptable but candidates need to be prepared to give clear sufficient details in their answers that will clearly identify the businesses, the products and the strategies.

Statistics

6916: Investigating People at Work

	Max Mark	A	B	C	D	E
Raw	90	56	48	41	34	27
UMS	100	80	70	60	50	40

6917: Investigating Business

	Max Mark	A	B	C	D	E
Raw	60	48	41	35	29	23
UMS	100	80	70	60	50	40

6918: Investigating Marketing

	Max Mark	A	B	C	D	E
Raw	60	49	42	36	30	24
UMS	100	80	70	60	50	40

6919: Investigating Electronic Business

	Max Mark	A	B	C	D	E
Raw	60	48	42	37	32	27
UMS	100	80	70	60	50	40

6920: Investigating Customer Service

	Max Mark	A	B	C	D	E
Raw	90	48	42	36	30	24
UMS	100	80	70	60	50	40

6921: Investigating Promotion

	Max Mark	A	B	C	D	E
Raw	90	64	56	49	42	35
UMS	100	80	70	60	50	40

6922: Investigating Enterprise

	Max Mark	A	B	C	D	E
Raw	60	48	42	36	30	24
UMS	100	80	70	60	50	40

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