GCE

Applied Business

Unit **F243/01:** The Impact of Customer Service

Advanced Subsidiary GCE

Mark Scheme for June 2016

Annotations

These are the annotations used in the detailed Mark Scheme (to include abbreviations and subject-specific conventions).

Annotation	Meaning
?	Unclear
BOD	Benefit of doubt
✗	Cross
L1	Level 1
L2	Level 2
L3	Level 3
L4	Level 4
NAQ	Not answered question
OFR	Own figure rule
REP	Repeat
SEEN	Noted but no credit given
✔	Tick
NUT	No use of text

Testing of QWC

In this external assessment the assessment of QWC will take place in Question 2d which is a levels of response question and carries 12 marks.

Marks are embedded within this question for assessing the quality of written communication. The following criteria are embedded within the levels of response for Question 2d.

Level 4:
Ability to present relevant material in a well planned and logical sequence. Material clearly structured using appropriate business terminology confidently and accurately. Sentences, consistently relevant are well structured in a way that directly answers question. There will be few, if any errors of grammar, punctuation and spelling.

[4 marks representing the appropriate level of written communication are embedded in this level of response]

Level 3:
Ability to present relevant material in a planned and logical sequence. Appropriate business terminology used. Sentences for the most part relevant presented in a balanced, logical and coherent manner which addresses the question. There will be occasional errors of grammar, punctuation and spelling.

[3 marks representing the appropriate level of written communication are embedded in this level of response]

Level 2:
Limited ability to organise relevant material. Some appropriate business terminology used. Sentences are not always relevant with material presented in a way that does not always address the question. There may be noticeable errors of grammar, punctuation and spelling.

[2 marks representing the appropriate level of written communication are embedded in this level of response]

Level 1:
Ability to communicate at least one point using some appropriate business terminology. Sentences have limited coherence and structure, often being of doubtful relevance to the main focus of question. Errors of grammar, punctuation and spelling may be noticeable and intrusive.

[1 mark representing the appropriate level of written communication is embedded in this level of response]

Question			Answer	Mark	Guidance
1	a	i	Indicative content: • staff are pleasant • the shop is always clean and tidy • Jessica replenishing the stock • Vanessa has good product knowledge • quality products are sold • VVE specialises in vegetarian products • Sally dresses smartly • the gentleman in the wheelchair was helped • the complaint was reviewed/letter of apology to be sent • VVE has a website	4	**AO2 – 4** One mark for each correct identification up to a maximum of four identifications. Candidates **must** answer in context. Do **not** award 'Product range'.
1	a	ii	Indicative content: • some of the staff are not motivated • opening hours are not enough • Ian was rude to customers • gap between the shelves too narrow for wheelchairs • Ian wore dirty clothes • not removing out of date stock from shelves • poor training / product knowledge of staff	4	**AO2 – 4** One mark for each correct identification up to a maximum of four identifications. Candidates **must** answer in context. Do **not** award 'complaint not handled properly'.

Question			Answer	Mark	Guidance
	b		Indicative content: • enables the business to survive • meets customer needs • provides competitive advantage/edge • gives a USP • provides customer satisfaction • improves the image • improves the reputation • good PR • word of mouth referrals • improves loyalty • increases customer retention/customers returning • improves staff motivation • improves the behaviour of new staff • increases Popularity of the store • improves the value of the products sold • increases sales/profit • increases market share Exemplar response: Helps to raise the popularity of the store (1), as customers to VVE will have a better experience and have more of their needs met (1).	6	**AO1 – 3 AO2 – 3** **One mark for each correct identification up to a maximum of three identifications, plus a further one mark for each of three explanations.** Accept generic context. Do not accept "makes customers happy"

Question			Answer	Mark	Guidance
1	c	i	Indicative content: • check the business is following guidelines • to identify mistakes or dangers from non-compliance • code of practice sets a benchmark • customer could use this as the basis for a complaint • demonstrates the level of customer care provided by a business and it is serious about it • customer will know what to expect	3	**AO1 – 3** One mark for each correct reason up to a maximum of three reasons. The reasons must relate to a **customer**. Accept generic context. Beware vague responses and repetition and the notion that it tells the customer how to complain, access information or returns policy.
1	c	ii	Indicative content: • to improve the current level of customer service • check that colleagues are following correct procedures and to enable them to remind them • helps new employees know what is expected in terms of behaviour • acts as a reminder for staff of how to operate • helps employees know the culture of the business and • it can be used to identify its philosophy training needs • to identify any problems • reduces the number of complaints they have to receive	3	**AO1 – 3** One mark for each correct reason up to a maximum of two reasons. The reasons must relate to an **employee**. Accept generic context. Beware vague responses and repetition and the notion that it tells the staff what the complaints or returns policy is or what to wear. Do not reward "it motivates staff".

Question			Answer	Mark	Guidance
1	d		Use level of response criteria. Indicative content: • training • safe environment • rewards financial • rewards non financial • good team work • improve moral • equality • recognition • praise • appraisals • use of the code of practice Exemplar response: A safe working environment (**L1**) and good leadership can help to motivate a workforce **(L1).** If the shelves were stocked correctly this would mean staff at *VVE* would feel safe and would be more motivated (**CONT**) because they are not motivated (**L2**). Vanessa needs to understand that she needs to motivate her staff to work hard which could be as simple as praising them for all their hard work (**L2**). This is likely to lead to the staff feeling valued and important which would raise levels of motivation (**L3**). In addition, Vanessa could provide some basic training, for example in how to correctly stock shelves (**CONT**) (**L2**). This would mean the working environment could become safer which is likely to increase motivation and efficiency (**L3**). Vanessa could also only employ people who enjoy working at *VVE*. Ian is only working at VVE until he finds another job (**CONT**) and believes he should be paid more	12	**AO1:3 AO2:3 AO3:3 AO4:3** **Level of response criteria:** **Level 4: [10-12 marks]** candidate evaluates how Vanessa could encourage a more motivated and efficient workforce. **Level 3: [7-9 marks]** candidate analyses how Vanessa could encourage a more motivated and efficient workforce. **Level 2: [4-6 marks]** candidate applies knowledge and understanding of how Vanessa could encourage a more motivated and efficient workforce. **Level 1: [1-3 marks]** candidate identifies how to encourage a more motivated and efficient workforce with no use of context. Please indicate each time a candidate achieves a particular level as this will help to allocate marks within that level. Context should be annotated every time L2/L4 is awarded with the (CONT) annotation. Non-contextual answer max Level 1. L2: Must contain more context than name-dropping. e.g. training to stock shelves, in the store, unsafe working conditions.

Question	Answer	Mark	Guidance
	(**L2**). This attitude is not going to help improve the moral of staff at *VVE*. Improving moral is likely to result in improved motivation and efficiency (**L3**). Initially Vanessa could focus on some basic training for the staff which could give immediate results in improving working conditions and efficiency (**CONT**) (**L4**). This could happen alongside Vanessa giving more praise to her staff (**L4**). Over time if moral improves and staff feel safe then motivation is likely to remain high which will have a positive impact on efficiency (**L4**).		

2 a	Indicative content:
	  • information given by customers would be considered relevant to actual examples (not reliable)
	  • any ideas or views will be fresh in the customer's mind
	  • customer responses are more likely to be valid
	  • it is immediate and can be acted upon quickly
	  • staff can ask customers to elaborate on their answers
	  • customers will feel that Vanessa is genuinely interested in their opinions
	  • enables staff to connect with customers
	  • more detailed information can be gathered through discussion specifically related to the customer concerned
	  • lower cost than an agency for example
	
	Exemplar response:
	
	Asking customers what they think about *VVE* will be mean that their opinions will be fresh in their mind (1). This could mean that the information is more valid (1) which means that Vanessa can rely on the information before making any decisions on improving the service in store (1).
		6	**AO1 – 2 AO2 – 4**
			
			One mark for each correct identification up to a maximum of two identifications, plus up to a further two marks for each of two explanations.
			
			Accept generic context, up to 2 mark, a further mark for context linked to the case.
			
			Do not award customers will be more honest, more unbiased, reliable.

Question			Answer	Mark	Guidance
2	b		Indicative content: • suggestion boxes • freephone numbers • focus groups • postal questionnaires • telephone interviews	4	**AO1 – 4** One mark for each correct identification up to a maximum of four identifications. No context required. Do **no**t award: • mystery shopper • informal comments/asking customers • observation • survey • questionnaire (on its own) DNA repetition for questionnaire.

Question			Answer	Mark	Guidance
2	c		Indicative content: • find out what customers want • meet customer current needs • meet customers future needs • identify current level of service • identify strengths • identify weaknesses • identify areas for improvements • find out what the competition is doing/improve competitive edge • supports decision making • supports marketing activities • generates customer involvement/suggestions • reputation for taking personal feedback/personally listening to customers Exemplar response: Customer feedback will help *VVE* to meet customer's current needs (1) because for example at the moment there is difficulty in disabled people using the shop (1).	8	**AO1 – 4 AO2 – 4** One mark for each correct identification up to a maximum of four identifications, plus a further one mark for each of four explanations. Candidates **must** answer in context to be awarded the second mark for each answer. Beware repetition of response, for example only one improvement suggestion.

Question			Answer	Mark	Guidance
2	d*	'	Use level of response criteria. Indicative content: Criteria for assessing quality includes; • price/value for money • customer retention • reliability • staffing levels • cleanliness/hygiene • provision for individual and special needs • level of complaints • amount of positive feedback • adherence to code of practice • level of returns • type of complaints • staff ratings Exemplar response: Any business must assess the quality deleted of its customer service to meet customer needs. This could be through customer retention (**L1**) currently they have 80% (**CONT**) (**L2**). If this starts to dip there may be an issue with customer service and it could trigger an action to improve it (**L3**). She could use the level of hygiene and cleanliness (**L1**) I the store **(L2)**, as this will indicate the attention staff are taking to create the right store **(CONT)** environment **(L3).** Probably the best way to assess customer service at *VVE* is to assess customer retention combined with sales levels, as they already have a high retention rate **(CONT)** possibly the ultimate criteria is the level of sales in this small food store **(CONT)**, in a niche	12	**AO1:3 AO2:3 AO3:3 AO4:3** This part of the question assesses the quality of candidates' written communication – please refer to generic marking instructions at the front of this mark scheme. **Level of response criteria:** **Level 4: [10-12 marks]** candidate evaluates how customer service at *VVE* can be assessed. **Level 3: [7-9 marks]** candidate analyses how customer service at *VVE* can be assessed. **Level 2: [4-6 marks]** candidate applies knowledge and understanding of how customer service at *VVE* can be assessed. **Level 1: [1-3 marks]** candidate identifies how customer service can be assessed with no use of context. Please indicate each time a candidate achieves a particular level as this will help to allocate marks within that level. Context should be annotated every time L2/L4 is awarded with the (CONT) annotation. Non-contextual answer max Level 1. L2: Must contain more context than name-dropping. e.g. 80% current retention rate, cleanliness in the store.

Question			Answer	Mark	Guidance
			market VVE may struggle if retention rates fall or sales aren't generated **(L4).** If grocery shoppers **(CONT)** aren't spending there may be an issue with the quality of the food (**CONT)** or customer service **(L4),** it would need to be investigated.		

3	a		Indicative content:
			
			• the business is unaware of possible problems
			• the business trades inefficiently
			• increases cost
			• reduces level of customer service
			• reduces reputation
			• reduce customer retention/loyalty
			• reduces sales
			• risk of breaking the law
			• risk of a fine
			• risk of a hazard
			• customer hurt/damaged
			• Damage to the atmosphere and branding of the business
			• report hazards in the shop
			  o poorly stacked shelves
			• report incorrect/false information on the website
			• report unhygienic situations
			  o staff wearing dirty clothes
			• report rude staff
			• report any illness caused by food bought from VVE
			
			Exemplar response:
			It may increase the costs to the business (1) if customers steal food and VVE has to replace it (1).
					AO1 – 3 AO2 – 3
					
					One mark for each correct identification up to a maximum of three identifications, plus a further one mark for each of three explanations.
					
					First mark for the disadvantage. Award second mark for explicit context explanation with reference to the case.
					
					Do not award closure/close down unless developed with the appropriate chain of reasoning.

Question	Answer	Mark	Guidance
3 b	Use level of response criteria. Indicative content: • must adhere to the legislation/Data Protection Act • information must be kept securely/safe • information must be accurate • information should be kept for no longer than is necessary • information must have been given freely • customer must agree to receive the newsletter • information must be destroyed if requested by the customer • will take time • will cost to set up/administer • research needed • need to keep up with changes to legislation • small business constraints • new skills needed to manage the data Exemplar response: All businesses which collect and retain customer information must adhere to the DPA **(L1).** This is particularly important because *VVE* would have to keep records of its shoppers **(CONT)** to send out its recipes in the newsletters (**CONT) (L2).** This may take time and cost Vanessa to do so **(L3).** If the information is not kept secure then the shoppers **(CONT)** could report Vanessa **(L3).** This could lead to the store **(CONT)** getting a poor reputation, if not handled well **(L3).**	9	**AO1:3 AO2:3 AO3:3** **Level of response criteria:** **Level 3: [7-9 marks]** candidate analyses the implications for *VVE* of obtaining and keeping personal information about its customers. **Level 2: [4-6 marks]** candidate applies knowledge and understanding of the implications for *VVE* of obtaining and keeping personal information about its customers. **Level 1: [1-3 marks]** candidate identifies the implications of obtaining and keeping personal information about customers with no use of context. Please indicate each time a candidate achieves a particular level as this will help to allocate marks within that level. Context should be annotated every time L2 is awarded with the (CONT) annotation. Non-contextual answer max Level1. L2: Must contain more context than name-dropping. e.g. the proposed newsletter, not wanting to use a computer for data storage

Question			Answer	Mark	Guidance
4	a		Indicative content: • Trading Standards • Citizens Advice • Police • the local court • Office of Fair Trading • Solicitor • Consumer Protection Council • the local council • Health & Safety Executive	3	**AO1 – 3** One mark for each correct identification up to a maximum of three identifications. Do **not** award marks for Watchdog or similar. Accept solicitor, even though this is not strictly an organisation. The question is asking about seeking advice **NOT** compensation. Do **not** award marks for a response that concerns compensation.
4	b		Indicative content: • Consumer Rights Act/Sale of Goods Act/Sale and Supply of Goods Act (1) which states that products must be of satisfactory quality (1) • Supply of Goods and Services Act (1) which relates to reasonable time, skill and care (1) • Trades Description Act (1) relates to false advertising claims (1) • Weights and Measures Act (1) relates to accuracy of quantities (1) • Food Safety Act (1) relates to food handling (1) • Health and Safety at Work Act (1) relates to duty of care (1) • Equality Act (1) relates to equal rights to all (1) • Consumer Protection Act (1) which relates to product safety (1) • Data Protection Act (1) as this relates to security and access to personal information (1)	8	**AO1 – 4 AO2 – 4** One mark for each correct identification up to a maximum of four identifications, plus a further one mark for each of four descriptions. Do **not** accept: • Consumer Credit Act as this relates to finance and credit agreements • Disability Discrimination Act The name of the act/regulation must be correct and relate to customers, eg Food Safety Act not Food Act. No marks awarded for a description if the title is wrong. No context required.

Question	Answer	Mark	Guidance
5	Use level of response criteria. Indicative content: • Currently not in a position to win • Strengths in customer service • Weaknesses in customer service • Changes need to be made to customer service • improving motivation • quality of staff and products • training • reputation • clean and safe environment in the shop • meeting customer needs • improving standards of service • consistency of customer service • competitive market for awards Exemplar response: If a business has excellent customer service it will help to win an award **(L1).** There are some good examples of excellent service at *VVE* as they are clean and staff are good quality products are sold **(CONT) (L2)** which will help to improve *VVE's* growing reputation **(L3).** If staff at *VVE* were trained, as currently they are not, (**CONT**) then they will be able to meet customer needs better **(L2).** This will help Vanessa to achieve her goal because this should raise the standards of customer service at *VVE* **(L3).** However, It is perhaps a goal that cannot be achieved next year as there are a lot of problems that need to be sorted out first (**CONT**) **(L4).** Vanessa needs to make the shop accessible to all customers especially those who use a wheelchair (**CONT**) **(L2).** This would help to improve the	12	**AO1 – 3 AO2 – 3 AO3 – 3 AO4 – 3** **Level 4: [10-12 marks]** candidate evaluates whether Vanessa's goal is realistic in winning the award through excellent customer service at *VVE* **Level 3: [7-9 marks]** candidate analyses whether Vanessa's goal is realistic in winning the award through excellent customer service at *VVE* **Level 2: [4-6 marks]** candidate explains how excellent customer service can help *VVE* win the 'Best Customer Service' award **Level 1: [1-3 marks]** candidate identifies how excellent customer service can help a business win awards not in context Please indicate each time a candidate achieves a particular level as this will help to allocate marks within that level. Context should be annotated every time L2/L4 is awarded with the (CONT) annotation. Non-contextual answer max Level1. L2: Must contain more context than name-dropping. e.g. tidy and clean shop, poor access for users of wheelchairs.

Question	Answer	Mark	Guidance
	reputation of *VVE* as a shop which thinks about all its customers **(L3).** Vanessa could appoint Jessica as the Customer Service Manager (**CONT**) **(L2)**. Jessica could focus on improving the motivation and working environment **(L3)** which will lead to a better customer experience, enhancing *VVE's* 80% retention and reputation **(CONT)** further **(L4).** Then there is the problem with the limited opening times **(CONT) (L2)** which prevents many customers from visiting *VVE* when, and as often, as they can **(L3).** This could lead to *VVE* having a poor reputation which will not help Vanessa to meet her goal of winning the award (**CONT**) **(L4).** Realistically Vanessa should not set her goal on winning the award, her dream (**CONT**) now but should perhaps, given the issues, focus on establishing a good reputation for *VVE* **(L4)** by working on the consistency of service and the quality of her employees (**CONT**) over the next year or so **(L4).**		

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