

GCSE

Business Studies

413001: Setting up a Business
Report on the Examination

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Overview

This is the first year of the revised assessment procedure meaning that both Unit 1 and Unit 2 examinations were sat at the end of the course. This produced challenges for teachers in terms of revising work that may have been taught up to two years earlier. There were also issues for students who had to differentiate between theories that were applicable to either Paper 1 or Paper 2 and not to use answers that were not appropriate for the case study on which the questions were based. The best advice has always been to base the response on the context of the case study as this will provide responses that are appropriate – and correctly applied.

After consistent year on year improvements in the technique used to answer the questions this summer saw two notable setbacks. Firstly the use of context was weaker which affected several questions in responses where students showed strong business knowledge. The second area of concern was a notable shortening of the final evaluation in the nine mark questions. In many cases there was up to a page of explanation, description or in the better answers analysis followed by a single sentence, often cursory, evaluation. Centres are reminded that there are five marks for evaluation in these questions compare to four for the other assessment objectives.

The best answers, perhaps not surprisingly are those that answer the question. There is sufficient material in the question and the Item to produce excellent answers. The disappointment is where students produce prepared answers that are formulaic and insufficiently applied to the context. A final recommendation is that students should be fully aware of the wording of the question set in order to provide answers that are relevant and fully applied.

Question 1

- (a) A well answered question, with finance and skills/experience being the most common answers. Some students listed two points and were credited with the best one.
- (b) Not a particularly well answered question. Whilst the majority of students gained at least two marks many failed to address the context required. A further number of answers described the benefits rather than the process.
- (c) There were various leads in the Item to help students answer this question in context. These included the requirement for a van, the type of houses and the worry over competition. As a results there were many excellent answers making full use of the context explaining how these aspects would affect their location decision. A significant minority of answers were however purely theoretical and made no use of the context of a house painting business and were therefore limited to L2 marks.
- (d) This proved to be a demanding question with many students being unsure of that an overdraft is. Even where students were aware of the difference between a loan and an overdraft answers were often very theoretical making little or no use of the context provided in the question and the Item (£500, cashflow, use for few weeks etc.).

Question 2

- (a) The best answers showed a good awareness of aspects of consumer law and were able to apply this successfully to the customers of a horse riding business. However many answers failed to use the context often providing examples from other businesses, and a considerable number of responses answered about employee protection.
- (b) Unfortunately some students misread this question as how to advertise the stables not for a new employee. There were also a number of responses that provided “big business” solution of Television national newspaper or radio. The best answers made a real effort to use the context of the stables and provided contexts that were both relevant to the business and its size.
- (c) Context was better used in this question with Rita’s situation often being used as a comparison for the wage rate of the new employee. There were still a number of very theoretical answers. Most common criteria were related to competitors and other employees.
- (d) Many students showed a good understanding of the marketing mix and made an attempt to apply it to the case study. Where this was done well there were some excellent answers relating the price to the target customers but also linking it Rita’s work on promotion. However a significant minority of answers produced hypothetical “4Ps” descriptions and in some cases demonstrated limited or inaccurate knowledge of the marketing mix.

Question 3

- (a) This proved a demanding question with some students providing answers related to the business plan and cashflow forecasts. Better answers referred to the Item and identified measures such as sales or profit and the donations to charities. These then provided a ready-made link into their suitability in the context of a social enterprise.
- (b) The best answers to this question addressed the full question, ie How new technology would improve efficiency. Overall this was well answered with most students understanding efficiency and relating the benefits to the reduction in staff and improvements in quality.
- (c) This final question allowed a number of valid routes to a good answer. Many students undertook some calculations modelling the price change to possible quantity responses. Other students related the benefits to the charity and to the quality issue. The current financial situation proved a useful evaluation start for the best students. Overall this was well answered with much analysis although evaluation, whilst evident, was often relatively brief.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the [Results Statistics](#) page of the AQA Website.

Converting Marks into UMS marks

Convert raw marks into Uniform Mark Scale (UMS) marks by using the link below.

[UMS conversion calculator](#)