

Examiners' Report/ Principal Examiner Feedback

January 2010

GCE

GCE Applied Business (6921) Paper 01

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Publications Code UA022580

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PE Report on examination paper 6921/01 - Investigating Promotion- January 2010

General Comments

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

This paper had the usual two main scenarios. The first was about the promotion for a national chain of restaurants and the second about the promotion for a small chain of shops selling ski wear and equipment. Both scenarios were well understood by candidates and provided the basis for them to apply their knowledge and understanding of the course. There were also two extended answers questions which provided the opportunity for candidates to develop answers to show higher order skills of evaluation and justification.

Questions 8 to 10 required an understanding of how specific real businesses actually carry out their promotions. Questions 8 and 9 caused few problems for most candidates. Question 10, on the other hand, did cause some difficulties, mainly because candidates did not know what 'internal cost constraints' meant, even though this is specifically listed in the syllabus.

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

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

Comments on specific questions

Question 1

This question was either answered well, with candidates scoring 3 or 4 marks, or very poorly, with many candidates scoring 0 marks. The reason for the differences was very clear. Candidates did or did not understand the term 'public relations'. Many candidates confused the term with publicity, and argued that any of the methods, apparently randomly selected, was valid, because it promoted the business, or communicated with the public. Others considered only part of the meaning of public relations, 'the practice of conveying messages to the public through the media,' without the important second half, 'with the intention of changing the public's actions by influencing their opinions.'

Question 2(a)

It was vital for this question that candidates read it very carefully and appreciated the point of each word. A significant number of candidates ignored the words 'With reference to the way' in terms of how *Easy Grazing* actually used the posters and simply wrote about the use of posters in general. Essentially candidates needed to consider the placement of the posters in the windows of the restaurants and the fact

that there were replaced each week. That was the only information they had been given in Figure 1.

The question also asked for drawbacks, so candidates could only gain full marks for considering more than one drawback, although that could come from the placement or the frequency.

Where the context was considered, i.e. advertising the special offers, and the way the business used the posters, candidates gave well developed and justified answers, scoring high marks.

Question 2 (b)

As for 2(a) the context of the question was important. The answers had to relate to the promotion of the special offers, which changed each week, for full marks. Most candidates could come up with basic limitations of the use of websites, such as the lack of access, but only the better candidates put this into the context of reaching the target market and of comparison with the use of the posters.

Some candidates considered the specific target groups given in Figure 1 and gave good arguments from their points of view, especially in terms of the comparative advantages of the posters as a method of promotion for those already in the towns and cities.

Question 3

Nearly all candidates scored some marks for this question. For higher marks the context of promoting meals and the need to apply the details given in Figure 1 had to be considered. Only the better candidates did this.

A significant minority of candidates only considered the features of television and radio in very general terms, ignoring the fairly extensive details given in Figure 1 and making no reference at all to the fact that meals were being promoted. This effectively limited their marks to Level 1, or just creeping into Level 2. Where candidates used the data in Figure 1 and made justified comparisons between the two methods, they had little difficulty in getting into Level 3.

Some answers were very one sided and, although they gave good reasoning for using one or other of the methods, they had very limited analysis of the potential benefits of the other method.

This was a question where it was clear that some candidates had not fully expressed what they wanted to say, but simply wrote to the lines on the page.

Question 4 (a)

The majority of candidates had little difficulty in selecting the correct target groups and stating why the WiFi access would be attractive for them. The major weakness here was a tendency for some candidates to identify the target market and then state how the access to the WiFi would, consequently, benefit the business. That was not what the question had asked.

Question 4(b)

Some candidates did not understand the term 'buyer behaviour.' Where the term was understood candidates tended to give well reasoned answers and considered a wide range of possible changes in behaviour. Again the question was phrased in the plural, 'changes,' and that did need consideration of more than one change for full marks. Candidates who considered more than one target group usually gave different changes in buyer behaviour, and some also consider the possible change in buyer behaviour of customers who were not using WiFi, but were affected by those using it.

Question 5

This was a challenging question and candidates needed to think carefully about the context of a downturn in the economy. Some candidates ignored the context and gave general answers about why any business would promote their products. Other candidates recognised the basic context but found it difficult to explain why a business would then increase expenditure on promotion, other than to say this would increase awareness. Full answers needed recognition of the negative effects of the downturn and an explanation of how increased expenditure would help to reduce or overcome those negative effects. There were some very well argued answers.

Question 6 (a)

Few candidates had problems with identifying expectations. Some candidates failed to score full marks simply because they wrote very little. Some candidates gave generally unlikely expectations, for example, that the sponsor would expect to have a share of any profits made by the local sports clubs. The majority of candidates showed a good understanding of sponsorship and gave expectations that were appropriate for sponsoring local sports clubs.

Question 6 (b)

The majority of candidates interpreted this question as asking why *White Out* did not increase its level of sponsorship. That was accepted as a reasonable approach, although a better approach was to also consider why the business neither increased nor decreased the level of sponsorship.

Some candidates did not consider the process of making the decision for 2008, which must have been made before, or in, 2008, and certainly not in 2009. These candidates argued that the decision not to increase the level of sponsorship was made because the figure (for naming) had fallen from 10 to 8. That, of course, could not have been known at the time the decision was made.

Question 7

Table 1 was very poorly understood by many candidates and this significantly affected the validity of some of the answers being given. Some candidates did not respond to the fact that the last three columns were percentages. Many thought that the last two columns referred to the number of people, and some thought this was about the number of people visiting the shops. Comments such as, 'overall it was not effective because the total numbers remained at 100', showed how poor the understanding of basic, and simple, statistics can be.

Most candidates could select appropriate data from the table and provide basic analysis, assessment and comparison to allow them to get to the top of Level 2 or into Level 3. Only the best candidates made a full assessment of what the data meant and hence provided a reasoned conclusion. Candidates who worked out the quantity of additional expenditure for each method tended to give the best answers. An additional £1,000 spent on Local Newspaper advertising increased the percentage naming that method by only 2% point, whereas an extra £80 spent on cinema advertising doubled the percentage naming cinema and spending £500 less on 'other' made no difference to the percentage naming that method. That approach did set a very strong base for assessing whether or not the allocation of the additional £650 was the best.

Despite the very clear instruction to consider the information on Table 1 there were some candidates who ignored it completely and wrote about the effects of advertising in general.

Questions based on own study of examples during the course

The correct choice of business, product or promotional campaign remains absolutely vital for providing good answers to these three final questions. Basic rules for preparing for and answering these questions were given in the summer 2008 report to centres and those should be checked. There were some poor choices in this series and also some easy marks lost because candidates did not answer the actual question asked.

Question 8

This should have been a straight forward question to answer, but some candidates did not think carefully enough about what part (b) was asking for. The average mark for all parts was 6 marks, but many candidates did score full marks.

Part (a) was well answered by nearly all candidates, except those who moved away from describing the leaflet onto why it had been produced and those who ignored the word 'information'. Some either did not refer to the information, or made a minor reference to it. These candidates concentrated on the persuasive elements of the leaflet, describing layout, colour, boldness of print, etc.

Part (b) instructed candidates to explain **one** benefit only. Some candidates gave more than one benefit and invalidated part of their answers. Other candidates ignored the placing in the high street outlets and talked about leaflets in general. And yet other candidates ignored the requirement of some comparison necessitated by the use of the words 'rather than'. Those candidates who followed all of the instructions in the question gave good answers.

Part (c) was generally well answered as it allowed candidates to take any part of the leaflet for the improvement, an informative or a persuasive element. Again there was the requirement to take only **one** part and where that was ignored some of answer was invalidated. The other main problem was that some candidates did not consider a 'part' but considered some other aspect of the leaflets such as where they were handed out, and even the use of alternative methods of promotion.

Question 9

The majority of candidates did understand the requirement of the question as a whole, and of the individual parts. Many gave well developed answers and gained full marks. Unfortunately there were also candidates who did not think carefully enough about what business should be taken and selected national papers, many of which have limited classified sections.

There were also candidates who confused having specific sections of a newspaper set aside for distinct types of business, with having different sections of the paper for news, sport, opinions, etc.

Part (a) was well answered by the majority of candidates who considered how the classified sections are designated in local newspapers. Candidates who took national papers, or did not understand the classified designations found identifying distinct real types difficult. Some candidates failed to score marks because they named specific businesses rather than giving types of business.

Part (b) could have been answered from the point of view of the benefit to the business advertising, the reader or the newspaper itself. Where the newspaper was concerned, this really needed to relate to the business advertising or the reader as this would help the newspaper attract more advertisers and/or more readers. Some candidates tried to approach their answer purely from the newspaper's point of view and often tended to give unjustified reasons, such as that it was more expensive to advertise in the specialised sections so it made more money and that it made it easier for the paper because it knew where the advertisements were going to be placed. Most candidates answered from the point of view of the convenience for the reader and gained good marks.

Part (c) was also generally well answered with candidates focusing on potential competition and the need to make the advertisements stand out. Candidates who had misunderstood what specialised sections referred to in terms of distinct types of business found this question impossible to answer. Some candidates appeared to have misunderstood the whole context of the specialised sections and wrote about why there would be a disadvantage for a business of advertising in a local rather than a national paper.

Again, this question asked for only one disadvantage, to allow candidates to show development in their answers. Some candidates gave more than one distinct disadvantage and then tended to limit the marks available.

Question 10

This question was very poorly answered. The average was only 2 marks and only the very best candidates scored above 7 marks. The main problem was that candidates did not understand what 'internal cost' constraints meant. Many did not understand what 'internal' meant, and many confused a cost constraint with another constraint, such as lack of staff skills. This led to candidates selecting inappropriate businesses.

Part (a) had few candidates who could identify an internal cost constraint. The main reason was a worrying lack of understanding of what was internal and external in this context. Even when a valid internal cost constraint was identified, there was often

no detail of the cause of the constraint. Many candidates only identified an external cost constraint.

For part (b) explanations of how the cost constraints were overcome were accepted even if they related to external cost constraints. This allowed many candidates to show/explain the business's approach. However, some candidates were still referring to constraints that had no direct cost element.

Part (c) allowed candidates to deal with any constraint identified in parts (a) and (b) even if it had nothing directly to do with costs. That should have made the assessment easier, which it did for many candidates. However, a significant percentage of candidates did not follow the required context. This asked for candidates to consider the effect in terms of how the business dealt with the constraint, i.e. in the context of what they had explained in part (b).

Issues for future series

There will be one major change for the Summer 2010 series. This will be the first time that Quality of Written Communication (QWC) will be specifically examined. The general requirements are shown in the new specifications for the course.

QWC was always being assessed, because the way candidates expressed themselves had a major impact on the clarity of what they were saying. That will continue to be the case for all questions they answer and candidates should use good QWC throughout. For the purpose of specific assessment QWC will be considered primarily with reference to the extended answer questions. For this paper that will be the two questions with 11 marks. This will be indicated, for the benefit of candidates with an * against the question. Note, however, that candidates must not assume that this is the only part of the paper where QWC is being assessed and good written communication is vital for all questions.

The points listed below repeat comments made on previous reports, but they are ones that are still not being addressed by candidates.

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

2. **Terminologies** - Candidates need to know all of the terms given in the and common terms that relate to the real world of promotion. There were terms used in this paper that candidates did not fully understand, which resulted in them answering questions incorrectly and losing marks - e.g. public relations, buyer behaviour and internal cost constraints.

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

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

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

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

Grade Boundaries - January 2010

6921	Total	A	B	C	D	E
Raw Mark	90	59	52	45	38	31
UMS	100	80	70	60	50	40

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