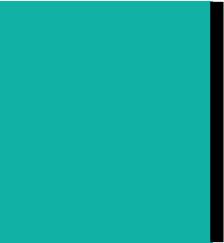


Guidance for centres that have switched from AQA to Edexcel

Key assessment differences between the specifications



Pearson

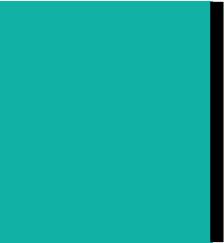


Edexcel – Key principles of assessment

Clear assessments – clear and consistent use of command words across each paper

Real business focus – all of the assessments are based upon actual businesses and/or industries. The intention is to select businesses that students may be familiar with such as Pure gym and Spotify

Clear mark schemes – consistent mark schemes across each paper with clear wording to ensure that students and teachers have a clear understanding of the skills required for each question type



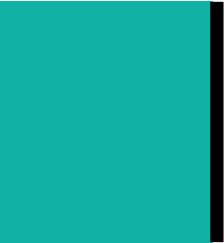
Command words used

'Calculate' – assesses quantitative skills. Requires a calculation comprising at least 4 stages (awarded a maximum of 4 marks)

'Explain' – requires candidates to either provide a definition and/or relevant knowledge, combined with an explanation supported by context (awarded a maximum of 4 marks)

'Assess' – requires candidates to provide a contextualised and balanced answer for an 8 mark question. 10 and 12 mark questions also require a supported judgement

'Evaluate' – requires candidates to consider 2 options, provide developed, contextualised arguments for each option and come to a supported recommendation (awarded a maximum of 20 marks)



Structure for each assessment

Consistent structure for each paper:

Each paper consists of 2 separate sections

Each section will contain a maximum of 4 extracts that provide the context for the questions that follow

Extracts will be a combination of numerical data and text

All the extracts are from genuine sources that are adapted to ensure that they are 'user friendly' for candidates

Examples of questions – ‘Calculate’ and ‘Explain’

Using the data in Extract F, calculate the total profit variance for Zara in 2016.
You are advised to show your working.

(4)

Between 2010 and 2011, the number of music streaming subscribers grew by 62.34%.

(a) Using the data from Extract A, calculate, to 2 decimal places, the difference between percentage growth in 2010 to 2011 and that in 2019 to 2020.
You are advised to show your working.

(4)

Using the data from Extract A and your knowledge of the product life cycle, explain **one** way in which the marketing of music streaming might be different in 2010 compared to 2019.

(4)

Explain **one** reason why businesses that sell VisionSpring’s glasses may prefer to stay small.

(4)

Examples of questions – ‘Assess’

Using the data in Extract A, assess **two** reasons why income elasticity of demand for holidays may be income elastic.

(8)

Assess **two** difficulties for Michael O’Leary when developing from an entrepreneur to a leader.

(8)

Assess the likely consequences of stock market flotation for a business, such as Spotify.

(10)

Assess the likely benefits to Lavazza of operating in the NAFTA trading bloc.

(10)

Assess whether the decision to be a socially responsible business is likely to increase Warby Parker’s profits.

(12)

Examples of questions – ‘Evaluate’

Warby Parker’s main corporate objective is to grow the business. The management is considering two options, either to develop a new range of contact lenses for the high income market, or to start selling glasses in the low income market.

- (e) Evaluate these two options and recommend which **one** is most likely to achieve Warby Parker’s main corporate objective.

(20)

Spotify is aiming to extend the product life cycle of its music streaming business. Spotify could either focus on marketing strategies in existing markets, such as Europe and the USA, or expand into emerging markets, such as those in Asia.

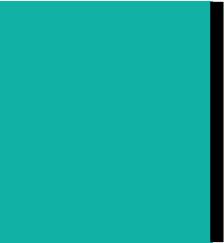
- (e) Evaluate these two options and recommend which **one** is most suitable for Spotify to extend the product life cycle of its music streaming business.

(20)

For long-haul flights to the Americas, Ryanair and Air Europa could use competitive pricing or a penetration pricing strategy to maximise profit.

- (d) Evaluate these two pricing strategies and recommend which **one** should be used by Ryanair and Air Europa to maximise profit.

(20)



Assessment summary

Paper 1: Marketing, people and global business

Examines Themes 1 and 4 of the specification

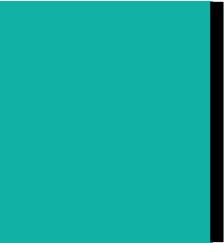
Sections A and B will each contain 2 x 4 mark questions (1 'calculate' and 1 'explain'), 1 x 10 mark, 1 x 12 mark (both 'assess') and 1 x 20 mark ('evaluate')

Paper 2: Business activities, decisions and strategy

Examines Themes 2 and 3 of the specification

Same structure as Paper 1

Both papers are worth 35% of the total qualification



Assessment summary

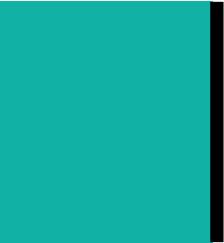
Paper 3: Investigating business in a competitive environment

Examines all 4 Themes

All questions are based upon the pre-released document issued in November of the previous year

Sections A and B will each consist of 1 x 8, 1 x 10, 1 x 12 ('assess') plus 1 x 20 ('evaluate') questions

Paper 3 is worth 30% of the total qualification



Key differences with the AQA specification

No multiple choice questions

There are no 1 mark 'knowledge' questions

Questions that just require a calculation are always worth 4 marks, compared to 2 or 3 mark questions on the AQA papers

There are no questions that use the command word 'analyse' that are worth 6, 9 or 12 marks on the AQA papers

There are no 25 mark essay questions

'Evaluate' questions are always awarded a maximum of 20 marks, compared to AQA questions that are awarded either 16, 20 or 24 marks

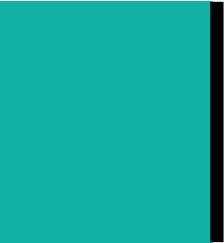


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Guidance for centres that have switched from AQA to Edexcel

Key content differences between the specifications





Marketing

Topics in the AQA specification that do not appear in the Edexcel specification:

Market research/forecasting – correlation and confidence levels

Marketing mix – 7P's (people, process and physical environment)

Marketing strategy – Bowman's Strategic Clock

Additional topics in the Edexcel specification:

Supply and demand

Pricing strategies – cost-plus, predatory, competitive and psychological

Price elasticity of demand – calculation of the relationship between revenue and PED

Sales forecasting – three period and four quarter moving averages

People

Topics in the AQA specification that do not appear in the Edexcel specification:

Leadership styles – Tannenbaum and Schmidt plus Blake Mouton

HR indicators – employee costs as a % of turnover

Job design – Hackman and Oldham

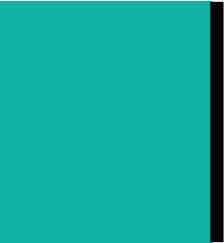
Culture – Hofstede's national cultures

Additional topics in the Edexcel specification:

Motivation theories – Mayo

Entrepreneurs – roles, motives and characteristics plus moving from an entrepreneur to a leader





Finance

Topics in the AQA specification that do not appear in the Edexcel specification:

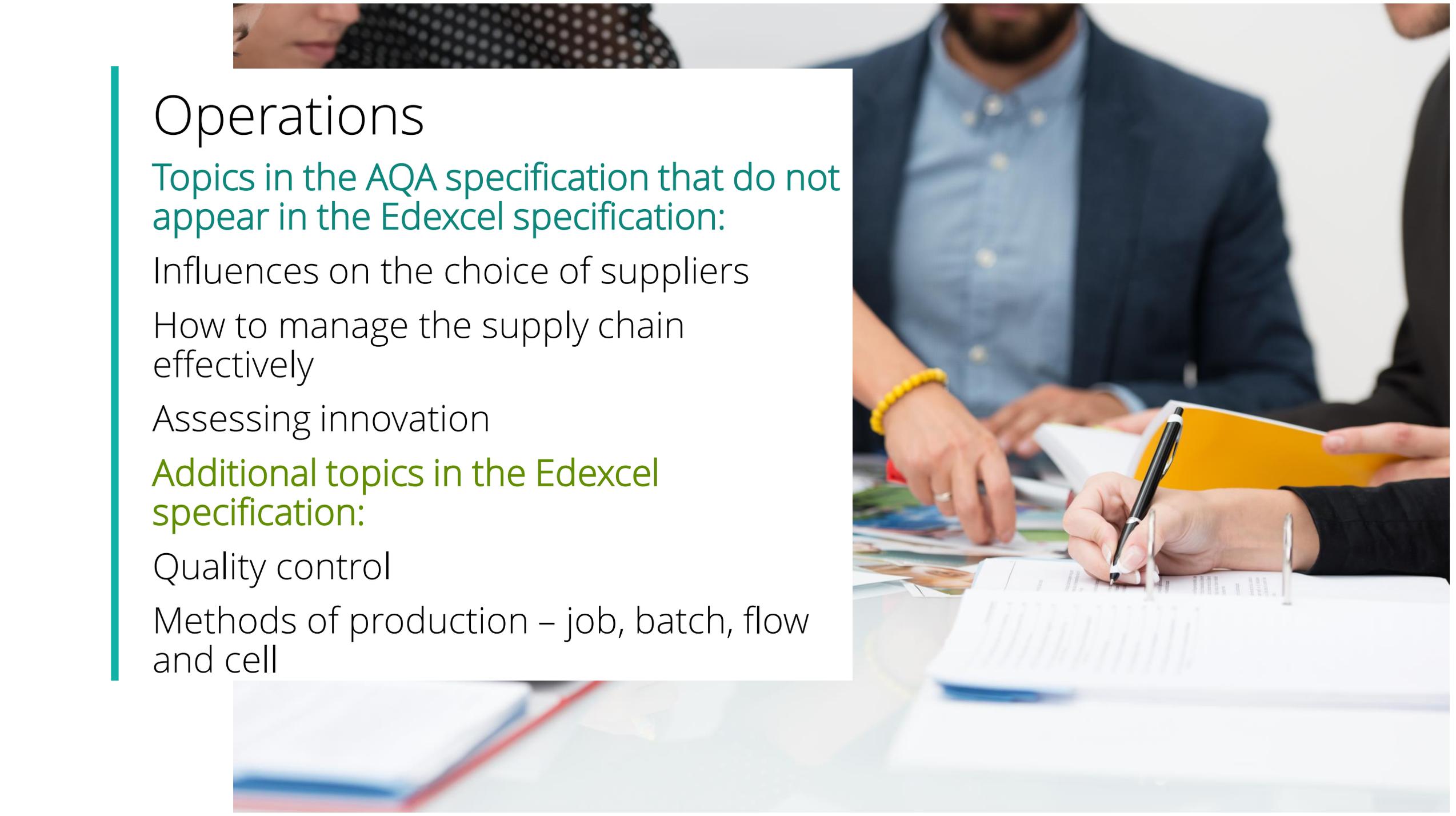
Ratio analysis – efficiency ratios (payables days, receivables days and inventory turnover)

Sensitivity analysis

Additional topics in the Edexcel specification:

Ratio analysis – acid test ratio

Business plans



Operations

Topics in the AQA specification that do not appear in the Edexcel specification:

Influences on the choice of suppliers

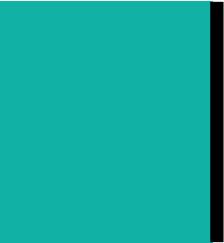
How to manage the supply chain effectively

Assessing innovation

Additional topics in the Edexcel specification:

Quality control

Methods of production – job, batch, flow and cell



Business Strategy

Topics in the AQA specification that do not appear in the Edexcel specification:

Kaplan and Norton's Balanced Scorecard model

Elkington's Triple Bottom Line

CSR – Carroll's Corporate Social Responsibility pyramid

Business growth – Greiner's model of growth

International trade – Bartlett and Ghosal's strategies

Managing change – Lewin's force field analysis plus Kotter and Schlesinger

Strategic drift

Business Strategy

Additional topics in the Edexcel specification:

Reasons for staying small

Globalisation

Global markets and business expansion

Global marketing

Multinational corporations





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