

Mark Scheme (Results)

January 2012

GCE Applied Business (6921)
Paper 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.

1(a)(i) Examine <u>one</u> type of good or service that a business is likely to be producing or providing that chooses to target the words 'currently unemployed' in the workplace section of a member's page.		
AOs	Mark Allocation	Exemplar Responses
<p>AO1 MB1 = 1</p> <p>AO2 MB1 = 1 MB2 = 1</p>	<p>1 mark for good/ service/type of business</p> <p>1 mark for the nature of the good/service as it relates to unemployment, or employment</p> <p>1 mark for why 'currently unemployed' would be relevant</p> <p style="text-align: right;">(3 marks)</p>	<ul style="list-style-type: none"> Recruitment agency – business deals with recruiting people for specific jobs – if someone is unemployed they are likely to be available for a job. Social services – provide advice to people who are not working – might want to check that unemployed people are receiving all the benefits they are entitled to. Pound Shop selling low priced goods – these goods would be affordable to people with low incomes – unemployed people are likely to have low incomes.

1(a)(ii) Explain why the business you have used in (i) might <u>not</u> reach all of its expected target market by only using the key words 'currently unemployed' in the workplace section of a member's page.		
AOs	Mark Allocation	Exemplar Responses
<p>AO2 MB1 = 1</p> <p>AO3 MB1 = 1 MB2 = 1</p> <p>AO4 MB1 = 1</p>	<p>1 mark for basic reason (maximum 2 marks)</p> <p>1 mark for other targets not covered by being unemployed (maximum 2 marks)</p> <p>1 mark for why that other market would not be reached (maximum 2 marks)</p> <p>(2 + 1 + 1) or (1 + 2 + 1) or (1 + 1 + 2)</p> <p style="text-align: right;">(4 marks)</p>	<p><u>Recruitment agency</u></p> <ul style="list-style-type: none"> Does not just recruit unemployed people – clients may want to recruit people who currently have jobs – may be considered more attractive prospective employees – only targeting the key word 'unemployed' so employed people will not see the advertisement. <p><u>Pound Shop</u></p> <ul style="list-style-type: none"> Sells to a very wide range of people – many have reasonable incomes but want a bargain – these people may be employed – if only 'currently unemployed' people are targeted then very many employed people will receive no advertisements. <p>(The answer given here must relate to the good, service or type of business identified in part (i)).</p>

2(a) Why might a business prefer to use the pay per thousand viewings (CPM) method rather than use the pay per click (CPC) method?		
AOs	Mark Allocation	Exemplar Responses
<p>AO2 MB2 = 1 MB3 = 1</p> <p>AO4 MB1 = 1 MB2 = 1</p>	<p>1 mark for basic reason (maximum 2 marks)</p> <p>1 mark for how that relates to CPM rather than CPC (maximum 3 marks)</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • May not have a website – CPC could not take a member to a site if it did not exist – CPM will still advertise the business – will also only pay when the advertisement has been shown 1,000 times. • May only want to raise profile of the business/product – the more times it is seen the more likely it is that people will remember it – this will be seen a minimum of 1,000 times before payment is made – in terms of being seen it is likely to be much cheaper than CPC.

2(b) Outline <u>two</u> benefits to a business if its advertisement includes a link to its own website.		
AOs	Mark Allocation	Exemplar Responses
<p>AO1 MB1 = 2 MB2 = 1 MB3 = 1</p>	<p>1 mark for benefit</p> <p>1 mark for why this comes from the link to own website</p> <p>(1 + 1) x 2</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • Will attract people interested in the business – only interested members will bother clicking on the link. • Can provide much more information – the advertisement on <i>Facebook</i> will be small/can have many pages of information on its own website. • The link can be tailored to different audiences on <i>Facebook</i> – while the website can be set up to deal with all types of customers.

	With reference to the information given in <u>Figure 1</u> and <u>Figure 2</u>, discuss whether or not <i>Galt Toys</i> should use <i>Facebook</i> to advertise its business.	
Q3	Indicative content	
<p><u>AO1</u> MB2 = 1 MB3 = 1</p> <p><u>AO3</u> MB1 = 2 MB2 = 2 MB3 = 1</p> <p><u>AO4</u> MB1 = 2 MB2 = 1 MB3 = 1</p>	<ul style="list-style-type: none"> <i>Facebook</i> is only open to people over 13 (1) – <i>Galt Toys</i>' target is children up to 10 years old (1) – this main target will not be using <i>Facebook</i> as a social networking site (2) – this means that a main target for <i>Galt Toys</i> will be missed (3) – however <i>Facebook</i> has 24 million users in the UK (1) – this is a very large potential audience (2) – many of who may be parents so will be part of the target group (3) – members profiles include relationship (1) – this will show if they are married and have children (2) – this could be used for targeting likely potential customer (3) – specific groups and key words can be used for selecting where the advertisement is placed (4) – this allows <i>Galt Toys</i> to use <i>Facebook</i> to concentrate on the most likely targets (4) – but this will need to be done to the parents because young children will not have their own pages (4). 	
Level	Mark	Descriptor
0	0	No rewardable material
Level 1	1 – 2	Appropriate information is selected from Figure 1 and Figure 2 . Information from both figures should be selected for full marks. The candidate uses everyday language and the response lacks clarity and organisation and is difficult to comprehend. Spelling, punctuation and the rules of grammar are used with little accuracy.
Level 2	3 – 5	Benefits and drawbacks are identified in relation to the information given in the two figures. For full marks both benefits and drawbacks must be identified, and there must be reference to both figures. The candidate uses everyday language and the response lacks clarity and organisation. Spelling, punctuation and the rules of grammar are used with limited accuracy.
Level 3	6 – 8	Explanations are given as to why these would be benefits or drawbacks in the context of using <i>Facebook</i> for the advertising. Both benefits and drawbacks must be explained for full marks. The candidate uses some terms and shows some focus and organisation. Spelling, punctuation and the rules of grammar are used with some accuracy.
Level 4	9 – 11	A reasoned conclusion must be given which shows the comparative importance of the benefits or drawbacks. The candidate uses a range of appropriate terms and shows good focus and organisation. Spelling, punctuation and the rules of grammar are used with considerable accuracy.

4	Using appropriate examples show what businesses would now have to consider when they are advertising on these social networking sites?	
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB2 = 2</p> <p><u>AO2</u> MB2 = 2</p>	<p>1 mark for general distinct requirement of the ASA (maximum 2 marks)</p> <p>1 mark for example that show the practical effect on advertising (maximum 2 marks)</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • Advertisements will have to be legal/decent/ honest/truthful – for example prices stated in advertisements must be actual prices to be paid – airlines will need to include the airport taxes. • Businesses will need to follow the advertising codes – advertisements must not mislead, harm or offend – advertisements should not use pictures of the Bible/Koran in inappropriate ways.

5(a)	What would be the benefits to <i>Clifftops</i> of placing its advertisement in the Saturday edition of the paper?	
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB1 = 1 MB2 = 1</p> <p><u>AO2</u> MB1 = 1 MB2 = 1</p>	<p>1 mark for benefit (maximum 2 marks)</p> <p>1 mark for why this comes from the placing (maximum 2 marks)</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • Will reach its target market – this has the Travel and Holidays supplement – <i>Clifftops</i> rents out holiday lets. • Potential customers will have more time to read the advertisement – Saturday will be when many people are not at work – will be relaxing and may use that time to read a paper and look at the supplements.

5(b) Discuss if <i>Clifftops'</i> promotion would have been more effective if <i>Clifftops</i> had only advertised in local South of England newspapers.		
AOs	Mark Allocation	Exemplar Responses
<p>AO1 MB1 = 1 MB2 = 1 MB3 = 1</p> <p>AO3 MB1 = 1 MB2 = 1 MB3 = 1</p>	<p>1 mark for identifying the nature of the two papers (maximum 2 marks)</p> <p>1 mark for identifying nature of <i>Clifftops</i> business (maximum 2 marks)</p> <p>1 marks for why that would make one more/less effective than the other (maximum 3 marks)</p> <p style="text-align: right;">(6 marks)</p>	<ul style="list-style-type: none"> The national paper will cover the whole UK whereas the local papers will only cover part of the UK – <i>Clifftops</i> is likely to want to attract people from across the UK – it has 260 units – advertising locally will limit the number of potential customers – it has been unable to rent all of its units and will need as wide a range of potential customers as possible. Local newspapers focus on specific areas only – <i>Clifftops</i> is located on the South coast of England – advertising in local papers for the South of England will reach a local audience – in times of an economic slow down people may not want to travel far for a holiday – advertising national may mean wasted advertising to people in parts of the UK that are far from the South coast.

6(a) Other than the cost of producing and sending the brochures, why might there be drawbacks of offering to send brochures out to people who request one?		
AOs	Mark Allocation	Exemplar Responses
<p>AO2 MB1 = 1 MB2 = 1 MB3 = 1</p> <p>AO4 MB1 = 1</p>	<p>1 mark for basic reason (maximum 2 marks)</p> <p>1 mark for why this comes from offering to send out the brochures (maximum 3 marks)</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> People may not be interested in the brochure – may only request one because there is a competition – the brochure could be thrown away when it arrives – it would then be an ineffective form of promotion. Much of the brochure will not apply to the people receiving it – units at the complex are for different numbers of people – only some of the range of units shown in the brochure will be relevant – giving details of irrelevant units will be wasted promotion.

6(b)	Considering the nature of the prize being offered by <i>Clifftops</i> , explain why this is likely to be a cost effective promotion.	
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB3 = 1</p> <p><u>AO2</u> MB1 = 1 MB2 = 1 MB3 = 1</p> <p><u>AO4</u> MB1 = 1</p>	<p>1 mark for nature of the prize (maximum 2 marks)</p> <p>1 mark for why this would be cost effective (maximum 4 marks)</p> <p style="text-align: right;">(5 marks)</p>	<ul style="list-style-type: none"> • Free weeks self catering holiday – this will be in one of <i>Clifftops's</i> units – it is a self catering holiday so limited additional cost to <i>Clifftops</i> – <i>Clifftops</i> was not able to rent all its units in 2009 and 2010 – likely to have unoccupied unit for the prize, so low cost. • The prize is subject to availability – <i>Clifftops</i> could limit the offer to off peak times – there would then be empty accommodation available – this would ensure that the prize does not stop someone renting who would pay for the unit – the cost of offering the prize would not include any lost income. • The prize will bring the winner to the holiday village – the site has other facilities – these may include facilities such as a restaurant – the winner may use these facilities – profits can be made there, which would help to cover any costs of providing the prize.

		Advise <i>Clifftops</i> on the most effective way of using its budget to advertise in the national newspaper over the four week period.
Q7		Indicative content
<p>AO2 MB3 = 1</p> <p>AO3 MB1 = 2 MB2 = 2 MB3 = 2</p> <p>AO4 MB1 = 2 MB2 = 1 MB3 = 1</p>		<ul style="list-style-type: none"> The budget is £100 000 (1) – the budget must pay for advertisements over four weeks (1) – the cost of some advertisements, e.g. double page spread colour, could not be afforded each week (2) – total cost would be £140 000 for four week (2) – the budget would mean at least two weeks would have to be a different advertisement (3) – the greatest impact would be front or back page (2) – a half page colour advertisement on the back page would cost £100 000 for four weeks (3) – inside pages would allow full page colour within budget (3) – either inside full page or half page back would allow high impact and match the available budget (3) – changing from half page to full or double page would need a different advertisement (4) – that would add to the cost of advertising so only full or half pages should be used (4).
Level	Mark	Descriptor
0	0	No rewardable material
Level 1	1 – 2	Recognition of the size of the budget and recognition that this must be spread over four weeks. The candidate uses everyday language and the response lacks clarity and organisation and is difficult to comprehend. Spelling, punctuation and the rules of grammar are used with little accuracy.
Level 2	3 – 5	Decisions are made that only consider the relative cost of the advertisements in relation to the overall budget available or only consider the positioning of the advertisements. The candidate uses everyday language and the response lacks clarity and organisation. Spelling, punctuation and the rules of grammar are used with limited accuracy.
Level 3	6 – 9	The positioning and cost of advertisement are considered and reasons given for why certain positions and sizes would be better than others in terms of the overall budget. The candidate uses some terms and shows some focus and organisation. Spelling, punctuation and the rules of grammar are used with some accuracy.
Level 4	10 – 11	Overall conclusion based on cost and positioning. Other issues are considered, such as cost of producing different advertisements. The candidate uses a range of appropriate terms and shows good focus and organisation. Spelling, punctuation and the rules of grammar are used with considerable accuracy.

8(a)	Give a short description of how the animated character(s) was used in the advertisement.	
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 2	1 mark for each distinct point of description (2 marks)	<i>(Electricity Board's</i> has been used as an example for Q8) <u>Name of business – Electricity Board</u> <u>Main type of good or services – electricity service</u> <ul style="list-style-type: none"> Animal character (tortoise) seen lying in front of electric heater – character says how nice it is to come back to a warm flat. Animal character is being interviewed – says how important it is to control the level of heat.

8(b)	What are likely to be the cost constraints involved with getting the animated advertisements produced?	
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1 MB2 = 1 MB3 = 1	1 mark for cost constraint (maximum 2 marks) 1 mark for why it comes from the fact that it is animated (maximum 2 marks) (3 marks)	<ul style="list-style-type: none"> Will need to pay for an external business to create the advertisements – characters are animated by <i>Aardman Animations</i> – creating the claymation takes a long time so will be expensive. May need to pay for copyright to use character – characters will be the intellectual property of <i>Aardman Animations</i> – this could be in addition to paying for the advertisement to be produced.

8(c)	Why was the animated character(s) chosen for the advertisement particularly suitable for the type of good or service being advertised?	
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1 MB2 = 1 AO2 MB1 = 1 MB2 = 1 MB3 = 1	1 mark for nature of good or service (maximum 2 marks) 1 mark for nature of the animated character(s) (maximum 2 marks) 1 mark for why that was suitable for the good or service (maximum 2 marks) (5 marks)	<ul style="list-style-type: none"> Electricity is being used to heat rooms – the characters all come from <i>Creature Comforts</i> – they relate to animals that talk about what makes them comfortable – the electrical heating systems are making rooms comfortable – using these animated characters suggest that the product is also giving comfort. Electricity is a basic need – the voices used for the advertisement are from real people – this makes what they say more believable - viewers will trust what is being said – will feel happy about buying electric heaters.

9(a) State why this is a form of direct marketing		
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1	1 mark for a characteristic of direct marketing that applies to the sending of catalogues (1 mark)	(<i>Next</i> has been taken as an example for Q9) <u>Name of business – <i>Next</i></u> <u>Type of product – Clothing ranges</u> <ul style="list-style-type: none"> Catalogues being sent direct to specific customers. It is taking the promotion to the customer rather than waiting for the customers to approach the business. The products are being promoted direct to the customers and not through other media.

9(b) Explain how the business selected the people to whom the catalogues were being sent.		
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1	1 mark for method of selection (maximum 2 marks)	<ul style="list-style-type: none"> Through the website – people visiting the website are offered the option of having a catalogue sent – can fill in details of name and address – <i>Next</i> know they are interested and so send them catalogues. Through existing database of people who received the last issue – already have their contact details – will know if they ordered from the catalogue – can send to customers it know use catalogues for buying.
AO2 MB1 = 1	1 mark for how that led to the catalogues being sent	
AO3 MB1 = 1 MB2 = 1	(maximum 3 marks) (4 marks)	

9(c) Assess the <u>internal</u> constraints that this business is likely to have faced when creating this form of promotion.		
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1 MB2 = 1	1 mark for showing understanding of term (may be implied)	<u>Meaning of term</u> <ul style="list-style-type: none"> Constraints that come from the business itself. <u>Constraints</u> <ul style="list-style-type: none"> Unlikely to be able to produce the catalogue in-house – it has 1,300 pages with many different items and models – internal staff unlikely to have expertise for photography and editing. Will not have printing facilities – this is a large catalogue in colour – cheaper to produce out-of-house.
AO2 MB1 = 1 MB2 = 1	1 mark for constraint (maximum 2 marks)	
AO4 MB1 = 1	1 mark for why that comes from creating the catalogue or selecting who will be sent one (maximum 2 marks) (5 marks)	

10(a)	State why the sponsorship would be a form of public relations.	
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1	1 mark for reason that shows understanding of the term (1 mark)	(<i>Waitrose</i> sponsoring RHS's 'Campaign for School Gardening' has been taken as an example for Q10) – <u>Name of business – <i>Waitrose</i>.</u> <u>Name of sponsored business/organisation - <i>RHS</i></u> • The sponsorship was designed to enhance the image of the business.

10(b)	Explain why the choice of the business or organisation that was sponsored helped to create good public relations for the sponsor.	
AOs	Mark Allocation	Exemplar Responses
AO1 MB2 = 1 MB3 = 1 AO2 MB1 = 1 AO3 MB1 = 1 AO4 MB3 = 1	1 mark for the nature of the sponsored business, organisation or campaign (maximum 2 marks) 1 mark for why that would create good public relations (maximum 4 marks) (5 marks)	• <i>RHS</i> was working with primary schools – objective to get 80% of primary schools growing fruit or vegetables – considered as good experience for the students – would learn the value of growing their own food – <i>Waitrose</i> would be seen as supporting this and so helping these students education.

10(c)	Other than the methods mentioned above, explain how the sponsor publicised its sponsorship.	
AOs	Mark Allocation	Exemplar Responses
AO1 MB2 = 1 AO2 MB1 = 1 AO3 MB1 = 1 MB2 = 1	1 mark for method (maximum 2 marks) 1 mark for details of how that publicised the sponsorship (maximum 3 marks) (4 marks)	• Attended a series of events across the UK – explained what the <i>RHS</i> was doing for schools – showed how <i>Waitrose</i> was supporting the campaign – also had a vegetable growing competition to show its involvement in the project. • Press release – announced three year sponsorship deal for the <i>RHS</i> campaign – gave details of the fact that over a million children were involved – stressed how the campaign and <i>Waitrose's</i> support fitted in with the curriculum of the schools.

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