



Rewarding Learning

ADVANCED SUBSIDIARY (AS)
General Certificate of Education
January 2013

StudentBounty.com

GCE Applied Business

Assessment Unit AS 4

assessing

E-Commerce

[A3B41]



MONDAY 14 JANUARY, AFTERNOON

TIME

1 hour 30 minutes.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number on the Answer Booklet provided.
Answer **all six** questions.

INFORMATION FOR CANDIDATES

The total mark for this paper is 80.

Quality of written communication will be assessed in questions **5 and 6**.

Figures in brackets printed down the right-hand side of pages indicate the marks awarded to each question or part question.

ADVICE TO CANDIDATES

You are advised to take account of the marks for each part question in allocating the available examination time.



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Study the information below and answer the questions that follow.

CAMELOT UK LOTTERIES LIMITED: HALF-YEAR FINANCIAL RESULTS

During November 2010, Camelot announced its highest ever interim National Lottery sales figures. In the first six months of the financial year to 25 September 2010, Camelot increased total sales across various National Lottery games to £2,722 million, a rise of £93.4 million (3.6%) on the corresponding period in 2009.

The rise in sales helped to drive up direct returns to the Good Causes (charities and similar voluntary organisations) over the half-year from £757.2 million to £784.8 million – an increase of £27.6 million. To date, The National Lottery players have helped to raise over £25 billion for the Good Causes.

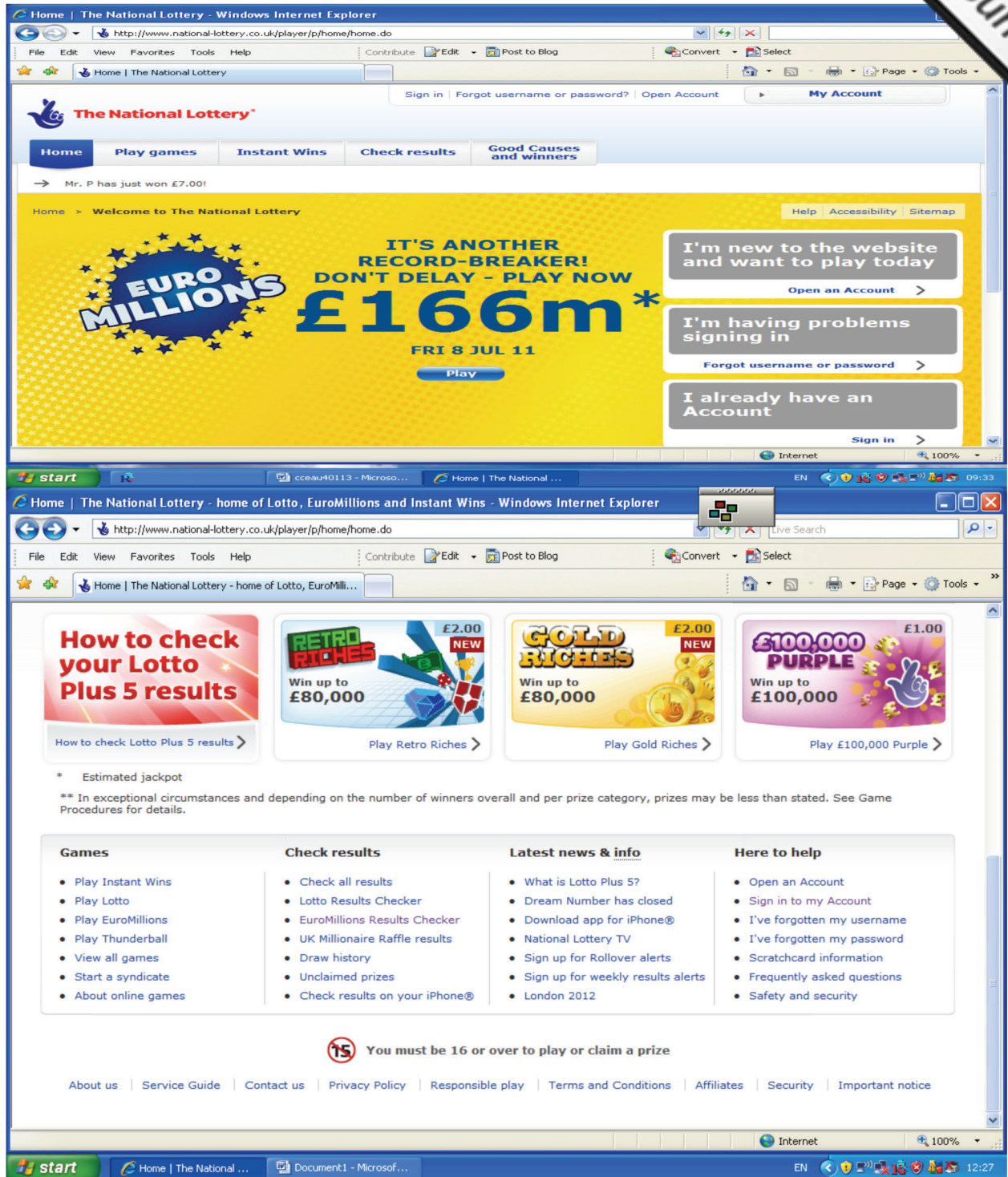
Camelot increased sales of both draw-based games and instant play games. Sales of the latter rose from £641.6 million to £672.2 million, partly due to the launch of a number of new and innovative Scratchcards, online Instant Win games and The National Lottery's fourth 3D game, Monopoly.

Camelot also succeeded in continuing to achieve growth across the various sales channels – retail and direct channels. The company's ongoing programme of support for its retail partners delivered a £38.9 million increase in total retail sales – from £2,313.9 million to £2,352.8 million. It achieved an equally strong performance across its direct channels, with interactive and subscriptions sales growing from £314.8 million to £369.2 million. With over five million people registered to play, Camelot operates the biggest online lottery in the world, and its website is one of the top e-commerce sites in the UK.

A Camelot spokeswoman stated: "Our continued success in the face of a challenging economic climate and a worldwide trend of slowing lottery sales has reinforced our position as one of the world's leading lottery operators. The National Lottery remains one of the world's most consistently successful operations of its kind. Following on from the fantastic successes of UK Millionaire Raffle and the new-look Thunderball game, we have lots of exciting plans in the pipeline which we are confident will boost sales further and deliver even greater returns to the Good Causes."

© Camelot UK Lotteries Limited

The following is a screen-shot of The National Lottery website:



© Camelot UK Lotteries Limited

Fig. 1 The National Lottery

The requirements of financial services legislation mean that only customers registered in the UK can play the lottery online, i.e. a customer on holiday or living abroad cannot log on and attempt to play the lottery online from a location such as the United States of America.

- 1 Explain what is meant by the term “E-Commerce”, and give details of **two** examples from the case study. [6]
- 2 Explain each of the following terms, and identify **one** example of each from the case study:
- Business-to-Consumer
 - Business-to-Affiliate [6]
- 3 Explain how The National Lottery can use E-Commerce for each of the following:
- Sales Channels
 - Payment Systems
 - Market Research
 - Advertising [12]
- 4 Analyse **four** benefits to Camelot of the use of E-Commerce. [16]
- 5 Evaluate **five** ways in which the requirements of the Data Protection Act might affect Camelot. [20]
- 6 Evaluate how each of the following would be used by Camelot in its online trading activities:
- Product
 - Place
 - Promotion
 - Price [20]