Pearson Edexcel

Examiners' Report

Principal Examiner Feedback

Summer 2019

Pearson Edexcel International Advanced Subsidiary in Business (WBS01/01)

Paper 01: Business Enterprise

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Section A

All questions in Section A are Supported Multi Choice Questions (SMCQ).

A significant number of students did not try to develop **why** their answer was correct in part (b). This means they are unable to access further marks for fully explaining their correct choice of answer.

In SMCQs two marks can be gained for explaining why other distracters are wrong. This was the choice most students took in this series to gain marks for section (b). Meaning they were able to gain 0-2 marks, but not the third which may have a significant impact on their final grade. A significant number of students just gave definitions which does not warrant a mark.

Q1
The vast majority of the candidates got the correct answer to part (a) as D: risk taker for an entrepreneurial characteristic. A smaller number were able to explain why this was correct. Often just describing the opportunity cost of leaving university. Which is not answering the question. The distractors were not usually well answered with a significant number putting all three together and asserting ‘they were not entrepreneurial characteristics which does not fully explain why they are incorrect.

Q2
Many of the responses were confused between customer trialling, product trials and market segmentation therefore even when getting the correct answer as A: customer trialling, the students often did not achieve any application or analysis marks. A significant number got the description of price skimming completely incorrect when trying to dismiss distractor B.

Q3
A significant number of incorrect answers opted for D: partnership rather than a private limited company. This was quite worrying for a question asking about selling of shares to family and friends. Some students showed misunderstanding about the difference between public limited and public sector organisations.

Q4
This question about profit for the year margin proved to be quite challenging for a significant number of students. There were a large number of blank responses and a significant amount calculated the answer using gross instead of net profit.

Q5
Students clearly understand the differences between primary and secondary research. Many very good answers in this question with students choosing the correct answer to part (a) and accessing all the marks in (b) for application and analysis of why part (a) was wrong as well as correctly dismissing the distractors.

Q6
This question was a good differentiator between the more able students and those that took a lucky guess. The majority of students chose the correct answer to part (a) as D: increased ethical considerations. However, in answering why this was the case in part (b) was beyond most students. Of those that attempted an answer, it was clear they did not understand ‘Fair Trade’ or what is meant by ethical considerations. That said, a significant few did answer well although most accessed marks by dismissing the distractors.

Section B

On the whole, this section was quite well answered compared to previous series. However, a significant number of students still did not develop their answers to demonstrate *application* to the case study evidence. A much larger percentage of student attempted evaluation where it was required which was pleasing to see.

In terms of dealing with application, it has been said previously, students need to realise that it is not enough to just mention the name of the business, or quote from the question and/or stem when applying their answer to the person, business, concept or issue in the question. Students must take the information and use it to respond to the actual question to ensure it is fully applied in some way.

A well analysed or evaluated response is limited to the previous level if there is no application. In reality, this will mean a well analysed response that is not applied to the context in the stem or question will only be able to be rewarded with a maximum of 4 marks.

A significant number of students did attempt to give context to both sides (analysis and evaluation) which meant some high scoring papers in this series

Q7: There was much confusion about what market segmentation is. Many students clearly had little or no understanding of segmentation which led to some weak answers. Those who understood the topic gave some reasonable responses linked to the case study. A significant number of students could clearly define segmentation but were unable to put forward good reasons why a company might use it.

Q8a: A lot of good answers about potential impacts of increases in the minimum wage level. many students were able to identify two impacts of the change and most answers were contextualised and developed. Where marks were lost, it was usually either because only one impact had been discussed or the answer was not contextualised.

Q8b: On the whole this was well answered. Mant students were able to offer two factors that would affect supply with answers correctly developed and contextualised. However, a significant number of students gave demand factors which clearly were not correct.

Q9a: The calculation question on margin of safety proved to be challenging for many students. A large number knew the correct formula and applied it well. However, a significant number did not know the formula or how to build it and consequently gained few if any marks.

Q9b: A significant number of good answers to this question on the importance of profit to *IHS.* most students were able to outline the significance of profit and much of this analysis was contextualised. A gratifying number of students had identified that evaluation was required and were able to give good contextualised reasons why profit might not be Zinah's only motive.

Q10: A generally well answered question about expansion in Iraq and internationally. Many students were able to articulate both benefits and some drawbacks of expansion. However, evaluations of the drawbacks tended to be weaker.

Q11: There was good understanding of the two forms of finance (retained profit and bank loan). Many students evaluated the strengths and weaknesses of both very well, a lot of which was contextualised.