



**General Certificate of Education (A-level)
June 2011**

Business Studies

BUSS3

(Specification 2130)

Unit 3: Strategies for Success

Report on the Examination

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General Comments

The paper proved to be accessible for the vast majority of students and they were able to attempt all of the questions. The type of business featured in the case study was one that many students understood and this proved to be beneficial particularly when answering Question 4. Timing was not an issue and most students were able to provide complete answers to all of the questions.

Questions 2 and 3 appeared to be the most challenging. It is disappointing to report that a significant number of students were unable to complete the investment calculations that they were encouraged to use to support their answer. For Question 3, many students appeared to have an incomplete understanding of marketing budgets and/or misinterpreted the question.

Question One

Overall, this proved to be an accessible question. Most students understood the concept of decentralisation and/or were able to identify relevant reasons. The majority of students also gained marks for both reasonable application and analysis by the use of relevant examples from the case study.

Some students confused decentralisation with de-layering and others wasted time by discussing the disadvantages of a decentralised structure.

Question Two

This question generated a significant variation in terms of the quality of answers. It is pleasing to report that many students were able to correctly complete the payback and Net Present Value (NPV) calculations. The best students then went on to answer the question set by analysing whether the calculations were realistic and wrote a considered conclusion based upon this analysis. Some students completed the calculations correctly but then simply stated that the objective was realistic without providing any analysis.

Unfortunately a number of students appeared to have no knowledge of investment appraisal and consequently were unable to provide any calculations. Students were able to access marks by identifying valid reasons, but generally these answers lacked depth.

Question Three

This question proved to be the most challenging. The best students were able to reveal good understanding of the importance of the marketing budget for a marketing plan. They scored highly for both application and analysis, by explaining the need for high levels of promotional spending to create awareness of the new strategy, especially as the business was repositioning itself and faced significant competition. Furthermore, they revealed good exam technique by identifying and explaining counter arguments, such as whether more cost effective marketing techniques could be used that would be appropriate for the 16–24 year old market. In addition, the strongest answers recognised that other factors, apart from a significant budget, would be required for the marketing plan to achieve its objectives.

Unfortunately, some students misinterpreted the question. A common mistake was to discuss the marketing budget as a form of budgetary control. Also, some students simply discussed the *strengths and weaknesses* of the proposed marketing strategy but failed to refer to the *significance of the marketing budget* to this.

In preparing their students for future BUSS3 exams, centres are advised to practice questions similar to this, as at A2 students are expected to think broadly and appreciate that the success of one functional area is inter-dependant on the effective performance of other functional areas.

Question Four

For the majority of students this proved to be an accessible question and answers were generally stronger than in previous series. Most students were familiar with the type of business featured in the case study and generally achieved reasonable application marks. It is also pleasing to report that students are spending more time planning and using sub-headings to give their answers more structure.

The best students were able to make selective arguments both for and against the strategy, which were based upon a number of different functional areas. For each argument, effective use of the case study material was used and there was evidence of good analysis. The stronger answers contained conclusions that answered the question as to whether the strategy should be adopted based upon the previous analysis.

Many students however are still adopting a ‘scattergun’ approach in which they will simply restate a large number of arguments but fail to explain them in any depth.

Conclusion

The importance of good subject knowledge must be stressed for success in this paper. Many students struggled in their answers to Questions 2 and 3 due to a lack of understanding. Furthermore, it is important that students ensure that they keep consistently focused on the question set. At A2, students need to appreciate the complexity of business decision making and understand the inter-relationship between different functional areas.

Mark Ranges and Award of Grades

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