



Pearson

Examiner's Report

Principal Examiner Feedback

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in Business (WBS02) Paper 01

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Introduction

This was the first sitting of the paper in October with a relatively small number of students. The paper was split into 2 sections: Section A had 6 supported multiple choice questions (SMC) and Section B had a total of 7 questions.

SMC:

- Students can only access 3 marks for part (b) if they have part (a) correct
- Students are able to gain 1 Knowledge mark for a definition which are listed in the mark scheme for each question.
- Students are able to gain up to 2 marks for a fully explanation of the distracters (incorrect answers)
- Students **MUST** explain why their answer for part (a) is correct to be able to access all 3 marks for part (b) i.e. a definition and 2 distracters would still only be worth 2 marks if there is no explanation of why part (a) is correct.
- Students must explain **WHY** the distracters are incorrect.

Question 1

This SMC question involved students having to explain why an economic slowdown may have resulted in falling sales for JLR. Many students were able to get the correct answer for part (a). Examiners were looking for a definition of the economic slowdown followed by any logical reason why this would have a negative impact on JLR's sales. Examiners were looking for references to consumers having less income or there being less consumer spending. Many students were able to fully explain the distracters in order to pick up additional marks. Again, some students are not fully explaining an incorrect answer and examiners are looking for **WHY** rather than simply stating 'this is incorrect as less competition would increase JLR's sales' – examiners want to know why this might be the case.

Question 2

Many students were able to score full marks for part (a) so could access all 3 marks for part (b). Marks were awarded for showing the correct formula for capacity utilisation and for all the stages of the calculation. Many students were able to give the formula for capacity utilisation as well as show how they arrived at their answer for part (a). Students did not have to explain the result - just show the calculation.

Question 3

This has proved to be a popular question with many candidates getting part (a) correct. Many students were able to define TQM for 1 mark and examiners were looking for references to all employees being involved in quality. Many students gave a definition and then tried to explain why this reduces defects as well as used a distracter to gain additional marks. Some students combined more than one reason into one so were only awarded 1 mark.

Question 4

Many students were able to score full marks for part (a). Examiners looked for an accurate definition of niche market followed by an explanation of why there would be less competition. Many students just repeated the stem and the correct answer for part (a) rather than explaining why there was less competition. Students who did use the distracters to gain additional marks did try to explain why these were incorrect rather than just give definitions.

Question 5

This proved to be a much more challenging question with many students unable to get part (a). Many students defined trade credit rather than supplier credit terms and were unable to fully explain why this was the best way to secure payment.

Question 6

Many candidates were able to get part (a) correct. Examiners rewarded an accurate definition of budget and many students were able to score at least 2 marks for part (b). Students were able to explain that rental costs were often a fixed cost and then provide reasons why the distracters were incorrect. There was a much better performance on this question compared to the other questions in this section.

Section B

For the IAL Business course, there is an emphasis on **Application/Context**. Students must **use** the evidence rather than just lifting figures from the case study. Using the name of the company – Center Parcs in this case or context from the stem, is not considered to be **Application/Context**.

There must be **Application/Context** to access **Level 4** otherwise the top of **Level 3** will be awarded. If there is Analysis but no **Application/Context**, then the top of **Level 2** will be awarded. This has definitely had an impact on the levels achieved this series.

Question 7

This question was marked using a points based question with 2 Knowledge marks, 2 Application marks and 2 Analysis marks. It was pleasing to see that many students were able to either define branding or give 2 benefits to Center Parcs of having a recognised brand. Some students did give generic answers which were not applied to Center Parcs so dropped the 2 Application marks. Some students just copied out large chunks of the evidence and for this to count as Application, it must be used in relation to the Knowledge and Analysis points. For Analysis, examiners were looking for the consequences of having a recognised brand - linking to things such as increased sales and profits.

Question 8a

This question was marked using a points based question with 2 Knowledge marks, 2 Application marks and 2 Analysis marks. Many students were able to give a definition (or formula) for PED. Unfortunately, many students confused this concept with YED so lost marks. Examiners were looking for a wide range of factors, such as availability of substitutes or the degree of necessity as to the factors affecting the elasticity for short breaks. Overall, this was poorly attempted.

Question 8b

This question was marked using a points based question with 2 Knowledge marks, 2 Application marks and 2 Analysis marks. Many students were able to gain the 2 Knowledge marks from defining sales forecasting as well as giving an 2 difficulties of sales forecasting for the new village in Ireland. Again, Application proved problematic for some students as they gave generic responses which could have applied to any business or they just copied out large chunks of the evidence. Analysis was well done with many students able to link to whether the sales forecast would be accurate or the impact it would have on the overall sales for the new village.

Question 9a

This question was marked using a points based question with 1 Knowledge mark, 1 Application mark and 2 Analysis marks. Many students were able to gain 1 Knowledge mark for giving an example of a promotional method. For this question, the Knowledge mark is **NOT** for defining the key term. However, many students gave generic responses so lost the 1 Application mark. Examiners were looking for references to how these promotional method would increase awareness of the new village or why it would be a suitable method for Center Parcs.

Question 9b

This was marked using a Levels of response mark scheme (LOR). Many students were only able to enter Level 2 or 3 due to lack of Application and/or Evaluation. It was evident that many students knew about internal and external recruitment methods and there was some good application in terms of being able to reduce costs for the new village if existing employees from the UK villages were used in the new village in Ireland. In order to access Level 4, there must be **evaluation in context** which was often missing and generic evaluations were restricted to the top of Level 3 – 6 marks. Often examiners found great context on the benefits of internal recruitment methods but then the alternative argument was not in context so restricted the mark to 7 rather than 8 marks.

Question 10

This was marked using a Levels of response mark scheme (LOR). Again, many students were only able to enter Level 2 or 3 due to lack of Application and/or Evaluation. Context was the issue again on this question and many students were writing generic evaluations of both financial and non-financial techniques which were not applied to Center Parcs so the top of Level 3 was awarded. Better answers were able to look at how Center Parcs could use these incentives to retain employees or improve customer service in the different villages in the UK. In order to access Level 4, there had to be **evaluation in context**. Some students were able to consider costs involved in offering both financial and non-financial methods and that not all employees are motivated in the same way.

Question 11

This was marked using a Levels of response mark scheme (LOR) with a large proportion of the marks for Analysis and Evaluation. Many students were able to use the evidence to support their response rather than just copying out large chunks of the evidence. As in question 9b and 10, there must be **evaluation in context to enter Level 4** and good examples included **using** the context from the different pieces of evidence to support the evaluation. The benefits of training were better than the counter arguments. Students need to ensure that both sides of the argument are in context and this often did not happen so marks were restricted to 9-10 marks if context was lacking on one side.

Summary

Based on their performance on this paper, students should:

- Ensure all SMC questions are completed for part (a) otherwise this will restrict part (b) marks to a maximum of 2 marks.
- Always define a key term (either from the stem of the question or in some cases, the correct answer).
- Fully explain the correct answer otherwise you will restrict your mark to 2 marks.
- Fully explain why the distracters (incorrect options) are incorrect and not just define them.
- Read the Evidence very carefully and ensure you spend enough time reading through the different pieces of Evidence.
- Ensure you know what is meant by the command words – Explain, Analyse, Assess and Evaluate require different skills to be shown.
- **USE** the Evidence to contextualise your response rather than just lifting data or saying the name of the business.
- Assess or Evaluate – this is looking at both sides and coming to a conclusion.
- In order to enter Level 4, your response must be in context.
- Ensure that your time management allows you to answer all questions on the paper, especially the Q11 which is worth 14 marks.

Grade Boundaries

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

<http://www.edexcel.com/iwantto/Pages/grade-boundaries.aspx>

