

Examiners' Report/
Principal Examiner Feedback

Summer 2012

GCE Applied Business (6921)
Paper 01

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General Comments

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

This paper considered two main businesses for the first two thirds of the marks. The first scenario related to promotions used by *Kraft Foods* for its coffee products. Most of the questions used fairly general situations so should have been familiar to candidates, although the relationship between *Kraft Foods* and *Penguin* did cause some confusion. The second scenario related to *DIY Deco*, a business producing a range of decorating materials. Candidates related well to this scenario and were clearly familiar with businesses in the DIY retailing sector.

Questions 8 to 10 required an understanding of how specific real businesses actually carry out their promotions. Question 8 was about the use of moving image to promote future presentations in theatre, cinema or television, question 9 about the use of business card sized advertisements and question 10 about businesses which in part make special offers to people over 60 or retirement age. All questions were accessible and well answered by those candidates who had good knowledge of the terms, the actual businesses chosen and who read each part of the questions carefully.

The main weakness for all questions seems to have been not reading the questions carefully enough and follow the clear instructions that were given.

In addition there are the usual perennial weaknesses which are flagged up after every series. They are:

- 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.
- Not developing answers, especially where the command word and the number of marks awarded indicate that this should be done.

Comments on specific questions

1 (a)

The term 'brand image' did cause difficulties for some candidates, but the major problem for candidates was that they did not read the question carefully enough. There were some well reasoned answers but also many answers which had the following flaws:

- Did not consider that the brand image was being created for each individual product, despite what they were told in the stem.
- Did not seem to appreciate that *Kraft* was producing a range of coffee products, each with a distinctive name.
- Concentrated on why any promotion was required rather than why promotion would be required to establish brand image for specific products.

1 (b)

For some candidates the problem of giving a general explanation of promotion also extended into this question. So, for them, the question became 'How do you create an effective promotion?' The idea that the product was called 'First Choice', highlighted with inverted commas, was, basically, ignored. This made it very difficult to gain any significant marks for what was, essentially, a completely applied question.

Where candidates focused on the name they tended to give an appropriate image with a well reasoned justification for why the image was appropriate and, for the best candidates, why it was effective.

2 (a)

Most candidates had little difficulty in providing two distinct benefits of sending out samples. Where they failed to score marks this was because they only gave one benefit or they did not consider that the samples were being sent out to people's homes. Some candidates wrote their answers on the basis of the samples being given out in the supermarket.

2 (b)

This question required candidates to consider why the *Co-Operative's* magazine had been selected by *Kraft* rather than any other magazine. Candidates should therefore have considered the information given about the magazine in Figure 1, or they could have used their general understanding of the Co-op as a major national supermarket chain. Candidates focusing on these factors tended to give well reasoned answers but did not always consider the point that *Kraft* would not have chosen this method of promotion unless it was also supplying the product to the supermarket.

Some candidates only considered the fact that this was a magazine and others wrote about the benefits of being able to pick the magazine up in-store, when Figure 1 had made it clear that the magazines were being sent to members' homes.

2 (c)

Most candidates could give a drawback and explain why this came from sending the samples out in a magazine, but again there was generally poor use of the information that had been given in Figure 1, only going to members houses. Candidates who considered that this was the *Co-operatives's* magazine, rather than just any magazine, tended to give well reasoned answers although, as with part (b), some candidates worked from the wrong starting point, assuming that the magazines were being picked up in-store.

3

Unfortunately this was another question where a significant number of candidates did not follow what were very clear instructions. Either they did not take into consideration the target market, women, or they did not discuss the forms of promotion shown in Figure 1. Some candidates discussed what could have been effective methods of promotion in general terms, for example considering the use of moving image through television and the cost of television, but with no reference to any target market at all.

Candidates who did not identify the actual target market of women, and/or, only considered the forms of promotion given in Figure 1 in general terms, limited their potential marks to Level 2.

Where candidates considered their answers on the basis of women being the target market and then considered the suitability of the forms of promotion in that context they usually gave well reasoned assessments of the forms of promotion listed in Figure 1. Where characteristics such as women being more likely than men to read romantic novels and be more interested in spa treatments, candidates developed good justifications for favouring certain forms of promotion being used by *Kraft Foods*.

There were, however, some misconceptions and some unsubstantiated characteristics of women, for example that the Birmingham Bullring would be a place that men would want to go to because women did not like bullfights, and that women are more likely to like classical music than men, and because women like reading magazines, they would automatically like reading the Co-op magazine. There were also many general comments which applied equally to men as to women, such as that they watch television or that they like road shows.

4

Candidates who understood the relationship between *Kraft Foods* and *Penguin* in terms of the Carte Noire Readers campaign could usually give good explanations of why *Kraft* would put the link on its website. However, many candidates did not understand the relationship and so tended to argue the placement of the link from the point of view of a benefit to *Kraft*. Some candidates seemed to think that the newsletter was being produced by *Kraft* not *Penguin* and gave answers about promoting *Kraft's* business through the newsletter. Some candidates thought that this was a question about the need to get customers permission before sending them direct mail.

Generally there was a considerable amount of confusion created by not thinking about the actual situation and by not reading the stem carefully enough.

5 (a)

Most candidates found little difficulty in giving basic reasons why customers would need protection against businesses using trade names that are already being used by other businesses and showing an implied understanding of the term. Usually this was done by stating the benefit for the customer or what problems could arise if trade names were being duplicated. Very few candidates went on to explain why legislation would be needed, rather than just leaving up to the consciences of the businesses.

5 (b)

Nearly all candidates could give a basic drawback or benefit with sufficient development to show why that would be a drawback or benefit. Only the better candidates responded to the command word 'assess' and went on to consider the wider picture with a counter argument and an overall assessment of effectiveness. A few candidates wrote about how the business could promote its new name, essentially ignoring what the question had actually asked.

6

For high marks this question required two basic considerations. First, candidates needed to think carefully about the specific information provided about the two potential forms of promotion in the stem. Second, they needed to show how each of these forms could create effective promotion for *DIY Deco's* products. Once that was done, it would be possible to assess which would be more effective.

Many candidates ignored the details given in the stem and wrote about DVD as a visual form of communication compared to the printed, written, form of communication. Most of these candidates did not consider 'promotion' at all in terms of how *DIY Deco's* products could be promoted by these two forms of communication. This limited their marks to Level 2.

Candidates who started from the information in the stem, for example, the need to spend £20 pounds, the professional finish, the DVD covering each of *DIY Deco's* product, each product having instructions with the product, had a platform from which they could then consider promotion of the business's products. This was used well by the better candidates to consider how each of the forms of communication might help to promote all of the products that *DIY Deco* sells and which form of communication would, therefore, be more effective.

7

Few candidates had a problem of giving suitable in-store promotional techniques but only a minority went on to explain how these would make the products stand out, rather than just act as a form of promotion. Typical of this kind of approach was to select a promotion such as a three-for-price-of-two promotion, in-store, but then only explaining this in terms of being an attractive offer, not in terms of it, for example, being an offer that was better than the competitors' products in the same store. The best answers came from candidates who selected forms of in-store promotional techniques which had a visual impact, such as television screens showing how the products could be used and using bright colours on the shelves and packaging, or using staff to approach customers with special deals or to provide information.

Questions 8 to 10

As required for these questions it must be clear that candidates are dealing with real businesses, but there are some candidates who do not have sufficient knowledge of real promotional campaigns that match the questions. When they are being asked to describe, assess, explain, etc, what actually happened in the campaign they are giving generalised details of what could have happened rather than actual details of what did happen. These questions expect candidates to have studied real promotional campaigns and to use knowledge of these to answer the questions. Without this knowledge, the potential marks will be considerable reduced.

Q8

Most candidates did take the correct scenario of one of the three types of business promoting a specific performance, film or programme that the business itself was going to put on. However, some candidates took a situation in which the business, was promoting another business's products, such as ITV advertising L'Oréal shampoo, or advertising other products it was selling, such as a cinema advertising popcorn for sale in the foyer.

(a) There were a few candidates who did not identify any specific target audience although generally it could be inferred from the rest of the answer. Most candidates described how the image was seen and the majority of these candidates then went on to specifically explain how the business ensured that the right target market would be reached.

(b) This part was generally poorly answered. Most candidates could show understanding of the two terms but very few candidates explained how moving image created attention or desire. The main problem was that candidates did not state, nor describe, what the moving image was. For 'attention' factors such as noise, bold letters, bright colours were identified but there was no description of anything that was actually moving. Another poorly expressed factor was that it 'showed well known actors' but again with no description of what they were doing, so this could equally have applied to a poster put up outside, say, the cinema.

Q9

This question was generally well answered although there were some candidates who took club cards instead of business card sized advertisements as the focus of the question. That made it difficult to answer most of the questions.

(a) & (b)

Most candidates gave suitable examples for both parts. There were some candidates who gave what were clearly persuasive elements of the card, such as a statement that 'we are the best', for part (a). There were also some candidates who gave insufficient detail in part (b), as with just stating '24 hour service' for a taxi business, for it to be clearly persuasive rather than just informative.

(c) Few candidates had problems with giving benefits and explaining why the business card sized advertisement created these benefits.

(d) Usually this was reasonable well answered but some candidates gave limited comparison and no conclusion as to which method would be more effective or if they would be just as effective as each other. There were quite a few answers where it was very obvious that the other method was either being made up, as with a very small local business suddenly using television advertising, or being taken as a method that could have been used but was not one the business was actually using.

Q10

Generally appropriate examples were taken but some candidates gave examples of offers that were not exclusively for the older age groups, but did affect them, as with some of the offers for face creams in Boots. Some candidates did not choose products at all but wrote about recruitment by businesses. There were also candidates who selected businesses which only dealt with the older target range, such as Saga, which did not match the requirements given in the stem that '**some** of their promotions' were target at the older market.

(a) Most candidates could provide a basic special offer but generally with limited development. The offer was not always targeted at over 60s, but candidates were given some leeway as long as this was close to over 60.

(b) There was little problem in identifying a method of promotion but a significant minority of candidates did not then go on to explain why the method would specifically target the over 60s, instead giving general reasons why it would reach any target.

(c) Most candidates remain confused as to what the term 'ethical' means and even when they do vaguely understand the term they find it very difficult to apply to specific situations. Unfairness was the main consideration identified but most of the arguments as to why it was unfair were very weak. There was considerable focus on age discrimination but often with completely the wrong interpretation of its meaning, which, essentially, is about not discriminating against older people.

Issues for future series

The points listed below repeat comments made in previous reports, but they are ones that are still **not** being addressed by many candidates – hence marks are being lost unnecessarily.

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 syllabus **and** common terms that relate to the real world of promotion.
3. **Reading the question/following instructions** – Many marks are still being unnecessarily lost, simply because candidates have not read the question carefully enough or have not 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 clear details of the 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.

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