Pearson Edexcel

Examiners' Report

Principal Examiner Feedback

January 2019

Pearson Edexcel International IAL in Business Studies (WBS04)

Unit 4 Business in a Global Context

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Principal examiner's report – WBS04 January 2019

Once again there were only a relatively small number of entrants for the January paper. Nevertheless, the paper seemed to discriminate well with candidates accessing a wide range of marks, with some good, and occasionally very good, responses to the questions set. Having said that, there were also some very weak responses that showed little understanding of, or even familiarity with, the specification content and the standard expected of an A2 candidate.

The main reasons for some otherwise able students underachieving were the usual ones of not heeding command words and not reading the questions carefully enough. Command words are still being ignored by a sizeable number. Instructions to 'Assess' and 'Evaluate' were not followed by some candidates.

Some of the students missed out on marks because they did not answer the question that was set. This was particularly the case with question 5 and 6. Some students missed out several whole questions.

It is worth reminding future students of the need to apply proper context to all responses. Repeating generic or stock answers or just copying the text out will not access the higher levels of the mark scheme.

SECTION A

Question 1a

This proved tricky for some candidates with many offering definitions of price elasticity. Others defined it as there being no change in quantity and some brought in income.

Question 1b

Although most candidates had some idea of economies of scale, many failed to be specific about average or unit costs reducing, referring instead to just costs or total costs.

Question 2

Exchange rates are always a tricky topic and this was no exception. Good responses looked at Colgate in context and the impact of a strengthening dollar on the price of its products overseas and on potential imports of raw materials. Elsewhere some candidates got mixed up with the impact of an appreciation/depreciation on imports/exports and failed to gain any credit. Others made vague assertions such as 'changing currencies will increase costs' without explanation or proper development.

Question 3

Some candidates are still starting Question 2 and this question with a definition which isn't needed. Most gave advantages and disadvantages and were able to apply to the case study well. It was noticeable that some students seemed more familiar with the advantages of organic growth rather than its disadvantages. The usual weaknesses lay either in lack of context, or failing to analyse sufficiently to gain the two extra analysis marks available.

Question 4

In most cases, students were very clear on the idea of shareholder conflict and how this would affect for example, the payment of dividends. Better responses then looked at whether this conflict was just short term and made a judgement as to the extent of the conflict. Many otherwise good answers were limited to 7 out of 10 because candidates had failed to put the response into context

Question 5

Answers to this question displayed a good understanding of the importance of geographical proximity. However, in a minority of questions the emphasis was interpreted as the importance of place in in the 4P's. In general, answers followed through reasonably well and students seemed to have a good idea of how to get into level 4. Even though the necessary elements were present, there were only a few which were really well written, showing perceptiveness and evidence of wider reading.

SECTION B

The case studies were accessible to students and acted as good platforms from which students could apply relevant business theories. Question 6 did cause some problems, notably amongst the less able candidates. For the students that did not do so well in the 20 mark questions, it was usually because they had simply copied out, or re-written, the evidence with little or no attempt at analysis or evaluation. Conclusions were rare indeed.

Question 6

This question caused problems for a significant number of candidates who failed to read the question carefully enough. They seized upon the term FDI and launched into a generic account of the pros and cons of FDI, ignoring the main point of the question which was about the growth of international trade. This of course severely limited the amount of marks that could be gained. Better answers explained the link between FDI and trade making good use of the evidence and went on to discuss the importance of other factors such as trade liberalisation, trading blocs and the role of the WTO.

Question 7

Many candidates found this an accessible question, showing good understanding of the different impacts that MNCs might have on a host country, with balanced arguments that gave many opportunities to apply context to the responses. It was pleasing to see many examples being used from wider reading and study to reinforce arguments. Many candidates have been taught good exam technique and they developed several strands to their arguments, both for and against. A high proportion of candidates got into L4 with some balance and some application, with many of the responses sitting mid-level.

There was very little evidence to suggest that candidates did not have enough time to complete the paper.

Based on their performance on this paper, candidates are offered the following advice:

- Do read the question carefully and answer the question that is set
- Do watch out for command words such as Assess or Evaluate
- Do use examples to illustrate your argument
- Do use the language of the subject and avoid generalities
- Do watch your timing and do not spend too long on one question
- Do write concisely
- Do add a conclusion to the longer questions