



Rewarding Learning

**ADVANCED SUBSIDIARY (AS)
General Certificate of Education
2013**

Applied Business

Assessment Unit AS 4

assessing

E-Commerce

[A3B41]

TUESDAY 4 JUNE, MORNING

**MARK
SCHEME**

General Marking Instructions

Introduction

Mark schemes are published to assist teachers and students in their preparation for examinations. With the mark schemes teachers and students will be able to see what examiners are looking for in response to questions and exactly where the marks have been awarded. The publishing of the mark schemes may be intended to show that examiners are not concerned about finding out what a student does not know but rather with rewarding students for what they do know.

The Purpose of Mark Schemes

Examination papers are set and revised by teams of examiners and revisers appointed by the Council. The teams of examiners and revisers include experienced teachers who are familiar with the level and standards expected of students in schools and colleges.

The job of the examiners is to set the questions and the mark schemes; and the job of the revisers is to review the questions and mark schemes commenting on a large range of issues about which they must be satisfied before the question papers and mark schemes are finalised.

The questions and the mark schemes are developed in association with each other so that the issues of differentiation and positive achievement can be addressed right from the start. Mark schemes, therefore, are regarded as part of an integral process which begins with the setting of questions and ends with the marking of the examination.

The main purpose of the mark scheme is to provide a uniform basis for the marking process so that all the markers are following exactly the same instructions and making the same judgements in so far as this is possible. Before marking begins a standardising meeting is held where all the markers are briefed using the mark scheme and samples of the students' work in the form of scripts. Consideration is also given at this stage to any comments on the operational papers received from teachers and their organisations. During this meeting, and up to and including the end of the marking, there is provision for amendments to be made to the mark scheme. What is published represents this final form of the mark scheme.

It is important to recognise that in some cases there may well be other correct responses which are equally acceptable to those published: the mark scheme can only cover those responses which emerged in the examination. There may also be instances where certain judgements may have to be left to the experience of the examiner, for example, where there is no absolute correct response – all teachers will be familiar with making such judgements.

- 1 Explain the term ‘Internet’, and identify **two** examples of how Black Oak Accountancy might use it.
- Internet:
 - Definition: a global computing network of individual networks connecting millions of computers.

Examples of possible use by Black Oak Accountancy:

- information placed on website – contact us facility, free trial/offers of accounting software, linkages to social network sites (Facebook), products/services offered (credit control, payroll, tax, VAT, accounting etc), free map.

	AO1 Knowledge and understanding	AO2 Application
Level 2	2 marks Candidate demonstrates a satisfactory understanding of the term Internet.	2 marks Candidate applies a satisfactory level of knowledge in context of stimulus material.
Level 1	1 mark Candidate demonstrates a limited understanding of the term Internet.	1 mark Candidate applies limited knowledge in context of stimulus material.
Level 0	0 marks Candidate demonstrates no understanding of the term Internet.	0 marks Candidate does not attempt to apply knowledge to stimulus material.

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- 2 Explain what is meant by the following terms, and analyse how they might apply to Black Oak Accountancy:
- **Business-to-Business:**
 - A business model whereby a business buys/sells products/services to another business.
 - Example: Black Oak Accountancy may supply financial/accountancy services to other businesses, to assist with their payroll, credit control, accountancy and tax matters.
 - **Advertising:**
 - Methods by which a business promotes itself to customers;
 - Example: Black Oak Accountancy have a website – advertises the business; includes their postal/area location/postcode and/or Chartered Accountants Ireland logo/Facebook links;

	AO1 Knowledge and understanding	AO2 Application
Level 2	3–4 marks Candidate demonstrates a satisfactory understanding of the terms Business-to-Business and Advertising.	3–4 marks Candidate applies satisfactory level of knowledge in context of stimulus material.
Level 1	1–2 marks Candidate demonstrates a limited understanding of the terms Business-to-Business and Advertising.	1–2 marks Candidate applies limited knowledge in context of stimulus material.
Level 0	0 marks Candidate demonstrates no understanding of the terms Business-to-Business and Advertising	0 marks Candidate does not attempt to apply knowledge to stimulus material.

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- 3 Analyse a total of **three** pieces of Internet, Business or E-commerce software that Black Oak Accountancy must obtain in order to create their website.
- **ISP (Internet Service Provider):**
 - Provides access to Internet, using appropriate data communication technology/software;
 - Email facilities usually provided;
 - Black Oak Accountancy would require this service in order to gain access to the Internet/set up a website/communicate with clients;
 - **Web Designer Software:**
 - Software facilitating the creation/design/establishment of a website;
 - Web design includes standard and bespoke designs/functionality, and requires technical support;
 - Black Oak Accountancy would require this software to create/design a webpage to promote the business, and links to other websites/social networks, e.g. Facebook;
 - **Internet Explorer (IE):**
 - Web browser facility created by Microsoft;
 - Most popular available;
 - Black Oak Accountancy would require this software in order to create/view pages for the Internet;
 - **Web Shop Software:**
 - E-Commerce software required to create a ‘shop/shopping cart’/assist consumers to make purchases online and checkout/pay for goods/services from Black Oak Accountancy;
 - Black Oak Accountancy could use this software to automate the payment system for clients/provide facilities for clients to enter information online – Free Trial of online Accounting Software is provided;
 - **Database Management System (DMS):**
 - Software designed for the purpose of maintaining a database;
 - Client/customer details can be stored/used to create/manage an account/bookings;
 - Black Oak Accountancy will require this software to manage client relationships and establish client preferences for accountancy/financial services required.
 - **Invoicing System:**
 - Electronic purchase order systems/payment systems enable the user to process payments automatically;
 - Such systems will include security mechanisms, notifications, SOX compliance, features to manage payments securely and accurately;
 - Black Oak Accountancy will require this software if it wishes to automate the payment systems for clients or use established payment systems, e.g. Paypal;
 - **Visitor Tracking:**
 - This software will provide statistical information monitoring visitors/customers to the website;
 - Such information can be used to promote/manage client needs/preferences in future regarding financial/accounting services required;
 - Black Oak Accountancy will require this software in order to monitor website performance and manage client needs.
 - **Analysis Software:**
 - This software will provide statistical information/charts etc. for benefit of clients/Black Oak Accountancy;
 - Required to provide efficient/effective service to clients.

	AO1 Knowledge and understanding	AO2 Application	AO3 Analysis
Level 2	2–3 marks Candidate demonstrates a satisfactory understanding of the various pieces of Internet, Business and E-Commerce software required.	2–3 marks Candidate applies satisfactory level of knowledge effectively in the context of the stimulus material.	4–6 marks Candidate shows a satisfactory attempt to analyse the various pieces of Internet, Business and E-Commerce software required.
Level 1	1 mark Candidate demonstrates a limited understanding of the various pieces of Internet, Business and E-Commerce software required.	1 mark Candidate applies limited knowledge in context of stimulus material.	1–3 marks Candidate shows a limited attempt to analyse the various pieces of Internet, Business and E-Commerce software required.
Level 0	0 marks Candidate demonstrates no understanding of the various pieces of Internet, Business and E-Commerce software required.	0 marks Candidate does not attempt to apply knowledge to stimulus material.	0 marks Candidate does not attempt to analyse the various pieces of Internet, Business and E-Commerce software required.

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- 4 Analyse **four** benefits which customers of Black Oak Accountancy might gain from on-line trading.
- Accessible 24/7 – the website for Black Oak Accountancy never closes, it is available all the time.
 - Potential customers can log on to Black Oak Accountancy’s website and view their financial services available and obtain quotes/prices and compare them to other similar websites.
 - Clients/customers can email for information from Black Oak Accountancy, e.g. submission of financial data, quotes for work.
 - Potential clients/customers can view information on new financial services products which Black Oak Accountancy may introduce – Free Trial of Black Oak Accountancy software provided.
 - Potential clients/customers can access financial services from anywhere, i.e. from the comfort of their own home/office/mobile device.
 - Black Oak Accountancy offers a wider choice of financial products and services, e.g. use of online/interactive accounting software, payroll services, credit control, budgeting services etc.
 - Offers, help and support are provided from the website along with ‘contact us’ facility.
 - Other points (if valid).

	AO1 Knowledge and understanding	AO2 Application	AO3 Analysis
Level 3	4 marks Candidate demonstrates a competent understanding of the benefits of E-Commerce to customers.	4 marks Candidate applies a competent level of knowledge in the context of the stimulus material.	7–8 marks Candidate shows a competent attempt to analyse the benefits of E-Commerce to customers. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear.
Level 2	2–3 marks Candidate demonstrates a satisfactory understanding of the benefits of E-Commerce to customers.	2–3 marks Candidate applies a satisfactory level of knowledge in the context of the stimulus material.	3–4 marks Candidate shows a satisfactory attempt to analyse the benefits of E-Commerce to customers. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time.
Level 1	1 mark Candidate demonstrates a limited understanding of the benefits of E-Commerce to customers.	1 mark Candidate applies limited knowledge in the context of stimulus material.	1–2 marks Candidate shows little attempt to analyse the benefits of E-Commerce to customers. Candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear.
Level 0	0 marks Candidate demonstrates no understanding of the benefits of E-Commerce to customers.	0 marks Candidate does not attempt to apply knowledge to stimulus material.	0 marks Candidate does not attempt to analyse the benefits of E-Commerce to customers.

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- 5 With reference to **Fig. 1**, discuss **five** ways in which Black Oak Accountancy might evaluate the effectiveness of their website.
- Ensure provision of a means of communication, e.g. email contacts/Facebook links/postal address; Contact us, Find us, Surveys.
 - Ensure website is easy to use and navigate – various tabs provided for each financial service/product required, e.g. Payroll, VAT, Credit Control, budgeting;
 - Maintain Black Oak Accountancy’s website in harmony with the company’s image, e.g. colour scheme (yellow/black, Black Oak Accountancy logo (tree/plant images); use of Chartered Accountants Ireland logo);
 - Enabling fast access to website by consumers/clients particularly for the online accountancy service;
 - Ensuring the website can cope with demand from consumers, particularly at peak times of the year, e.g. financial year ends/tax year ends etc;
 - Make it easy for consumers to locate different financial products/services, e.g. VAT, payroll, credit control, budgeting etc;
 - Ensure transaction path is straightforward; inform customers if specific financial product/service is unavailable, or if transaction is complete – the website indicates a free quotation service within 30 minutes for potential clients;
 - Ensure ‘back end’ for the website is easily managed;
 - Avoid charging higher prices than other traditional methods of service delivery;
 - Provide security of transactions/personal details, particularly the online accountancy service.
 - Hit counter.
 - Alternative answers accepted (if valid).

	AO1 Knowledge and Understanding	AO2 Application	AO3 Analysis	AO4 Evaluation
Level 3	4–5 marks Candidate demonstrates a competent understanding of the ways in which a business can evaluate the effectiveness of their website. Candidate makes good use of specialist vocabulary when it is appropriate.	4–5 marks Candidate competently applies knowledge.	4–5 marks Candidate competently analyses the ways in which a business can evaluate the effectiveness of their website.	4–5 marks Candidate gives a competent evaluation of the ways in which a business can evaluate the effectiveness of their website, and comes to a final judgement. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.
Level 2	2–3 marks Candidate demonstrates a satisfactory understanding of the ways in which a business can evaluate the effectiveness of their website. Candidate makes adequate use of specialist vocabulary when it is appropriate.	2–3 marks Candidate makes a satisfactory attempt to apply knowledge.	2–3 marks Candidate makes a satisfactory attempt to analyse the ways in which a business can evaluate the effectiveness of their website.	2–3 marks Candidate gives a satisfactory evaluation of the ways in which a business can evaluate the effectiveness of their website, and comes to a final judgement. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. Answer is organised in a satisfactory manner.
Level 1	1 mark Candidate demonstrates a limited understanding of the ways in which a business can evaluate the effectiveness of their website. Candidate makes some use of specialist vocabulary when it is appropriate.	1 mark Candidate makes a limited attempt to apply knowledge.	1 mark Candidate makes a limited attempt to analyse the ways in which a business can evaluate the effectiveness of their website.	1 mark Candidate attempts limited evaluation of the ways in which a business can evaluate the effectiveness of their website. Candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the purpose of the question. Organisation of the answer is limited.
Level 0	0 marks Candidate demonstrates no understanding of the ways in which a business can evaluate the effectiveness of their website. Candidate makes no use of specialist vocabulary when it is appropriate.	0 marks Candidate does not attempt to apply knowledge.	0 marks Candidate shows no attempt to analyse the ways in which a business can evaluate the effectiveness of their website.	0 marks Candidate makes no attempt to evaluate the ways in which a business can evaluate the effectiveness of their website.

- 6 Evaluate each of the following **five** methods that Black Oak Accountancy might use in order to market its on-line trading activities.
- E-mail marketing:
 - Black Oak Accountancy can market the business/practice and various accountancy products/services using email to keep in contact with customers and prospect for new business (email address is provided).
 - Feedback can be obtained from current customers/clients;
 - This is an important aspect of marketing an e-commerce business in order to ensure long term success;
 - However, spam emails can be received which is a distraction;
 - E-Customers as the Sales Team:
 - Clients/customers are likely to be the best ambassadors of the products/services of a business, equally so in the case of Black Oak Accountancy;
 - The Partners would be keen to obtain client/customer feedback and ensure that the business is promoted in a positive way to ensure survival.
 - This is an important element in marketing Black Oak Accountancy, in order to ensure long term success;
 - Drawbacks – no online access/dissatisfied customers/security issues need resolved;
 - Measuring Success:
 - This can be achieved in various ways including hit counters, use of Chartered Accountants Ireland logo in advertising etc.
 - An important method of advertising, as is providing directions (see map).
 - This is an important element of marketing Black Oak Accountancy in order to ensure long term success;
 - However, hit counter can be manipulated;
 - Banner advertising:
 - Rectangular shaped advertisements on a website – effective if the aim is to raise customer awareness/profile of Black Oak Accountancy initially.
 - An effective method of marketing the business, as Black Oak Accountancy can advertise in this way on other websites say within the local economy/area.
 - This is an important aspect of marketing and ensuring the success in the long term;
 - Drawback – can clutter screen/distract users; lack of confidentiality;
 - Direct Navigation:
 - Success can be measured by ensuring that the customer has direct contact with the partners and the business.
 - This is an important element of marketing Black Oak Accountancy, but depends to some extent on customer awareness of the business and/or luck;
 - Easier for customer to navigate to site;
 - Drawbacks – excessive number of ‘clicks’ required to access site (3-click rule);

Alternative answers accepted (if valid).

Final Judgement: it is possible to conclude that marketing the on-line trading activities of Black Oak Accountancy is important for the reasons stated above, to ensure long term success.

	AO1 Knowledge and Understanding	AO2 Application	AO3 Analysis	AO4 Evaluation
Level 3	4–5 marks Candidate demonstrates a good understanding of the stated methods of marketing the E-Commerce business. Candidate makes good use of specialist vocabulary when it is appropriate.	4–5 marks Candidate applies knowledge effectively .	4–5 marks Candidate thoroughly analyses the stated methods of marketing the E-Commerce business.	4–5 marks Candidate gives a full evaluation of the stated methods of marketing the E-Commerce business and comes to a final judgement. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.
Level 2	2–3 marks Candidate demonstrates an adequate understanding of the of the stated methods of marketing the E-Commerce business. Candidate makes adequate use of specialist vocabulary when it is appropriate.	2–3 marks Candidate attempts to apply reasonable knowledge.	2–3 marks Candidate shows some attempt to analyse the stated methods of marketing the E-Commerce business.	2–3 marks Candidate gives a satisfactory evaluation of the stated methods of marketing the E-Commerce business and comes to a final judgement. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. Answer is organised in a satisfactory manner.
Level 1	1 mark Candidate demonstrates some understanding of the stated methods of marketing the E-Commerce business. Candidate makes some use of specialist vocabulary when it is appropriate.	1 mark Candidate attempts to apply some knowledge.	1 mark Candidate shows little attempt to analyse the stated methods of marketing the E-Commerce business.	1 mark Candidate attempts some evaluation of the stated methods of marketing the E-Commerce business. Candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the purpose of the question. Organisation of the answer is limited.
Level 0	0 marks Candidate demonstrates no understanding of the ways in which a business can evaluate the effectiveness of their website. Candidate makes no use of specialist vocabulary when it is appropriate.	0 marks Candidate does not attempt to apply knowledge.	0 marks Candidate shows no attempt to analyse the stated methods of marketing the E-Commerce business.	0 marks Candidate makes no attempt to evaluate the stated methods of marketing the E-Commerce business.

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Total

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