Oxford Cambridge and RSA

AS Level in Business

H031/02 The wider business environment

Sample Resource Booklet Version 1.1

Time allowed: 1 hour 30 minutes

Instructions to candidates

- This is a resource booklet.
- You should refer to it when answering the examination questions which are printed in a separate booklet.
- The business described in this Case Study is a real business.

Information

- This document consists of **4** pages. Any blank pages are indicated.

The BBC

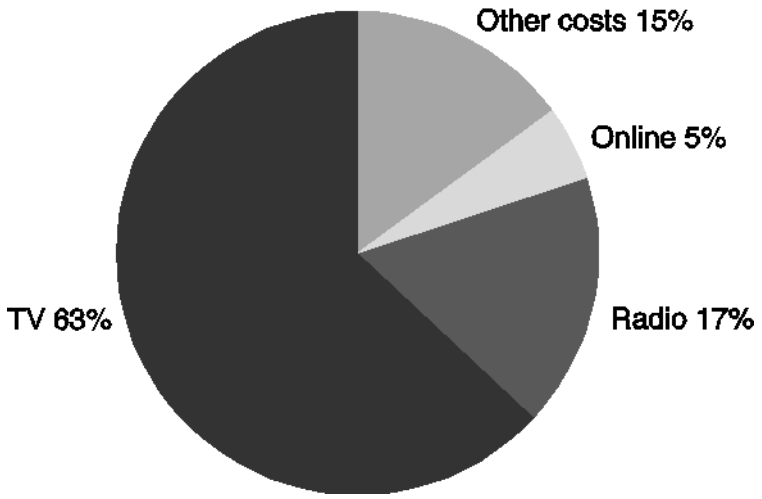
Extract A What is the BBC?

The BBC is the world's leading public sector television and radio broadcaster. Its mission is to enrich people's lives with programmes that inform, educate and entertain.

The BBC is primarily funded by a licence fee paid by UK households. It uses this income to provide a wide product portfolio including 10 national TV channels, 10 national radio stations, 40 local radio stations and an extensive website, including the BBC iPlayer, a way for customers to access programme.

In addition BBC viewers, listeners and users can rely on the BBC to provide internationally respected news services to audiences around the world. On balance, across markets and surveys, the BBC brand continues to be seen as the most trusted and objective global news provider. The combined global reach of the BBC's global news services on radio, television and online is more than 230 million weekly users.

Extract B How the BBC licence fee is spent on BBC services in the UK



Extract C Price of a TV licence in the UK

Date from	Licence fee
1 April 2007	£135.50
1 April 2008	£139.50
1 April 2009	£142.50
1 April 2010	£145.50
1 April 2011	£145.50
1 April 2012	£145.50
1 April 2013	£145.50
1 April 2014	£145.50

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Extract D The future of BBC Three

The BBC has announced sweeping changes to its youth channel BBC Three. The channel will only continue in a different form on the iPlayer, while some of its more popular programmes could transfer to BBC One and Two. Overall, its annual programme budget will be cut from the current £85m to £25m.

The changes will make way for an extension of the broadcasting hours of CBBC (a children's channel), and a BBC One+1 channel (BBC One programmes broadcast one hour later).

Extract E Excerpts from a speech given by the Director General of the BBC

The key challenge, the core of what we have to do, is to harness our power to create – our power to innovate.

Innovation has been a part of the BBC from its very foundation. You have to refresh, to regenerate. I suppose you can't be the home of Doctor Who for 50 years without learning something about regeneration.

The iPlayer is the best in the world – but we want to make it even better. We want to transform it from being catch-up TV – to online TV.

So, we're going to give you more content, more opportunities to watch our shows, making them available for free not just for seven days – but for thirty. We will give you the chance to see programmes before they've even been broadcast, picking what you like, when you like, from our channels.

And because we know people often want to go back and see older programmes, we plan to launch something called BBC Store, a new commercial online service which will offer people in the UK the chance to buy a whole range of programmes to watch and keep forever.

At the end of a programme, the iPlayer just used to ask if you wanted to watch it again. It's a funny request, really. We can do so much better. And we'll be able to do that because we'll know data about what you like to watch. We'll suggest programmes that you might like to watch based on this data.

We want to harness the energy of the 'YouTube generation'. We want to employ them in the BBC and fund them to make brilliant programmes. We'll free them from the conventional programme–making process and encourage them to experiment and make original online content so they can inform, educate and entertain.

And music will be another way we serve this new generation. Our radio stations are great at finding new music for you to listen to. Now we want to do that online with a new idea called BBC Playlister. This will allow audiences to tag any piece of music they hear on the BBC and listen to it later. We're working with streaming services – like Spotify, YouTube and Deezer – so that you can keep all your favourite music in one place, enjoy it across whatever devices you're using, wherever you are and, we hope, help you discover and share new music.

Extract F A blogger's view of the future of the BBC

The Government has indicated that it will back a Bill to decriminalise non-payment of the Television Licence Fee. Instead of being dragged through the courts, non-payers will simply have their access to the BBC switched off – in the same way that Sky withdraws its services from those who don't pay their subscriptions.

The real significance of the proposal is that it will, in practice, remove the BBC's monopoly. If the penalty for non-payment of the licence fee is withdrawal of the service, rather than prosecution, then that fee ceases to be a tax and becomes a subscription. Refusal to pay is no longer a criminal act, but an exercise of consumer choice. The BBC will become, in practice, a pay-on-demand service like its rivals.

Many within the BBC have known for some time that technology would bring this about. It has been argued that the BBC needs to prepare for a post-monopolistic future. It will, after all, start with huge advantages. We are creatures of habit, and most of us will carry on paying for a familiar service. Even now, three decades after ceasing to be a monopoly, British Telecom (BT) continues to enjoy a large market share, and the BBC is a far better-known global brand than BT ever was – with the additional advantage of profitable overseas sales. In practical terms, there may not be that much difference, except that the BBC will have to become more cost-efficient.

It won't be political objections that ends the BBC monopoly, but technological progress. And, of course, you can't argue with progress.

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Summary of updates

Date	Version	Change
February 2021	1.1	Updated copyright acknowledgements.

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Adapted from: Speech given by Tony Hall, BBC Director General, at the BBC Radio Theatre, London, Tues 8 Oct 2013. © BBC 2013. Reproduced with permission from the BBC.

Adapted from: Hannan, Daniel (2014), The BBC will, in effect, be privatised – with vast consequences. Reproduced by permission of The Telegraph © 2014

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AS Level in Business

H031/02 The wider business environment

Sample Question Paper

Date – Morning/Afternoon

Time allowed: 1 hour 30 minutes

You must have:
- the Resource Booklet

You may use:
- a scientific or graphical calculator

First name	
Last name	

Centre number						**Candidate number**				

INSTRUCTIONS
- Use black ink.
- Complete the boxes above with your name, centre number and candidate number.
- Answer **all** the questions.
- Write your answer to each question in the space provided.
- If additional space is required, use the lined page(s) at the end of this booklet. The question number(s) must be clearly shown.
- Do **not** write in the bar codes.
- The Resource Booklet is required for Section B only.

INFORMATION
- The total mark for this paper is **60**.
- The marks for each question are shown in brackets **[ ]**.
- Quality of extended responses will be assessed in questions marked with an asterisk (*).
- This document consists of **16** pages.

Section A

Answer **all** the questions.

1 State **two** methods of non-monetary motivation.

1……

2……

[2]

2 What is meant by the term 'customer orientation'?

……

……

……

……**[2]**

3 Bulk buying is an example of a purchasing economy of scale. Outline **one** other internal economy of scale.

……

……

……

……**[2]**

4 The following figures are taken from an income statement:

Sales Revenue	£80 000
Direct costs	£20 000
Indirect costs	£22 000

(a) Calculate the gross profit margin.

……

……

……

……**[2]**

(b) Calculate the net profit margin.

……

……

……

……**[2]**

5 The following is an extract from a cash-flow forecast:

Cash Inflow	August	September
Sales revenue	£50 000	
Cash Outflow		
Rent	£30 000	£30 000
Materials	£23 000	£25 000
Labour	£9000	£10 000
Net cash-flow		£5000
Opening balance	£25 000	
Closing balance		

Complete the unshaded boxes in the table above.

[4]

6 State **one** advantage and **one** disadvantage to a business of having a centralised management structure.

Advantage……

……..

Disadvantage……

……**[2]**

7 State **two** reasons why a firm may implement a programme of Total Quality Management (TQM).

1……

……..

2……

……**[2]**

8 The following is an extract from a statement of financial position:

Total non-current (fixed) assets	£60 000
Current assets	£10 000
Current liabilities	£3000
Net current assets	
Creditors due after more than 12 months	£15 000
Net assets employed	

Complete the unshaded boxes in the table above.

[2]

Section B

Answer **all** the questions.

Use the information provided in the **Resource Booklet** to answer the following questions.

9 Explain **one** way in which the ownership of a public sector organisation differs from that of a private sector organisation.

……

……

……

……**[2]**

10 The BBC is one of a number of global news service brands.

Explain **two** ways in which the BBC could react to an increase in the number of global news service brands.

1……

……

……

……

2……

……

……

……**[4]**

11 Using Extracts B and C, calculate the amount of each individual licence fee that was spent on TV services in 2014.

……

……

……

……**[2]**

12* Evaluate the impact of technological change on the stakeholders of the BBC.

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..... **[12]**

13* Is a wide product portfolio important to the BBC? Justify your answer.

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…… **[20]**

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Specimen Assessment Material

AS Level in Business

H031/02 The wider business environment

SAMPLE MARK SCHEME

Duration: 1 hour 30 minutes

MAXIMUM MARK 60

This document consists of 20 pages

MARKING INSTRUCTIONS

PREPARATION FOR MARKING
SCORIS

1. Make sure that you have accessed and completed the relevant training packages for on-screen marking: *scoris assessor Online Training*; *OCR Essential Guide to Marking*.

2. Make sure that you have read and understood the mark scheme and the question paper for this unit. These are posted on the RM Cambridge Assessment Support Portal http://www.rm.com/support/ca

3. Log-in to scoris and mark the **required number** of practice responses ("scripts") and the **required number** of standardisation responses.

   YOU MUST MARK 10 PRACTICE AND 10 STANDARDISATION RESPONSES BEFORE YOU CAN BE APPROVED TO MARK LIVE SCRIPTS.

TRADITIONAL

Before the Standardisation meeting you must mark at least 10 scripts from several centres. For this preliminary marking you should use **pencil** and follow the **mark scheme**. Bring these **marked scripts** to the meeting.

MARKING

1. Mark strictly to the mark scheme.

2. Marks awarded must relate directly to the marking criteria.

3. The schedule of dates is very important. It is essential that you meet the scoris 50% and 100% (traditional 50% Batch 1 and 100% Batch 2) deadlines. If you experience problems, you must contact your Team Leader (Supervisor) without delay.

4. If you are in any doubt about applying the mark scheme, consult your Team Leader by telephone, email or via the scoris messaging system.

5. Work crossed out:

   a. where a candidate crosses out an answer and provides an alternative response, the crossed out response is not marked and gains no marks
   b. if a candidate crosses out an answer to a whole question and makes no second attempt, and if the inclusion of the answer does not cause a rubric infringement, the assessor should attempt to mark the crossed out answer and award marks appropriately.

6. Always check the pages (and additional objects if present) at the end of the response in case any answers have been continued there. If the candidate has continued an answer there then add a tick to confirm that the work has been seen.

7. There is a NR (No Response) option. Award NR (No Response)

   - if there is nothing written at all in the answer space
   - OR if there is a comment which does not in any way relate to the question (e.g. ‘can’t do’, ‘don’t know’)
   - OR if there is a mark (e.g. a dash, a question mark) which isn’t an attempt at the question.

   Note: Award 0 marks – for an attempt that earns no credit (including copying out the question).

8. The scoris **comments box** is used by your Team Leader to explain the marking of the practice responses. Please refer to these comments when checking your practice responses. **Do not use the comments box for any other reason.**

   If you have any questions or comments for your Team Leader, use the phone, the scoris messaging system, or e-mail.

9. Assistant Examiners will send a brief report on the performance of candidates to their Team Leader (Supervisor) via email by the end of the marking period. The report should contain notes on particular strengths displayed as well as common errors or weaknesses. Constructive criticism of the question paper/mark scheme is also appreciated.

10. For answers marked by levels of response:

    a. **To determine the level** – start at the highest level and work down until you reach the level that matches the answer

    b. **To determine the mark within the level**, consider the following:

Descriptor	Award mark
On the borderline of this level and the one below	At bottom of level
Just enough achievement on balance for this level	Above bottom and either below middle or at middle of level (depending on number of marks available)
Meets the criteria but with some slight inconsistency	Above middle and either below top of level or at middle of level (depending on number of marks available)
Consistently meets the criteria for this level	At top of level

11. Annotations

Annotation	Meaning

12. Subject-specific Marking Instructions

INTRODUCTION

Your first task as an Examiner is to become thoroughly familiar with the material on which the examination depends. This material includes:

- the specification, especially the assessment objectives
- the question paper and its rubrics
- the mark scheme.

You should ensure that you have copies of these materials.

You should ensure also that you are familiar with the administrative procedures related to the marking process. These are set out in the OCR booklet **Instructions for Examiners**. If you are examining for the first time, please read carefully **Appendix 5 Introduction to Script Marking: Notes for New Examiners**.

Please ask for help or guidance whenever you need it. Your first point of contact is your Team Leader.

Levels of response – Level descriptors

	Knowledge and understanding/ Application	Analysis	Evaluation
Strong		An explanation of causes and consequences, fully developing the links in the chain of argument.	A conclusion is drawn weighing up both sides, and reaches a supported judgement.
Good	Precision in the use of the terms in the question and applied in a focused way to the context of the question.	An explanation of causes and consequences, developing most of the links in the chain of argument.	A conclusion is drawn weighing up both sides, but without reaching a supported judgement.
Reasonable	Awareness of the meaning of the terms in the question and applied to the context of the question.	An explanation of causes and consequences, which omit some key links in the chain of argument.	Some attempt to come to a conclusion, which shows some recognition of the influencing factors.
Limited	Awareness of the meaning of the terms in the question.	Simple statement(s) of cause and consequence.	An unsupported assertion.

USING THE MARK SCHEME

Please study this Mark Scheme carefully. The Mark Scheme is an integral part of the process that begins with the setting of the question paper and ends with the awarding of grades. Question papers and Mark Schemes are developed in association with each other so that issues of differentiation and positive achievement can be addressed from the very start.

This Mark Scheme is a working document; it is not exhaustive; it does not provide ‘correct’ answers. The Mark Scheme can only provide ‘best guesses’ about how the question will work out, and it is subject to revision after we have looked at a wide range of scripts.

The Examiners’ Standardisation Meeting will ensure that the Mark Scheme covers the range of candidates’ responses to the questions, and that all Examiners understand and apply the Mark Scheme in the same way. The Mark Scheme will be discussed and amended at the meeting, and administrative procedures will be confirmed. Co-ordination scripts will be issued at the meeting to exemplify aspects of candidates’ responses and achievements; the co-ordination scripts then become part of this Mark Scheme.

Before the Standardisation Meeting, you should read and mark in pencil a number of scripts, in order to gain an impression of the range of responses and achievement that may be expected.

In your marking, you will encounter valid responses which are not covered by the Mark Scheme: these responses must be credited. You will encounter answers which fall outside the ‘target range’ of Bands for the paper which you are marking. Please mark these answers according to the marking criteria.

Please read carefully all the scripts in your allocation and make every effort to look positively for achievement throughout the ability range. Always be prepared to use the full range of marks.

INSTRUCTIONS TO EXAMINERS:

A INDIVIDUAL ANSWERS

1 The indicative content indicates the expected parameters for candidates' answers, but be prepared to recognise and credit unexpected approaches where they show relevance.

2 Using 'best-fit', decide first which set of BAND DESCRIPTORS best describes the overall quality of the answer. Once the band is located, adjust the mark concentrating on features of the answer which make it stronger or weaker following the guidelines for refinement.

- **Highest mark**: If clear evidence of all the qualities in the band descriptors is shown, the HIGHEST Mark should be awarded.

- **Lowest mark**: If the answer shows the candidate to be borderline (i.e. they have achieved all the qualities of the bands below and show limited evidence of meeting the criteria of the band in question) the LOWEST mark should be awarded.

- **Middle mark**: This mark should be used for candidates who are secure in the band. They are not 'borderline' but they have only achieved some of the qualities in the band descriptors.

3 Be prepared to use the full range of marks. Do not reserve (e.g.) high Band 6 marks 'in case' something turns up of a quality you have not yet seen. If an answer gives clear evidence of the qualities described in the band descriptors, reward appropriately.

B TOTAL MARKS

1 Transfer the mark awarded to the front of the script.

2 The maximum mark for the paper is **60**.

3 The quality of extended responses is assessed in parts of this paper. The assessment of this skill is embedded within each of the levels and must be considered when determining the mark within the appropriate level.

Section A					
Question			**Answer**	**Marks**	**Guidance**
1			1 mark for each correct method of non-monetary motivation up to a maximum of 2 marks *All reasonable answers accepted*	**2** **(2 AO1)**	Any of: • job enlargement • job enrichment • job rotation • team working • responsibility • empowerment • recognition • employee perks • extra holiday.
2			1 mark for identifying a focus on the customer 1 mark for explaining that the focus is on the customer not the product Do not award examples	**2** **(2 AO1)**	A business is focused on looking after its customers' needs (1) rather than focusing on developing and producing products (1)
3			1 mark for a correctly identified economy of scale 1 further mark for development of the economy of scale	**2** **(2 AO1)**	Internal economies of scale include: • managerial/specialisation • technical • marketing • financial • risk bearing.
4	**(a)**		1 mark for calculation of gross profit 1 mark for calculation of gross profit margin (OFR) 2 marks for correct answer with or without working	**2** **(2 AO2)**	Gross profit = 80 000 – 20 000 = £60 000 (1) Gross profit margin = 60 000/80 000 = 75% (1) Accept 0.75 or 3/4's
	(b)		1 mark for calculation of net profit	**2**	Net profit = 80 000 – 42 000 = £38 000 (1) Net profit margin = 38 000/80 000 = 47.5% (1)

<table>
<tr><th colspan="6">Section A</th></tr>
<tr><th colspan="3">Question</th><th>Answer</th><th>Marks</th><th>Guidance</th></tr>
<tr><td colspan="3"></td><td>1 mark for calculation of net profit margin (OFR)

2 marks for correct answer with or without working</td><td>(2 AO2)</td><td>Accept 0.475 or 19/40's</td></tr>
<tr><td>5</td><td></td><td></td><td>Net cash flow must be negative for August
1 mark for (£12,000)
1 mark for £13,000 and correctly copied across
1 mark for £70,000
1 mark for £18,000

OFR indicated by asterisk *</td><td>4

(4 AO2)</td><td>
<table>
<tr><th>Cash Inflow</th><th>August</th><th>September</th></tr>
<tr><td>Sales revenue</td><td>£50 000</td><td>£70 000</td></tr>
<tr><td>Cash Outflow</td><td></td><td></td></tr>
<tr><td>Rent</td><td>£30 000</td><td>£30 000</td></tr>
<tr><td>Materials</td><td>£23 000</td><td>£25 000</td></tr>
<tr><td>Labour</td><td>£9000</td><td>£10 000</td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td>Net cash-flow</td><td>(£12 000)</td><td>£5000</td></tr>
<tr><td>Opening balance</td><td>£25 000</td><td>£13 000*</td></tr>
<tr><td>Closing balance</td><td>£13 000*</td><td>£18 000*</td></tr>
</table>
</td></tr>
<tr><td>6</td><td></td><td></td><td>1 mark for identification of an advantage
1 mark for identification of a disadvantage</td><td>2

(2 AO1)</td><td>Advantages might include:
• more rapid and effective control (1)
• less barriers to communication (1)
• immediate awareness of what is happening (1)
• no or less delegation required (1)

Disadvantages might include:
• skills of others ignored (1)
• time pressure on management (1)
• opportunities for training/progress lost (1)
• difficulties if decision maker is absent (1)
• less speedy response to staff/customers/suppliers (1)</td></tr>
<tr><td>7</td><td></td><td></td><td>1 mark for each correct identification up to a maximum of 2 identifications</td><td>2

(2 AO1)</td><td>Possible reasons include:
• higher quality (1)
• reduction in wastage/rejects (1)</td></tr>
</table>

Section A					
Question			**Answer**	**Marks**	**Guidance**
					• develop employees skills (1) • reduce/remove the need for quality control (1) • improve team work (1) • better control of the production process (1).
8			1 mark for £7000 1 mark for £52 000 Full marks can be gained without the need for working	**2** **(2 AO2)**	Net Current Assets CA –CL = £7000 Net assets employed NCA+ FA - LTL = £52 000

Question			Answer	Marks	Guidance
Section B					
9			1 mark for a response which identifies that a public sector business is owned by the government 1 mark for a response which identifies that a private sector business is owned by private individuals/groups	**2** **(2 AO1)**	Public sector organisations are owned by the government **(1)** Private sector businesses owned by private individuals or groups (accept shareholders) **(1)**
10			1 mark for each correct identification up to a maximum of 2 identifications, plus a further 1 mark for each of two developmental points. Make sure the two reactions are clearly different.	**4** **(2 AO1)** **(2 AO2)**	Indicative content: • reduce costs • become more competitive • 'dumb down' • even higher quality • more coverage of particular markets where the threats are greatest • market research of what viewers and listeners want. Exemplar responses: • By increasing the quality of the service provided (1) the BBC is in a stronger position to retain its market share (1). • By identifying exactly what viewers and listeners want to see/hear (1) the BBC is in a stronger position to adapt to increased competition (1).
11			1 mark for use of correct figures 1 mark for correct mathematical operation 2 marks for correct answer with or without working	**2** **(2 AO2)**	63% of £145.50 = £91.67 (2)

Question			Answer	Marks	Guidance
12*			**Level 4 (10-12)** Candidate shows strong knowledge and understanding, analysis and evaluation of the impact of technological change on the stakeholders of the BBC. *There is a well-developed line of reasoning which is clear and logically structured. The information presented is relevant and substantiated.* **Level 3 (7-9)** Candidate shows good knowledge and understanding, analysis and evaluation of the impact of technological change on the stakeholders of the BBC. *There is a line of reasoning presented with some structure. The information presented is in the most-part relevant and supported by some evidence.* **Level 2 (4-6)** Candidate shows reasonable knowledge and understanding, analysis and evaluation of the impact of technological change on the stakeholders of the BBC. *The information has some relevance and is presented with limited structure. The information is supported by limited evidence.* **Level 1 (1-3)** Candidate shows limited knowledge and understanding of poor stock control with limited or no analysis and evaluation of the impact of technological change on the stakeholders of the BBC. (NB – award maximum of two marks for non-contextualised impacts). *The information is basic and communicated in an unstructured way. The information is supported by limited evidence and the relationship to the evidence may not be*	**12** **(2 AO1)** **(2 AO2)** **(4 AO3)** **(4 AO4)**	Technological change identified in the case study include: • a movement towards more digital distribution and away from more traditional broadcasting • customer expectations in terms of access to content – more use of computers, tablets and mobile phones • growth in broadband, 3G and 4G technology and delivery • self-scheduling of programmes (watch what you want when you want) • availability of content for 30 days Impact on stakeholders could include: • government – increased investment/cost • directors/managers – new skills required, new objectives and delivery methods to be managed, need for energy of 'YouTube' generation to be harnessed • programme makers – more opportunities for new content in some areas, but less opportunity in others such as BBC Three • consumers – more content available for longer, more delivery methods, possibility of some content having to be paid for (as opposed to a free service now) • employees – new skills required, possibility of redundancy (e.g. BBC three), possibility of new job creation (Digital media). Possible changes to working practices as content moves online/more flexible working available • competition – need to invest to maintain market share, opportunities created by loss of BBC Three/movement away from traditional broadcasting. Possible loss of market share, especially pay for services such as Sky etc.

Question			Answer	Marks	Guidance
			clear. **0 marks** no response or no response worthy of credit.		• licence fee payers (not necessarily consumers) – possible increase in licence fee.
13*			**Level 4 (16-20)** Candidate shows strong knowledge and understanding, analysis and evaluation of the importance to the BBC of having a wide product portfolio. Evaluation justifies the importance or otherwise of a wide product portfolio to the BBC. *There is a well-developed line of reasoning which is clear and logically structured. The information presented is relevant and substantiated.* **Level 3 (11-15)** Candidate shows good knowledge and understanding, analysis and evaluation of the importance to the BBC of having a wide product portfolio. *There is a line of reasoning presented with some structure. The information presented is in the most-part relevant and supported by some evidence.* **Level 2 (6-10)** Candidate shows reasonable knowledge and understanding, analysis and evaluation of the importance to the BBC of having a wide product portfolio. *The information has some relevance and is presented with limited structure. The information is supported by limited evidence.* **Level 1 (1-5)** Candidate shows limited knowledge and understanding of poor stock control with limited or no analysis and evaluation of the importance to the BBC of having a wide product portfolio.	**20** **(2 AO1)** **(2 AO2)** **(8 AO3)** **(8 AO4)**	The importance of a wide product portfolio to the BBC may include: • wide range of market segments in the population, so the BBC must cater for a number of different audiences because it is paid for by everyone who has a TV. Therefore to achieve its aim to enrich people's lives with programmes that inform, educate and entertain, it must have a range of TV and radio channels • the changing nature of distribution for TV and radio means that the BBC needs to have a wide range of distribution methods such as digital, Freeview, online and catch up • the TV and radio market is very competitive so the BBC needs to have a wide product portfolio to be able to compete with providers such as Sky and Virgin • to justify the payment of the licence fee, the BBC needs to offer a wide range of products and services so that there is something for everyone. Otherwise some people would be justified in not paying the licence fee • some analysis of the BBC's product portfolio using the Boston matrix to suggest that there needs to be a range of products and services so that new products (BBC Store and Playlister) can replace older ones (such as BBC Three) • some analysis of the BBC's product portfolio using the product life cycle, showing products that may be at saturation and decline (such as terrestrial TV) and products in development (such as BBC and

Question			Answer	Marks	Guidance
			(NB – award maximum of two marks for a non-contextualised response). *The information is basic and communicated in an unstructured way. The information is supported by limited evidence and the relationship to the evidence may not be clear.* **0 marks** no response or no response worthy of credit.		Playlister) However a wide product portfolio may not be important to the BBC: • the BBC itself does not have a profit objective, and therefore its aim is not to cater for all tastes but to make content that other providers do not make, such as education programmes • the BBC has most of its product portfolio in a small segment of the market. Unlike business such as Virgin which has a diverse product portfolio, the BBC has little diversification showing that a wide product portfolio is not important • the BBC has a dominant position in the broadcasting market (monopoly) and as such does not need to compete directly with other providers such as Sky • the licence fee means that everyone who watches live TV must pay, whether or not they actually use the BBC. Therefore a wide product portfolio is unnecessary to provide continued revenue Justification must make reference to the importance (or not) of a wide product portfolio to the BBC. This is likely to include linking to the objectives of the BBC to discuss the importance. Quantitative analysis using Fig 1 of the range of services offered - this could be linked to the extracts to provide evaluation of the changing nature of the product portfolio (i.e. more online) compared to the use of the licence fee (only 5% on internet).

APPENDIX 1 – Grid for Specimen Assessment Material Component 2

Question	AO1	AO2	AO3	AO4	Total	Quantitative skills
Section A						
1	2	-	-	-	2	
2	2	-	-	-	2	
3	2	-	-	-	2	
4(a)	-	2(2)	-	-	2	(2)
4(b)	-	2(2)	-	-	2	(2)
5	-	4(4)	-	-	4	(4)
6	2	-	-	-	2	
7	2	-	-	-	2	
8	-	2(2)	-	-	2	(2)
Sub-Total	10	10	-	-	20	10
Section B						
9	2	-	-	-	2	
10	2	2	-	-	4	
11	-	2(2)	-	-	2	(2)
12	2	2	4	4	12	
13	2	2	8	8	20	
Sub-Total	8	8	12	12	40	2
Total	**18**	**18**	**12**	**12**	**60**	**12**

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