



Examiners' Report

June 2024

GCSE Business 1BS0 02

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Introduction

This was the sixth sitting of the 2017 Specification in GCSE Business, but essentially only the fourth meaningful one, due to the Covid-19 pandemic. Again, entries rose, compared to 2023, by more than 10% with approximately 70,000 candidates sitting this examination.

This report gives feedback on Paper 2 (1BS0_02) 'Building a business'. It should be used by a centre as a critical document to enhance both teacher and candidate understanding of the core skills that are under test in each type of question. Going forward, it should be used to fine-tune the approach taken by candidates in answering each style of question used within the examination.

Please note, I have deliberately made this report lengthy (apologies to those centres that print a hard copy of this report). This is done so that prospective future candidates have access to worked examples. The aim is that this document can be used in the classroom to support future candidate performance. Please do ensure that it is used in the classroom, since the purpose of this report is that should not be hidden away for the exclusive use of teachers. To this end, we will be creating markable candidate versions of the Examiners' Report (minus the commentary) that can be used as an additional classroom resource. This is a new feature for this year. The aim is to try and promote the importance of this document into giving both candidates and teachers an insight into how each style of question is marked.

Within this report, each question will have at least two worked exemplars which will highlight common mistakes and/or provide examples of high-scoring responses. Where appropriate, I have included 'Examiner Tips' on how candidate performance could be improved in future examination series.

Once again, I did an extensive sample of candidate responses at the start of this series, and on this paper approximately 6% of candidates failed to finish the paper and answer Question 7(e). This suggests that the extra 15 minutes of time is still not being fully used by candidates. This is mainly due to the over-engineering of responses in Section A. Repeating the root of the question is often the main culprit, as well as the over-writing of answers to low-tariff questions, where more points and linked strands are written than is necessary to score full marks. The 3 lines of answer space per mark is provided to prevent the unnecessary use of extra paper and it should **NOT** be viewed as a guide to some implied ideal length of response.

Question 1 (c)

This question was, on the whole, very well answered. The majority of candidates focused on the ability to target new markets/market segments and offering customers greater choice/meeting customer needs as their reason for a business to increase its product range and developed sufficient and appropriate linked strands to support their stated reason.

(c) Explain **one** reason why a business may increase its product range.

(3)

One reason is that they may be entering a new market. This leads to the business increasing its product range. Therefore they increase product range as they have entered a new market.



The candidate gives a reason 'entering a new market' (1 mark). The candidate then repeats the question and after that repeats the initial reason. **1 mark was awarded.**

(c) Explain **one** reason why a business may increase its product range.

(3)

Increasing its product range gives customers more variety and choice. Therefore ~~it~~ they are more likely to find something they are looking for in the same business without going to competitors. ~~It also~~ This will result in customers spending more. This will increase revenue and profits for the business.



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Examiner Comments

The candidate gives a reason 'gives customers more variety and choice' (1 mark). This was then developed in the second sentence, with further development in the third and fourth sentences. **3 marks were awarded in total.**

Question 1 (d)

This was not so well answered. A sizeable number of candidates thought that just in time (JIT) meant that a business was guaranteed to always have stock available to them and/or the business will always be able to make sales. This is clearly incorrect. The majority of candidates focused on the reduction in storage costs and developed logical linked strands from that stated advantage. A minority of candidates considered the avoidance of depreciation of both raw materials and finished goods. This novel approach, perhaps more akin to A Level, was correct and marked accordingly. However, candidates should be wary about potentially making straightforward questions unnecessarily complex.

(d) Explain **one** advantage to a business of using just in time (JIT) stock control.

(3)

They can manufacture their product quicker. This will allow more sales for the business. The product will be made ~~quicker~~ and quicker and bring money in quicker.



There was nothing of value in this response. It was not made clear how JIT would lead to faster manufacturing. Indeed, it could be argued that using Just In Case stock management would lead to faster manufacturing. **0 marks were awarded.**

(d) Explain **one** advantage to a business of using just in time (JIT) stock control.

(3)

One advantage of Just in time stock control would be the ~~not~~ no need for a fixed storage room leading to a decrease in fixed costs. ~~Therefore~~ therefore an increase in profit.



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Examiner Comments

The candidate states an advantage 'no need for a fixed storage room' (1 mark). This was developed through 'leading to a decrease in fixed costs' (1 mark) and then 'an increase in profit' (1 mark). **3 marks were awarded in total.**



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Examiner Tip

Don't repeat the question at the start of your answer. It does not score any marks and wastes valuable time. This candidate could have started with 'No need to have a storage room...' and development could have come from there. Stripping out unnecessary words probably is the equivalent time-saving of a 6 or 9 mark response when added together across the whole examination paper.

Question 2 (c)

In 'Calculate...' questions no marks are given for the formula, since the question tests AO2 (Application). If the correct answer is seen on the answer line, it's automatically awarded 2 marks. If an incorrect answer is given, workings have to be fully correct to score 1 mark. Thus, most candidates scored either 0 or 2 marks.

Table 1 contains information about a machine that a business is considering purchasing.

Total profit from the machine	£500 000
Length of time the business will own the machine	5 years
Cost of the machine	£200 000

Table 1

- (c) Using the information in Table 1, calculate the average rate of return for the machine.

(2)

$500,000 \div 5 = 100,000$
 $2/5 = 0.4$
..... 40 %



The candidate calculated the annual average profit of £100,000 but did not divide this by the cost of the machine and multiply by 100. Thus, the answer of '40' is incorrect. No marks for workings could be awarded since the workings were only partially correct. That is why there are so few 1 mark responses to 'Calculate...' questions. **0 marks were awarded in total.**



There will always be 9 marks available in each exam paper for quantitative skills. It is an 'easy win' to learn the formulae in the specification and practise answering these types of questions.

Table 1 contains information about a machine that a business is considering purchasing.

Total profit from the machine	£500 000
Length of time the business will own the machine	5 years
Cost of the machine	£200 000

Table 1

(c) Using the information in Table 1, calculate the average rate of return for the machine.

(2)

$$\begin{aligned} \text{AAP} &= \frac{500,000}{5} = 100,000 \\ \text{ARR} &= \frac{100,000}{200,000} \times 100 = 50\% \end{aligned}$$



Nothing wrong with this response. The candidate gave the correct answer of '50' on the answer line. **2 marks were awarded.**

Question 2 (d)

As candidates progress through Section A, the questioning becomes harder. This is due to the 'ramped' nature of the paper. Question 2(d) was an 'Explain one method ...' question. A 'method' question requires a candidate to explain a process. Thus, those candidates who finished off their responses with '...this leads to an increase in sales', for example, got no credit for that part of their response. Most candidates focused on the business using better raw materials or using 'quality control' or 'quality assurance'. The stumbling block for most candidates tended to be the second strand of development, which usually deviated off the explanation of the process and into some kind of advantage or benefit to the business.

(d) Explain **one** method a business could use to improve the quality of its products.

(3)

The business can use higher quality materials to improve the quality of their product which means that the business can put on a premium price on the product leading to ~~a competitive ad~~ ^{an increase in} ~~more sales~~ revenue as the customer knows the product is of high quality resulting in more profit which can be reinvested back into the business to further develop their products.



The candidate identifies a method 'use higher quality raw materials' (1 mark), but then straight away deviates from explaining the method or process and has turned this into a 'Explain **one** benefit...!' question. **1 mark was awarded in total.**

(d) Explain **one** method a business could use to improve the quality of its products.

(3)

They could use quality assurance, so the product is checked at each stage of production, therefore the quality will be higher, this means the customers will be more satisfied, therefore more likely to repeat buy, resulting in higher sales.



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Examiner Comments

The candidate identifies a method with 'quality assurance' (1 mark), then develops it through 'the product is checked at each stage of production' (1 mark) but then the response drifts off into the benefits to the business from improving product quality. The third mark could have come from a linked strand such as 'this decreases the chances of defective products'. **2 marks were scored in total.**

Question 2 (e)

This question was not so well answered. Many candidates mixed up a flat organisational structure with decentralisation. A growing trend is for some candidates to explain a generic disadvantage e.g. poor quality products and develop linked strands without any obvious link to a flat organisational structure. Examiners were instructed to award zero marks to these kinds of answers. Those candidates that did score highly focused on managers having too many employees to manage/organise and/or limited opportunities for employee progression since there are too few tiers of management. This question proved to be a good discriminator on what appears to be a tricky topic for candidates.

(e) Explain **one** disadvantage to a business of having a flat organisational structure.

(3)

If a business has a flat ~~organ~~ organisational structure, it can make the business less efficient. This leads to worsened customer service or added value, therefore decreasing profit of the business.



This response was typical of a growing trend of responses, where a disadvantage was given and developed which bore no relation at all to the root part of the question. There is nothing within this response that explains how what has been written relates to a 'flat organisational structure'. **0 marks were awarded in total.**

(e) Explain **one** disadvantage to a business of having a flat organisational structure.

(3)

One disadvantage to a business of having a flat organisational structure is that employees may not will not be able to move up to a higher job role. This may lead to employees being unrecognised, lowering their motivation. This will therefore lead to lower quality work.



After wasting time repeating the question, the candidate provides a disadvantage through 'employees will not be able to move up to a higher job role' (1 mark). This is then developed through 'lower motivation' (1 mark) and subsequently 'lead to lower quality work' (1 mark). Notice how in this response there is at least an implied understanding of a 'flat organisational structure' which was absent in the previous exemplar. **3 marks were awarded in total.**

Question 3 (b)

This was another 'Calculate...' question. Again, the same principles apply. If the correct answer is seen on the answer line, the candidate automatically receives 2 marks. The only way 1 mark can be generated is if the candidate does not give the correct answer on the answer line, but provides the correct workings. There are no marks for providing the formulae, not that there is an obvious formula for questions involving the interpretation of a bar gate stock graph. The majority of candidates got the question correct with '18 days'. '28 days' was a popular answer since it was the day that the business ran out of stock. However, this was incorrect since the last delivery arrived on Day 10. Thus, 28 days - 10 days = 18 days. This expensive error demonstrates the importance of reading all of the question closely.

Figure 1 shows the bar gate stock graph for a business in June 2023. A and B represent deliveries of stock to the business.

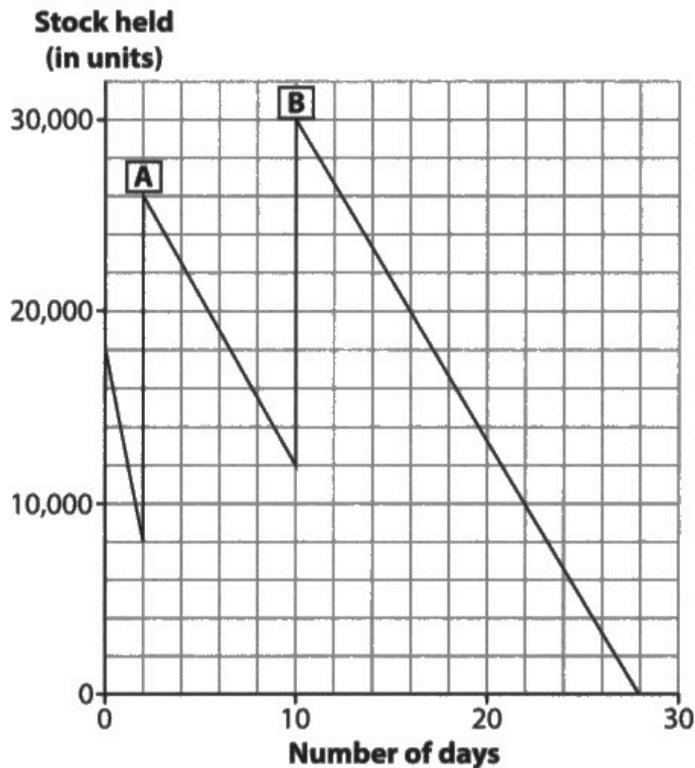


Figure 1

(b) Using the information in Figure 1, calculate how many days it took for the business to run out of stock after receiving its last delivery in June 2023.

(2)

28 days



The candidate has given an incorrect answer. This may have come from not reading the whole of the question with '...after receiving its last delivery in June 2023' being the critical element of the question in allowing candidates to generate the correct answer. **0 marks were awarded in total.**

Figure 1 shows the bar gate stock graph for a business in June 2023. A and B represent deliveries of stock to the business.

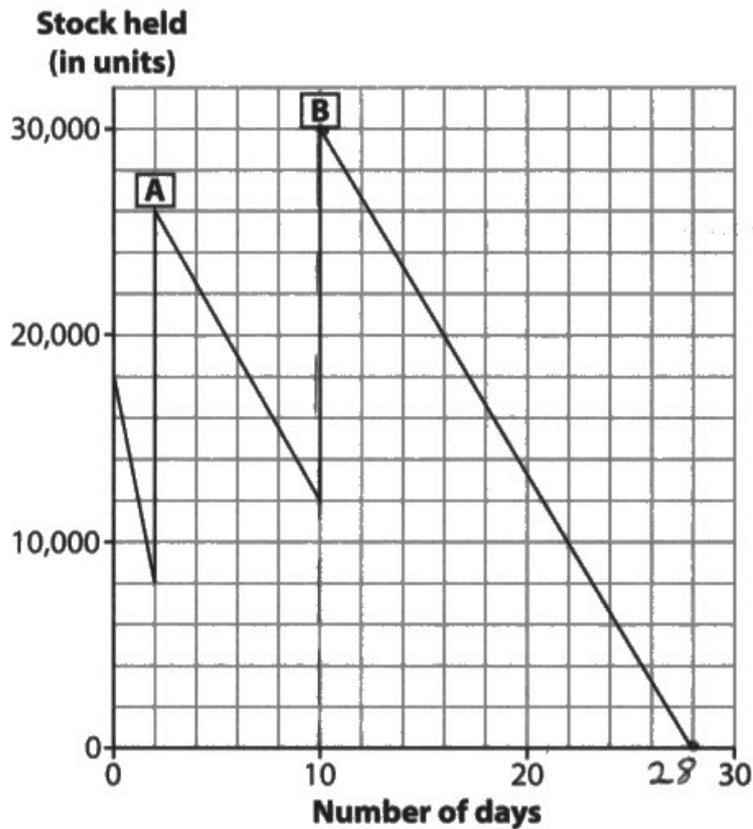


Figure 1

(b) Using the information in Figure 1, calculate how many days it took for the business to run out of stock after receiving its last delivery in June 2023.

(2)

$$28 - 10 = 18$$

18 days



Correct answer of '18' is on the answer line, thus the examiner will not even look at the workings. **2 marks were awarded in total.**

Question 3 (c)

This question was, on the whole, very well answered and was on a candidate friendly topic. The majority of candidates focused on the ability to attract new customers/expand the size of the market/enhance the brand image of the business as their reason for a business to use sponsorship and developed sufficient and appropriate linked strands to support their stated reason. Some candidates used examples as part of their response. This element of their answer was not credited since there are no 'Application' or 'AO2' marks to award in 'Explain...' questions. Thus, unless it helped to exemplify the 'Knowledge and Understanding' within the response, it was a waste of time and added nothing to the scoring capabilities of the response.

(c) Explain **one** reason why a business may use sponsorship to promote a product.

(3)

One reason why a business may use sponsorship is because it will increase awareness of their product, hence it will increase sales.



The candidate provides a reason 'it will increase awareness of their product' (1 mark) and provides a link 'hence it will increase sales' (1 mark). **2 marks were awarded in total.**

(c) Explain **one** reason why a business may use sponsorship to promote a product.

(3)

Sponsorship is getting paid to promote a product, which ~~will usually gain a lot of notice by~~ A product being sponsored will usually gain a lot of attention ~~whz~~ weather that is on social media or in person. This may attract many customers which will then lead to an increase in sales.



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The candidate provides a reason through 'a product being sponsored will gain a lot of attention' (1 mark), this was linked to 'this may attract customers' (1 mark) which was further logically developed through 'which will then lead to an increase in sales'. (1 mark). **3 marks were awarded in total.**



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Examiner Tip

There is no point adding a definition at the start of 'Explain...' questions, it will not provide you with any additional marks.

Question 3 (d)

This was another 'Explain **one** disadvantage...' question. Following the global health crisis and thus candidates' likely familiarity of having to work remotely, it was a well answered question. However, the nature of such a question can lead to outlandish/unrealistic drawbacks being stated e.g. power cuts, spilling drinks on the computer keyboard, dogs barking etc. Examiners were instructed to look for realistic disadvantages, which had to be linked back to the business to allow the response to score marks. The most popular answers focused on lack of supervision/low productivity/poor communication/lack of teamwork. If sufficient linked strands were built off an awardable disadvantage, the route to the full 3 marks was quite straightforward for many candidates.

(d) Explain **one** disadvantage to a business of using remote working.

(3)

One disadvantage of using remote working is that the business cannot supervise their employees. This means the ~~business may~~ ~~business may~~ employees.



The candidate has provided a disadvantage through '...the business cannot supervise their employees' (1 mark). There is then no further development.

In total, 1 mark was awarded.



On questions regarding remote working, it is important to develop realistic disadvantages or drawbacks that are specific to home working. For instance, 'power cuts' were not accepted since this could apply to a face-to face office environment as well as a home environment.

(d) Explain **one** disadvantage to a business of using remote working.

(3)

There may be low employee productivity because they are not supervised by a manager. This means that the employees may be doing less work, but still getting paid the same. As a result the profit may decrease.



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The candidate highlights a disadvantage through 'There may be low productivity...' (1 mark) which is then developed through '...because they are not supervised by a manager' (1 mark). This is then further developed by the consideration of the effect on profit through '...employees doing less work, but still getting paid the same, as a result the profit may decrease.' (1 mark).

The candidate has provided a disadvantage with two logical linked strands of development. **3 marks were awarded in total.**

Question 3 (e)

This question tests 'AO1b' or 'Understanding' **and** 'AO3a' or 'Analysis'. Examiners are instructed to make a level judgement **separately** on each 'AO' or 'Assessment Objective' and then take a 'line of best fit' to arrive at the final level and mark. Candidates are allowed to consider up to two benefits. If they consider three benefits or more, only the best two count when determining an overall score. Thus, there is not point compiling a bullet pointed list. My recommendation is that candidates consider two benefits, rather than one benefit. This is because it usually results in the subsequent linked strands not drifting off the question. However, if the two benefit approach is taken, the two benefits and their explanation have to be sufficiently different to one another. The judgement on 'Understanding' or 'AO1b' is qualitative and revolves around the language used and how developed the linked strands are. Thus, a candidate who states 'Better brand image, therefore they can charge more. As a result, they make higher profits' would **NOT** be given a Level 3 judgement for 'AO1b', but would pick up 2 linked strands to help towards the 'AO3' or 'Analysis' judgement.

This was, in the main, a straightforward question with most candidates focusing on enhanced brand image/ability to charge a premium price/attract environmentally conscious customers/avoidance of pressure group activity etc.

(e) Discuss the benefit to a business from reducing its environmental impact.

(6)

One benefit to reducing the environmental impact is a greater reputation. This is because more people know that ~~you have~~ the business have a low impact on the ~~environment~~ environment, and support it. This will lead to more sales for the business.

Another benefit is lower ~~on~~ local community pressure. This is because the local community won't complain about the environmental impact of the business. This will lead to greater productivity as employees do not have to sort out the community.



This candidate decided to go down the two benefit approach.

In paragraph one, we have a benefit with 'greater reputation'. This is just about developed in the next sentence but note the close overlap to the question. Then we have a clear second linked strand of development through 'this will lead to more sales for the business'. In the second paragraph, we have a different benefit through 'lower community pressure' with a strand of development. I am not sure what the final sentence means regarding 'sort out the community' and that was not seen as a linked strand of development.

Thus, we have two or three linked strands of development coming from two benefits. Thus, the response must score Level 2 for 'AO3a' or 'Analysis'. Examiners always consider the 'Analysis' or 'AO3a' element of a response first. An examiner would now go back and look at the language used within the response. The answer does not use many specific terms and is a bit loose/clumsy in its explanation in places. It just about gets to Level 2 for 'Understanding' or 'AO1b'. Taking a line of best fit the response could be awarded 3 or 4 marks. **It was ultimately awarded 4 marks in total.**



It is always easier to use a two paragraph approach. You could view the 'Discuss...' question to be essentially two 'Explain...' questions within the same question. However, the two benefits have to be sufficiently different and must not overlap.

(e) Discuss the benefit to a business from reducing its environmental impact.

(6)

Doing this would attract more attention from customers who have a moral or environmental standing. This means that the business will be idolised in the public eye, attracting many more customers who wish to have environmentally friendly products. This would lead to increased sales, resulting in higher profit.

This also means that the business has less of a chance of sabotaging their future endeavours through pollution, deforestation, etc. This means that their needs could be met more while maintaining the business' survival in the long term. This would result in a more stable and long life for the business, benefiting it.



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This response also uses a 'two benefit' strategy. The first paragraph has three maybe four linked strands emanating from a benefit. The second paragraph has two linked strands emanating from the stated benefit. Either way the response has met the 5 linked strand requirement to reach Level 3 'AO3a' or 'Analysis' criteria. The language used across the response is much tighter than the previous exemplar. This was again adjudged to be in Level 3 for 'Understanding' or AO1b'. Thus, with two Level 3s the response could be awarded 5 or 6 marks. **6 marks in total were awarded.**

Question 4 (a)

In Section B, all of the questions now require 'Application' or 'AO2' – hence this is why there is an extract to help candidates think about this skill at the start of the section. 'Outline...' questions are marked as follows – they require a point – in this case a 'method', to score 1 mark. To score 2 marks, there has to be development of the method **AND** the existence of 'Application' somewhere within the response. Many candidates confused 'internal growth' with 'internal recruitment' or 'internal sources of finance'. Thus, many answers scored 0 marks. Those candidates that did give a method of internal growth, were not able to score 2 marks due to the lack of a valid development strand around the method and/or 'Application' within their response.

4 (a) Outline **one** method of internal growth that *Popeyes* could use.

(2)

One method is retained profit. This means that Popeyes
can use the money they profited in the business and
inverse invest it back into to ~~increase~~ expand the business.



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This response was typical of many, confusing 'internal growth' with 'internal sources of finance'. It was felt that 'expand the business' was not enough to relate to a method of 'internal growth' on its own. **0 marks were awarded in total.**

4 (a) Outline **one** method of internal growth that *Popeyes* could use.

(2)

One method of internal growth *Popeyes* could use is developing new product. This means that developing a new product which is different to its competitors such as *Wendy's*, can attract customers. As a result the business would be able to gain customers which may choose *Popeyes* over its competitors, which will eventually increase sales.



'Developing new products' is the chosen method (1 mark), there is then development that explains how the business will gain sales. There is also mention of a competitor 'Wendy's' which adds the all important 'Application' or 'AO2' requirement. Thus, within the response, we have a valid method with development and use of context. **2 marks were awarded in total.**



The modal mark for 'Outline...' questions is always 1 mark. It should be easy to move to 2 marks. Thus, with three 'Outline...' questions on the examination paper, three extra marks could be achieved relatively easily, just through simple practise of the technique. It is always one of lack of development and/or lack of context that lets candidates down.

Question 4 (b)

The 'Analyse...' question tests two 'Assessment Objectives' or 'AOs', namely 'AO2' or 'Application' and 'AO3a' or 'Analysis'. Thus, to be successful, candidates need to demonstrate both of these skills within their answer. Examiners will make a separate judgement on 'AO2' looking for a range of different examples of context, spread throughout the response to reach Level 3. Equally, examiners are also looking for 5 linked, accurate, strands of development emanating from the 1 or 2 points (which in this case are impacts). If they see this, then a Level 3 judgement will also be made for this Assessment Objective as well. To reach their final mark, examiners will take a 'line of best fit' across the two 'AO' levels that have been adjudged by the examiner.

Note that a generic answer that has no context/application, whatsoever, cannot score above 3 marks.

This question proved to be accessible with most candidates focusing on ability to gain a competitive advantage/ability to add value/ability to stand out in a competitive market. The main error made was that some candidates provided two reasons why 'differentiating its products' was important to Popeyes, but the two reasons were too similar and were adjudged to be repetitive which reduced the scoring potential of some responses.

(b) Analyse the importance to Popeyes of differentiating its products.

(6)

The importance of differentiating its products in Popeyes is it reduces the number of competitors. This means that customer retention will increase since they are the only ~~company~~ company selling those specific products. Therefore, Popeyes would be ~~the~~ able to charge premium price on products.

However, differentiating products may be expensive. This is because the business will be following batch production. Therefore, Popeyes could suffer from slow production and time consumption.



The candidate makes a point 'reduces the number of competitors' which is logically developed through 'customer retention will increase' which is further developed through 'able to charge a premium price on products.' Thus, for AO3a in the first paragraph we have achieved Level 2. The second paragraph offers some form of 'Evaluation' or 'AO3b'. This skill is not under test in an 'Analyse...' question so it does not generate any marks. The answer is also totally generic with no 'Application' or 'AO2' at all.

Thus, considering the response holistically, we have Level 0 for 'Application' or 'AO2' and Level 2 for 'Analysis' or 'AO3a'. Therefore, the response has to be in Level 1 overall. **The response was awarded 2 marks in total.**



Note that a generic answer that has no context/application whatsoever, cannot score above 3 marks, since one of the two 'Assessment Objectives' or 'AOs' has been ignored by the candidate.

Popeyes differentiating its products will allow them to have a USP. This means that Popeyes can charge a higher price for their USP, for example their Louisiana Style Fried Chicken. As a result customers will be more willing to pay the higher price for the fried chicken as other American fast food chains like Wendy's don't sell it. As a result Popeyes can increase sales revenue and eventually increase their profits.

Popeyes differentiating its products could allow Popeyes to maintain the high levels of demand. This is because Cajun gravy and American style biscuits are not regularly sold in the UK, as a result people in the UK will be likely to keep demanding these American items allowing Popeyes to maintain high sales volume. Therefore Popeyes sales revenue and profit may increase.



The candidate has decided to use a two paragraph approach. Paragraph 1 makes a point of importance 'allow them to have a USP' which is then linked to the 'ability to charge a higher price' which is then logically linked to 'increased sales revenue' and also 'increased profit'. Thus, in paragraph 1, we have a valid point and three logically linked strands of development.

In paragraph 2, we have a different point 'maintain high levels of demand' which is then logically developed through 'maintain high sales volume' and 'increasing sales revenue'.

Thus, taken together both paragraphs generate sufficient linked strands for Level 3 to be awarded for 'Analysis' or 'AO3a'. Examiners are then instructed to go back and consider 'Application' or 'AO2'. Throughout the response there is varied use of the extract to support the analysis. Thus, 'Application' or 'AO2' was also adjudged to be in Level 3.

With two Level 3s the response, through a line of best fit, was placed in Level 3 overall and that allows a mark of 5 or 6 marks to be awarded.

In this case, the response was awarded 6 marks in total.

Question 5 (a)

This was another 'Calculate...' question. Again, the same principles apply. If the correct answer is seen on the answer line, the candidate automatically receives 2 marks. The only way 1 mark can be generated is if the candidate does not give the correct answer on the answer line but provides the correct workings. There are no marks for providing the formulae. Note, this question tested generic quantitative skills as laid out on page 31 of the specification.

5 Table 2 shows the price of items in an order placed by a customer at *Popeyes*.

Item	Price (£)
Chicken sandwich	6.50
Chicken wings	6.25
Original biscuit	1.00
Mac and cheese	3.50
Coca-Cola classic	2.75

Table 2

(a) Using the information in Table 2, calculate the average price of the items ordered by the customer.

(2)

$$£6.50 + 6.25 + 1 + 3.50 + 2.75$$
$$= 20$$

£ 20



An incorrect answer was given on the answer line. Thus, the candidate cannot score 2 marks. Examiners will then move to the workings to see if 1 mark can be awarded. The candidate has correctly added up the price of all five of the menu items to arrive at £20. However, they had not divided by 5 to generate an average. Thus, the workings were incomplete. **0 marks were awarded in total.**

5 Table 2 shows the price of items in an order placed by a customer at *Popeyes*.

Item	Price (£)
Chicken sandwich	6.50
Chicken wings	6.25
Original biscuit	1.00
Mac and cheese	3.50
Coca-Cola classic	2.75

Table 2

(a) Using the information in Table 2, calculate the average price of the items ordered by the customer.

(2)

$$\begin{aligned} & \cancel{£6.50} + \cancel{£6.25} + \cancel{£1.00} + \cancel{£3.50} \\ & + £2.75 = £20 \\ & £20 \div 5 = 4 \end{aligned}$$

£ 5



This response is a very rare example of what a 1 mark answer looks like. The candidate has given the wrong answer on the answer line. Thus, examiners cannot award 2 marks. Examiners will then go back and look at the workings. In this case we have $£20/5 = £4$. Quite as to why the candidate then put £5 on the answer line is a mystery. **The response scored 1 mark in total.**



The answer line exists to prevent candidates making multiple calculations, several of which may be wrong and one of which may be correct. It forces candidates to make a final decision as to which answer they want to go with as their final answer. This allows examiners to make a judgement as to how many marks to award.

Question 5 (b)

This was another 'Calculate...' question. Again, the same principles apply. If the correct answer is seen on the answer line, the candidate automatically receives 2 marks. The only way 1 mark can be generated is if the candidate does not give the correct answer on the answer line but provides the correct workings. There are no marks for providing the formulae. Note, this question also tested generic quantitative skills as laid out on page 31 of the specification.

- (b) Using the information in Table 2, calculate, to 2 decimal places, the percentage of the total order spent on Chicken wings.

(2)

TOTAL ORDER = £20

Chicken wings = £6.25

30% + 1% + 1.5% = £6.25
= 32.5%

10% of £20 = 2
30% of £20 = 6
1% of £20 = 0.2
0.01% of £20 = 0.02
0.5% of £20 = 0.1
1.5% of £20 = 0.3

32.5%



The correct answer was not given on the answer line. Thus, 2 marks cannot be awarded. The workings are also incorrect so 1 mark cannot be awarded. What really worried the examining team is that some candidates are trying to work out answers to 'Calculate...' questions without the use of a calculator. Not only does that increase the risk of making a mistake, but it is also highly time consuming. This then has a knock-on effect on the performance in later questions. **0 marks were awarded.**



If you forget your calculator, ask your school or examination centre if you can borrow one. Nobody should be sitting this exam without access to the correct equipment.

(b) Using the information in Table 2, calculate, to 2 decimal places, the percentage of the total order spent on Chicken wings.

(2)

$$\frac{6.25}{20} \times 100$$

.....31.25.....%



The correct answer is provided on the answer line to the right number of decimal places. Thus, there is no need to look at the workings. **2 marks were awarded in total.**



If the question asks you to provide your answer to two decimal places and you calculate a whole number as your answer – that means you have made an error. The two decimal place requirement only appears in questions where it is needed.

Question 5 (c)

This 'Analyse...' question is marked in the same way as Question 4(b).

This was a real 'marmite' question with lots of 0 mark answers. Examiners were instructed to award 0 marks if there was nothing evident within a response to show that the candidate either had an explicit or implicit understanding of what was meant by 'productivity'. Many candidates thought it was about improving quantity of output, and thus mixed it up with 'production'. This was also another question where some candidates tried to consider generic drawbacks with no concrete link to trying to improve productivity. Again, these responses scored 0 marks. The best responses focused on the difficulties and cost of training employees or re-designing the kitchens.

A generic answer that contained no 'Application' or 'AO2' could not achieve a mark above 3 marks.

It also worth pointing out that re-writing or paraphrasing the extract does not score any 'Application' or 'AO2' marks at all. Use of the extract is only valid as 'Application' or 'AO2' if it is used as part of valid points with subsequent linked strands of 'Analysis' or 'AO3a' that actually answer the set question.

(c) Analyse the drawback to Popeyes from trying to improve productivity.

(6)

One drawback is that it is more costly. This means the business loses on more retained profits. Therefore, leading to less ~~revenue~~ capital to invest into other necessities.

Another drawback is some ~~people may~~ customers may disapprove of the new redesign of its kitchens and serving areas. This may result in customers not returning. Therefore, leading to less revenue for Popeyes.



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This is an example of a response where the candidate has no understanding of 'productivity' whatsoever and creates two generic drawbacks that have nothing to do with the set question. In paragraph 1 we have that it is 'more costly' - but we have no explanation as to why that may be and certainly no implied understanding of 'productivity'. In paragraph 2, we have the use of something which could be valid through 'new redesign of its kitchens and serving areas', but again no implied understanding of 'productivity' is offered. Thus, the candidate does not answer the question. **0 marks were awarded.**

(c) Analyse the drawback to Popeyes from trying to improve productivity.

(6)

One drawback to Popeyes from trying to improve productivity is that they may choose to retrain staff. This means that they will have to pay for the training of each staff member. Therefore, increasing ~~the~~ popeyes cost and decreasing profit.

Another drawback to Popeyes from trying to improve productivity is that they may choose to hire new staff. This means that they will have to pay to advertise the new job opportunity. Therefore, increasing costs.



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This response typifies as to how badly this question was answered. The first paragraph is valid since in order to increase productivity 'they may choose to re-train staff' which is linked to 'increased cost' and then 'decreased profit'. The second paragraph was ignored since there was less of a clear link between employing new staff and an improvement in productivity. The answer was totally generic with no use of context at all. Thus, we had Level 2 for 'Analysis' or 'AO3a' and L0 for 'Application' or 'AO2'. Taking a line of best fit across the two 'Assessment Objectives' or 'AOs' we end up in Level 1. Thus, the mark can only be 1 or 2 marks. **On this occasion, the examiner awarded 2 marks in total for the response.**

Question 6 (a)

This was the most accessible question on the paper. Candidates had to state **one** example of stock that *Popeyes* is likely to purchase. Most candidates picked 'chicken' or some derivative of it. Some candidates over-complicated the question and chose 'ovens'. Ovens are a non-current asset and this is an example of candidates over-complicating a straightforward question to their detriment. Note that 'State...' questions test 'Application' or 'AO2'. Thus, simply stating 'raw materials' would be generic and would score 0 marks.

- 6 (a) State **one** example of stock that *Popeyes* is likely to purchase from a supplier.

(1)

~~Raw materials~~

Furniture for the stores such as chairs
and tables



This would be an example of a non-current asset and is certainly not an example of stock. **0 marks were awarded.**



Do not over-complicate responses. Sometimes it is better to go with the most obvious response. There are no extra marks for trying to do something different in low value questions.

6 (a) State **one** example of stock that *Popeyes* is likely to purchase from a supplier. (1)

One example of stock ~~that~~ that *Popeyes* is likely to purchase is chicken. This is because they are known for chicken.



This response has a contextualised raw material through 'chicken'. **1 mark was awarded.**



There are 19 unnecessary words in this response. Simply stating 'chicken' would have secured the mark.

Question 6 (b)

This question is the second 'Outline...' question on the paper. Candidates needed to identify a 'benefit' and provide one strand of development. Candidates also needed to provide some evidence of 'Application' or 'AO2' to score the 2 marks on offer. Most candidates only gave a benefit and some development and the lack of any 'Application' resulted in only 1 mark being awarded.

Many candidates could have done with using the word 'chicken' in their answers, since it would have, in many cases, elevated a 1 mark response to a 2 mark response.

(b) Outline **one** benefit to *Popeyes* from having a good relationship with its suppliers. (2)

Popeyes having a good relationship with suppliers means that they may be applicable for trade credit which will therefore lead to ~~increased~~ better cash flow and the suppliers being flexible.



This response contains a benefit 'maybe applicable for trade credit' (1 mark) which is developed through 'therefore lead to better cash flow'. However, there is no contextualisation within the response and it is purely generic. **Thus, only 1 mark can be awarded.**

(b) Outline **one** benefit to *Popeyes* from having a good relationship with its suppliers.

(2)

one benefit is if have good relationship
Supplier may offer discount to Popeyes
on there chicken they buy as a
result decreasing there total Costs



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Examiner Comments

This response has a benefit to *Popeyes* 'may offer a discount on their chicken' (1 mark) which is developed through 'decreasing their total costs'. The inclusion of the word 'chicken' elevates the response to 2 marks, since there is a benefit, development and use of the context. **2 marks were awarded in total.**

Question 6 (c)

There appear to be ingrained misconceptions as to how to approach the 'Justify...' question. A number of candidates simply developed the benefits of both options within their answer. This approach **does not** naturally lead to any 'Evaluation' or 'AO3b', unless the candidate starts to contrast the magnitude or importance of the two benefits. Another approach is to consider the benefits of one option and then the drawbacks of the discarded option. This, again, generates no 'Evaluation' or 'AO3b' marks, since the drawbacks of the discarded option just provide further support for the chosen option.

On the question of options, whilst there can never been one preferred approach, surely the safest and easiest route for candidates is to pick an option, and consider the pros and cons of that option, and then come to a conclusion that adds extra evaluation, rather than a repeat of what has already been written elsewhere in the answer. If this is done with application throughout and there are 5 linked strands of development – then 9 marks should be accessible to the candidate. **Remember, there is no requirement for candidates to consider both options as part of their response.**

This particular question proved to be difficult. To give candidates the maximum amount of latitude, flexible hours could be considered from both an employee and employer point of view. When the specification was written, zero-hours contracts were not popular or in public prominence and flexible hours was hinting at 'flexi-time'. However, over time things change and the senior examining team decided to widen the definition to give candidates the maximum opportunity to score marks. The lack of a clear-cut definition and conflicting definitions in various textbooks and on the internet meant that we decided that it would be unfair not to give candidates this wider scope.

Nevertheless, despite this, this topic area was one that most candidates did not feel comfortable with. As a result, responses tended to be very low quality with some very questionable points being made by candidates and a lot of copying from the extract in the hope of picking up some marks. High quality answers were few and far between.

In order to help increase the profit made by the Stratford branch of *Popeyes*, the manager is considering the following two options:

Option 1: employ workers on flexible hours

Option 2: employ workers full-time.

(c) Justify which **one** of these two options *Popeyes* should choose.

(9)

I think that *popeyes* should pick option 2 because this means they don't have to hire lots of staff to work different changing hours which means they pay less amounts of staff which would lead to an increase in profitability.

Another advantage of *popeyes* having full time staff would be they can set hours for people to work each week which they don't change this means that *popeyes* always have staff on shift which means they won't be understaffed.

Overall I think ~~that~~ that the manager should pick option 2 as there is more benefits for *popeyes*.



This candidate decided to choose option 2.

There is a point made in the first paragraph which is valid, but the subsequent development makes no sense. The second paragraph makes more sense with a point which is followed with just about 1-2 valid linked strands. The final paragraph adds nothing.

The candidate has provided no 'Application' or 'AO2' and no 'Evaluation' or 'AO3b'. Thus, we have only 'AO3a' or 'Analysis' to deal with. This was adjudged to be just in Level 2. Hence, overall, the response has to be in Level 1. **Due to the difficulties of this question, the onus was on generosity and 2 marks were awarded overall.**

In order to help increase the profit made by the Stratford branch of Popeyes, the manager is considering the following two options:

Option 1: employ workers on flexible hours

Option 2: employ workers full-time.

(c) Justify which **one** of these two options Popeyes should choose.

(9)

I believe option 1 to employ workers on flexible hours is the best option as it ~~gives~~ gives workers freedom so they're less likely to get bored and want to quit. This leads to employees being more motivated and really selling their Louisiana style fried chicken to customers. Therefore customers may want to try Popeyes unusual items such as American style biscuits and Cajun gravy. Therefore helping to increase the profit due to customer satisfaction and customers returning wanting to try new foods.

One disadvantage about flexible hours is that their may not be enough staff to cover due to skilled chefs and kitchen staff being in high demand. This leads Popeyes having to pay more ~~to~~ ^{highly skilled} workers or having to pay to train less skilled workers to make sure Popeyes chicken sandwiches and chicken wings are high quality. Therefore reducing profit made so it can't compete with established chains such as KFC and Burger King.

In conclusion I believe option 1 is the best option due to workers being able to work when they want increasing brand image due to employees being motivated to work. It depends on if they are able to find enough trained employees so Popeyes don't have to spend more money to train them. The most important reason is that Popeyes can increase profit and gain even more than 100 people waiting outside their Stratford restaurant.



This candidate has chosen option 1 and has not over-complicated their response by bringing option 2 into the answer at all.

The first paragraph deals with the benefits of option 1. There is a point about option 1 giving workers 'freedom so they are less likely to get bored'. This is then linked to 'motivation'. This is then linked to 'better selling of Louisiana style chicken' which is then linked to 'customer satisfaction'. Thus, taking a generous approach, this first paragraph had a point and two linked strands with 'Application' or 'AO2' being provided through 'Louisiana-style fried chicken' and 'American style biscuits and cajun gravy'.

In the second paragraph, counter-balance or 'Evaluation' is provided through the notion that there are a lack of skilled chefs to allow flexible working to take place. This was then developed through having to re-train less skilled workers and that the quality of the chicken could fall, so again there are a further two linked strands following a point. This paragraph again had a significant amount of 'Application' or 'AO2' through 'chefs', 'chicken' and 'Burger King'. The final paragraph starts with a spurious point, but then warms up regarding the issue of being able to find enough people to work flexible hours. Again, there was application in this final paragraph in evidence.

This response was one of the better responses to this question. We ended up assessing it as 'Analysis' or 'AO3a' = Level 2, 'Application' or 'AO2' = Level 3 and 'Evaluation' or 'AO3b' = L2, creating a high level 2 or bottom level 3 outcome overall. **Due to the difficulties this question posed to a large number of candidates, we decided to go for a generous 7 marks overall.**

Decent answers to this question were few and far between.



Every topic in the specification can appear in the examination paper. Just because something appeared the year before does not mean that it will not appear again. The senior examining team are aware that external training providers have mapped past papers and the topics tested. Centres should be aware that it would be unwise to look at patterns produced by these commercial companies, in predicting future topics that may appear in 2025 and beyond.

Question 7 (a)

The 'Give..' question is interchangeable with a 'Define...' question. They will alternate but not on a regular pattern since there are always two completed examination papers that can be used in any one examination series. The one used is chosen at random. The 'Give...' question does **NOT** test 'Application' or 'AO2'. It tests 'Knowledge' or 'AO1a'. It only exists because across the two papers, there is a single AO1a mark that needs to be inserted somewhere so that the entire qualification has the correct weighting of Assessment Objectives. This was deemed to be the least intrusive place and keeps the two papers looking nearly identical in terms of structure. This question should be straightforward since the specification lists examples of non-financial methods of motivation. Unfortunately, many candidates provided forms of fringe benefits, which the specification deems to be a financial method of motivation.

7 (a) Give **one** non-financial method to motivate employees in a business.

(1)

longer holidays



This is an example of a 'fringe benefit' which is a financial method of motivating employees. **Thus, the response scored 0 marks.**

7 (a) Give **one** non-financial method to motivate employees in a business.

(1)

one non-financial method is independence.



The candidate has given 'independence' as an answer. This was viewed to be a synonym of 'autonomy' which is listed in the specification as a non-financial method of motivating employees. **1 mark was awarded.**

Question 7 (b)

This question will always involve some kind of table, chart, graph or infographic. It is the final quantitative skills question on the paper, testing Application or 'AO2' and allows the tally of quantitative skills to reach 9 marks across the whole paper. This enables the paper to meet the 10% quantitative skills requirement.

The answer to the question often requires one word, in this case 'Showcase'. There is no point in adding a sentence, since that simply wastes time.

This question was straightforward, but only if you read the legend correctly and recognised which way round the bar graph was displaying the information. The vast majority of candidates scored full marks on this question. The 'Identify...' question always provides the ninth mark within the question paper to fulfil the 10% requirement for quantitative skills.

Figure 4 shows the UK market share of the four largest cinema chains in 2016 and 2019.

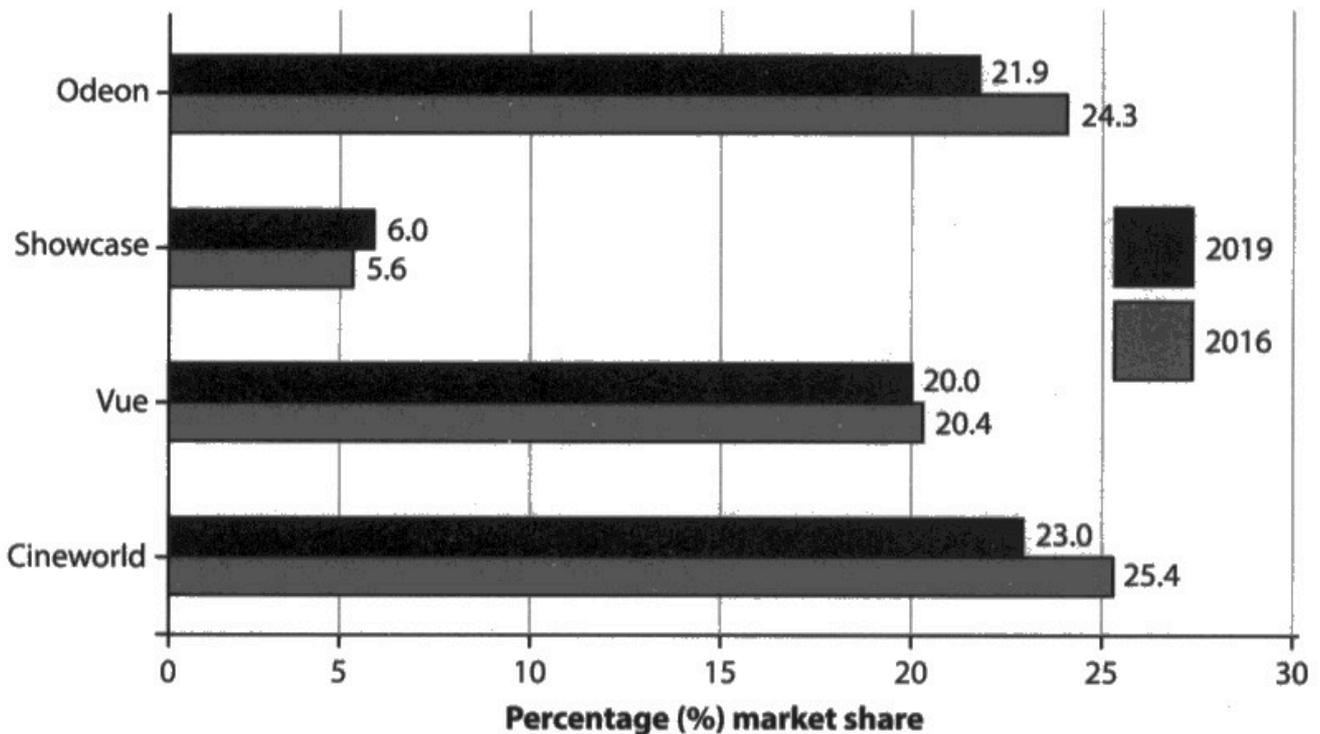


Figure 4

(Source: <https://www.bfi.org.uk/industry-data-insights/statistical-yearbook-2017-and-2020>)

(b) Using the information in Figure 4, identify the only cinema chain that increased its market share in 2019.

(1)

Cineworld



'Cineworld' is an incorrect answer. **0 marks were awarded.**



Sometimes the graphs, charts, infographics or tables will require careful reading to isolate the correct answer. It is worth spending a few seconds of time not to lose an easy mark.

Figure 4 shows the UK market share of the four largest cinema chains in 2016 and 2019.

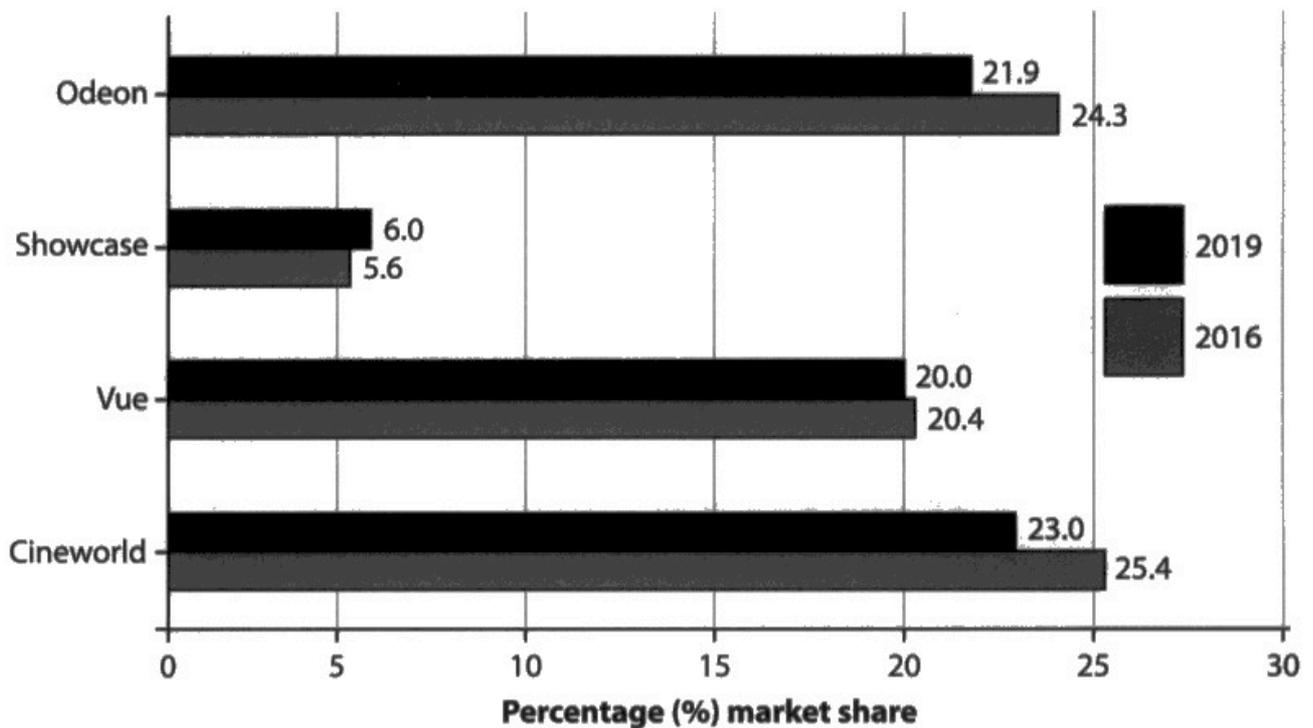


Figure 4

(Source: <https://www.bfi.org.uk/industry-data-insights/statistical-yearbook-2017-and-2020>)

(b) Using the information in Figure 4, identify the only cinema chain that increased its market share in 2019.

Showcase which went from 5.6 to 6.0. (1)



The correct answer is 'Showcase'. The additional words are unnecessary and represent a waste of time. **1 mark was awarded.**

Question 7 (c)

This is the final 'Outline' question on the paper. It was marked in exactly the same way, in that the development of the responsibility and some use of 'Application' had to be present within the response for a candidate to reach 2 marks. Candidates often did not develop the responsibility, and perhaps made it hard for themselves by picking a responsibility that was difficult to develop. Examiners were given the freedom to accept anything realistic to award marks to candidates. However, things like 'cleaning the toilets' were not accepted since it is highly unlikely that a cinema manager would do that. Also, 'making sure they repay Cineworld's debt' was not given any marks since that would be beyond the remit of a cinema manager.

(c) Outline **one** likely responsibility for a manager of a *Cineworld* cinema.

(2)

~~The~~ The job for a manager at a Cineworld cinema is to ~~have a great keep~~ to have a great success for to keep the amount of money that it is included inside the whole cinema before it started ~~to get~~ have a low ticket sales since re-opening in 2021 whilst they have the movie 'Spider-Man No Way Home'



This is an example of a candidate trying to fashion an answer by re-writing or paraphrasing the accompanying extract. The examiner could not find a responsibility in this response at all. Thus, despite the length of the response and the clear use of the extract, the response had no value. **0 marks were awarded.**

(c) Outline **one** likely responsibility for a manager of a *Cineworld* cinema.

(2)

The manager would have to manage the Cineworld staff such as the technicians who make sure that the 4DX screens and that the movie 'in sync' chairs are working properly.



A responsibility has been stated 'manage the cinema staff' (1 mark) which is then developed through 'technicians who make that the 4DX screens are working properly'. The inclusion of '4DX' adds application. Thus, we have a responsibility, development of the responsibility and use of the context. **As a result, 2 marks were awarded in total.**



Words contained in the question do not count as 'Application' or 'AO2'. Thus, 'Cineworld' and 'cinema' would **NOT** be deemed as contextualising a response to this particular question.

Question 7 (d)

This is the second of the two 'Justify...' questions. Again, this proved to be a question candidates found difficult. The same problems as Question 6(c) persisted though, with candidates tending to select a structure which limited their ability to generate sufficient Evaluation (AO3b) to reach Level 3 in this skill area. Again, choosing to consider the benefits of the chosen option and the benefits of the discarded option essentially turned the question into two separate 'Analyse...' questions which does not naturally lead to 'Evaluation' or 'AO3b'. The only way 'Evaluation' can be generated, using this approach, is if the candidate starts to contrast the importance/suitability of the two sources of finance. Very few candidates who adopted this approach demonstrated the ability to do this successfully. The same problem exists for candidates who look at the drawbacks of their chosen option and of the discarded option. Again, it does not naturally lead to 'Evaluation'. Equally, the benefits of the chosen option and the drawbacks of the discarded option, essentially just provides more support for the chosen option. Again, this makes 'Evaluation' much harder to achieve from a candidate's perspective.

The best and most simplistic and time-efficient approach is to choose **ONE** option and then develop it with application and then evaluate it.

In this style of question, lack of clear understanding of the sources of finance was the problem. A common approach was 'selling assets will provide quick money' and then the rest of the response drifted off into what the money could be spent on rather than deal with the pros and cons of using asset sales of a way of raising cash to meet loan repayments. Many lengthy responses scored badly on this question due to this problem.

In order to cover its loan repayments, Cineworld plc is considering the following two options:

Option 1: selling assets

Option 2: issue new share capital. *dividends*

(d) Justify which **one** of these two options Cineworld plc should choose.

(9)

One benefit to Cineworld of choosing option 1 is that it's quick. This means, selling assets allows Cineworld to get cash directly. Therefore, Cineworld can swiftly start repaying its debt. In addition, they can get rid of unwanted assets. As a result, improved cash flow. However, ~~there's~~ the cash earned from selling assets is very limited and may only benefit the cinema in the short-term. Moreover, it won't be enough to cover all £2.3 billion of the debt.

One benefit to Cineworld of choosing option 2 is that it is a cheap source of finance. This means, Cineworld wouldn't have to worry about paying it back. In addition, it is also a swift way to generate cash, as Cineworld is a plc they can easily sell shares on the stock market. As a result, the cinema could quickly pay all of the debt before making more losses. However, selling shares dilutes the original owners' control over the ~~the~~ business. Furthermore, the new shareholders may want to lower prices which the original owner didn't ~~want~~ want to do.

In conclusion, I believe that Cineworld should choose option 2.

This is because option 2 is much faster than option 1. Therefore, as soon as they pay off their costs the Cineworld can start making profit again. It depends on the size of Cineworld as their growth is the cause of their debt. The cinema may want to decrease in size to be able to survive. The most important thing is although they don't have to pay back shareholders, they need to give them their dividends.



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This is an example of a response that considered both of the two options.

In paragraph 1 we have a benefit of option 1 in that it is 'quick'. I am not sure that it is 'quick' trying to sell cinemas when the demand for cinema tickets is low. However, Cineworld does have unwanted assets and selling them will improve cash-flow. There is then some evaluation that highlights that asset sales will be insufficient to cover the entirety of the debt, despite the fact that the question is asking about loan repayments not paying off the whole loan in one go.

In paragraph 2 the second option is tackled. There is some basic understanding that issuing new shares does not result in having to repay anything and there is some counter-balance in that there is a dilution effect on the percentage holding of existing shareholders.

The conclusion drifts away from the question about making 'loan repayments'.

Thus, for 'Analysis' or 'AO3a' we get to Level 2. For 'Application' or 'AO2' we get to Level 1 with '£2.3Bn of debt' at the end of the first paragraph. For 'Evaluation' or 'AO3b' we get to Level 1/2. Thus, taking a line of best fit across each of the Assessment Objectives (AOs) we end up at Level 2 with a score of 4 or 5 marks. **In this case it was decided that 4 marks would be appropriate.**

In order to cover its loan repayments, *Cineworld* plc is considering the following two options:

Option 1: selling assets

Option 2: issue new share capital.

(d) Justify which **one** of these two options *Cineworld* plc should choose.

(9)

Cineworld should consider option 1, selling their assets, this because they can use the many assets that they have within the business to ~~sett~~ settle its massive £2.3 billion debt that it had accumulated. By doing this they can quickly settle their debt as ~~interests~~ interest rates may be high, increasing the amount of debt they have to pay off. By paying this debt of they can use their remaining assets to generate revenue and then expand from there.



This was typical of many answers seen. An option was chosen and then there was an automatic belief that the debt would be settled (despite the fact that the question was about loan repayments and not paying off the entire loan) and then after that the response drifts off the question. This response was adjudged to be in Level 1 for 'Analysis' or 'AO3a' and Level 1 for 'Application' or 'AO2'. There was no 'Evaluation' or 'AO3b' present so that skill area scored Level 0. Taking a line of best fit the response reached Level 1 overall. **1 mark was awarded.**

It is worth pointing out that just because a response achieves Level 1 in two Assessment Objectives – that does not automatically result in 2 marks. It just holistically determines the level, within which the examiner has a degree of latitude to determine the final mark.

Question 7 (e)

On the whole, the 'Evaluate...' question was a reasonably well answered question. A sizeable minority of candidates failed to plan their time properly and as a result did not really start, only writing a few sentences or leaving the whole question blank. However, those that did write lengthy responses tended to use quite basic arguments. This prevented a higher level judgement being made on Knowledge and Understanding or 'AO1b'. Most candidates took a simplistic view of that lowering prices would attract more customers without having a precise set of links as to how this may allow a return to profit. Very few candidates tackled the issue of it depends on how many additional customers would be attracted and what the likely reactions of rivals such as Vue would be. Most answers were in the 4-8 mark range, with some basic 'Analysis', 'Application' and a touch of 'Evaluation' and thus failed to reach the upper echelons of the mark scheme.

It is worth pointing out that this question is designed to be testing, and alongside the 'Justify...' questions, it provides an opportunity to help isolate Level 8 and 9 GCSE candidates.

(e) Evaluate the importance of charging lower prices to allow *Cineworld* to return to profit. You should use the information provided as well as your knowledge of business.

(12)

The importance of charging lower prices means that it could attract more customers and ^{this means} those with low income leading to there being an increase in ticket sales therefore *Cineworld* would be able to return to profit instead of being in a loss.

However if *Cineworld* lowered their prices ~~then~~ this could lead to people thinking that *Cineworld's* quality isn't as good therefore it won't attract more customers so they won't return to profit.

Overall lowering prices means they could match competitors prices such as *Vue* and customers may then choose *Cineworld* over *Vue* giving them a competitive advantage and being able to return to profit.



This response is semi-typical of what examiners saw. In paragraph one we had a point – 'attract more customers'. This was developed through 'leading to there being more ticket sales'. Then we had a repeat of the question root 'would be able to turn to return to profit'. Thus, in paragraph 1 we had a point and a linked strand.

In paragraph 2, we had a point 'this could lead to people thinking that *Cineworld's* quality is not as good' which had a linked development strand 'therefore won't attract more customers' before the candidate again resorts to repeat what is in the question root 'so they won't return to profit'.

In paragraph 3, we have a conclusion which is not really a conclusion. It really acts as a third point with a linked strand.

Thus, the best two points on offer an accumulated two linked strands – this enables just Level 2 for 'AO3a' or 'Analysis'. The second paragraph acts as a touch of 'Evaluation' or 'AO3b' allowing Level 1 to be achieved. If paragraph 3 is used instead of paragraph 1 as the second best paragraph with the second point in it we then have the word 'Vue' in it which adds some 'Application' or 'AO2' at Level 1 standard. Then, the 'Understanding' or 'AO1b' was viewed to be basic, so that achieved Level 1.

Thus, overall we have AO1b = Level 1, AO2 = Level 1, AO3a = Level 2, AO3b = Level 1. The response was adjudged, through a line of best fit, to be in Level 1 overall. **4 marks were awarded in total.**

Again, note that the final mark is not generated by adding up the levels for each 'Assessment Objective'. That is a starting point and then examiners have the scope to adjust according to their holistic judgement.

(e) Evaluate the importance of charging lower prices to allow Cineworld to return to profit. You should use the information provided as well as your knowledge of business.

(12)

One importance is that it will significantly attract ~~the~~ cinema lovers. This is because by the cinema giant lowering prices it allows them to use competitive pricing against competitors like Vue. Furthermore along with ~~just~~ ^{the} lowered prices Cineworld offers high quality experience such as 4DX screens and 127 multi-screen ~~theaters~~, this means that Cineworld is offering low prices with high quality therefore attracting more cinema lovers which results in more movie ticket sales ~~for~~ for example Spiderman resulting in increase profits generated from the high revenue from the cinema ticket sales.

However, ~~low~~ Cineworld lowering prices means ~~slow~~ slow profit growth. This is because Cineworld have high cost due to paying for ~~the~~ the maintenance of 127 multi-screen TVs and several locations ~~around~~ UK. This means that Cineworld cost will be high therefore by reducing the prices it will reduce Cineworld revenue and ~~profit~~ ^{furthermore} due to the threat of using Apple TV and Netflix ticket sales will be low

as interest for charges are low. Therefore this means that profit will be slow from Cineworld due to high ~~low~~ costs and ~~low~~ level of interest, in cinemas in the UK.

Overall, I believe lowering prices will allow the cinema in UK cinema giant to return to profit. This is because by offering state of the art equipment for low prices, will ^{result in} give Cineworld ^{gains} a competitive advantage over competitors like Vue and leads to more market share and profit. However, it depends on if the demand for cinema tickets are high in order for Cineworld to return to profit as high demand will equal to ~~there is~~ ~~there is~~ revenue which increase Cineworld profit.

My most important factor was that lowering prices mainly attracts cinema lovers who are also obtaining a high quality experience.



This was a very different response to the first exemplar.

We have three paragraphs. The first tackles the benefit of lowering prices and there are three valid and logical linked strands contained within that paragraph alongside a lot of application through '127 multi-screen cinemas', 'cinema', 'Spiderman' and 'movie'. The second paragraph offers some 'Evaluation' or 'AO3b' which has at least two valid and logical linked strands developed, plus again, a satisfyingly large amount of 'Application' or 'AO2' through '127 multi-screens' and 'Apple TV and Netflix' and again 'cinemas'. Then we have a conclusion which adds something different to the previous paragraph of evaluation and makes use of the 'it depends rule'. This paragraph was again context heavy, although the 'it depends rule' could have been developed further.

Hence, we have a very strong answer. 'Understanding' or 'AO1b' was judged to be in Level 3. 'Application' or 'AO2' was judged to be in Level 3, since we had varied and consistent use of the context throughout the answer. 'Analysis' or 'AO3a' was in Level 3 since there were at least 5 linked strands across paragraphs 1 and 2. For 'Evaluation' or 'AO3b' we had paragraph 2 and then something new was brought to the response in paragraph 3. This was again judged to be Level 3 (just).

Thus, taking a line of best fit across all of the Assessment Objectives the response was placed in Level 3 overall. **The answer was finally awarded 11 marks.**

Paper Summary

The feedback from this year's Examiners' Report is clear. To allow improved candidate performance, centres should instruct and guide candidates towards:

- Not repeating the question in the first line of their response – it wastes time and allows no extra marks to be scored.
- Ensuring that 3 mark 'Explain **one**...' questions are not 'over-engineered'. 3 marks can be obtained in as few as three sentences.
- Recognising the difference between an 'Explain **one** benefit/drawback/impact...' question and an 'Explain **one** method...' question.
- Making sure that generic advantages and disadvantages are not used, irrespective of the wording of the question. This was particularly problematic in Questions 5(c), 6(c) and 7(d) which tested tricky topics and some candidates wrote lengthy responses of no value.
- Ensuring that formulae are learnt – 'Calculate' questions are worth 8 marks per examination paper.
- Ensuring that 'linking words/terms' are used in answers, such as 'thus', 'therefore', 'because' or 'as a result' to create a 'firebreak' between linked strands of development.
- Recognising the importance of including context/application in 'Outline...' questions as a way of scoring marks.
- Realising that 'Justify' questions do not require the consideration of both options, and that some approaches to answering this question style can make it considerably harder to demonstrate the evaluative skill and/or unnecessarily time consuming.
- Recognising that all questions are marked according to the Assessment Objectives (AOs) that they are designed to test. A 'good answer' is not necessarily a 'good answer' unless it satisfies the Assessment Objectives (AOs) that are associated with the command word that was used in the question.

Grade boundaries

Grade boundaries for this, and all other papers, can be found on the website on this link:

<https://qualifications.pearson.com/en/support/support-topics/results-certification/grade-boundaries.html>

