

GCSE Business Studies

Unit 2: Investigating small business

Controlled Assessment

25% of final grade



Name _____ Teacher _____

GCSE BUSINESS STUDIES

UNIT 2: Investigating small business

CONTROLLED ASSESSMENT TASKS – 2017-2018

Choose **one** of the following tasks.

Task 1 (1.1)

To what extent does the business you have chosen target different segments of the market?

You could:

- choose a small business
 - use primary and/or secondary research to identify any distinct market segments that the business targets
 - investigate how the business targets different segments of the market
 - present useful information/data to support the points you are making
 - analyse the different methods this business uses to target different market segments
 - using your analysis, arrive at a supported judgement that indicates the extent to which the business targets market segments.
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Task 2 (1.2)

To what extent has innovation or invention been important for the business you have chosen?

You could:

- choose a small business
 - interview the owner and/or conduct secondary research to identify an example of innovation or invention that the business has used
 - research at least one other factor - not innovation or invention - that has contributed to the success of the business. Examples might include market research, fashion or trends
 - present useful information/data to support the points you are making
 - analyse the presented information/data
 - using your analysis, arrive at a supported judgement that explains the extent to which innovation or invention has been important to the success of the chosen business.
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Task 3 (1.3)

To what extent have determination and initiative been the most important qualities of your chosen entrepreneur in helping their business to succeed?

You could:

- choose an entrepreneur who has set up a small business
 - identify the qualities shown by this entrepreneur. Examples include: determination and initiative, leadership, the willingness to take risks, the ability to plan and persuade
 - interview the entrepreneur and conduct other primary/secondary research to identify specific examples of the different entrepreneurial qualities they have demonstrated
 - present useful information/data to support the points you are making
 - analyse the different qualities that the entrepreneur demonstrates
 - using your analysis, arrive at a supported judgement that states the extent to which determination and initiative are the most important qualities for this entrepreneur.
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Task 4 (1.4)

Which is the most important factor in generating repeat purchase for the business you have chosen?

You could:

- choose a small business
 - using primary research and/or secondary research, investigate the factors that enable the business to generate repeat purchase
 - present useful information/data to support the points you are making
 - analyse the different factors that are important for the business in generating repeat purchase
 - using your analysis, arrive at a supported judgement that indicates the most important factor for the business to generate repeat purchase for the business.
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Task 5 (1.5)

Which is the most important stakeholder group for the business you have chosen?

You could:

- choose a small business
- conduct primary and/or secondary research to identify the different stakeholder groups of the business
- present useful information/data to support the points you are making
- analyse the relative importance of each stakeholder group for the business
- using your analysis, arrive at a supported judgement that indicates the most important stakeholder group for the business.

Format for the assessment

For the controlled assessment, you must:

- ✓ Choose a local **small** business
- ✓ Choose a title for your project – from a choice of five
- ✓ Organise and carry out research into your chosen business
- ✓ Present the results of your findings
- ✓ Analyse the information you have gathered
- ✓ Evaluate the task by answering the question in your title
- ✓ Keep a log of all the activities/tasks you have completed during the assessment

The assessment will include:

- a) Six hours of research both in and out of school
- b) Three hours for the write-up, completed under examination conditions in a computer room

The assessment criteria are as follows:

Research	
Mark range	Descriptor
0	Level of response not worthy of credit.
1-3	Research from one source using limited selectivity and focus.
4-6	Research from more than one source showing some selectivity and focus.
7-9	Research from a range of sources showing good selectivity and focus.
10-12	Detailed, relevant research from a wide range of sources together with high-quality organisation of materials and focus.

Present information/data	
Mark range	Descriptor
0	Level of response not worthy of credit.
1-2	Data/information is presented in a very basic format with little attention to detail.
3-4	Data/information is presented using a limited range of methods and shows some attention to detail.
5-6	Data/information is presented clearly using the appropriate methods with good attention to detail.
7-8	Data/information is presented in a range of appropriate methods with high levels of attention to detail.

Analysis*	
Mark range	Descriptor
0	Level of response not worthy of credit.
1-3	Basic analysis of presented information/data showing limited understanding of issues. Quality of written communication will be poor with frequent spelling, punctuation and grammar errors and the style of writing will not be appropriate to the subject matter.
4-6	Simple analysis of presented information/data showing some understanding of key issues. Quality of written communication will be basic with some spelling, punctuation and grammar errors and the style of writing will be appropriate to the subject matter. However, it will not be used as confidently as a response that merits 7-9 marks.
7-9	Analysis is detailed and relevant, uses presented information/data well and shows clear understanding of key issues. There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter. However, it will not be used as confidently as a response that merits 10-12 marks.
10-12	Excellent analysis of the presented information/data, resulting in a well-constructed commentary. Quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard.

Evaluation*	
Mark range	Descriptor
0	Level of response not worthy of credit.
1-2	Limited evaluation of the task with little or no supporting evidence or value judgements. Quality of written communication will be poor with frequent spelling, punctuation and grammar errors and the style of writing will not be appropriate to the subject matter.
3-4	Some evaluation, some weighing of evidence and simple value judgements making use of supporting evidence. Some suggestions for improvements identified, where appropriate to task. Quality of written communication will be basic with some spelling, punctuation and grammar errors and the style of writing will be appropriate to the subject matter. However, it will not be used as confidently as a response that merits 5-6 marks.
5-6	Clear evaluation using the analysis of the research gathered. Relevant value judgements made with some supporting evidence. Feasible suggestions for improvements made, where appropriate to task. There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter. However, it will not be used as confidently as a response that merits 7-8 marks.
7-8	A developed evaluation of the evidence analysed to address the task. Relevant value judgements made with detailed supporting evidence. Detailed suggestions for improvements made and/or further work, where appropriate to task. Quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard.

Research: Introduction to the project

Complete the details about your chosen business in the table below:

Name of my chosen SMALL business	
Address and details about the location	
Business ownership	
Name of the owner(s)	
Full details of what my chosen business sells	
Details about the size of my chosen business (number of customers; number of employees; catchment area it sells to)	
Types of people who are customers	
Details about the firm's competitors	
Any other relevant information	

Research: Details of other information I will collect

Title I have chosen:

Types of information I will collect	Tick if you are going to use this method	Details of what information I will need to collect
Photographs		
Other images (e.g. from internet)		
Interview with the owner(s)		
Interview with customers		
Observation		
Business website		
Other e.g. examples of methods of advertising		

Research:

Data gathering – other information about the business

You will also have to find out more detailed information about the products that the business sells and the range of services it offers its customers. This could be done through **observation**. The information you gather will be used along with the results of your **interviews** with the owner(s)/customers.

Design a data gathering sheet to record this information.

The list below shows the types of information you could find out. You need to select the types of information you need in order to answer the title of your project. Then you need to design a suitable data-gathering sheet to record the information.

- Opening hours
- Details about prices charged to customers
- Details about the range of products or services sold
- Methods of advertising used
- Types of promotions offered to customers
- Details about how customers get to the shop (car; walk etc)
- Availability of car parking facilities
- Disabled access/facilities
- Details about the range of services provided for customers
- Details about the quality of products or services offered to customers
- Any other relevant information that will help you answer the title of your project

NB. Obviously, the above are only examples, as it will depend upon the title and small business you choose.

Research:

1. Data gathering – interview with owner/s
2. Data gathering – customer survey

EXAMPLE QUESTION:

“What is the most important factor in generating repeat purchase in the small business you have chosen?”

1. You must design a questionnaire and use it to find out from the owner(s):
 - ✓ Why they think customers return to the shop and buy again?
 - ✓ What services the owner(s) provides which customers like so they come back and buy again?
 - ✓ Other strategies the owner(s) use to ensure customers return to the shop and repeat purchase?
 - ✓ Which of all of the above do they think is the most important factor in generating repeat purchases
2. You must also design a questionnaire and use it to find out from some of the customers:
 - ✓ Why they return to the shop and buy again
 - ✓ What services the customer likes so they come back and buy again
 - ✓ Which of the above do they think is the most important factor that results in them returning to the shop and buying again

Possible strategies that the owner(s) may use:

- ✓ Opening hours
- ✓ Pricing strategy
- ✓ Advertising and/or promotions
- ✓ Website
- ✓ Friendliness of staff
- ✓ Customer services – e.g. after sales service, returns, car parking, changing rooms, home delivery, etc
- ✓ Quality of products
- ✓ Availability and range of products
- ✓ Other strategies? e.g. Convenience to home, speed of service

Research:

Data gathering – interviews

Possible designs you could use for the questionnaire

Remember you need to ask for judgements to be made (i.e. you must ask them to give you their opinion)

1. What are your opening hours?
2. On a rating of 1-5, how important do you think your opening hours are for generating repeat purchases (please tick)?

Does not affect repeat purchases very much			Affects repeat purchases to a large extent	
1	2	3	4	5

1. Please give details of your opening hours:
2. Do you think your opening hours affects the number of repeat purchases you get (please tick)?

I think it affects the number of repeat purchases to a large extent	
I think it has quite an effect on repeat purchases	
I do not think it affects the number of repeat purchases	

1. On the table below, for each statement, please insert a number to indicate how much the statement affects the number of repeat purchases you get.

Key	This factor has a big impact on the number of repeat purchases	1
	This factor has a fairly big impact on the number of repeat purchases	2
	This factor does not affect the number of repeat purchases	3

	Please insert 1, 2 or 3 in this column
Long opening hours	
Cheap prices	
Good range of products	
Good quality products	
Other: Please specify:	

Last question: What improvements could you introduce to increase the number of repeat purchases?

Ideas for the customer survey:

1. Why do you regularly use XYZ for your (shopping)?

Long opening hours	
Cheap prices	
Good range of products	
Good quality products	
Other: Please specify:	

2. Which of the above factors are the main reasons why you use the business. Please rank them in order, with your most important reason at the top.

.....

.....

.....

3. What types of customer service does the business provide which you like?

.....

.....

.....

4. Are there any other reasons why you use the shop regularly?

.....

.....

.....

Last question: What improvements could the business introduce to increase the number of repeat purchases?

Presenting the Information

You must use a range of presentation techniques that are relevant to the assessment title. You score more marks for:

- selecting an appropriate method of presentation
- paying attention to detail when presenting the information
- writing about the information you have inserted into your project

Examples of ways you can present information

- Text
- Table of information
- Graph
- Photographs
- Images

ROW	FIRST NAME	LAST NAME	AGE
#1	Bob	McBob	42
#2	John	Johnson	24
#3	Steve	Smith	38



You will also need to:

- a) Insert suitable titles where appropriate:



Graph to show...

Source the data you present

Source: Customer Survey



- b) Use footnotes if appropriate

Flames Candle Shop has an annual turnover of £250,000 ¹

Footnote (in the footer): ¹ Source: Owner's Profit and Loss Account

- c) Have an appendix and refer to the information in the appendix in the report

- Appendix 1
- Appendix 2
- Etc

Presenting and Analysing the Information

All graphs, tables of information, images etc, must be written about in your project.

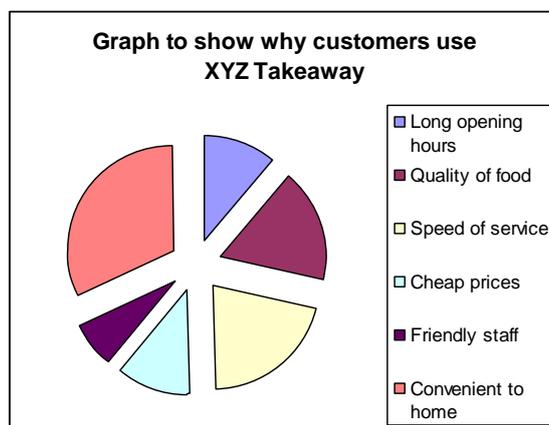
You must *use* the information you present.

Using a Graph

You might decide to insert a graph which shows why customers use your chosen business.

You must create the graph and insert a suitable title. You must choose a type of graph which will show the information easily – which is best – Pie chart or bar graph? 2D or 3D graph?

You must then write about what the graph is showing and analyse your findings:



Source: Customer Survey

In my survey, I asked customers the main reasons why they regularly used XYZ Takeaway. The graph above shows that the most popular reason was convenience to where the customer lived. The speed of service when serving the takeaway meals and the quality of the food also ranked highly. This indicates that customers think speed of service and convenience to their home is a more important factor when repeat purchasing compared to the quality of the food and the cost.

Presenting and Analysing the Information

Using Images and Photographs

You might decide to insert an image showing the convenience of the car parking facilities and then discuss how this affects repeat purchases:



Source: <http://XYZ.co.uk>

The image above shows XYZ sweet shop and its nearby car parking facilities. As you can see from the picture, although the car park is not owned by the shop, it is very close to the shop's location and customers can use this area to park their car. This increases the chances of repeat purchases as the shop may attract car drivers that regularly pass-by. This was confirmed in my customer survey by two respondents who always stop by in the morning to buy a newspaper and a snack for their lunch.

Analysing the Information

You will need to explain and discuss all the factors that generate repeat purchases in the business you have chosen.

- Explain the factor
- Explain how it encourages repeat purchases and how this helps the business

You will also need to summarise the results from your survey

- What did the owner/s think were the most important factors that generated repeat purchases?
- What did the customers think were the most important factors that generated repeat purchases?
- Did you notice any other factors during your research (from your own observations, etc)?

Analysing the Information – An Example

One important factor identified by 80% of the customers at XYZ Takeaway is the quality of food they serve. These customers tend to use the takeaway late at night, on their way home from a night out with their friends. Because they like the food, they often call by XYZ's. They could eat at a number of other takeaways locally such as Wong's Chinese restaurant or Fred's Fish & Chips (see Appendix 1 for map showing the location of these outlets) but XYZ benefit from repeat purchases because their customers like the quality of food they serve.

I did notice that car parking was quite convenient outside the takeaway. Although this was not identified as an important factor by the owner, 10 out of 12 customers I interviewed certainly liked the availability of parking right outside the outlet. If parking was difficult, customers may choose XYZ once but would not necessarily repeat purchase if they thought parking was going to be a problem – customers would be more likely to find a more convenient store that met all their needs.

Do note that quality of written communication (QWC) **will** be a factor in determining which level can be awarded to you for your analysis.

Evaluation

What does this mean? What do I have to do?

You should aim to look at all of the information you've presented, summarise the two sides of the argument and conclude by making relevant value judgements backed up with sound business concepts and detailed supporting evidence. You could even include detailed suggestions for improvements. Your judgement must be fully justified.

Do note that quality of written communication (QWC) will be a factor in determining which level can be awarded to you for your evaluation

Evaluation – an example

"A successful plumbing business is all about customer service". Do you agree with this statement? Justify your answer.

Indicative content – Both sides to the argument need to be explored

No:

- Customer service is never 'free' – it may increase costs. Price may be more important than good service to some people.
- How often is a plumber needed? Is it a one-off service to customers or is there repeat business?
- Other factors in the business may be as important, such as controlling cash flow.

Yes:

- Good customer service means customers are more likely to use again – this generates additional business.
- Good customer service may mean value for money.
- Good customer service increases customer loyalty and increases the likelihood of repeat purchase.
- Less ‘selling’ involved which can be time consuming and increases costs.
- Word of mouth selling/recommendations – a much cheaper way of advertising the business to generate more sales.
- Information to customers – known price – improves customer confidence and trust.
- Complaints sorted immediately – customers feel confident in using her service and then come back again – increases likelihood of future sales.

Mark scheme

A choice will be made with poorly developed justification and supported by limited examples. For example, ‘Yes, because good service brings in customers.’

Even better if...

A choice will be made with some developed justification and supported by some good examples. At the bottom end of the range the answer will be unbalanced with one side only given any attention. For example, ‘Yes. Good services ensure that customers will return to use the services of a business. Loyal customers not only bring repeat business but give recommendations. Poor customer service can damage reputation.’ At the top end of the range there will be some balance given.

Even better if...

A choice will be made with a clearly developed justification and supported by excellent examples. There will be balance to the answer and a conclusion will be given. For example, ‘On the one hand good customer service may not be absolutely essential. For example, in the case of a plumber, the service may not be needed that often and many single jobs are done for different people. Also, providing good service may come at the cost of higher prices and customers may look for cheaper alternatives. However, poor service is likely to damage the reputation of a business. Word of mouth may spread information that a poor service is provided and this may reduce the number of people asking for work to be done. In plumbing, which is a technical service, this could be vital. So overall, a successful plumbing business is all about customer service.’

It doesn’t matter what judgement you arrive at in your conclusion, providing that it is made using sound business concepts and detailed supporting evidence. You could have completely different conclusion, but still achieve the highest level of evaluation.

GOOD LUCK!



Bonus material – guidance for your controlled assessment – a mini-booklet for gaining good marks

As you’ve seen from this booklet, earlier, your controlled assessment work gets marked under 4 different headings (research, presentation, analysis and evaluation). Overall, the marks for each of these headings provide a total maximum score of 40 marks. The sections below explain, in language that is easy to understand, what you need to do to achieve different levels of marks for each of the 4 headings.

Research

In the broadest sense of the word, the definition of research includes any gathering of data, information and facts for the advancement of knowledge. This knowledge should enable us to analyse information to increase our understanding of a topic or issue. It usually consists of three steps: Pose a question, collect data to answer the question, and present an answer to the question

Research (maximum 12 marks)	<i>This is where you earn marks for the range of different sources of research you’ve used, such as questionnaire of a business, internet sites (each individual site will count as one source), relevant newspaper articles, relevant sections of books or even looking at a business’s products & packaging and trying them yourself. You can make sure you get credit for your research by referring to specific sources throughout and having a list of references at the back of your work (appendices).</i>	<i>Tick where you think you are</i>
Mark Range	Explanation of what you need to do	
0	I have not shown evidence of having done any research. I really didn’t use my research time effectively.	
1-3	I’ve referred to one piece of evidence, such as one internet site, that is partly relevant to the question. I could have used my time more effectively to find more sources.	
4-6	I’ve referred to at least two different sources of evidence, and they are mostly relevant to the question. I probably could have found one or two more sources of research and spent more time reading them to find bits that were to do with the question.	
7-9	I’ve referred to at least three different sources of evidence, and they are all very much relevant to the question. Ideally, I would have had one or two more but on the whole I did a good job with my research.	
10-12	My research is really detailed coming from at least four different sources. I’ve taken time to read through the sources and picked out the sections that are relevant to the question.	

Presentation

Presenting information clearly and effectively is a key skill to get your message or opinion across and, today, presentation skills are required in almost every field.

You should always aim for your presentation of work to be clear and well-structured.

Presentation (maximum 8 marks)	<i>This is where you earn marks for presenting your work in ways that make it easy to understand, and as interesting as possible to read. You should be considering things like headings and bullet points to break up text right through to including graphs/tables/charts/images as well as maps and diagrams if they are relevant.</i>	Tick where you think you are
Mark Range	Explanation of what you need to do	
0	I've put no effort at all in to my work. It's jumbled and very difficult to understand.	
1-2	My work is written in continuous text, without headings, bullet points or paragraphs for separate points I've made.	
3-4	I've presented my work in text. However, it's easy to read and understand because I've used paragraphs or better still headings and bullet points to give it a clear structure.	
5-6	In addition to writing using headings, bullet points or paragraphs, I've used at least one of the following to communicate my work in a different way: <i>graphs, tables, charts, images that are relevant to the question, maps, diagram (this isn't a complete list - if you have another idea of how to present work speak to your teacher to discuss it as it may also be suitable)</i> . I might have put this in an appendix and referred to it in my written section.	
7-8	My work has been presented in a really imaginative way. It uses well laid out text with headings or bullet points, and contains two other ways of presenting information. It makes it really appealing to read. I've used clearly labelled appendices to organise the other forms of presentation of research.	

Analysis

To break a topic down into its component parts. This should help to identify the causes and effects of the issue and to explain the process whereby the causes bring about the effects. This encourages more depth of study. It implies a writing style that uses continuous prose in fully developed paragraphs. Bear in mind the word ‘why?’ when analysing.

<p>Analysis (maximum 12 marks)</p>	<p><i>This is where you earn marks for the content of your written work, and the way in which you refer to any diagrams/tables/graphs/charts/images or other forms of presentation. You should be making sure that you explain points in full and use lots of ‘connectives’ such as “This means”, “As a result”, “Consequently”, “Therefore”. In short, good analysis means the reader doesn’t read a paragraph and then find themselves saying “So what?” because you have spelt out the consequences of the points you are making. All of this writing should be focused on the question you’ve chosen to answer. In this section, the quality of spelling, grammar & punctuation is also considered (so use spell check and grammar check tools).</i></p>	<p><i>Tick where you think you are</i></p>
<p>Mark Range</p>	<p>Explanation of what you need to do</p>	
<p>0</p>	<p>I’ve either written very little, or what I’ve written doesn’t focus on the question. There are lots of spelling and grammar errors.</p>	
<p>1-3</p>	<p>I’ve discussed one issue relevant to the question in detail, using some of my research. I have probably mentioned one other issue briefly. There are quite a few spelling and grammar errors.</p>	
<p>4-6</p>	<p>I’ve discussed two issues relevant to the question in detail, referring to my research. In addition to this I’ve mentioned one or more issues briefly. There are some spelling and grammar errors.</p>	
<p>7-9</p>	<p>I’ve discussed three issues in depth, linking them to the question and referring clearly to the research. I may even point out where different parts of my research either support or contradict each other, though I may not have fully explained why this is the case. There are a few spelling and grammar errors.</p>	
<p>10-12</p>	<p>I have explained 4 or more different issues in a high level of detail, with reference to my research and supporting graphs/tables etc. I’ve pointed out contradictions and similarities in any research, and have looked at the issues from different viewpoints where relevant. My work is almost perfect in terms of spelling and grammar with virtually no errors.</p>	

Evaluation

This vital term means weighing up evidence in order to reach a **judgement**. In the context of an essay, you will have to present that evidence (pros and cons) before reaching a conclusion. As the term invites your judgement, do be willing to state your opinion within the conclusion, e.g. 'In my view...' and 'On balance...'

Evaluation (maximum 8 marks)	The questions will always ask you for 'the most important' factor/reason/strategy etc. This section is about whether you've answered the question, and if so whether it's backed up by opinions formed from your research. It's also about identifying any limitations to your research. Your conclusion must consider both sides to the arguments and arrive at a personal judgement (there isn't a right or wrong answer, so no 'sitting on the fence' – successful business people have to make decisions based on their judgements.	Tick where you think you are
Mark Range	Explanation of what you need to do	
0	At no point in my work have I really attempted to answer the question.	
1-2	I've attempted to answer the question, but either I've identified many factors rather than the most important OR I've simply said what I believe to be the most important factor without explaining why I think this is the case.	
3-4	I've said what I believe to be the most important factor, and I've given a very simple explanation of why this is my opinion. For 4 marks, this makes some reference to my research.	
5-6	I've looked at some of the issues I've discussed and weighed up at least two of these before explaining why one of them is the most important. I've referred to my research to do this. For 6 marks I've also looked at the quality of my research and identified ways it might be improved to get a fuller picture and answer to the question.	
7-8	My work is well structured and I've discussed each issue/factor in turn and the evidence for or against it. At the end of each issue/factor, I've done a mini-evaluation where I say whether that issue/factor therefore is likely to be the most important. At the end I've summarised all of this in to one brief but focused conclusion. Here I weigh up the arguments for each issue/factor before stating which I feel to be most important and why. When I do this I refer back to my research. I also make suggestions for how the business might improve its approach if this is relevant to the question.	

GOOD LUCK!

