

# GCSE Business

Tackling the 12-mark question  
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# Welcome to this Professional Development Course

This event is for teachers delivering the Pearson Edexcel GCSE Business specification.

In this session, the facilitator will offer practical advice on strategies to help students effectively tackle 12-mark 'Evaluate' questions.



# Agenda

- Introductions
- Structure of the 12-mark question
- Assessment criteria: what to look for when marking responses
- Marking sample answers
- Ideas for teaching the 12-mark question

# Structure of the 12 Mark Question:

## 3 Paragraph approach

### **Paragraph one:**

- Argument in support of the statement
- Three linked strands of development
- Contact throughout paragraph.

### **Paragraph two:**

- Counter argument
- Three linked strands of development
- Contest throughout paragraph.

### **Paragraph three:**

- Argument in support of the statement
- Three linked strands of development
- Contact throughout paragraph.

# Structure of the 12 Mark Question:

## Pupils who struggle to know what arguments to form

- Activity to help:

### Theme 1 – 12 Mark Evaluation – What arguments to form:

<b>Evaluate whether profit is the main reward that xxxx seeks from running the business.</b>	
Argument 1:  <i>Yes, profit is the main reward.</i>	Argument 2:  <i>No, profit isn't the main reward something else is, e.g.:</i> <ul style="list-style-type: none"><li>- <i>Personal satisfaction</i></li><li>- <i>Helping others</i></li><li>- <i>Being ethical.</i></li></ul>

# **Assessment Criteria:**

## **What to Look For in an Answer**

### **Understanding**

- Giving clear definitions
- Using business terminology
- Giving accurate impacts/benefits/drawbacks

### **Application**

- Needs to be throughout, including the conclusion
- Make points specific to the case study
- Don't use generic words (product/rival/business)

# Assessment Criteria:

## What to Look For in an Answer

### Analysis

- 5 linked strands across two points
- Use connectives: this would mean, therefore, this leads to... etc.

### Evaluation

- Developed balanced argument
- Conclusion:
  - What is the main reason why you think a certain way?
  - What does your decision depend on?

# Evaluate whether xxxx's relationship with its supplier is the key factor in determining the profitability of the business.

Level	Knowledge	Application	Analysis	Evaluation
L0	No knowledge	No application	0 linked strands	No balanced evaluation or judgement
L1	Understands basic concepts. Limited terminology used.	Limited application	1 linked strand	Simple point of balance or basic judgement
L2	Understands concepts and connections between them where relevant. Appropriate use of terminology used in places.	Sound application (maybe application in first two paragraphs but not in conclusion)	2 – 4 linked strands of development	Well balanced evaluation with a supported justification.
L3	Understands fully how one concepts can change another. Appropriate use of terminology.	Application throughout (must be in all paragraphs)	5+ linked strands of development	Well balanced evaluation, well-reasoned conclusion (use of 'it depends on' rule)



# Sample Responses

## Question:

Evaluate whether opening more Mamago restaurants is the most suitable method for Wagamama to increase its profit.

## Case Study:

*Wagamama Ltd* is a British restaurant chain that serves Asian food based on Japanese cuisine. The first restaurant was opened in Bloomsbury, London back in 1992. As of 2019, the chain boasted a portfolio of 135 directly operated restaurants in the UK. As well as having 135 restaurants they have also set up a delivery kitchen side to their business. *Wagamama* currently operate 'dark kitchens' and are looking to open more. These are kitchens that prepare food at a separate takeaway facility rather than at a restaurant. Customers can order from the usual menu via Deliveroo.

Delivery sales, both from restaurants and 'dark kitchens' rose to 12% of *Wagamama's* total sales in 2019, up from 10% in 2018. This is one of the reasons that the management has identified this as a growth area.

In November 2019 *Wagamama* opened a spin-off restaurant brand called *Mamago* in London. This restaurant produces dishes designed for grab and go in order to meet the needs of a

Figure 1: *Wagamama Limited Income Statement 2018 and 2019*

	£'000s	
	2019	2018
Revenue	326,303	293,589
Cost of sales	192,891	170,856
Gross profit	133,412	122,733
Other operating expenses and interest		97,913
Net profit/(loss)	(24,367)*	24,820

brackets indicate that a loss has been made.

growing number of customers who want food on the go. The chain's famous katsu curry has been adapted into multiple dishes such as katsu chicken wrap, katsu rice bowl and chicken katsu salad.

\* In accounting practice,

# Reviewing responses: Candidate 1

**Question:** Evaluate whether opening more Mamago restaurants is the most suitable method for Wagamama to increase its profit.

**Answer:** Opening more *Mamago* restaurants may be the best way to increase profit as there is a growing demand for food on the go. As a result, if there are more *Mamago* outlets then more customers will be able to purchase dishes like the katsu chicken salad. Consequently, the Asian food outlet will see an increase in its share of the food to go market. This could lead to increased revenue and potentially may increase the profits of the business.

Alternatively, it may not be the best way to improve the profitability as sales is not the issue for the restaurant chain. From the accounts we can see that revenue has increased over the year from £293,589 to £326,303, but they moved from a profit in 2018 to a loss of £24,367 in 2019. This was due to the increase in expenses. If *Wagamama* can cut these indirect costs down, then overall net profit may increase leading to greater profitability.

# Reviewing responses: Candidate 2

**Question:** Evaluate whether opening more Mamago restaurants is the most suitable method for Wagamama to increase its profit.

**Answer:** I think they should open more restaurants, by doing so the business will be available to a greater number of customers. This could lead to more sales for the business, which would lead to an increase in revenue, which may result in the market share of the business increasing.

Another reason is that opening the restaurants may make the business become more well known, as a result the brand name of the restaurant becomes stronger. This means that more people will talk about the brand, creating a stronger following. This means that the business may receive repeat custom. Allowing them to make more sales, leading to more revenue

In conclusion, they should continue to open restaurants, as this will lead to more people using them so they will make more sales and profits will increase.

# Reviewing responses: Candidate 3 (Page 1/2)

**Question:** Evaluate whether opening more Mamago restaurants is the most suitable method for Wagamama to increase its profit.

**Answer:** Opening more restaurants is not the best way to improve profits. This Asian food retailer could reduce its cost of making the dishes, such as Katsu curry, by buying ingredients, such as chicken from a cheaper supplier. This will help to reduce the variable costs for each dish, meaning that if they maintain prices of the food, then the food retailer will experience an increase in profit margins.

Another way they can increase profits is to reduce unnecessary expenditure. This is because expenses have increased from £97913 to £157779. If the food to go stores can control these expenses, then it is likely that the business will make more profits.

Another way the business can make more profits is by developing the 'dark kitchen' concept. By focussing on this and having more dark kitchens around they will be able to sell more takeaways. This will lead to...

# Reviewing responses: Candidate 3 (Page 2/2)

... more profit.

Another way is to increase the price of the food. Katsu curries, wraps, rice bowls and salads are popular and therefore people will be willing to pay more for the food , which would lead to business making more profit.

In conclusion, there are lots of different ways that the Asian Food retailer can make profit. The best is creating more dark kitchen because more people are buying takeaways.

# Reviewing responses: Candidate 4 (Page 1/2)

**Question:** Evaluate whether opening more Mamago restaurants is the most suitable method for Wagamama to increase its profit.

**Answer:** Opening more Mamago restaurants could be a good way of improving profits is because the demand for food to go is increasing. By setting up these grab and go outlets, Wagamama will better meet the needs of customers. As a result, they will see an increase in footfall in their food outlets, leading to a larger amount of sales of katsu curries, wraps, rice bowls and salads. This would help to increase the sales of the Asian food retailer, which would potentially lead to more profits.

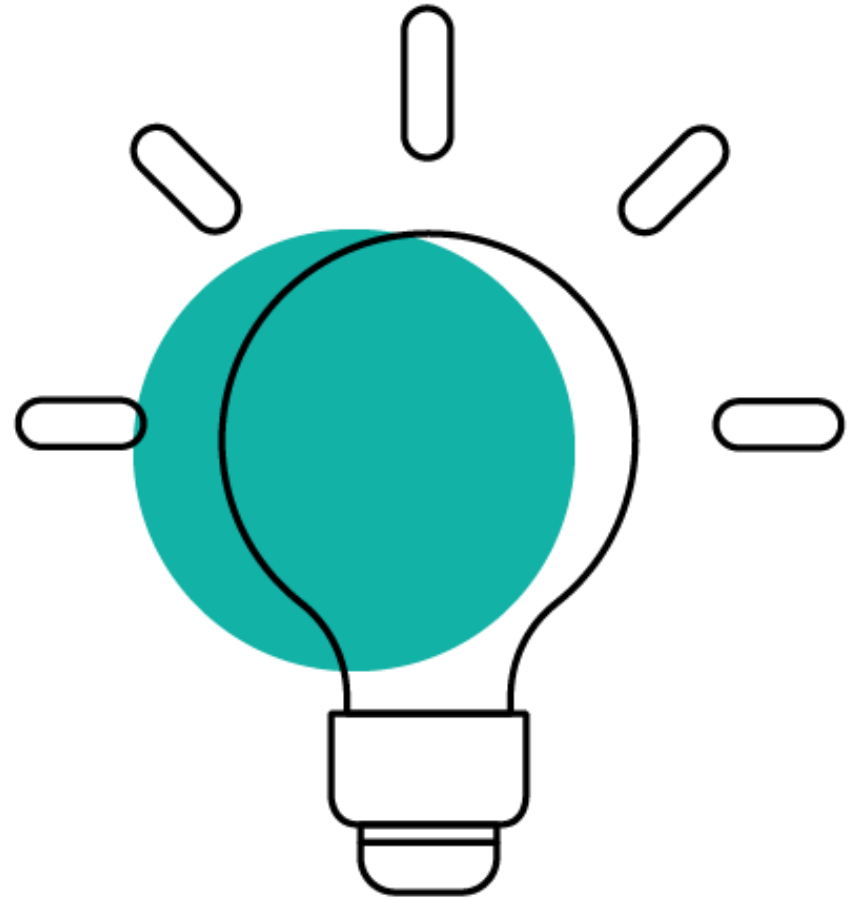
However, opening more grab and go restaurants may not be the best way to increase sales. This is because another aspect of their business is growing rapidly too, the 'dark kitchen' model. The business has seen an increase in takeaways already, so by opening more dark kitchens and reaching more potential customers may lead to greater sales, and potentially more profits...

## Reviewing responses: Candidate 5 (Page 2/2)

...In conclusion I think the Asian retailer should open more Mamago restaurants, the crucial thing is that they provide what the customer wants and with the rise in popularity of grab and go food, Wagamama need to take advantage of the situation, especially as they have a unique offering compared to other offerings such as McDonalds and Burger King. However, whether this will increase in profitability will be dependent on much extra cost is incurred in setting up the food outlets. This business has experienced rising expenses from £97,913 to £157,779 and these would need to be controlled if more profit is to be made.

# Ideas for teaching the 12-mark question

Discuss the methods you use to guide your students in tackling these types of questions.





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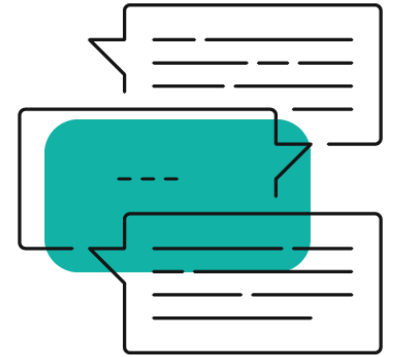
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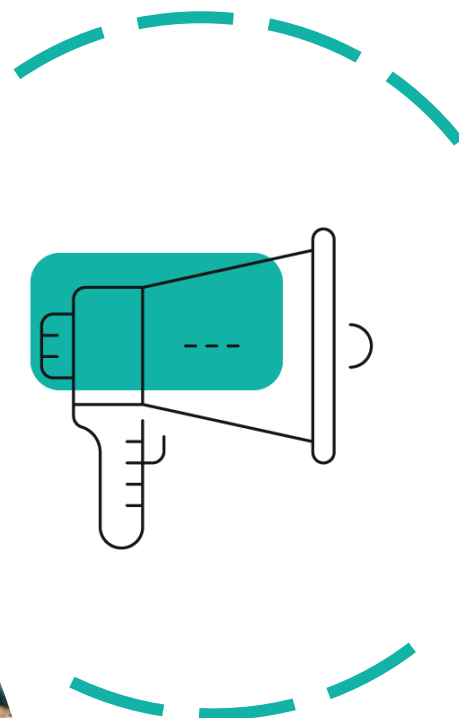


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