

<b>Candidate Forename</b>		<b>Candidate Surname</b>	
<b>Centre Number</b>			
		<b>Candidate Number</b>	

**OXFORD CAMBRIDGE AND RSA EXAMINATIONS  
GENERAL CERTIFICATE OF SECONDARY EDUCATION**

**1951/06**

**BUSINESS STUDIES A**

**Paper 6 Business Communication and Marketing  
(Higher Tier)**

**TUESDAY 15 JUNE 2010: Morning**

**DURATION: 1 hour**

**SUITABLE FOR VISUALLY IMPAIRED CANDIDATES**

**Candidates answer on the Question Paper**

**OCR SUPPLIED MATERIALS:**

**None**

**OTHER MATERIALS REQUIRED:**

**Calculators may be used**

**READ INSTRUCTIONS OVERLEAF**

## **INSTRUCTIONS TO CANDIDATES**

- Write your name clearly in capital letters, your Centre Number and Candidate Number in the boxes on the first page.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each question carefully and make sure that you know what you have to do before starting your answer.
- Answer ALL the questions.
- Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your Candidate Number, Centre Number and question number(s).

## **INFORMATION FOR CANDIDATES**

- The number of marks is given in brackets [ ] at the end of each question or part question.
- The total number of marks for this paper is 60.
- The quality of your written communication will be taken into account when marking your answer to the question labelled with an asterisk (\*).

1 RBD is a high street bank which operates throughout Denmark.

(a) RBD uses both internal communication and external communication.

(i) Explain the difference between INTERNAL COMMUNICATION and EXTERNAL COMMUNICATION.

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[2]

(ii) State and explain TWO barriers to communication that may exist between RBD and its employees.

**BARRIER 1** \_\_\_\_\_

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**BARRIER 2** \_\_\_\_\_

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[4]

**(b) In order to increase the number of its customers, RBD is thinking about introducing an online banking service.**

**(i) Explain WHETHER OR NOT introducing an online banking service will change the way in which some of RBD's EMPLOYEES work.**

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[2]

**(ii) Explain WHETHER OR NOT introducing an online banking service will change the level of RBD's TOTAL COSTS.**

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[2]

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**TURN OVER FOR QUESTION 1 (b) (iii)**

- \*(iii) Quality of written communication will be taken into account.**

**RBD carried out SECONDARY RESEARCH to help make the decision about introducing an online banking service. From its secondary research it found the following information.**

	<b>Percentage of POPULATION who bank online</b>		<b>Percentage of BUSINESSES who bank online</b>	
<b>Country</b>	<b>2007</b>	<b>2009</b>	<b>2007</b>	<b>2009</b>
<b>Denmark</b>	<b>40</b>	<b>35</b>	<b>60</b>	<b>50</b>
<b>UK</b>	<b>30</b>	<b>25</b>	<b>25</b>	<b>20</b>
<b>Germany</b>	<b>20</b>	<b>15</b>	<b>20</b>	<b>15</b>

**Fig. 1**

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[6+2]

**(c) RBD decided to introduce its online banking service to attract new customers around the world. It will be called DANISH e-BANK. It has devised two methods to attract customers.**

- 1. Advertising on national television in five countries during peak viewing times.**
- 2. Give a higher rate of interest on customer savings than other banks.**

**Discuss WHICH OF THE TWO METHODS above would be the most successful in attracting new customers to Danish e-bank.**

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[7]

- (d) Use the headline below, which recently appeared in a national newspaper to answer the following questions.

**INTERNET BANKING – THE USUAL PROBLEM!**

**“I love online shopping but I do not trust  
online banking.  
I am worried about my personal information.”**

- (i) When a customer shops online they are protected by the Data Protection Act.

**Explain ONE way in which the DATA PROTECTION ACT protects the consumer.**

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[2]

- (ii) Explain how the use of encryption may help both DANISH e-BANK and its CUSTOMERS.

**DANISH e-BANK**

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**CUSTOMERS**

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[4]

[Total marks: 31]

**2 St William's School is a private school which charges parents/guardians £10 000 each year to send a child to its school.**

**(a) St William's School constantly reviews its marketing strategy.**

**(i) Explain the importance of MARKETING to the St William's School.**

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**[3]**

- (ii) A major part of marketing is the four 'Ps' of the marketing mix. An example of the marketing mix for St William's School is shown in Fig. 2 below.

	MARKETING MIX (4Ps)
PRODUCT	St William's School has a high exam pass rate
PRICE	£10 000 a year for each child
PLACE	St William's School has modern buildings in their own grounds
PROMOTION	Advertise in newspapers such as The Times

Fig. 2

Explain how well the four Ps of the marketing mix, as shown in Fig. 2, link together.

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[4]

**(b) The Headteacher carried out a SWOT analysis for St William's School which can be seen in Fig. 3.**

<b>STRENGTH</b>	<b>High exam pass rate</b>
<b>WEAKNESS</b>	<b>Lack of sporting facilities</b>
<b>OPPORTUNITY</b>	<b>500 expensive houses being built near the school</b>
<b>THREAT</b>	<b>Other successful schools in the area</b>

**Fig. 3**

**Explain how a SWOT ANALYSIS may benefit St William's School.**

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**[2]**

- (c) St William's School has had problems with recruiting staff. The Headteacher is thinking of using Distant Learning Ltd to provide lessons in classrooms using VIDEO CONFERENCING for one sixth form subject. State and explain ONE advantage and ONE disadvantage to ST WILLIAM'S SCHOOL of using video conferencing to communicate with students.

**ADVANTAGE** \_\_\_\_\_

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**DISADVANTAGE** \_\_\_\_\_

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[4]

- (d) St William's School sends its end of year report to parents/guardians through a secure internet site.

Explain ONE advantage and ONE disadvantage to PARENTS/GUARDIANS of receiving reports through a secure internet site.

**ADVANTAGE** \_\_\_\_\_

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**DISADVANTAGE** \_\_\_\_\_

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[4]

- (e) St William's School increases the fees it charges to parents/guardians each year. The Headteacher is unsure about the effects on revenue because he has been told that the school fees are now price elastic.

The current fee charged is £10 000 and the school currently has 850 students.

- (i) The information below shows three events that may have caused St William's School to increase its fees each year. Indicate, with a TICK (✓), if each event was LIKELY OR UNLIKELY to have caused the increase in fees.

<b>EVENT</b>	<b><u>LIKELY</u> TO CAUSE AN INCREASE IN SCHOOL FEES</b>	<b><u>UNLIKELY</u> TO CAUSE AN INCREASE IN SCHOOL FEES</b>
<b>BUILDING NEW SPORTING FACILITIES</b>		
<b>SHARE ICT FACILITIES WITH ANOTHER SCHOOL NEARBY</b>		
<b>REDUCING THE NUMBER OF STUDENTS IN EACH CLASS</b>		

[3]



Refer to the information in Fig. 4 and answer the following questions.

	STUDENT FEE PER YEAR	NUMBER OF STUDENTS	PRICE ELASTICITY
CURRENT	£10 000	850	0.5
FORECAST	£11 000	700	

Fig. 4

- (ii) Using the formula below, calculate the forecasted price elasticity of demand for the fees at St William's School. Show your workings.

Price Elasticity of demand =

$$\frac{\% \text{ change in quantity demanded}}{\% \text{ change in price}}$$

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[3]

- (iii) Use your calculation to advise the Headteacher **WHETHER OR NOT** to increase the student fees from £10 000 to £11 000. Give a reason for your answer.

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[2]

- (f) Parents/guardians pay the current £10 000 yearly fee using one of the methods of payment shown in Fig. 5.

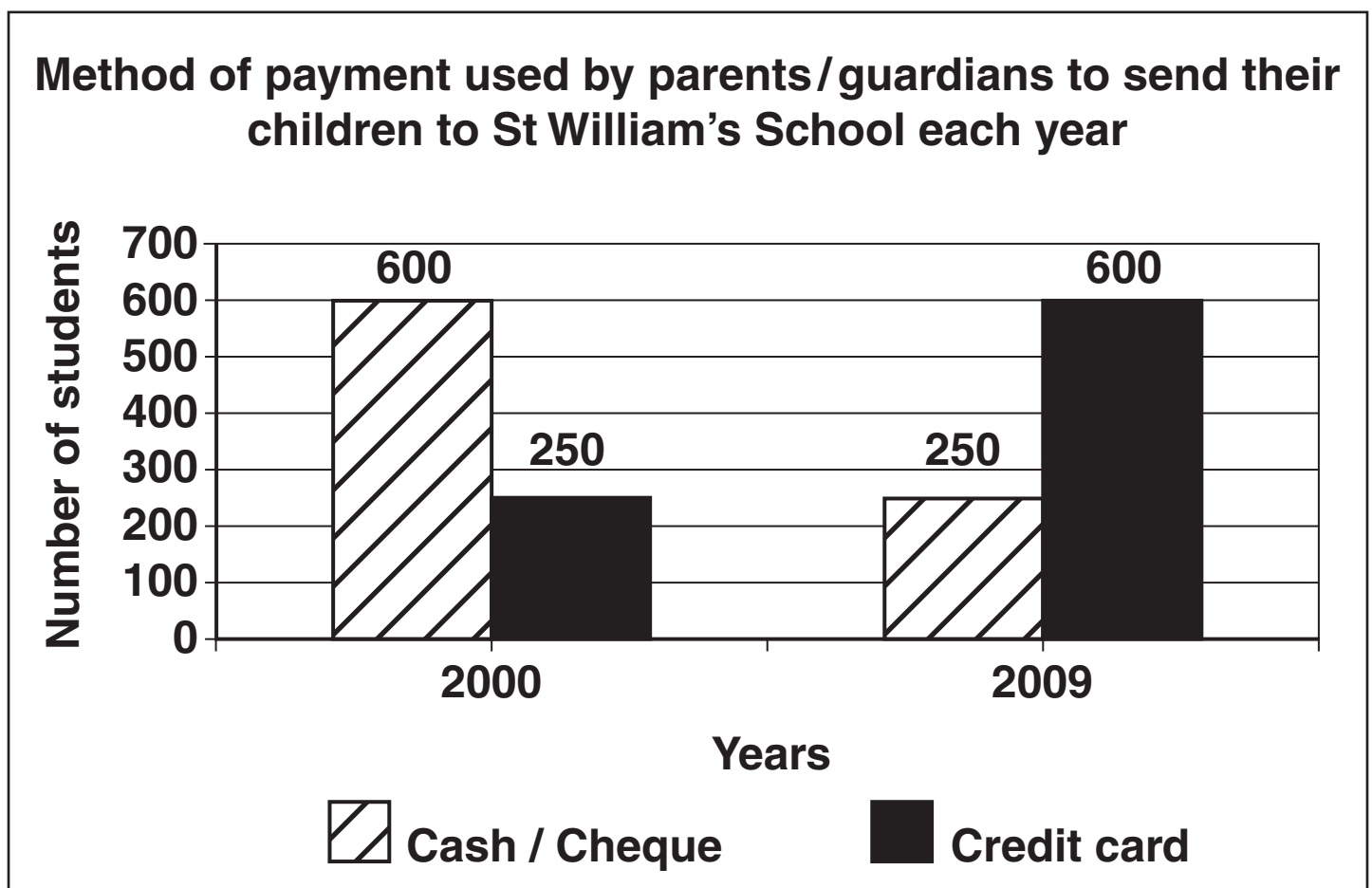


Fig. 5

**Using the information in Fig. 5, explain why the method of payment being used by parents/guardians at St William's School might have changed.**

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**[4]**

**[Total marks: 29]**

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