



---

# A-LEVEL BUSINESS

7132/3 Business 3  
Report on the Examination

---

Specification 7132  
June 2018

---

Version: 1.0

---

---

Further copies of this Report are available from [aqa.org.uk](http://aqa.org.uk)

Copyright © 2018 AQA and its licensors. All rights reserved.

AQA retains the copyright on all its publications. However, registered schools/colleges for AQA are permitted to copy material from this booklet for their own internal use, with the following important exception: AQA cannot give permission to schools/colleges to photocopy any material that is acknowledged to a third party even for internal use within the centre.

**Overview**

The case study offered a scenario that the students found very accessible, offering plenty of opportunities to contextualise answers. This year's scenario helps to illustrate that Paper 3 seeks to offer a broad range of business scenarios which are always designed to be accessible to students, but not tied to one particular type of business or industry. There is no doubt that students who are able to really think themselves into the business situation found it far easier to build contextualised arguments and offer judgements rooted in context. Only a small proportion of students seemed to suffer from timing issues to the extent that it prevented them from completing the six questions. Where this did happen, it was often caused by earlier responses drifting away from the focus of the question and too long being spent on them.

Successful students maintained a tight focus on the question asked. On evaluative questions, well developed, contrasting arguments that were weighed up in an overall judgement which provided a clear and full response to the question scored well. The ability to take and use information from the case study in order to build arguments and justify judgements proved to be a common feature of better quality responses.

Less successful students tended to make descriptive use of the case study, rather than embedding their arguments in the context, using information from the case and appendices to drive their arguments forward. A common weakness to judgements was a lack of balance – not weighing up the arguments put forward, or a failure to fully address all aspects of the question. There was also a tendency among less successful students to drift from the question, often through a desire to use a piece of knowledge that did not help to address the question asked. Some lower scoring students did not possess the necessary subject knowledge to respond to all the questions. Others opted to make references to concepts which were not relevant to the questions.

It should be remembered that Paper 3 has a number of evaluative questions. These require students to take a view on e.g. the relative strength of an argument for or against a business proposition. The questions require supported judgement. Analysing why a deadline may or may not be met in question 3, for example, is not the same as making a judgement on the likelihood that Jack will meet that deadline. Students need to think about the judgement they have to make in these questions, be clear what their judgement is and support it. This year has again provided strong evidence that planning answers before writing is a great help in ensuring that students know where they are going from the outset and their answers have a logic and a focus.

**Question 1**

This question proved highly accessible and offered plenty of opportunity to use context in developing arguments. Weaker responses failed to recognise the need to develop in context, or alternatively explored how to build a strong brand – losing focus on the question set. The best answers had clearly considered the context to recognise which benefits of a strong brand would be easiest to analyse in this case, such as standing out from rivals in this competitive market or charging a premium price to boost profit margins – an issue that underpinned the case study.

**Question 2**

This was another question which proved accessible to most students. The vast majority were able to show some understanding of inventory control. The best responses, again, used context well to choose which benefits of effective inventory control were most relevant to the context provided, such as keeping stockholding low to ensure Jack's parents' house never became overcrowded, or tying little cash up in inventory when's Jack's finances were already stretched. Weaker responses either ignored context, or spent time explaining how to improve inventory control rather than assessing the value of it to Jack's business.

**Question 3**

Students who were able to calculate the duration of the network provided in Appendix B, especially after the 'new' information provided in the body of the text, were well on their way to an excellent answer. Unfortunately, some failed to use the results of their calculations to fully address the likelihood of Jack meeting the deadline. There were some one-sided responses, that failed to weigh up issues that may prevent the deadline being reached, and without any balance, an answer struggles to move beyond the level of reasonable. However, for many students this question offered an opportunity to produce a two-sided, developed response, using the information required by the question and produce a top-level response. This question does illustrate the importance of ensuring that any information explicitly referred to in the question (e.g. appendix B), must be used in order to fully meet the demands of the question

**Question 4**

A highly accessible question that allowed students the chance to recognise the need for a two-sided response before reaching a clear judgement. Many students were able to produce excellent answers, with the best, recognising that e-commerce allowed higher profit per unit but limited volumes in this case whilst distribution through Debenhams would be likely to reverse this scenario. A worrying number of students focused on the use of social media as a promotional tool rather than explicitly exploring e-commerce as a distribution method - selling through the internet.

**Question 5**

Though not required in a response, many students recognised that use of Appendix C information to calculate the forecast profit for next year, of £28,000, offered a quick and effective way to develop a fully contextualised argument for this question. Most students were able to offer a balanced response, in the best cases recognising that behind the question was a trade-off between financial security and a more interesting and perhaps more lucrative future for Jack. Disappointingly, a number of students failed to offer a clear judgement, instead spending too much time explaining what it depends on instead of justifying why Jack may or may not prioritise certain issues.

**Question 6**

Though almost all students attempted this question, the quality of responses was wide-ranging. The best responses demonstrated knowledge of the specification to identify specific problems caused by rapid growth, such as overtrading or Greiner's crises as the basis of their response. Some students seemed to be desperately trying to think of problems caused by growth in the exam room – suggesting that this area of the specification was a weakness for them. A further difficulty for students was the need to build contrasting arguments addressing whether the extent to which problems could or could not, be overcome. Developing arguments through clearly explaining why certain issues were caused by rapid growth and then why they might or might not be surmountable for all businesses was a feature of the very best responses. These also maintained a clear focus on the need to go beyond Hopps London Ltd and explore the question in the context of other businesses or types of business. The very best responses showed clear evidence of planning, not only which problems would be discussed but in which contexts these may or may not be solvable. These responses recognised that once again, this final question referred to all businesses, not just that in the case study. Many of these responses at the highest level focused on two major problems and explored scenarios in which they may or may not be solvable. Depth of argument is valued above range of points even on this final question.

### **Use of statistics**

Statistics used in this report may be taken from incomplete processing data. However, this data still gives a true account on how students have performed for each question.

### **Mark Ranges and Award of Grades**

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