



# Mark Scheme (Results)

Summer 2019

Pearson Edexcel International Advanced  
Subsidiary  
In Business Studies (WBS02)  
Unit 2 Business structures and processes

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## General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

## Section A: Supported multiple choice

N.B. If part (a) of the question is INCORRECT, then a maximum of 2 marks can be awarded for part (b).

| Question Number | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Marks                              |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| 1 (a)           | Answer: <b>C</b> (empowerment of employees)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1                                  |
| 1 (b)           | <p><b>Explain why this answer is correct:</b></p> <ul style="list-style-type: none"><li>• Definition of delegation e.g. the process managers use to transfer authority/power/decisions/responsibility to positions below them in the hierarchy <b>(1)</b></li><li>• Making decisions about films gives employees higher levels of responsibility/makes them feel valued <b>(1)</b></li><li>• This can result in greater motivation for the lower-level employees <b>(1)</b></li></ul> <p><b>Alternatively, up to two of the marks above can be achieved by explaining (not defining) distracters, for example:</b></p> <ul style="list-style-type: none"><li>• A is wrong because a centralised organisation structure means senior managers decide and control what happens in the business rather than lower-level managers <b>(1)</b></li><li>• B is wrong because employees will see their workload increase as they are asked to make more decisions within the organisation <b>(1)</b></li><li>• D is wrong because there is less likely to be closer supervision of the workforce if <i>Walt Disney Studios</i> is delegating tasks and responsibility is given to employees <b>(1)</b></li></ul> <p>Any acceptable answer that shows selective knowledge/understanding/application and/or development.</p> <p><b>N.B. up to 2 marks out of 3 may be gained for part (b) if part (a) is incorrect.</b></p> | <p>1-3 marks</p> <p><b>(4)</b></p> |

| Question Number | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Marks                              |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| <b>2 (a)</b>    | Answer: <b>B</b> (fall by 24%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1                                  |
| <b>2 (b)</b>    | <p><b>Explain why this answer is correct. (Show your working.)</b></p> <ul style="list-style-type: none"> <li>Definition of PED e.g. measures the responsiveness of demand for a good or service to a change in its price.</li> </ul> <p><b>OR</b> gives the formula:</p> $\text{PED} = \frac{\% \text{ change in Quantity Demanded}}{\% \text{ change in Price}} \quad (1)$ <p>Shows calculation:</p> $\frac{\% \text{ Change in Quantity Demanded}}{12\%} = -2.0 \quad (1)$ <p><b>OR</b></p> $\% \text{ Change in Quantity Demanded} = \text{PED} \times \% \text{ change in Price} \quad (1)$ $-2.0 \times 12\% \quad (1) = -24\%$ <ul style="list-style-type: none"> <li>Any suitable/logical ordering of the PED calculation</li> </ul> <p>Any acceptable calculation method that shows selective knowledge/understanding.</p> <p><b>N.B. up to 2 marks out of 3 may be gained for part (b) if part (a) is incorrect.</b></p> | <p>1-3 marks</p> <p><b>(4)</b></p> |

| Question Number | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Marks                              |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| <b>3 (a)</b>    | Answer: <b>D</b> (Mass)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1                                  |
| <b>3 (b)</b>    | <p><b>Explain why this answer is correct:</b></p> <ul style="list-style-type: none"> <li>• Definition of mass marketing e.g. when advertising is aimed at the whole population/largest group of customers <b>(1)</b></li> <li>• By using TV advertising <i>Levi's</i> is aiming the advertising at all segments of the market <b>(1)</b></li> <li>• TV advertising enables <i>Levi</i> to reach large numbers of people regardless of whether they are existing <i>Levi</i> customers or not <b>(1)</b></li> </ul> <p><b>Alternatively, up to two of the marks above can be achieved by explaining (not defining) distracters, for example:</b></p> <ul style="list-style-type: none"> <li>• A is wrong because <i>Levi</i> would use social networks such as <i>Facebook</i> and <i>Instagram</i> to advertise its jeans if using social media <b>(1)</b></li> <li>• B is wrong because niche marketing would only target a small sub-set of the wider target market and <i>Levi</i> is targeting everyone in the market <b>(1)</b></li> <li>• C is wrong because this involves people spreading/sharing <i>Levi's</i> name to other people <b>(1)</b></li> </ul> <p>Any acceptable answer that shows selective knowledge/understanding/application and/or development.</p> <p><b>N.B. up to 2 marks out of 3 may be gained for part (b) if part (a) is incorrect.</b></p> | <p>1-3 marks</p> <p><b>(4)</b></p> |

| Question Number | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Marks                              |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| <b>4 (a)</b>    | Answer: <b>D</b> (an increase in process innovation)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1                                  |
| <b>4 (b)</b>    | <p><b>Explain why this answer is correct:</b></p> <ul style="list-style-type: none"> <li>• Definition of process innovation e.g. using new/improved methods to make production more efficient <b>(1)</b></li> <li>• An increase in process innovation speeds up the process of designing clothes for Zara <b>(1)</b></li> <li>• Allowing Zara to get new fashion items more quickly to the high street <b>(1)</b></li> </ul> <p><b>Alternatively, up to two of the marks above can be achieved by explaining (not defining) distracters, for example:</b></p> <ul style="list-style-type: none"> <li>• A is wrong because this may result in <i>Zara</i> not being able to make the clothing if machines are not available <b>(1)</b></li> <li>• B is wrong because this would increase the time taken to make the clothing if <i>Zara</i> has to keep replacing staff who leave the organisation <b>(1)</b></li> <li>• C is wrong because a reduction in investment means less spending on training employees and buying new machinery which will reduce productivity for <i>Zara</i> <b>(1)</b></li> </ul> <p>Any acceptable answer that shows selective knowledge/understanding/application and/or development.</p> <p><b>N.B. up to 2 marks out of 3 may be gained for part (b) if part (a) is incorrect.</b></p> | <p>1-3 marks</p> <p><b>(4)</b></p> |

| Question Number | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Marks                              |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| <b>5(a)</b>     | Answer: <b>B</b> (cash flow for <i>Aldi</i> )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 1                                  |
| <b>5(b)</b>     | <p><b>Explain why this answer is correct:</b></p> <ul style="list-style-type: none"> <li>• Definition of cash flow e.g. is the money that is moving in and out of a business <b>(1)</b></li> <li>• Paying suppliers 19 days earlier will cause <i>Aldi</i> to have less cash in its own bank account <b>(1)</b></li> <li>• This will result in a decrease in cash flow as <i>Aldi</i> will have less time to sell the merchandise before having to pay its suppliers for it <b>(1)</b></li> </ul> <p><b>Alternatively, up to two of the marks above can be achieved by explaining (not defining) distracters, for example:</b></p> <ul style="list-style-type: none"> <li>• A is wrong because this may lead to an increase in the number of suppliers who want to trade with <i>Aldi</i> as it will impact positively on their cash flow if they are paid 19 days earlier <b>(1)</b></li> <li>• C is wrong because <i>Aldi</i> should see an increase in the amount of overdraft they will need if they are paying suppliers 19 days earlier than before <b>(1)</b></li> <li>• D is wrong because this may lead to <i>Aldi</i> receiving an improved brand image as <i>Aldi</i> is seen as treating its suppliers better <b>(1)</b></li> </ul> <p>Any acceptable answer that shows selective knowledge/understanding/application and/or development.</p> <p><b>N.B. up to 2 marks out of 3 may be gained for part (b) if part (a) is incorrect.</b></p> | <p>1-3 marks</p> <p><b>(4)</b></p> |

| Question Number | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Marks                              |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| 6 (a)           | Answer: <b>B</b> (average costs)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1                                  |
| 6 (b)           | <p><b>Explain why this answer is correct:</b></p> <ul style="list-style-type: none"> <li>Definition of capacity utilisation e.g. what proportion or percentage of the maximum possible output is actually produced</li> </ul> <p><b>OR</b> gives the formula:</p> $\frac{\text{Current Output}}{\text{Maximum possible output}} \times 100 \quad \textbf{(1)}$ <ul style="list-style-type: none"> <li>Increased production means that <i>Thorntons'</i> fixed costs are spread over more output <b>(1)</b></li> <li>Therefore unit/average costs are also reduced <b>(1)</b></li> </ul> <p><b>Alternatively, up to two of the marks above can be achieved by explaining (not defining) distracters, for example:</b></p> <ul style="list-style-type: none"> <li>A is wrong because job security should increase for employees, due to the additional orders for <i>Thorntons</i>, thus guaranteeing work <b>(1)</b></li> <li>C is wrong because <i>Thorntons</i> should see an increase in profitability due to a reduction in average costs <b>(1)</b></li> <li>D is wrong because efficiency should increase because more of <i>Thorntons'</i> resources are being used in the same time period <b>(1)</b></li> </ul> <p>Any acceptable answer that shows selective knowledge/understanding/application and/or development.</p> <p><b>N.B. up to 2 marks out of 3 may be gained for part (b) if part (a) is incorrect.</b></p> | <p>1-3 marks</p> <p><b>(4)</b></p> |

## Section B: Data response

| Question Number | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                               |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| <b>7</b>        | Explain <b>two</b> reasons why aesthetics may be an important part of the design mix for The Making of Harry Potter Studio Tour.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | (6 marks)                                                                     |
|                 | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Mark                                                                          |
|                 | <p align="center"><b>(Knowledge 2, Application 2, Analysis 2)</b></p> <p><b>Knowledge/understanding:</b> up to 2 marks for defining the design mix e.g. the way in which function, aesthetics and economic manufacture are combined <b>(1)</b> in the overall design which will vary depending on products or services <b>(1)</b></p> <p><b>OR</b></p> <p>Stating 2 reasons e.g. to make it attractive to potential customers <b>(1)</b> differentiation from competing products/USP <b>(1)</b></p> <p><b>Application:</b> up to 2 marks for contextualised answers to Harry Potter Studio Tour e.g. The tour is designed to attract Harry Potter fans wanting to see the original film sets <b>(1)</b><br/>e.g. Visitors can experience original film sets such as Diagon Alley/Dumbledore's office/Hogwarts <b>(1)</b></p> <p><b>Analysis:</b> up to 2 marks for giving reasons/causes/consequences to The Harry Potter Studio Tour<br/>e.g. if the tour looks authentic this will increase demand from consumers <b>(1)</b><br/>e.g. some consumers are prepared to pay more for an experience which has a USP and cannot be experienced anywhere else <b>(1)</b></p> | <p align="center">1-2</p> <p align="center">1-2</p> <p align="center">1-2</p> |

| Question Number | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                               |
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| <b>8 (a)</b>    | Explain <b>two</b> benefits to <i>Warner Bros.</i> of offering part-time employment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | (6 marks)                                                                     |
|                 | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Mark                                                                          |
|                 | <p align="center"><b>(Knowledge 2, Application 2, Analysis 2)</b></p> <p><b>Knowledge/understanding:</b> up to 2 marks are available for defining part-time employment e.g. A part-time worker is someone who works fewer hours <b>(1)</b> compared to a full-time worker <b>(1)</b></p> <p><b>OR</b></p> <p>stating two benefits e.g. cheaper labour costs <b>(1)</b> improved staff morale <b>(1)</b></p> <p><b>Application:</b> up to 2 marks are available for contextualised answers to <i>Warner Bros.</i><br/> e.g. more part-time jobs will be required in busy periods such as school holidays <b>(1)</b><br/> e.g. Jobs such as the Warehouse workers can be part-time <b>(1)</b></p> <p><b>Analysis:</b> up to 2 marks are available for reasons/causes/consequences for <i>Warner Bros.</i> e.g. this allows <i>Warner Bros.</i> to reduce overall labour costs as staffing levels can be increased at peak times and reduced when demand falls <b>(1)</b><br/> e.g. Employees can work around family commitments and this may reduce labour turnover/increase staff retention in the long term <b>(1)</b></p> | <p align="center">1-2</p> <p align="center">1-2</p> <p align="center">1-2</p> |

| Question Number | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                               |
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| <b>8(b)</b>     | Explain <b>two</b> possible reasons why <i>Warner Bros.</i> uses external recruitment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | (6 marks)                                                                     |
|                 | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Mark                                                                          |
|                 | <p align="center"><b>(Knowledge 2, Application 2, Analysis 2)</b></p> <p><b>Knowledge/understanding:</b> up to 2 marks for defining external recruitment e.g. the process of finding new employees <b>(1)</b> from outside the organisation <b>(1)</b></p> <p><b>OR</b></p> <p>For stating two reasons e.g. attracts a wider range of potential candidates <b>(1)</b> external candidates may have more skills/experience than internal applicants <b>(1)</b></p> <p><b>Application:</b> up to 2 marks for contextualised answers to <i>Warner Bros.</i><br/> e.g. The job advert and application is on the studio's website <b>(1)</b><br/> e.g. Some of the jobs require good customer service skills <b>(1)</b></p> <p><b>Analysis:</b> up to 2 marks for giving reasons/causes/consequences to <i>Warner Bros.</i><br/> e.g. The studio website can be easily accessed by many more potential candidates compared to the limited number of internal candidates <b>(1)</b><br/> e.g. <i>Warner Bros.</i> will be able to recruit employees with specialist skills which may not be found within the organisation if internal recruitment is used <b>(1)</b></p> | <p align="center">1-2</p> <p align="center">1-2</p> <p align="center">1-2</p> |

| Question Number | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                           |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| <b>9 (a)</b>    | Explain <b>one</b> factor that might cause the sales forecast for ASDA's Harry Potter costumes to be inaccurate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | (4 marks)                                                                 |
|                 | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Mark                                                                      |
|                 | <p align="center"><b>(Knowledge 1, Application 1, Analysis 2)</b></p> <p><b>Knowledge/understanding:</b> up to 1 mark is available for stating a factor e.g. changes in tastes <b>(1)</b></p> <p><b>Application:</b> up to 1 mark is available for a contextualised response to ASDA e.g. ASDA relies on the continuing popularity of Harry Potter <b>(1)</b></p> <p><b>Analysis:</b> up to 2 marks are available for developing the above, e.g. if customers do not like Harry Potter then sales may not be as planned <b>(1)</b> and ASDA may be left with unsold inventory <b>(1)</b></p> | <p align="center">1</p> <p align="center">1</p> <p align="center">1-2</p> |

| Question Number | Question                                                                                     |                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |
|-----------------|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| <b>9(b)</b>     | Assess the possible benefits to <i>Warner Bros.</i> of providing training for its employees. |                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                       | (8 marks) |
| Level           | Mark                                                                                         | Descriptor                                                                                                                                                                                                                                             | Possible content                                                                                                                                                                                                                                                                                                                                                                                                                                      |           |
| 1               | 1-2                                                                                          | Knowledge/understanding of what is meant by training                                                                                                                                                                                                   | <p>e.g. the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies.</p> <p>e.g. can be on-the-job or off- the-job training.</p>                                                                                                                                                                                                   |           |
| 2               | 3-4                                                                                          | Application must be present, i.e. the answer must be contextualised to <i>Warner Bros.</i>                                                                                                                                                             | <p>e.g. Evidence B states that customer service training will be provided for successful applicants for the Making of the Harry Potter Tour</p> <p>e.g. <i>Warner Bros.</i> also offers and supports a range of scholarships, apprenticeships, training courses and placements, in partnership with some of the UK's most respected higher education institutions and industry partners such as the Royal Academy of Dramatic Art (RADA).</p>         |           |
| 3               | 5-6                                                                                          | <p>Analysis in context must be present, i.e. in this case the candidate must identify and explain the reasons/causes/ costs/consequences of <i>Warner Bros.</i> offering training</p> <p><b>NB if analysis is not in context limit to Level 2.</b></p> | <p>e.g. training improves the skill level, productivity for the warehouse employees and shop assistances and customer service may be better as a consequence.</p> <p>e.g. recruitment might be easier because potential warehouse employees would be more likely to apply given the benefits of training such as higher pay or improved job security.</p> <p>e.g. training may motivate employees and empowers them thus increasing productivity.</p> |           |
| 4               | 7-8                                                                                          | <p>Evaluation must be present and in context showing the impact of using training for <i>Warner Bros.</i></p> <p>Award <b>7 marks</b> if one side only is in context</p>                                                                               | <p>e.g. It depends on the nature or quality of the training as some training methods are more effective for employees such as the shop assistants than others in improving customer service</p> <p>e.g. there is an opportunity cost in having training schemes for the</p>                                                                                                                                                                           |           |

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|  |  | <p>Award <b>8 marks</b> if BOTH sides are in context</p> <p><b>N.B. if there is evaluation but no context at all, then limit to Level 3.</b></p> | <p>warehouse employees which could be spent on other areas of the business.</p> <p>e.g. The effectiveness of training might also depend on the nature of the shop assistant employee and how willing they are to learn new skills and apply within <i>Warner Bros</i>. If this training is not applied then there is no value.</p> |
|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| Question Number | Question                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |            |
|-----------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>10</b>       | Assess the importance to <i>ASDA</i> of holding appropriate levels of inventory. |                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (12 marks) |
| Level           | Mark                                                                             | Descriptor                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Possible content                                                                                                                                                                                                                                                                                                                                                                                                                                                             |            |
| 1               | 1-2                                                                              | Knowledge/understanding of appropriate levels of inventory                                                                                                                                                                                                                                                                                                                                                                                                    | <p>e.g. the quantity/number of goods/raw materials kept on the premises of a shop or business</p> <p>e.g. the process of maintaining the optimum level of inventory ensuring that neither too much or too little is held</p>                                                                                                                                                                                                                                                 |            |
| 2               | 3-4                                                                              | Application must be present, i.e. the answer must be contextualised to <i>ASDA</i>                                                                                                                                                                                                                                                                                                                                                                            | <p>e.g. Evidence D states that <i>ASDA</i> are now stocking Harry Potter costumes which are expected to sell out</p> <p>e.g. <i>ASDA</i> sells a range of Harry Potter merchandise for which they regularly review the level of inventory</p>                                                                                                                                                                                                                                |            |
| 3               | 5-6                                                                              | <p>Analysis in context must be present, i.e. the candidate must give reasons/causes/costs/ consequences of holding appropriate levels of inventory for <i>ASDA</i></p> <p><b>NB if analysis is not in context limit to Level 2.</b></p>                                                                                                                                                                                                                       | <p>e.g. having the appropriate level of Harry Potter merchandise such as costumes will keep customers happy and they might become brand loyal to <i>ASDA</i></p> <p>e.g. <i>ASDA</i> can pass on any cost savings from minimising inventory to customers in the form of lower prices, thereby increasing sales/profits</p>                                                                                                                                                   |            |
| 4               | 7-12                                                                             | <p><b>Low Level 4:</b> 7-8 marks<br/>Limited evaluation must be present and in context on <b>one side</b></p> <p><b>Mid Level 4:</b> 9-10 marks<br/>Evaluation must be present and in context <b>on both sides</b> to illustrate the impact on <i>ASDA</i></p> <p><b>High Level 4:</b> 11-12 marks<br/>Evaluation is developed to show a candidate's real perceptiveness. Several strands may be developed: the answer is clear, coherent and articulate,</p> | <p>e.g. If <i>ASDA</i> does not keep enough inventory of Harry Potter merchandise such as costumes then this could result in disappointed customers as they cannot meet demand resulting in loss of reputation and brand loyalty</p> <p>e.g. <i>ASDA</i> can avoid having lots of unsold Harry Potter merchandise, which will tie up cash and make its working capital position worse</p> <p>e.g. <i>ASDA</i> may miss out on vital sales and profits if they run out of</p> |            |

|  |  |                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                |
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|  |  | <p>leading to a convincing conclusion.</p> <p><b>N.B. if there is evaluation but no context at all, then limit to Level 3</b></p> | <p>inventory and keep inventory levels to the minimum</p> <p>e.g. may result in poor employee morale if employees have to deal with unhappy customers and this may result in higher labour turnover</p> <p>e.g. loss of competitive edge as customers start to shop at other retailers if they are unable to buy the goods they want and this may lead to loss of revenue.</p> |
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| Question Number | Question                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |            |
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| <b>11</b>       | Evaluate the importance of the product life cycle to the <i>Harry Potter</i> franchise. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | (14 marks) |
| Level           | Mark                                                                                    | Descriptor                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Possible content                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |            |
| 1               | 1-2                                                                                     | <p>Knowledge/understanding of what is meant by product life cycle</p> <p><i>Material presented is often irrelevant and lacks organisation. Frequent punctuation and/or grammar errors are likely to be present and the writing is generally unclear.</i></p>                                                                                                                                                                                                                            | <p>e.g. it describes the stages a product goes through from when it was first thought of until it finally is removed from the market.</p> <p>e.g. it consists of stages such as introduction, growth, maturity and decline</p>                                                                                                                                                                                                                                                                       |            |
| 2               | 3-4                                                                                     | <p>Application must be present, i.e. the answer must be contextualised and applied to the Harry Potter franchise.</p> <p><i>Material is presented with some relevance but there are likely to be passages which lack proper organisation. Punctuation and/or grammar errors are likely to be present that affect clarity and coherence.</i></p>                                                                                                                                         | <p>e.g. the first Harry Potter book was released in 1997 and is still in its maturity stage with total sales of \$7.7bn (Evidence A)</p> <p>e.g. Harry Potter franchise has released audio books and other merchandise such as toys and clothing ranges to extend the product life cycle (Evidence A)</p>                                                                                                                                                                                            |            |
| 3               | 5-8                                                                                     | <p>Analysis in context must be present, i.e. the candidate must give reasons/causes/costs/consequences of the importance of the product life cycle to the Harry Potter franchise</p> <p><b>NB if analysis is not in context limit to Level 2.</b></p> <p><i>Material is presented in a generally relevant and logical way but this may not be sustained throughout. Some punctuation and/or grammar errors may be found which cause some passages to lack clarity or coherence.</i></p> | <p>e.g. Harry Potter toys may have a short life cycle so the Harry Potter franchise will need to know when to launch new toys into the market</p> <p>e.g. it may help the Harry Potter franchise to forecast demand for its different ranges of products it offers</p> <p>e.g. Harry Potter franchise can have a range of Harry Potter themed clothing ranges at different stages of their life cycle in order to replace merchandise which may have entered the decline stage of the life cycle</p> |            |
| 4               | 9-14                                                                                    | <p><b>Low Level 4:</b> 9-10 marks. Evaluation must be present</p>                                                                                                                                                                                                                                                                                                                                                                                                                       | <p>e.g. it is difficult to foresee transitions in product life</p>                                                                                                                                                                                                                                                                                                                                                                                                                                   |            |

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|  |  | <p>and in context <b>on one side only</b>, e.g. showing possible advantages and disadvantages of the product life cycle</p> <p><b>Mid Level 4:</b> 11-12 marks<br/>Evaluation must be present and in context <b>on both sides</b>, to show the impact of the product life cycle</p> <p><b>High Level 4:</b> 13-14 marks<br/>Evaluation is developed to show a candidate's real perceptiveness. Several strands may be developed: the answer is clear, coherent and articulate, leading to a convincing conclusion.</p> <p><b>N.B. if there is evaluation but no context at all, then limit to Level 3.</b></p> <p><i>Material is presented in a relevant and logical way. Some punctuation and/or grammar errors may be found but the writing has overall clarity and coherence.</i></p> | <p>cycle stages since the key indicator are sales, which are always calculated with some lag.</p> <p>e.g. slowing sales of books does not necessarily mean the product has reached the decline phase and the resulting conclusion to retire the book and divert resources is wrong.</p> <p>e.g. not all products go through every stage of the product life cycle and the success of a product will depend upon many external factors which might be difficult to control</p> <p>e.g. The importance of the product life cycle will depend on whether more books are written and spin off films are released in the future and if experiences such as The Making of Harry Potter Tour are successful in attracting visitors</p> <p>e.g. the brand has been going strong for 20 years already so much depends upon if a new generation of readers enjoy the original Harry Potter books.</p> |
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