



# Examiners' Report Principal Examiner Feedback

November 2021

Pearson Edexcel GCE  
In Business 9BS0  
Paper 3: Investigating business in a competitive  
environment

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## Question 1(a):

Some candidates achieved Level 3-7 or 8 marks, with many citing the UK as an opportunity to expand to a market where consumer tastes and preferences are likely to match those in the US. For the second factor, students tended to suggest that the UK had a workforce with the appropriate skills and experience to match those needed by a fast-food chain like McDonalds. Weaker candidates failed to assess and simply described the likely reasons so limited themselves to a level 2 mark.

Examiners' tip: be sure to assess TWO reasons/factors and use the evidence in the appropriate stimulus material (Extract A). This should help students access the full mark range.

Level 3: 7 marks

- 1 (a) Using Extract A, assess **two** likely reasons why US fast food companies such as McDonald's choose to locate restaurants in the UK.

(8)

McDonald's would choose to locate in the UK as it has a <sup>high</sup> ~~large~~ population <sup>of working class individuals particularly in London,</sup> this population would provide a high footfall of consumers in a rush in need of food <sup>combining work and shopping</sup> because of this they will have little time to look around for alternatives or research where to eat, leading to them choosing McDonald's to purchase food and drink from, due to its famous, recognisable brand image where consumers know exactly what they're getting due to the brand consistency. Therefore, ~~it is~~ there is very little risk with McDonald's ~~open~~ locating in the UK ~~and London,~~ allowing them to generate \$10 million revenue in London alone. However as the UK is a more developed economy, ~~due to an~~ increase in healthy living and lifestyle conscious where consumers can afford higher quality meals, with greater benefit to health McDonald's may start to see a slow in their sales as incomes rise and consumers become more aware of their health.

Another reason McDonald's would locate in the UK is because it provides ~~work~~ entrepreneurs to

open franchises. This is because the UK has higher skilled labour than developing countries such as Africa. This leads to McDonald's able to rapidly expand through the method of franchising which is when an entrepreneur buys the right to operate their business under an established brand name. Therefore, McDonald's can quickly gain economies of scale operating in the UK from having a presence in every London borough, allowing them to maximise profit, aiding finance spent on developing people and employees skills. However, franchising is risky as it is more assessable for an individual to run their store wrong and ruin McDonald's brand image.

## Question 1(b):

This question required students to show a clear understanding of secondary research in the context of Jamie Oliver's. Most students were able to give a clear definition of secondary research and analyse one limitation, such as it being general as opposed to specific. Many responses tended towards general responses rather than relate back to Jamie Oliver's, such as the actual availability of accounts as it is a limited company.

Examiners' tip: with 10-mark assess questions, try to assess the how and why the method applies to the business. In this case, how and why secondary market research might be more significant to a business in the dynamic eating out industry.

Level 4: 9 marks

(b) Assess the possible limitations of secondary market research to restaurant chain companies, such as Jamie Oliver's. (10)

Secondary ~~market~~ research is ~~the~~ <sup>obtaining</sup> information ~~obtained~~ ~~because~~ that has ~~to~~ already be conducted by other people, such as information online.

One limitation, could be the reliability of ~~the~~ secondary research data, since it tends to be old and conducted in the past. Jamie Oliver's is in the fine-dining industry, which tends to ~~be~~ be changing constantly, and can be referred as a dynamic market. This ~~means~~ <sup>means</sup> means that secondary ~~the~~ research is not sufficient enough in that market, as competitors ~~it~~ are always developing new ways to gain a competitive advantage and offer better value for consumers, and the effectiveness of this method of research is low.

However, upon launch secondary would be great, to have an overview of the market and what competitors offer, as well as their statements and prices which could be adapted by Jamie Oliver's to have a competitive advantage.

Jamie Oliver's could have used primary research. It is research conducted by the business itself and is recent and up to date. It may be a costly and time consuming method of research, but the effectiveness of implementing this research could have had a more positive impact on Jamie Oliver's since they would up to date with changing trend and offer some sort of ~~competitor~~ competitiveness. Allowing the life of Jamie Oliver's to be greatly extended.

~~However,~~ On the other hand, secondary market research relies on what the market was before. Currently, due to Covid, fine-dining experiences have adapted to deliveries due to technological, deliveries and delivery homes. And Jamie Oliver's would still be using old strategies leading to their downfall.

In conclusion, short-run ~~for~~ secondary research will give an idea of the market, but is not sustainable for survival in a dynamic market. Thus more importance should be placed on primary research so that they can adapt and be competitive.

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In conclude, short-run ~~for~~ secondary research will give an idea of the market, but is not sustainable for survival in a dynamic market. Thus more importance should be placed on primary research so that they can adapt and be competitive.

## Question 1(c):

This question required candidates to assess the likely effects of the decreases in UK corporation tax rates in March 2020 on restaurant chains such as Jamie Oliver's. Not a question which was always well answered. Many students did not state it was a tax on profits, and therefore the implications for refurbishment and development. Some seem to confuse it with VAT as a tax on suppliers. There was a number of really good responses which used the data (19% in 2019) to suggest that extra saved profits could help support an industry which may have been adversely affected by the pandemic/recession.

Examiners' tip: spend a few moments being clear about what the question is asking you to do. For example, what is the command word and how many marks is it worth? Also, make sure that you are fully aware of all key business terms in the question, and include these in your response in order to maximise your chances of gaining high marks.

Level 4: 9 marks

(c) Using the data in Extracts B and C, assess the likely effects of decreases in UK corporation tax rates in March 2020 on UK restaurant chains, such as Jamie Oliver's.

One - Increased net profit margins  $\rightarrow$  19% from 2010 28% (12)  
Two - Recession - not much impact

One effect from the decrease in UK corporation tax on restaurant chains is increased net profit margins (net profit = operating profit - interest). As the restaurant chains will have decreased in corporation tax rates their net profit will increase. This will mean that the corporation would be able to reinvest more money into the business, such as opening more restaurants for Jamie Oliver, or creating new products. This will lead to increased motivation, allowing for bonuses for employees and improving increasing output.

However, if many UK restaurant chains may be unaffected by these changes as their headquarters may be abroad such as in Ireland or Norway taking advantage of lower corporation tax rates.

On the other hand the decrease in corporation tax may be ineffective for UK restaurant chains such as Jamie Oliver, as in the recession consumers will not be buying luxury products such as eating out in restaurants. This would mean that like Jamie Oliver in 2008 while facing another recession, UK restaurant chains would face decreased sales volume, therefore decreased revenue and the corporation tax rates would not improve restaurant business as they would not be making sufficient profit. This would ultimately lead to business failure such as Jamie Oliver's closure in restaurants in 2005. However, with the addition of grants and loans, UK restaurant chains may be able to adapt their products such as deliveries which have trended over the last decade such as Deliveroo and Just Eat.

## Question 1(d):

Some good candidate responses to this question. However, weaker answers tended towards offering generic statements or simply reworded chunks out of the extracts to match the question but without any development. Better students acknowledged the likely occurrence and impact of economies of scales and the significance of consumer tastes and preferences.

Examiners' tip: remember that consequences (and also impacts) can be both positive and negative for a business. Questions of 20 marks require you to answer both sides of the argument, so that you can produce balanced, and well-applied response which shows a clearly supported recommendation.

Level 4: 17 marks

(d) Using the data in Extract D and your own knowledge of business, evaluate and ~~supermarket~~ recommend whether Mindful Chef should seek a joint venture with Auchan, France or seek a global merger with companies such as Blue Apron, US.

(20)

A global merger is when two businesses globally join ~~to~~ together and decide to operate as one.

If Mindful Chef decides to merge with Blue Apron they ~~se~~ will see revenue and demand with in alternative market, thus sales revenue would increase. Blue Apron being a US company, will have knowledge of the market in the US and can adapt the marketing mix to suit the US market with a geocentric ~~approach~~ approach, this ~~includes the~~ may include the portion sizes of the recipe boxes as US consumers tend to eat more than the average UK consumer, thus adapting to local tastes and preferences. Further more, they may have production method secrets which can increase efficiency and output of Mindful Chef which reduce average costs, which could potentially lead to cost leadership against rival Goisto, and ~~the~~ profits should due to increased contribution per unit.

Although, as two businesses operate together, ownership will be shared, meaning delegation, ~~and authority~~, and business culture will change. Therefore operation methods may change which would induce

costs. Furthermore, ~~sales revenue~~ Blue Aprons objectives may be completely different to Mindful Chef since they are seeking sales boost and consumer base growth to compete with Goisto, meaning their goals may not be achieved. Also, revenue obtained by the merged businesses will be shared thus, they may not see a sales revenue boost, and Blue Aprons can easily opt out of the merger if they are satisfied with their achievements.

A joint venture is when an already established business invests in a business in return for the percentage of the new business. Auchan is a supermarket chain and is bound to have a larger consumer base, thus Mindful Chef may better from this and expand their consumer base and sales boost. They may also enjoy global economies of scale as the ~~use output~~ in Auchan is likely to be a dominant firm within the supermarket industry in France, therefore they have sustainable demand, which will ~~increase~~ <sup>potentially</sup> increase the demand of the recipe boxes, leading to a sales boost.

However, there are barriers to entry, such as language barriers. Their marketing mix will be needed to be adapted. Such as the text on the packaging, to remain ~~some~~ of use for consumers. Furthermore, percentage of ownership is lost to the supermarket firm, and they may see less control. Also, a supermarket has a variety of goods, therefore competing products may be placed next to each other and a more well known brand ~~in France~~ substitute in France is ~~more~~ more likely to be chosen due to the consumer lack of information on Mindful Chef's recipe boxes.

To conclude, short-term the joint venture in France would be more costly due to barriers to entry in the French market, and it depends on marketing strategies put in place. Long-term a global merger may provide global economies of scale since efficiency should increase and lower average as output rises. It all depends on how well they establish themselves in that market. Therefore ~~a~~ Global merger would be my recommendation if Blue Apron show support.

(Total for Question 1 = 50 marks)

TOTAL FOR SECTION A = 50 MARKS



## Level 3: 12 marks

(d) Using the data in Extract D and your own knowledge of business, evaluate and recommend whether Mindful Chef should seek a joint venture with Auchan, France or seek a global merger with companies such as Blue Apron, US.

(20)

A joint venture is when ~~more than one~~ 2 companies come together to work on a venture or project in expectation to receive reward.

### A Global merger

One advantage to seeking a joint venture with Auchan is that they can benefit from larger customer base. This is because they ~~can~~ selling their healthy food boxes to supermarkets ~~may~~ will increase ~~their~~ their accessibility and convenience. In addition to this they could be spreading risk in ~~the~~ by operating in France. This could potentially mean a chance of increased sales volume ~~and~~ therefore raising their profit margins. ~~As~~ This helps them to grow in market share.

On the other hand doing a joint venture with Auchan France could mean that they may need to reduce the prices of their healthy food boxes. ~~As~~ ~~the~~ Mindful Chef need to identify what are the needs and wants of the French market. This is ~~subject to~~ ~~at~~ ~~some~~ French consumers might be price sensitive. Therefore their food boxes ~~may~~ may be price elastic as there may be substitutes in the French market that could offer cheaper prices. Therefore decreasing their competitiveness.

A global merger is when two ~~different~~ ~~countries~~ businesses that operate in different countries come ~~together~~ ~~as one~~ and operate as one.

One advantage of Mindful Chef operating as one doing a global merger with Blue Apron is that they can ~~benefit~~ globalise their brand and benefit from a developed economy. The US has ~~to~~ is a developed ~~and~~ country with relatively high GDP's and disposable incomes. This could mean that ~~more~~ they'll have a greater amount of potential customers who are willing and able to purchase their healthy, high quality food boxes. ~~Therefore~~ ~~allowing~~ In addition merging with blue apron, they can benefit from their ~~ability~~ ~~to~~ provide even better food boxes to cater to the needs of the US consumer as they already have industry knowledge. Hence allowing them to premium price, increase market dominance and capture <sup>the</sup> underspending ~~the~~ market.

On the other hand the global merger with ~~the~~ blue Apron means that they ~~to~~ may undergo a clash in culture. This may make it harder to make decisions ~~as~~ if these two companies don't have the same belief or aims. Hence causing further disruption and decreasing their likelihood of succeeding ~~in the~~ ~~in~~ the merger.

Mindful Chef should ~~not~~ undertake a global merger ~~as~~ with blue Apron and the US and UK market are similar. They would ~~be~~ be able to globalise their brand as they can better execute a market ~~for~~ development strategy hence helping them achieve their aim of capitalising ~~to~~ exploit

on the recipe via market which is on the way to doubling over the next 10 years.

## Question 2(a):

This question was not tackled as well as question 1a, largely because students tended to offer very generic responses regarding start-up capital. A number of students included crowd funding as a means to support the couples' investment, which examiners accepted as plausible given current trends in the market. Better students also recognised that the Wonky Table was quite a new business and therefore business angels or venture capitalists may have been a good source given their potential expert advice for Holly and Andy.

Examiners' tip: as mentioned earlier, take a few moments to be clear about the context and evidence presented. Accessing the application marks and therefore an ability to access the higher levels (2-3) means identifying how and why the specific business in question might be affected.

Level 3: 7 marks

2 (a) Assess **two** suitable external methods of finance that could have been used by Andy and Holly for The Wonky Table start-up capital in 2010.

(8)

External finance is finance raised from outside the business. Andy and Holly could use a Bank loan as ~~low~~ they have a start-up capital of £75,000 which would not suit a overdraft. This would've given them huge financial backing in the start up of their business. This would have allowed them to invest more in high quality supplies which would increase customer satisfaction and add quality and potentially a USP to their products. This would've made customer loyal and would've seen a increase in sales as positive brand exposure ~~to~~ would've been spread via ~~word~~ word of mouth. ~~to~~ This would have been perfect for Wonky Table as they were a start up business. On the other hand they could have gained finance from Business angels as they would have both the financial backing and also the experience and

Knowledge to help expand Wonky Table. However with Business angels they may want a share of the profits or shares which would have meant less for Andy and Holly, so less money may ~~to~~ have been reinvested into The Wonky Table. And with the bank loan if they didn't pay that back in time it could have led to the bank taking the relevant or other possessions. Also for a Bank loan Andy and Holly would have needed to provide a business plan which contains a cash-flow which they don't have as they are a start up business. so they may not have been able to gain the finance.

Overall, I think they should have used business angels for raising external finance, but this depends on actions of companies and any changes in legislations.

Level 3: 6 marks

2 (a) Assess two suitable external methods of finance that could have been used by Andy and Holly for The Wonky Table start-up capital in 2010.

✱ (8)

External method of finance is the form in which a business gets finance from outside the business.

The wonky table could have used a bank loan, this is because they would have access to the large sum of money which they needed, £15,000. This leads to the wonky table securing the entire loan from the bank at once as they have access to large amounts of cash, therefore the repayments can be easily budgeted for and immediately repaid after the wonky table generates an income.

However, to secure a bank loan of that high amount the wonky table would need to provide a reliable business plan for which evidence they can repay the loan, which may be difficult due to it being a start up.

The wonky table could have been funded by owners funds and family and friends investments. This is because with the company being a

start up it is hard to secure finance from external parties as they have no knowledge of the business or Holly and Andy's determination to make the business succeed. This leads to family and friends lending or even gifting Holly and Andy finance, alongside their own funds, which will not need to be repaid. Therefore this method is cheaper and easier to secure, relying on sufficient funds available, as the finance does not need to be repaid, reducing pressure on Andy and Holly to ~~repay~~ make revenue to cover the repayments. However, this is an extremely limited method of finance and will have increased risks if the business does not succeed they have lost their own funds and finance gifts from family and friends.

## Question 2(b):

Students showed a good knowledge and understanding of mission statements and the potential application to the Wonky Table. Better students recognised that the business had 14 staff and therefore a mission statement might be written and agreed collectively in order to establish the purpose and culture of the 'family' restaurant.

Examiners' tip: to gain evaluation marks, particularly with 10 or 12 markers, use examples from the extract to support your answer when offering overall judgements. In this case identify examples of the employees, such as the Front of House or Head Chef, to help support any conclusion.

### Level 4: 8 marks

Holly and Andy are considering creating a mission statement for The Wonky Table.

(b) Assess the potential benefits to The Wonky Table of having a mission statement. (10)

Mission statement is a document outlining the company's values, culture and long-term aims they wish to achieve.

One benefit is it provides a uniform goal for all employees to work towards. This is because it outlines aims and the culture they should all adhere to. This leads to a consistent service provided by all passionate servers, ~~and~~ which would otherwise be difficult to obtain due to the 12 part-time staff which would generate inconsistency. Therefore, the wonky table provides a reliable service customers are encouraged by and return for repeat purchase, increasing custom received by the wonky table, and increasing the quality of their brand image. However, although the mission statement is created there is no guarantee all the employees will follow it to a high level, reducing its effectiveness.

Having a mission statement may not be beneficial as it is time-consuming to create. This is because the whole business must be analysed to create achievable, specific missions for the Wonky Table. This leads to decreased efficiency, which may have long-term effects due to the mission statement changing and becoming not relevant as the business expands and its missions become outdated. Therefore creating a mission statement can be viewed as a waste of time and not beneficial long-term to the Wonky Table. However, it may be a motivator for employees as it is set out how they should conduct themselves and work when the business is a startup, allowing them to all follow a common goal.

Overall I believe a mission statement is valuable as it motivates employees and aids their brand image.

## Level 3-6 marks

Holly and Andy are considering creating a mission statement for The Wonky Table.

(b) Assess the potential benefits to The Wonky Table of having a mission statement. (10)

A mission statement ~~is~~ states what a business wants to achieve, their overall goals and values and what they are about.

One potential benefit of The Wonky Table of having a mission statement is so that they can improve and establish their brand image. As being a start-up, it will help their potential ~~customers~~ <sup>customers</sup> be aware of ~~their~~ their core values and what they aim to be. ~~They~~ This could help to build trust and ~~improve~~ develop a positive outlook on the brand of The Wonky Table. This could lead to increased customer loyalty and sales ~~as they offer a range of leisure options~~ as more nights and regular ~~customers~~ <sup>customers</sup> evenings. ~~Therefore~~ increasing word of mouth promotion, helping to expand their customer base.

On the other hand, ~~not~~ <sup>not</sup> creating a mission statement for The Wonky Table may not be ~~as~~ <sup>may mean decreased</sup> impactful ~~if~~ if coordination in their work force ~~is~~ <sup>is</sup> corporate ~~and~~ <sup>and</sup> functional objectives aren't put in place to align with it. This is because their work force of 14 staff need to ~~know~~ <sup>know</sup> know and what they must do to provide simple dining with a contemporary twist in a way that aligns with customer needs. This may lead to a lack of coordination and communication ~~which~~ <sup>which</sup> in ~~fact~~ <sup>fact</sup> according to Taylor Mayo's theory is essential to motivation. ~~Therefore~~ <sup>Therefore</sup> ~~decreasing~~ <sup>decreasing</sup> productivity levels.

In the long-term, creating a mission statement will help to elevate the overall performance of their restaurant and ~~increase~~ create a sense of direction for their employees to provide a high quality yet simple and contemporary dining experience.



Level 3: 6 marks

(c) Assess the likely value of flexible working to small family-owned restaurants, such as The Wonky Table.

(12)

Flexible working is allowing employees to take days off, work from home or work around their needs. This could be very valuable to The Wonky Table as it shows that the business cares about its employees and sees them as an asset rather than a cost. This would make the employees feel that they are valued which would increase their motivation. According to Maslow, this would lead them to working harder and providing a better service to the business and the customer which would increase the customer satisfaction which would lead to them telling friends and family so The Wonky Table's brand image and exposure would increase. This could lead to customers becoming loyal and therefore allowing The Wonky Table to charge a premium price as they know customers will repeat purchase and that the demand

will stay high making their products price inelastic. However, flexible working may lead to employees not working as Andy and Holly are not there to check on them when they are at home or if they have a different work schedule than normal employees, this could lead to work being left incomplete or up to a poor standard. This would decrease the capacity utilisation as not as much of work is being done than compared to what could be done if all employees were working to maximum capacity. This could also lead to employees becoming lazy and therefore an increase in absenteeism.

Overall, I think the value of flexible working to The Wonky Table is greater than not, but this would have to depend on various factors of competition and any changes in legislation.

## Question 2 (d):

Candidate success, or otherwise largely depended on them being able to identify and explain the potential for Wonky Table's strengths, weaknesses, opportunities and threats. Some students focussed more on strengths and weaknesses of each option, whilst stronger responses came from students who went beyond the opportunity for increases in sales revenue to discuss the likely effects on costs and therefore profits.

Examiners' tip: Levels of response criteria should be examined more closely. There is not a prescribed expectation in terms of the numbers of points to be made for and/or against in good answers. The emphasis is very much on applied, thorough and developed, chains of reasoning. Chains which require balance and a final supported recommendation. The best answers take evidence from the appropriate extracts (in this case G), linked to the specification content (SWOT) and the specifics of the question (to increase profits).

Level 4: 15 marks

Holly and Andy are considering ways to increase profits. They could either extend their premises upstairs or offer external catering to local businesses.

(d) Using the data in Extract G and SWOT analysis, evaluate each option and recommend to Holly and Andy which **one** might be better for them to increase profits. (20)

SWOT analysis is a business tool used that shows businesses their strengths, weaknesses, opportunities and threats.

Extending their premises upstairs would be a huge opportunity for Holly and Andy to increase profit as it would allow them to increase the no of customers they're allowed. This would benefit the Wonky Table as it would mean they can meet demand during busy days but also offer ~~an~~ a new experience upstairs when demand is low. Doing this would increase the numbers of customers allowed therefore meaning more people can eat in therefore increasing profit. It also offers private party bookings, therefore offering a new source of income, therefore increasing profits.

However, doing this will cost £14,000. This is a large investment for a small family run business, such as The Wonky Table. This is a weakness for the firm as it is not guaranteed to work, it also will increase costs which will therefore reduce profit in the short term.

Overall, I believe it depends on the amount of retained profit the firm has. The investment is likely to increase profits in the long term but it's whether the firm can get through the short term.

Offering external catering to local business is another opportunity as it can open up their market. ~~the~~ Market Development could increase the businesses profits as it adapts the business to the consumers needs, therefore meaning the accountants etc are more likely to buy it, therefore increasing the firms profit. It also targets the audience well as solicitors and accountants have high amounts of disposable income, therefore are more likely to purchase The Wonky Tables high quality local produce, leading to more profit.

However, a problem with doing this is the cost of the extra kitchen, which is £8,000. This will increase costs, therefore reducing profit, this is a weakness of doing this. A threat of this idea is that it can be copied by more established restaurants nearby, this could take customers from The Wonky table therefore reducing profit.



To conclude, I believe The Winking Table should choose the upstairs renovation. I believe they should do this as it will make the most profit in the long term as it can allow the firm to offer more than just dining. I didn't choose external catering as I believe more established restaurants, such as Nandos could copy the firm, therefore massively reducing the firm's profit.

I would implement my decision by undergoing the work in a low demand season, therefore missing out on the least amount of profit.

(Total for Question 2 = 50 marks)

TOTAL FOR SECTION B = 50 MARKS  
TOTAL FOR PAPER = 100 MARKS

## Level 3: 9 marks

Holly and Andy are considering ways to increase profits. They could either extend their premises upstairs or offer external catering to local businesses.

(d) Using the data in Extract G and SWOT analysis, evaluate each option and recommend to Holly and Andy which **one** might be better for them to increase profits.

(20)

One possible reason may the extension of the upstairs premises may be of value maybe due to the increased output the Monkey table may provide, this is because the upstairs seating will double from 24 to 48, resulting in double the amount of upstairs being able to eat at the restaurant, ~~however~~ possibly doubling orders and revenue, however a drawback of this may be that the overall 'family-owned' vibe of the restaurant will disappear due to its increased size and extend from only 24 to 48 people, as a consequence of this the Monkey table may lose its unique selling point of being small and customer focused and instead seem to be profit driven, this may then lead to a reduction in customer desirability and a loss in the market share, putting this £20,000 expansion investment at risk.

A possible reason for offering a local catering may be the increased ~~access~~ to a ~~large~~ knowledge/reputation of the Monkey table, this is because the added affiliations with

local firms such as solicitors offices may lead to a halo effect upon the Monkey table brand as a whole, as a consequence of this, the Monkey table may generate a high revenue. However a drawback of this option may be that external catering is unfamiliar to the Monkey table and may cause stresses between the staff members.

In conclusion it is clear that the Monkey table should opt to increase profits by opening the upstairs area because despite the possible drawbacks of the £12k additional lost compared to catering and the loss of the family-owned vibe, the Monkey table can benefit from a large doubling in seating capacity, allowing their restaurant with a twist to thrive, doubling overall revenue and allowing the Monkey table to possibly in future buy their leased premises due to the increased profitability. However this judgment ~~depends~~ depends on

## **Paper Summary:**

Based on the exemplars that have been seen by the Principal Examiner, centres and students are offered the following advice:

- Learn the key terms in the specification. This could account for as much as 10% of the marks available on the paper. e.g. flexible working and mission statements.
- Know and understand the demands of the command words (taxonomy) and mark tariffs in questions. So this will mean appreciating that for 8 mark 'Assess two...' questions that students need to simply discuss each of the two factors, reasons, causes, consequences, etc. Whereas for 'Evaluate and recommend' 20 mark questions, not only are balanced discussions required, but also a range of arguments, a supported judgement, conclusion and recommendation. This has to be justified and not simply a repeat of previous points (see MOPS exemplars in mark schemes for 1d and 2d)
- Use the data in the Extracts, both quantitative data and qualitative, especially if the question invites you to do so, e.g. question 1(c) stated 'Using the data in Extracts B and C...' There are, in fact, quantitative skills marks attached to such questions so a student will not be able to access the top of Level 3 or 4 (depending on the question) without using the data in their answers.
- If a question requires students to 'assess the consequences', the command word requires balance to achieve the top marks. In other words, are the consequences always negative? What does this depend on? What might happen in the short term compared to the longer term?
- Students are encouraged to use appropriate connectives to make it clear that answers are coherent, well-reasoned (with completed chains) and, above all, balanced. Connectives give emphasis, make comparisons more clear and indicate contrasting ideas. For example use words and phrases like 'however'; 'on the other hand'; 'in the short term'; 'generally...but in the case of...'; 'more importantly'; 'more significant'; 'firstly'; 'overall', etc.
- For this paper there is a pre-release available to centres in November, which should enable teachers and students to immerse themselves in the business context well before the exam.

