

Mark Scheme (Results)

Summer 2013

Retail Business (RB305)

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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.
- Mark schemes will indicate within the table where, and which strands of QWC, are being assessed. The strands are as follows:
 - i) ensure that text is legible and that spelling, punctuation and grammar are accurate so that meaning is clear*
 - ii) select and use a form and style of writing appropriate to purpose and to complex subject matter*
 - iii) organise information clearly and coherently, using specialist vocabulary when appropriate.*

Question Number	Answer	Mark
1 (a)	<p>Responses could include:</p> <p>McCardle Cars may need to re-think its strategy to only sell new cars and consider moving into the second hand car market.</p> <p>Declining car sales are affecting the whole sector so expansion plans may need to be put on hold. The business could consider whether it is a good time to be taking on new premises and staff</p> <p>Mintel is a known and trusted sources of market intelligence so their advice should be heeded</p> <p>Secondary research may be more cost effective as it is already completed and available</p> <p>However: The decision may be taken to maintain the original strategy of only selling new cars</p> <p>The article is predicting five years in advance and may be proven wrong in the long term because economic conditions could change</p> <p>Secondary research is collected for different reasons and mat not be fit for purpose, accurate or up to date in relation to McCardle Cars</p> <p>Reward other valid responses. Do not reward for 'Trade Periodicals' as they are the answer to the previous question and not necessarily reported market research</p>	(4)

Question Number	Answer	Mark
1 (b)	<p>Possible responses could include</p> <p>Generally trade journals can be a trusted source of information because they are intended to represent the industry they publish for(1) and they have a reputation to maintain (1) which means they will ensure their information is as accurate as possible (1) or they could lose credibility with their readers(1)</p> <p>Award any valid response</p>	(4)

Question Number	Indicative Content	Mark
1 (c)	<p>Advice could include: McCardle cars may need to re-think its strategy to only sell new cars and consider moving into the second hand car market.</p> <p>Declining car sales are affecting the whole sector so expansion plans may need to be put on hold. The business could consider whether it is a good time to be taking on new premises and staff.</p> <p>Mintel is a known and trusted source of market intelligence so their advice should be heeded</p> <p>However: The decision may be taken to maintain the original strategy of only selling new cars</p> <p>The article is predicting five years in advance and may be proven wrong in the long term because economic conditions could change.</p> <p>Reward other valid responses</p>	(6)

Level	Mark	Descriptor
	0	No rewardable material
1	1-2	<p>Candidate makes a simplistic analysis of the potential impacts of the information in the article. The answer might be superficial and focus on a general description of the results or might provide a limited development of general points.</p> <p>At the top of this level the candidate might make some simplistic comments with limited or irrelevant development and some link to McCardle Cars Ltd.</p>
2	3-4	<p>Candidate makes a reasonable analysis of the potential impacts of the information in the article At this level the candidate may not develop this relationship in detail or may partially develop more than one example.</p> <p>At the top of this level the candidate will develop one example of potential impact and will show a chain of causality from an understanding of the theory to the application to the context of McCardle Cars Ltd or alternatively two partially completed examples will be accepted.</p>
3	5-6	Candidate presents a detailed analysis of the potential impacts of the information in the article

		At the top of this level the candidate will provide a thorough development of one potential impact or two developed impacts showing a clear chain of causality from the analysis of the results to the impact on the business of McCardle Cars Ltd.
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Question Number	Answer	Mark
2 (a)	<p>Responses could include:</p> <p>Competitors prices (1) because they need to comply with their price promise (1)</p> <p>Costs of products from suppliers(1) which could affect margins (1)</p> <p>Mark up(1) which will vary across different types of products (1)</p> <p>One mark for identifying a marketing mix factor that affects price and one mark for development.</p> <p>Reward other valid responses</p>	(2)

Question Number	Answer	Mark
2 (b)	<p>New technology products that are used to promote the business:</p> <p>Social media sites such as Twitter/Facebook/blog (1) where messages can be posted about the latest activities of Cuddles McCardle (1)</p> <p>One mark for selection of relevant technological product and one mark for development.</p>	(2)

Question Number	Indicative Content		Mark
2 (c)	<p>Possible responses could include:</p> <p>Community initiatives can be arranged in order to promote the business.</p> <p>The business selects a charity every year in order to make donations and raise funds, this can be used in promotional material.</p> <p>Customer feedback can indicate whether these activities have a positive impact on McCardles which informs the planning process.</p> <p>The business focuses on training staff to provide good quality service which will result in customer delight.</p> <p>Feedback from the suppliers informs the development of product ranges which feeds into promotional activity.</p> <p>Reward other valid responses</p>		(6)
Level	Mark	Descriptor	
	0	No rewardable material	
1	1-2	<p>Candidate makes a simplistic analysis of how Jade could plan and coordinate their marketing mix.</p> <p>The answer might be superficial and focus on a general description of the marketing mix or may provide a limited development of general points. There will little or no linkage to the objective.</p> <p>At the top of this level the candidate might outline what is meant by the marketing mix and provide some link on how the objective influences the planning and coordination.</p>	
2	3-4	<p>Candidate makes a reasonable analysis of how Jade could plan and coordinate the marketing mix.</p> <p>At this level the candidate may not develop the relationship with the objective in detail.</p> <p>At the top of this level the candidate will develop detailed statements about planning and coordination with some relevant statements about the influence of the objective.</p>	
3	5-6	<p>Candidate presents a detailed analysis of how the objective influences how Jade plans and coordinates the marketing mix.</p> <p>At the top of this level the candidate will provide a detailed and in depth analysis of how the objective influences how Jade plans and monitors the marketing mix.</p>	

Question Number	Indicative Content	
3 (a)	<p>Responses might include:</p> <p>Purchasing a car is a substantial investment (1) and so therefore it is important the customers are satisfied (1) so that any problems that might arise can be addressed (1) which means they will be likely to return to McCardles although repeat business is infrequent it is substantial (1).</p> <p>Excellent after sales service during the warranty period (1) will ensure customers return once the warranty has expired (1) for service and repair work every year (1) which will provide a regular revenue stream (1).</p> <p>Award other valid responses</p>	(4)

Question Number	Indicative Content	
3 (b)	<p>Responses might include:</p> <p>Competitive advantage is something distinctive that a business is able to do (1) this is sustainable over the medium to long term (1).</p> <p>Award other valid responses</p>	(2)

Question Number		Indicative Content
3 (c)		<p>Responses might include:</p> <p>McCardle Cars Ltd. Differentiate themselves through excellent customer service and support.</p> <p>To make a high value purchasing decision customers need a reassuring and welcoming environment.</p> <p>Customers will carry out a relatively high level of research before purchasing a new car and will look for recognition of this so staff have to have more than just product knowledge.</p> <p>Customer service is an ongoing process beyond when a purchase is made. If customers are looked after post sale they are more likely to remain loyal over the long term.</p> <p>Some car dealerships try to deliberately mislead some customers to give them a bad deal as they believe they don't know about new cars and so will try and sell them a higher specification than they need.</p> <p>Do not award candidates who provide a definition of competitive advantage as it was the last question</p>
Level	Mark	Descriptor
	0	No rewardable material
1	1-2	<p>Candidate makes a simplistic analysis of the role of differentiation in creating a competitive advantage.</p> <p>At the top of this level the answer might be largely theoretical with limited relevance to the context.</p>
2	3-4	<p>Candidate makes a reasonable analysis of the role of differentiation in creating a competitive advantage.</p> <p>At the top of this level the candidate will develop one or more points of analysis in context.</p>
3	5-6	<p>Candidate presents a detailed analysis of the role of differentiation in creating a competitive advantage.</p> <p>At the top of this level the candidate will provide a thorough and detailed analysis completely in context.</p>

Question Number		Indicative Content
3 (d)		<p>The aim of this question is to examine the extent to which candidates understand how a PESTLE analysis can support the development of marketing strategies</p> <p>Arguments might include:</p> <ul style="list-style-type: none"> • PESTLE can help identify external factors that need to be considered when planning marketing activities • PESTLE can clarify what needs to be done to address marketing strategies <p>However</p> <ul style="list-style-type: none"> • PESTLE is only looking at external factors where as SWOT would look at internal factors as well. • The analysis is only reliable as the information used to construct it. <p>Possible examples:</p> <ul style="list-style-type: none"> • Technological factors can contribute to marketing activities in terms of viral marketing and website sales • Environmental factors could be used to consider the introduction of new cars such as the electric/low emission models
Level	Mark	Descriptor
	0	No rewardable material
1	1-2	<p>Candidate makes a simplistic assessment of how a PESTLE can support the development of marketing strategies</p> <p>The answer might be superficial and focus on a general description of one or two factors in the PESTLE or might provide a limited development of general points.</p> <p>At the top of this level the candidate might outline what is meant by a PESTLE and provide limited details as to how Jade might use a PESTLE to develop appropriate marketing strategies.</p> <p>Answers that only define PESTLE factors are limited to one mark.</p>
2	3-4	<p>Candidate makes a reasonable assessment of how a PESTLE can support the development of marketing strategies.</p> <p>At this level the candidate may develop this relationship.</p> <p>At the top of this level the candidate will develop one example of a PESTLE factor and will show a chain of causality from an understanding of the theory to the application to the context of McCardle Cars or alternatively two partially completed examples will be accepted.</p>
3	5-6	<p>Candidate presents a detailed assessment of how a PESTLE can support the development of marketing strategies</p> <p>At the top of this level the candidate will provide a thorough development of one PESTLE factor showing a clear chain of causality</p>

		from the analysis of a specific factor to the impact on the marketing activities of the firm or alternatively two developed examples
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Question Number		Indicative Content
4 (a)		<p>The aim of this question is to examine the extent to which candidates understand the appropriateness of different methods to a car dealership.</p> <p>Arguments for might include:</p> <ul style="list-style-type: none"> • Skilled sales people can identify the needs of customers and find the most suitable car for them. • Good interpersonal skills can persuade customers who are not certain about a purchase. • the promotional activity is very precisely targeted at individual customers. <p>However:</p> <ul style="list-style-type: none"> • Pushy or aggressive sales people can deter customers and damage the businesses reputation. • This method does not have the same reach as others methods such as advertising. • This method is not effective if people do not visit the dealership and so must be part of a wider promotional mix.
Level	Mark	Descriptor
	0	No rewardable material
1	1-2	<p>The candidate makes a simplistic argument for or against personal selling as a promotional tool.</p> <p>At the top of this level the candidate is likely to identify two arguments or attempt to develop two arguments. Responses are likely to be generic with poor use of the context.</p>
2	3-4	<p>The candidate makes a reasonable argument for or against personal selling as a promotional tool. A max of 3 marks for a one sided argument.</p> <p>At the top of this level the candidate will provide a reasonable discussion of two or more points with some appropriate links to the context.</p>
3	5-6	<p>The candidate provides a detailed argument for or against personal selling as a promotional tool.</p> <p>At the top of this level the candidate will provide clear, well developed, balanced argument which is well linked to the context of the question.</p>

Question Number		Indicative Content
4 (b)		<p>The aim of this question is to consider how 'People' can contribute to McCardle Cars as part of the extended marketing mix</p> <p>Arguments might include:</p> <ul style="list-style-type: none"> • Quality of service is only as good as the people delivering it who will need appropriate professional development • Sales and after sales experiences depend on the people employed in any organisation where they deliver this well they should be recognised • People like dealing with people and it is the relationships that they build that generates customer loyalty if staff are not satisfied in their work then customers will not be satisfied in their dealings with them • Well motivated staff tend to work harder, generate more customer good will and so will make more sales and generate more income <p>However</p> <ul style="list-style-type: none"> • One bad experience can damage customer relations so if they recruit the wrong people it can have a negative impact on the company no matter how well trained they are • Well trained staff are attractive employees for competitors who may try to tempt away the best sales people. When good staff leave they take the knowledge and experience with them • For some people a job will only ever be a job and they will never be motivated to provide additional services regardless of any recognition that is provided for this
Level	Mark	Descriptor
	0	No rewardable material
1	1-4	<p>The candidate make simplistic assertions without evidentiary support links to context will be weak or absent at this level.</p> <p>At this level the candidate is unlikely to provide relevant evidence to support their argument or will present weak evidence without a clear conclusion.</p> <p>At the top of this level the candidate is likely to identify relevant arguments and make some effort to develop them. Some attempt will be made to link this to the context and draw conclusions although this may be unsuccessful or tenuous.</p>
2	5-9	<p>The candidate develops possible arguments relating to the 'people' aspect of the extended marketing mix in McCardle Cars</p> <p>Considers the impact on the overall business but does not make a relevant judgement. There will be some appropriate link to the context.</p> <p>At the top of this level the candidate will provide a reasonable conclusion with some supporting evidence which may not be well</p>

		developed or will provide well developed evidence without a clear conclusion. Maximum of seven marks for a well developed but one-sided argument.
3	10-12	<p>The candidate evaluates the possible arguments relating to the 'people' aspect of the extended marketing mix which is clearly linked to the context.</p> <p>At the top of this level the candidate will provide clear, well developed, balanced arguments using evidence to support an appropriate conclusion which is well linked to the context of the question.</p>

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