

Mark Scheme

Summer 2013

Principal Learning Hospitality (HO307/01)

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

| Question Number | Answer | Mark |
|--------------------|---|------|
| 1 (a) | Award one mark for stating correctly each element of the marketing mix to a maximum of 4 • Price • Place • Product • Promotion | (4) |

| Question Number | Answer | Mark |
|--------------------|---|------|
| 1 (b) | Award one mark for each significantly different way up to a maximum of 3 Possible answers include: • Geographically eg location, postcode • Demographically • eg by age, sex, race • Socio-economically eg occupation, income • Behavioural eg life-style | |
| | Psycho-graphically eg benefits sought, image | (3) |

| Question Number | Answer | Mark |
|--------------------|--|------|
| 1 (c) | Possible answers include: Consideration of product sales at each stage of the product life cycle The length of time for which the product is available and how popular it is Being able to assess continued customer demand Considering ways to extend a product's life by adapting it | |
| | Award marks for other suitable answers | (4) |

| Question Number | Answer | Mark |
|--------------------|--|------|
| 2 (a) | Award 1 mark for identifying one suitable way and a further mark for describing it appropriately. Possible answers include: Sales records (1) to see which products are the most popular or not (1) or to see which days/times are usually the busiest (1) Customer records (1) to find out where the majority of customers work (1) or where customers live (1) Award marks for other suitable answers | (2) |

| Question Number | Answer | Mark |
|--------------------|---|------|
| 2 (b) | Award 1 mark for identifying one suitable way and a further mark for describing it appropriately. Possible answers include: Competitor analysis (1) – look on the internet to see what competitors are offering on their menus etc (1) Government/local authority information/statistics on the internet (1) eg census to ascertain local population information, current trends etc (1) Commercial market research organisations eg Gallup, Mintel (1) to get information on current trends etc (1) Trade publications eg The Caterer & Hotelkeeper (1) to get information on current trends etc (1) | |
| | Award marks for other suitable answers | (2) |

| Questi Numb | | Answer |
|--|------|---|
| Usefulness of the questions asked Ease of analysing results Ease of collection methods eg verbal/postal/phone/interr Cost of collection | | Reference to sample size Reference to response rates Quality of written responses Whether open or closed questions have been more useful Usefulness of the questions asked Ease of analysing results Ease of collection methods eg verbal/postal/phone/internet |
| Level | Mark | |
| | 0 | No rewardable material |
| 1 | 1-2 | Candidates demonstrate a limited knowledge of how to evaluate the results of carrying out market research using a questionnaire. Answers are brief and undeveloped. Little or no reference is made to the application of the results. |
| 2 | 3-4 | Candidates demonstrate a good knowledge of how to evaluate the results of using questionnaires. Responses are realistic and logical but lack detail in explanation. Some reference is made to the application of the results. |
| 3 | 5-6 | Candidates demonstrate a clear knowledge of and fully understands how to evaluate the use of questionnaires. Responses are logical and well developed. Detailed reference is made to the application of the results. |

| Question Number | Answer | Mark |
|--------------------|--|------|
| 3 (a) | Award 1 mark for identifying each example up to a maximum of 2 and 1 mark for an appropriate description of each Product displays (1) eg dummy packs, display packs, (1) Display stands (1) eg mobiles, posters, banners (1) Using merchandising material (1) eg shelf talkers Giving away samples/tasters (1) broken up biscuits, mini cups of coffee | |
| | Award marks for other suitable answers | (4) |

| Question Number | Answer | Mark |
|--------------------|---|------|
| 3(b) | Explanation will include reference to the following: Printable discount vouchers on their website which potential customers could use to attract more business Send out e-newsletters for new offers/events to attract potential customers Create the ability for customers to make online bookings. Ease of access to this service may increase the number of advanced bookings Their website could be optimised for search engine display. This would increase the likelihood of new customers using the 'Go Arabica' website Link to other websites e.g. tourist information, social networking. This would increase the likelihood of new customers using the 'Go Arabica' website Include downloadable product and price lists. Guests will be more inclined to use the service if they know what is available | |
| | Award marks for other suitable answers | (4) |

| Question Number | Answer | Mark |
|--------------------|-------------|------|
| 3 (c) | Sponsorship | (1) |

| Question Number | Answer | Mark |
|--------------------|---|------|
| 4 | Award one mark for each way up to a maximum of 3 and a further mark for describing it. Possible answers in include: Introduce a customer 'loyalty' card (1) eg where guests can collect points to gain discounts when | |

| they use the business again (1) Sending customers cards/letters from their database (1) as a reminder of special offers and how to benefit from them (1) Offering repeat/regular customers 'extras' (1) eg Free cakes on a Friday if they buy sandwiches all week (1) Start a club where customers get a membership card (1) which entitles them to specific discounts and offers (1) | (6) |
|--|-----|
| Award marks for other suitable answers | |

| Questi Numbe | | Answer |
|-----------------|------|--|
| 5 | | Possible answers could include: Selling prices would have to increase to ensure that they can cover the increase in costs The Gross profit % would fall if selling prices did not go up as they would have to pay more for their coffee They may lose business if they put up their selling prices Potential customers may shop around more and use a competitor who may be cheaper They may decide to use cheaper products and jeopardise business through having a poorer quality product They would need to review their menu to see if they could offer cheaper/more varied products eg fruit teas and milkshakes They may need to make savings elsewhere to combat the price increases on coffee eg staff wages, utilities May need to source new suppliers |
| Level | Mark | Descriptor |
| | 0 | No rewardable material |
| 1 | 1-2 | Candidates make brief reference to the effect of the coffee shortage on the Arabica businesses; however there is little detail and little attempt at an analysis on the impact on the business and how they respond. |
| 2 | 3-5 | Candidates make good reference to the effect of the coffee shortage on the Arabica businesses. There is some detail and analysis of the impact on the business and how they respond. |
| 3 | 6-8 | Candidates make strong reference to the effect of the coffee shortage on the Arabica businesses. There is thorough analysis of the impact on the business and how they respond. |

| Question Number | | Answer |
|--------------------|------|---|
| 6 | | Possible answers could include: Counting the number of direct responses to the advertisement by asking for a code to be quoted or a coupon to be clipped for a special offer or discount to be received Compare the cost of advertisement to the amount of new business generated as a result Counting the number of people who made an enquiry about the delivery service as a direct result of seeing the advertisement and therefore assessing the increased awareness created Taking into account how many potential customers kept hold of the advertisement to refer to/use at a later date Determining how much word of mouth advertising was generated from any new customers by recommending it on to others Being able to create a database of potential customers to use for further marketing activities. |
| Level | Mark | Descriptor |
| | 0 | No rewardable material |
| 1 | 1-2 | Candidates demonstrate a limited knowledge of how to evaluate the effectiveness/success of this marketing activity. Answers are undeveloped and lack any detail or explanation. |
| 2 | 3-4 | Candidates demonstrate a good knowledge of how to evaluate the effectiveness/success of this marketing activity and takes into account some short-term and some long-term effects. However some responses do lack detail and depth of understanding. |
| 3 | 5-6 | Candidates demonstrate a thorough knowledge of how to evaluate the effectiveness of the marketing activity and responses are detailed with clear explanations. Candidate takes into account both short-term and long-term effects. |

| Question Number | Answer |
|--------------------|---|
| 7 | Possible answers include: Introduce customer loyalty schemes to ensure regular customers stay loyal to the Arabica Cafe eg discount card Remain competitive on pricing by being aware of the prices being charged by the new business Re-develop own menu and product list to ensure regular customers keep interested in the offerings at the Arabica Cafe Re-decorate the Arabica Cafe to keep regulars interested and to keep it looking fresh Assess competitor provision of products and services Review required profitability and apply pricing strategies to remain competitive |

| | | Introduce sales promotions eg combination offers Make sure the Arabica Cafe has a USP, a Unique Selling Point eg free biscuit bite with every coffee Assess current advertising and increase during time of new coffee shop opening. |
|-------|------|---|
| Level | Mark | Descriptor |
| | 0 | No rewardable material |
| 1 | 1-4 | A brief reference is made to the effects of a competitor opening nearby in reducing the number of potential customers and how frequently regulars may come in future. Candidates discuss some suggestions on how they might minimise this effect but with little detail on the points made. |
| 2 | 5-7 | Good suggestions made for minimising the effects of a competitor opening nearby on sales at the Arabica Café demonstrate a good understanding of the problems which could arise. The suggestions made are appropriate but are not fully explained or developed. |
| 3 | 8-10 | Excellent suggestions made for minimising the effects of a competitor opening nearby on sales at the Arabica Café demonstrate a thorough understanding of the problems which could arise. The suggestions explained to minimise the effects are full and logical and do indicate how these would impact on levels of business at the Arabica Café. |

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