

GCE

Applied Business

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

Advanced Subsidiary GCE

Mark Scheme for June 2014

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This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which marks were awarded by examiners. It does not indicate the details of the discussions which took place at an examiners' meeting before marking commenced.

All examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the report on the examination.

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These are the annotations, (including abbreviations), including those used in scoris, which are used when marking

Annotation	Meaning of annotation
	Blank Page – this annotation must be used on all blank pages within an answer booklet (structured or unstructured) and on each page of an additional object where there is no candidate response.
	The response given is 'Unclear' to the marker.
	'Benefit of doubt' but credit given.
	To indicate the response is in 'Context' of the relevant case study.
	Response is incorrect, no credit can be given.
	Use for Level of response answers to indicate Level 1.
	Use for Level of response answers to indicate Level 2.
	Use for Level of response answers to indicate Level 3.
	Use for Level of response answers to indicate Level 4.
	The response is not incorrect but has 'Not answered the question'.
	Own figure rule. Use where indicated in the mark scheme.
	'Repeat' Response repeats the same marking point.
	'Noted but no credit given' or to indicate all or part blank answer pages have been seen by the marker.
	Correct point/answer. Credit can be given.
	No use of context/Context cannot be awarded.

Subject-specific marking instructions**Blank answer spaces**

To be sure you have not missed any candidate responses you must check every page of the question paper and annotate any blank answer spaces with the following annotation:

SEEN

Additional Objects

You must also check any additional pages (shown as Additional Objects) which the candidate has chosen to use.

Before you begin marking, use the Linking Tool, to 'link' any additional page(s) to the relevant question(s) and mark the response as normal.

All additional pages must be annotated with the 'SEEN' stamp, so it is clear to centres that the additional pages have been viewed by the marker.

Testing of QWC

In this external assessment the assessment of QWC will take place in Question 1d 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 1d.

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	Indicative content: <ul style="list-style-type: none"> An external customer is someone from outside the organisation who intends to or has purchased a product or service. 	1	A01:1 For one mark. Concept of customer (purchaser) and external (outside) both required to award the mark. Do not accept a repeat of the term customer.
1	b	Indicative content: <ul style="list-style-type: none"> shows customers that <i>TRT</i> exists shows that <i>TRT</i> cares and is serious about customer service shows that <i>TRT</i> is committing to working towards and providing good customer service provides guidelines for staff to follow can provide peace of mind for customers. 	3	A01:3 One mark for each correct identification up to a maximum of three identifications. Context must be at least implicit.
1	c	Indicative content: <ul style="list-style-type: none"> to encourage repeat business/Increase customer loyalty enhance <i>TRT</i>'s reputation attract new customers increases sales encourage referrals/advocacy from existing customers maintain/improve customer satisfaction levels communicate with customers effectively operate good relationships with customers transactions can run smoothly and efficiently between <i>TRT</i> and consumer encourage customers not to go to competitors helps with the rectification of problems. 	8	A01:4 A02:4 One mark for each correct identification up to a maximum of four identifications, plus a further one mark for each of four explanations. Context must be at least implicit. To award the explanation the identification must be linked and be correct. Watch out for repetition.

Question		Answer	Mark	Guidance
		<p>Exemplar response: Eg. Handling complaints effectively will demonstrate that <i>TRT</i> values what its customers say (1). This could mean that <i>TRT</i> has a better relationship with its customers, who may feel they are being looked after properly (1).</p>		
1	d*	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • improve theatre goers experience • meet changing needs of theatre goers • stay in business • <i>TRT</i> relies on visitors to the theatre • encourage new theatre goers • existing theatre goers become advocates • generate more sales/profit for <i>TRT</i> • reduces complaints and costs associated with poor quality • damage to <i>TRT</i> 's reputation if this is not a focus • damage to <i>TRT</i>'s sales/profit if they do not focus • potential loss of competitive advantage if there is not an improvement • threat to <i>TRT</i>'s long term survival. <p>Exemplar response: Eg. It is important for businesses to focus on customer service if they are to generate sales and be a commercial success (L1). <i>TRT</i> has not had enough people visiting the theatre to generate good profits (CONT) (L2) and they are facing competition from the new cinema (L2) so it must offer it's visitors an exemplary service or they could decide to use the new cinema (CONT) (L3). <i>TRT</i> is currently giving poor customer service (CONT) (L2) which means that any theatregoers it does get are likely not to return</p>	12	<p>AO1:3 AO2:3 AO3:3 AO4:3</p> <p>QWC is assessed with this question</p> <p>Level 4: [10-12 marks] candidate evaluates the extent to which becoming more focused on customer service is critical to <i>TRT</i>'s commercial success.</p> <p>Level 3: [7-9 marks] candidate analyses the benefit(s) to <i>TRT</i> of becoming more focused on customer service</p> <p>Level 2: [4-6 marks] candidate applies knowledge and understanding of the benefit(s) to <i>TRT</i> of becoming more focused on customer service.</p> <p>Level 1: [1-3 marks] candidate identifies the benefit(s) to a business of becoming more focused on customer service with no use of context.</p> <p>Please indicate each time a candidate achieves a particular level as this will help to allocate marks within that level.</p> <p>Context should be annotated every time L2/L4 is awarded with the (CONT) annotation.</p> <p>Non-contextual answer max Level 1.</p> <p>L2: Must contain more context than just name-dropping, e.g. not enough people using the theatre (CONT), impact of new cinema (CONT).</p>

Question			Answer	Mark	Guidance
			(L3) which could lead to <i>TRT</i> getting a bad reputation thus putting potential visitors off going to the theatre (L3). Overall, if <i>TRT</i> becomes more focused on customer service it is likely to increase the number of people visiting the theatre (CONT) and gain repeat business which will ultimately start to generate profit for <i>TRT</i> thus helping <i>TRT</i> to be a commercial success (L4). In the long term, if theatregoers are not satisfied with their experience then the future of <i>TRT</i> is at stake (L4) and Tamina (CONT) may lose her business altogether (L4).		
2	a	i	<p>Indicative content:</p> <ul style="list-style-type: none"> • direct contact with customers not filtered through a third party like an agency • opinions will be fresh in customer's minds and relate specifically to the experience they have had • staff can encourage elaboration from customers so they find out more • staff will hear the reactions and may take on board the criticisms more • its quick and simple to do so allows immediate feedback • low cost method, using existing staff, conserving funds for other projects. <p>Exemplar response: Eg. The staff are speaking directly to the customers themselves so hopefully the information they give should be fresh and clear in their minds (1) and is likely to be accurate as it is up to date (1). This should give Tamina some ideas for the improvement of <i>TRT</i> that relate to current needs (1).</p>	6	<p>AO1:2 AO2:4</p> <p>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.</p> <p>Context must be at least implicit.</p> <p>Do not award benefits of collecting feedback. Responses must relate to the technique used to collect the feedback.</p>
2	a	ii	Indicative content:	6	AO1:2 AO2:4

Question		Answer	Mark	Guidance
		<ul style="list-style-type: none"> • untrained staff • waste of time • customers could be too busy to talk • customers could be irritated • there could be no structure to the interviews • customers may be embarrassed to pass on negative comments • staff may not pass on any negative comments/feedback • may be difficult to record, store and analyse the information gained. <p>Exemplar response: Eg. The theatregoers may be very busy and want to get home (1) and so may not want to hang around and answer the questions (1), which could irritate them and spoil the experience (1).</p>		<p>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.</p> <p>Context must be at least implicit.</p> <p>Beware generic research responses, answers must relate to this method.</p>
2	b	<p>Indicative content:</p> <ul style="list-style-type: none"> • telephone questionnaire • freephone message service • email of comments • on-line questionnaire • postal questionnaire • suggestion box • feedback/comment card • text message • focus group 	4	<p>AO1:4</p> <p>One mark for each correct identification up to a maximum of four identifications.</p> <p>Do not accept mystery shopper/observation/survey.</p> <p>Do not award 'questionnaire' unless the type of questionnaire is stated.</p>

Question		Answer	Mark	Guidance
		<ul style="list-style-type: none"> informal comments online rating/review systems 		
2	c	<p>Use levels of response criteria.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> anonymous to staff they purchase products/services they ask questions they assess customer service levels they pretend to be a normal customer more reliable, not as biased they may provide more objective feedback <p>Exemplar response: Eg. One benefit of a mystery shopper is that someone pretends to be a normal customer of a business (L1). One can act as a theatregoer and visit <i>TRT</i> (CONT) (L2). The mystery shopper could attend any of the shows (CONT) unannounced (L2). He/she could observe the audience to see how they react to the play (CONT) (L2) and also use other facilities such as the café and shop (CONT) (L2). This could give Tamina a more realistic idea of how <i>TRT</i> is performing as opposed to the staff interviewing them with regards to customer service (L3) and, therefore, make it easier for her to make the necessary improvements (L3). However, the mystery shopper could attend on a particularly good or bad day which may not give a true picture of how customer service at <i>TRT</i> really is (L3).</p>	9	<p>AO1:3 AO2:3 AO3:3</p> <p>Level 3: [7-9 marks] candidate analyses reason(s) why Tamina may use a mystery shopper to judge the level of customer service at <i>TRT</i>.</p> <p>Level 2: [4-6 marks] candidate applies knowledge and understanding of the reason(s) why Tamina may use a mystery shopper at <i>TRT</i>.</p> <p>Level 1: [1-3 marks] candidate identifies reason(s) why a business may use a mystery shopper with no use of context.</p> <p>Please indicate each time a candidate achieves a particular level as this will help to allocate marks within that level.</p> <p>Context should be annotated every time L2 is awarded with the (CONT) annotation.</p> <p>Non-contextual answer max Level 1.</p> <p>L2: Must contain more context than just name-dropping, e.g. show, observe audience, café bar.</p>
2	d	<p>Indicative content:</p> <ul style="list-style-type: none"> quality/could go out of date safety/security ethical legal (Data Protection Act) 	3	<p>AO1:3</p> <p>One mark for each correct identification, up to a maximum of three identifications.</p>

Question		Answer	Mark	Guidance
		<ul style="list-style-type: none"> • reputation • marketing advantage • time • opportunity cost • training may be needed • monetary cost. <p>Exemplar response: Data must be stored securely (1).</p>		
3	a	<p>Exemplar responses:</p> <ul style="list-style-type: none"> • 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) which relates to false advertising claims (1) • Weights and Measures Act (1) which relates to accuracy of quantities (1) • Food Safety Act (1) which relates to food handling (1) • Health and Safety at Work Act (1) which relates to duty of care (1) • Equality Act (1) which relates to equal rights for all (1) • Consumer Protection Act (1) which relates to product safety (1) • Data Protection Act (1) which relates to the handling of data (1). 	8	<p>AO1:4 AO2:4</p> <p>One mark for each correct identification up to a maximum of four identifications, plus a further one mark for each of four descriptions.</p> <p>The name of the legislation must be correct for the description mark to be awardable.</p> <p>Health and Safety at Work Act must be written in full to be awarded.</p>
3	b	<p>Indicative content:</p> <ul style="list-style-type: none"> • untidy shop • empty cups not cleared from tables 	5	<p>AO2:5</p> <p>One mark for each correct identification up to a maximum of</p>

Question		Answer	Mark	Guidance
		<ul style="list-style-type: none"> torn seats in the theatre poor lighting untrained staff poor knowledge of shows no customer service policy poor disabled access. 		<p>five identifications.</p> <p>Answers must be taken from the case study.</p> <p>Do not award reference to limited product range.</p>
3	c	<p>Indicative content:</p> <ul style="list-style-type: none"> loyalty card training code of practice website for booking dealing with complaints efficiently appointing a Customer Services Manager provision for special needs. 	3	<p>AO2:3</p> <p>One mark for each correct identification up to a maximum of three identifications.</p> <p>Answers must be taken from the case study.</p> <p>Do not award reference to expanding product range with organic produce or the introduction of recycling.</p>
3	d	<p>Use levels of response criteria.</p> <p>Indicative content</p> <ul style="list-style-type: none"> sell products at a low price rewards volume sales short term promotions different prices in the short term build market share encourages new/more business enhances service value improves customer satisfaction levels encourages different customer types may not keep up with increased demand competitors may adopt same approach could decrease income/profits customers may think the product/service is poor quality may only just cover costs 	12	<p>AO1:3 AO2:3 AO3:3 AO4:3</p> <p>Level 4: [10-12 marks] candidate evaluates whether using a discount pricing strategy would improve customer service levels at <i>TRT</i>.</p> <p>Level 3: [7-9 marks] candidate analyses the benefit(s) and/or drawback(s) of using a discount pricing strategy would improve customer service levels at <i>TRT</i>.</p> <p>Level 2: [4-6 marks] candidate applies knowledge and understanding the benefit(s) and/or drawback(s) of a using discount pricing strategy at <i>TRT</i>.</p> <p>Level 1: [1-3 marks] candidate identifies the benefit(s) and/or drawback(s) to a business of using a discount pricing strategy with no use of context.</p> <p>Please indicate each time a candidate achieves a particular level as this will help to allocate marks within that level.</p> <p>Context should be annotated every time L2/L4 is awarded</p>

Question		Answer	Mark	Guidance
		<ul style="list-style-type: none"> difficult to raise prices afterwards. <p>Exemplar response: Eg. Businesses use a discount pricing strategy to charge a lower price in the short term (L1). This is often used to attract new customers (L1). <i>TRT</i> could set lower prices for customers who purchase tickets (CONT) early or offer reductions for group bookings (L2) which will mean that <i>TRT</i> has a known income which will help to identify if costs are likely to be covered (L3). This strategy may also help to prevent audience numbers falling (L2) (CONT) which is causing a reduction in income affecting other parts of <i>TRT</i> (L3). However, the theatre has only got a small capacity (CONT) which may mean that demand could not be met if the price is set too low (L2). This could result in theatre goers being turned away which would not be good for <i>TRT</i>'s reputation (L3). Overall, <i>TRT</i> should adopt a discount price strategy, but only in the short term, as this will attract new audiences which will help to increase income and provide extra funds for training staff (CONT) and improving the appearance (CONT) of the theatre (L4). It is better to have too many theatre goers (CONT) than too little (L4) and <i>TRT</i> could always put on extra shows (CONT) if there is a lot of demand (L4).</p>		<p>with the (CONT) annotation.</p> <p>Non-contextual answer max Level 1.</p> <p>L2: Must contain more context than just name-dropping, e.g. purchase tickets early, falling numbers, improve appearance.</p>
4	a	<p>Indicative content:</p> <ul style="list-style-type: none"> safe and secure environment comfortable and well presented environment clear and accurate information impartial/objective advice special needs catered for consumer rights upheld courteous and polite treatment easy and quick service. 	4	<p>AO1:4</p> <p>One mark for each correct identification up to a maximum of four identifications.</p> <p>May award multiple disability/equality needs.</p> <p>Do not award generic 'good customer service'.</p>
4	b	<p>Indicative content:</p>	4	<p>AO1:4</p>

Question		Answer	Mark	Guidance
		<ul style="list-style-type: none"> • presenting an image of the business • providing information • complying with legislation • giving advice • taking and relaying messages • keeping records • providing assistance • dealing with problems • handling complaints • providing after sales service. 		One mark for each correct identification up to a maximum of four identifications.
4	c	<p>Use levels of response criteria.</p> <p>Indicative content;</p> <ul style="list-style-type: none"> • attract new customers • improve status of <i>TRT</i> • both demonstrate that <i>TRT</i> cares about the environment • good publicity • improve reputation • be more expensive to purchase (customer/<i>TRT</i>) • more expensive to organise recycling • <i>TRT</i> is not a retailer • there are other problems <ul style="list-style-type: none"> ○ untidy shop ○ empty cups not cleared from tables ○ torn seats in the theatre ○ poor lighting ○ untrained staff ○ poor knowledge of shows ○ poor disabled access. • recycling could be easier to implement than selling organic products • recycling could attract an income. 	12	<p>AO1:3 AO2:3 AO3:3 AO4:3</p> <p>Level 4: [10-12 marks] candidate evaluates whether offering organic products and introducing a recycling policy would have a positive impact on the image of <i>TRT</i>.</p> <p>Level 3: [7-9 marks] candidate analyses the benefit(s) and/or drawback(s) of <i>TRT</i> offering organic products and introducing a recycling policy.</p> <p>Level 2: [4-6 marks] candidate applies knowledge and/or understanding of the benefit(s) and drawback(s) of <i>TRT</i> offering organic products and introducing a recycling policy.</p> <p>Level 1: [1-3 marks] candidate identifies the benefit(s) and/or drawback(s) to a business of offering organic products and introducing a recycling policy with no context.</p> <p>Please indicate each time a candidate achieves a particular level as this will help to allocate marks within that level.</p> <p>Context should be annotated every time L2/L4 is awarded with the (CONT) annotation.</p> <p>Non-contextual answer max Level1.</p>

Question	Answer	Mark	Guidance
	<p>Exemplar response: Eg. Selling organic products or recycling waste demonstrates that a business is concerned about the environment (L1). However, organic products cost more money which some people will not be able to afford (L1). If <i>TRT</i> introduced a range of organic products this would enhance its reputation and could attract more customers which is one of Tamina’s aims (CONT) (L2). Also, encouraging customers and staff to recycle products could help to keep the cafe tidy (CONT) (L2). However, organic products cost more than non-organic ones and <i>TRT</i> is a theatre and not a shop (CONT) (L2). It is unlikely that people will visit the theatre just because <i>TRT</i> has introduced a new product range (L3). In addition, <i>TRT</i> has more serious problems which need to be resolved such as torn theatre seats (CONT) (L2). This is where the introduction of a recycling policy could help to increase <i>TRT</i>’s income which could then be used to pay for the repairs and, therefore, improve the customer experience (L3). Overall, it is not likely that introducing organic products will improve <i>TRT</i>’s reputation as it is a theatre not a retailer (CONT) (L4). It is the quality of the plays (CONT) and the whole experience which will affect the reputation of <i>TRT</i> (L4). Introducing recycling could help to improve <i>TRT</i>’s reputation as theatregoers will be able to interact with this when they dispose of rubbish from the cafe or shop (CONT) (L4). However, as <i>TRT</i> has many other problems to address such as training and poor access (CONT) Tamina should concentrate on getting these issues resolved first before thinking about anything new (L4).</p>		

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