

Mark Scheme (Results)

Summer 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

For all questions, accept any reasonable answer if it is correct

1(a) Why should <i>Kraft Foods</i> use promotion to establish a distinct brand image for each of its coffee products?		
AOs	Mark Allocation	Exemplar Responses
<p>AO1 MB1 = 1 MB2 = 1</p> <p>AO2 MB1 = 1 MB2 = 1 MB3 = 1</p>	<p>1 mark for showing understanding of brand image (may be implied)</p> <p>1 mark for recognition of the situation (maximum 2 marks)</p> <p>1 mark for why distinct brands would therefore be needed (maximum 3 marks)</p> <p style="text-align: right;">(5 marks)</p>	<ul style="list-style-type: none"> • Impression created in the audience mind about the nature of the brand – all of the products are essentially the same/coffee – customers will see no difference if there is no branding – branding will allow the business to target customers with different profiles – could allow <i>Kraft Foods</i> to sell its coffee across different price ranges/target customers with different incomes – promotion will be needed so that customers recognise the particular brand. • Qualities consumers associate with a particular brand – <i>Kraft Foods</i> has more than five named coffee brands – branding will ensure that the image of each brand can be distinct customers will need to be made aware of the image so that they recognise it – promotion needs to be used to tell the customers what the image is/how it relates to them.

1(b) How would you create an effective promotional image for a new coffee product called 'First Choice'?		
AOs	Mark Allocation	Exemplar Responses
<p>AO2 MB1 = 1 MB2 = 1</p> <p>AO3 MB1 = 1 MB2 = 1</p>	<p>1 mark for appropriate image</p> <p>1 mark for how it relates to the brand name</p> <p>1 mark for why it would be an effective promotional image (maximum 2 marks)</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • Image of a superior brand – the use of 'first' suggests this is at the top of the range - people will feel they are buying a quality product – coffee lovers may buy this rather than other brands. • Image of value for money – when people are hard up this might be the product they consider buying first – the promotion could show people how much they are saving – but still emphasise the quality with value for money. (There are many acceptable approaches that could be taken here)

2(a)	State <u>two</u> benefits for <i>Kraft Foods</i> of sending a sample of Carte Noire coffee to people's homes.	
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1 MB2 = 1	1 mark for each distinct benefit (2 marks)	<ul style="list-style-type: none"> • Will allow people to sample it and see if they like it. • Will see this as a free gift which will create good PR for the business. • It is in the home so people can try it when they want.

2(b)	Analyse why <i>Kraft Foods</i> would have chosen the Co-operative's magazine in which to send out its samples.	
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 2 AO3 MB1 = 1 MB2 = 1 AO4 MB1 = 1	1 mark for identifying feature of the Co-op or the magazine (maximum 2 marks) 1 mark relationship of Co-op to Carte Noire 1 mark for why this magazine was selected for the samples (maximum 2 marks) (5 marks)	<ul style="list-style-type: none"> • The Co-op is a major supermarket chain – the magazine is going to customers who shop there – Carte Noire coffee will be sold in the supermarket – members receiving the sample will try it – if they like it they know they can go to the Co-op to buy it. • The magazine is targeted at Co-op members – members know the magazine is there to promote Co-op products – Carte Noire will be one of the products sold by the Co-op – members will feel this is being supported by the Co-op – may feel more inclined to buy it because they support the Co-op.

2(c)	Why might there be drawbacks for <i>Kraft Foods</i> in using the Co-operative's magazine in which to send out the samples?	
AOs	Mark Allocation	Exemplar Responses
AO1 MB2 = 1 AO2 MB1 = 1 MB2 = 1 MB3 = 1	1 mark for drawback (maximum 2 marks) 1 mark for why sending out samples in this way would be a drawback (maximum 2 marks) (4 marks)	<ul style="list-style-type: none"> • Will limit the number of people receiving the samples – will only go to Co-op members – people who are not members/do not shop at the Co-op will need to be promoted to in another way. • May not directly promote Carte Noire – members receiving the magazine may think that the Co-op is providing the sample – may be more interested in the other offers in the magazine than the free sample.

	Taking into consideration the main target market for the Carte Noire Readers campaign, discuss the suitability of the forms of promotion shown in Figure 1.	
Q3	Indicative content	
<p>AO1 MB2 = 1 MB3 = 1</p> <p>AO2 MB1 = 1 MB2 = 1</p> <p>AO3 MB1 = 1 MB2 = 1 MB3 = 1</p> <p>AO4 MB1 = 2 MB2 = 1 MB3 = 1</p>	<ul style="list-style-type: none"> • Main target is women (1) – women read more romantic fiction than men (2) – the extracts are all from romantic novels (3) – women may respond more to men reading romantic extracts (2) – readings are by well known male actors (3) – the website has videos of the actors reading which might also appeal to women (3) – women are the main group doing grocery shopping (2) – the samples were sent out with a supermarket magazine (3) – likely to be received and opened by women (3) – most of the forms shown relate to what might interest women, romance, male actors, shopping centres and spa breaks (4) – all of these would be suitable forms to attract women to the product (4). Alternative approach for L2. • National television would give a much wider audience than the live show in Birmingham (2) – Samples would be effective because people like to receive something free (2) – This would be similar for the spa break but only 10 people will receive that (2). 	
Level	Mark	Descriptor
0	0	No rewardable material
Level 1	1	Identification of main target. 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	2 – 4	Description of characteristics of the main target. For full marks more than one characteristic should be considered. 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	5 – 9	Explanation of how the methods match the characteristics. For full marks more than one of the forms of promotion should be considered. 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	A reasoned conclusion that considers that nearly all of these forms of promotion have been specifically targeted at women. 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.

AOs	Mark Allocation	Exemplar Responses
4	Examine the likely reason for this being included on the Carte Noire Readers website.	
AO1 MB1 = 1 MB2 = 1	1 mark for basic reason (maximum 2 marks)	<ul style="list-style-type: none"> • All the books are published by <i>Penguin</i> – only extracts are being read – people hearing these might want the full books – these could be ordered from <i>Penguin's</i> website. • <i>Penguin</i> might have insisted on this – all the books are published by <i>Penguin</i> – these may have been provided free of copyright to <i>Kraft Foods</i> if a link was provided – this allows <i>Penguin</i> to promote other books as well.
AO2 MB1 = 1 MB2 = 1	1 mark for how the link relates to this basic reason (maximum 3 marks) (4 marks)	

AOs	Mark Allocation	Exemplar Responses
5(a)	Explain why customers are protected by legislation that prevents businesses from using trade names that are already being used by another business.	
AO1 MB3 = 1	1 mark for showing understanding of trade name (may be implied)	<ul style="list-style-type: none"> • A name that will be recognised as identifying a particular business/product – if other businesses use the same name customers will not know the difference – may then be fooled into buying an inferior product – legislation is needed because without this businesses would purposely fool people.
AO2 MB1 = 1	1 mark for why customers need protection (maximum 2 marks)	
AO4 MB1 = 1 MB2 = 1	1 mark for why legislation is needed (4 marks)	

5(b)	Assess how effective it is likely to be if <i>DIY Deco</i> only used the name 'Deco' to promote its products.	
AOs	Mark Allocation	Exemplar Responses
<p>AO2 MB2 = 1 MB3 = 1</p> <p>AO4 MB2 = 1 MB3 = 1</p>	<p>1 mark for basic drawback/benefit</p> <p>1 mark for why that is bad/good</p> <p>1 mark for counter argument</p> <p>1 mark for overall assessment of effectiveness</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • The term 'deco' is not very specific – potential customers may not recognise what it stands for – however, it is likely to be used with some details of the product – it will then be seen as a short form of 'decoration' which could be very effective. • 'Deco' is easy for people to remember – potential customers will then think of the business when it wants decorating products – <i>DIY Deco</i> will need to ensure that the brand 'Deco' is well known which will cost money – the effectiveness will depend on how successful the branding is. • 'Deco' is part of the business's name – existing customers will recognise this – may be confused by the fact that the 'DIY' part has been dropped – if products are shown with the name it should still be effective.

		Assess whether the DVDs or the printed instructions would be the more effective method of promoting <i>DIY Deco's</i> products.
Q6		Indicative content
<p><u>AO1</u> MB1 = 2</p> <p><u>AO2</u> MB1 = 1 MB2 = 1 MB3 = 1</p> <p><u>AO3</u> MB1 = 1 MB2 = 1</p> <p><u>AO4</u> MB1 = 2 MB2 = 1 MB3 = 1</p>		<p>DVD can be picked up in the stores (1) – printed instructions are with the products (1) – the instructions come free with the product whereas the DVD has to be bought (2) – if customers feel they have to pay extra to get instructions they may not be attracted to the products (3) – the printed instructions are likely to give basic instructions whereas the DVD will show customers how to create professional finished (2) – customers wanting the additional details will find the DVD more effective (3) – the DVD shows how each product can be used whereas the instructions only relate to one product (2) – customers who buy a range of products may feel that a DVD with additional instruction is worthwhile (3) – some customers may not want all of the other parts of the DVD so it would be ineffective promotion (3) – the DVD is only available if £20 is spent whereas the instructions come with the product (2) – customers may not be spending £20 so the DVD will not be of benefit to them (3) – the relative effectiveness will depend on whether or not the customer is spending more than £20 as the DVD is not available below this (4) – customers who want details of the most professional finish possible may be persuaded to buy additional product whereas they would expect basic instructions to be provided anyway (4).</p>
Level	Mark	Descriptor
0	0	No rewardable material
Level 1	1 – 2	Recognition of details of each method from the stem. No additional assessment or explanation is given. 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	Details are given that qualify the basic details identified at Level 1. The additional details must be ones that allow for assessment at Level 3. Basic comparison will be made. 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	Comparisons will be made in terms of how effective each type of promotion is likely to be. More than one aspect must be considered 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	10 – 11	Reasoned conclusion will be given for which is more effective. This should consider more than one aspect for full marks. 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.

7	Other than the DVDs, advise <i>DIY Deco</i> on how it could use in-store promotional techniques to make its own products stand out.	
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB1 = 1 MB2 = 1</p> <p><u>AO2</u> MB1 = 2</p> <p><u>AO4</u> MB1 = 2</p>	<p>1 mark for other in-store promotion (maximum 2 marks)</p> <p>1 mark for how this would make the products stand out (maximum 4 marks)</p> <p style="text-align: right;">(6 marks)</p>	<ul style="list-style-type: none"> • Promotional stand – will separate <i>DIY Deco's</i> products from the competitors' products – customers will see all of the products together – may be tempted to buy more, especially with the spend £20 DVD offer. • Colourful tins/packaging – if this is distinctly different to competitors packaging it will attract customers attention – may want to check out what is different – will then allow <i>DIY Deco</i> to promote its products with persuasive writing/pictures on the actual products.

8(a)	How did the business ensure that the right target audience saw the moving image promotion?	
AOs	Mark Allocation	Exemplar Responses
<p>AO1 MB1 = 1</p> <p>AO2 MB1 = 2</p> <p>AO3 MB1 = 1</p>	<p>1 mark for identifying target audience</p> <p>1 mark for how it was seen</p> <p>1 mark for how this targeted the right audience (maximum 2 marks)</p> <p style="text-align: right;">(4 marks)</p>	<p>(<i>Vue Entertainment</i> has been used as an example for Q8)</p> <p>Name of business – <i>Vue Entertainment</i></p> <p>Name of performance, etc – <i>Toy Story 3</i></p> <ul style="list-style-type: none"> Families – shown as a trailer in the cinema – trailer was put on before other films targeted at family audiences – target would have been waiting for similar types of films when they saw the trailer/target was a captive audience.

8(b)	Describe how the moving image promotion was used to create attention and desire in the target audience.	
AOs	Mark Allocation	Exemplar Responses
<p>AO1 MB1 = 2 MB2 = 2 MB3 = 2</p>	<p>1 mark for showing understanding of attention (may be implied)</p> <p>1 mark for how the moving image gained attention</p> <p>1 mark for why attention was ensured</p> <p>(repeat for 'desire')</p> <p>(1 + 1 + 1) x 2</p> <p style="text-align: right;">(6 marks)</p>	<p><u>Attention</u></p> <ul style="list-style-type: none"> Image used to make audience watch it – many rapid action images shown – made the cinema audience focus on the screen. Make audience notice the promotion – showed all the main characters in the film – many of the audience would recognise these so pay attention. <p><u>Desire</u></p> <ul style="list-style-type: none"> Image used to make audience want to see <i>Toy Story 3</i> – the images did not show what happened after the rapid action – would encourage the audience to see the film to find out what was going to happen. Make audience want the product – some new characters are introduced but the story line is not given – makes audience want to see the film so that they can find out how all the characters fit into the plot.

9(a)	State <u>one</u> piece of information provided on the card, other than the name of the business.	
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1	1 mark for piece of information stated (1 mark)	(<i>A.C.M. Entertainment</i> has been taken as an example for Q9) Name of business – <i>A.C.M. Entertainment</i> Type of service – Entertainment services for parties, etc. • Contact details. • Services it can provide. • When it was established.

9(b)	Describe <u>one</u> part of the card that is designed to be persuasive promotion.	
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1	1 mark for part of card that is persuasive (1 mark)	• Use of four different font colours to make the details stand out. • Membership of BIHA & TIPE stated. • Statement that 'We do it all' to emphasise that the customer can relax and enjoy the entertainment.

9(c)	Explain the benefits of using business sized cards to promote this business.	
AOs	Mark Allocation	Exemplar Responses
AO1 MB1 = 1 AO2 MB1 = 1 AO3 MB1 = 1 MB2 = 1	1 mark for basic feature of business cards (maximum 2 marks) 1 mark for why that is a benefit to the business (maximum 2 marks) (4 marks)	• Cheap to produce – many can be produced at low cost – can then target many more potential customers. • Usually credit card size – can be put into wallets and purses – will be carried around for future reference. • Cost of display is usually low – will help to keep promotion costs down – will have more funds for other promotions.

9(d)	Compare the effectiveness of this form of promotion to any <u>one</u> other method used by the business.	
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB1 = 1 MB2 = 1</p> <p><u>AO2</u> MB1 = 1 MB2 = 1</p> <p><u>AO4</u> MB1 = 1</p>	<p>1 mark for identifying other method</p> <p>1 mark for detail of the other method</p> <p>1 mark for comparison to card</p> <p>1 mark for why that would be more or less effective than the card</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • Website – provides prices for the services – there are no prices on the card – customers wanting details of process will find the website more useful. • Website – has nine pages of information – the card has only two sides and far less information – the website will be more persuasive because it explains all the services being offered.

10(a)	Describe the special offer the business provided to people in this target age range.	
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB1 = 2</p>	<p>1 mark for each distinct detail of the special offer</p> <p style="text-align: right;">(2 marks)</p>	<p>(<i>Focus</i> has been taken as an example for Q10)</p> <p>Name of business – <i>Focus</i>.</p> <p>Main good or service – DIY products</p> <ul style="list-style-type: none"> • Discount card provided to people over 60 years. • 10% discount on all purchases. • Periodic offers of 15% discount.

10(b)	How did the business promote the special offer to the people in this target age range?	
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB2 = 1</p> <p><u>AO2</u> MB1 = 2</p> <p><u>AO3</u> MB1 = 1</p>	<p>1 mark for method (maximum 2 marks)</p> <p>1 mark for how this targeted the group (maximum 2 marks)</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • Poster in-store – the target customers visiting the outlets can see the posters – can then ask to sign up to the special offer – the checkout staff can check people’s ages to confirm the right target market is being reached. • Offer sent through direct mail – used public record to identify people over 60 – offer only sent to target group so no wasted promotion – direct mail also showed the benefit of the 10% discount.

10(c)	Why might this raise ethical considerations for the business?	
AOs	Mark Allocation	Exemplar Responses
<p><u>AO1</u> MB2 = 1 MB3 = 1</p> <p><u>AO3</u> MB3 = 1</p> <p><u>AO4</u> MB3 = 1</p>	<p>1 mark for the ethical consideration (maximum 2 marks)</p> <p>1 mark for why that comes from the limitation of the special offer (maximum 2 marks)</p> <p style="text-align: right;">(4 marks)</p>	<ul style="list-style-type: none"> • People under 60 cannot take advantage of the special offer – they may feel unfairly treated – the offer is only available to people over 60 years of age – this seems particularly unfair on someone aged 59 who may have already retired. • Older people may be offended by the offer – may feel that this is only being offered to them because they are old – no one under the age of 60 is being offered the 10% discount – some will also be well off and not need the discount.

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