

## **Delegate Booklet**

Understanding assessment and improving  
delivery in International Advanced  
Subsidiary/Advanced Level Business

**YBS11-20IF1**

Online



# Pearson

## About this event:

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**Course Title:** Understanding assessment and improving delivery in International Advanced Subsidiary/Advanced Level Business

**Course Code:** YBS11-20IF1

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## Aims and objectives of the event:

- ☐ Gain an insight into assessment objectives: what they are and why they are used in examination papers.
- ☐ Consider recent question papers and learn which types of questions match the different assessment objectives.
- ☐ Examine different assessment objectives, considering how questions in these areas have been answered.
- ☐ Provide strategies for teaching to try and make sure students can access questions targeting different assessment objectives.
- ☐ Explore the support and resources available from Pearson.
- ☐ Have the opportunity to network, discuss best practice and share ideas with other teachers.



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## Agenda:

Time	Item
	Agenda & introductions
	Assessment Objectives (AOs)
	'Explain...' questions with two activities Coffee break
	'Analyse...' questions with activity
	Finish



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## Activity 1: Which AOs?

The command words used in Units 1–4 are listed below. Place them in the table (below) to show which Assessment Objectives (AOs) they target (note: some command words target **more than one** Assessment Objective).

### **Command words used in IAL Business:**

‘Analyse’, ‘Assess’, ‘Calculate’, ‘Construct’, ‘Define’, ‘Discuss’, ‘Explain’, ‘Evaluate’.

AO1 Knowledge	AO2 Application	AO3 Analysis	AO4 Evaluation



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## Activity 2a: Build a question

### October 2019 Paper 1 (WBS11/01), Extract C:

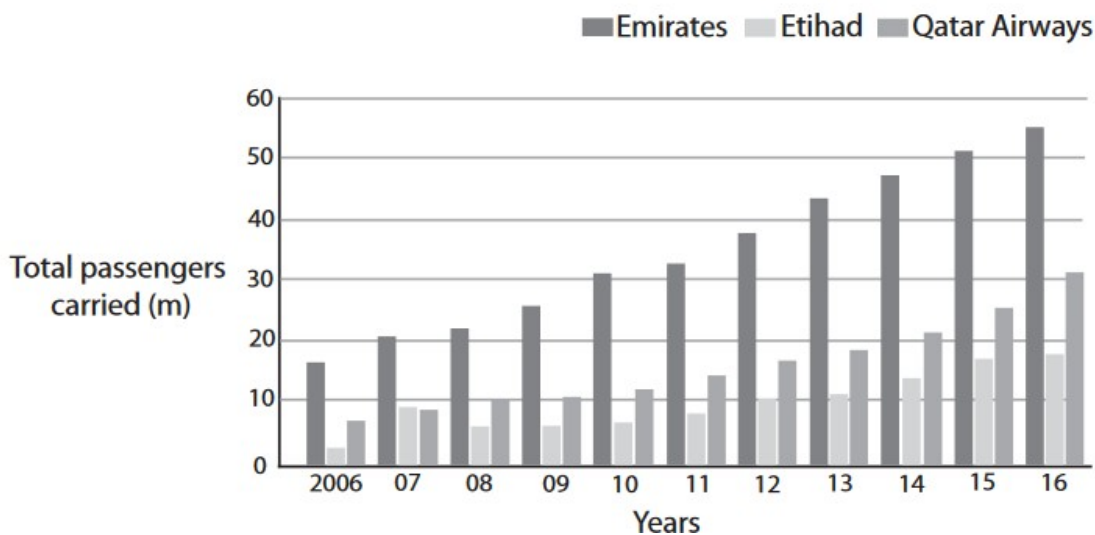
Sources for use with Section B

#### Extract C

##### Airline Companies in the Middle East

Over the past 10 years airline companies based in the Middle East have significantly increased the number of passengers they carry each year. Competitors, *Emirates*, *Etihad Airways* and *Qatar Airways* have attracted travellers with competitive pricing, superior service and luxurious premium cabins. Whilst passenger numbers are increasing, these airlines are facing competition from low-cost airlines, such as *Norwegian Air Shuttle* and Singapore-based *Scoot*. These airlines are attracting customers with low-priced fares on some of the same routes.

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## Activity 2a: Build a question

### October 2019 Paper 1 (WBS11/01), Extract D:

#### Extract D

#### *Emirates: Our story*

We started operations in 1985 in Dubai with two aircraft and we have increased the number of aircraft and destinations each year. Today, with more than 265 aircraft, we fly to 155 destinations in 80 countries. We provide industry-leading inflight entertainment, excellent inflight food and world-class customer service. We are known all over the world for our commitment to quality, which we continually seek to improve. 5

Our achievements in 2017 included:

- Three new destinations; Newark in the US, Phnom Penh in Cambodia and Zagreb in Croatia
- Our advertising campaign for our improved first-class service, using television celebrity and motoring expert Jeremy Clarkson 10
- We became the world's first airline with one million followers on the social media site Instagram. This helps us to monitor the experiences and feedback from our customers
- In a recent study of the top 100 brands most visible on social media, we were ranked fifth after *McDonald's*, *Nike*, *Adidas* and *Coca-Cola*. 15



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## Activity 2a: Build a question

### 1.3.3 Marketing Mix and Strategy

<b>1 Marketing objectives and strategy</b>	<p>a) Marketing objectives</p> <ul style="list-style-type: none"><li>• increase market share</li><li>• increase revenue</li><li>• building a brand.</li></ul> <p>b) The product life cycle and extension strategies.</p> <p>c) The Boston Matrix and the product portfolio.</p> <p>d) The concept of 'marketing mix'.</p> <p>e) Marketing strategies appropriate for different types of market:</p> <ul style="list-style-type: none"><li>• mass markets</li><li>• niche markets</li><li>• business to business (B2B)</li><li>• business to consumer (B2C).</li></ul> <p>f) Consumer behaviour – how businesses develop customer loyalty.</p>
<b>2 Product/service design</b>	<p>a) Design mix:</p> <ul style="list-style-type: none"><li>• function</li><li>• aesthetics</li><li>• cost/economic manufacture.</li></ul> <p>b) Changes in the elements of the design mix to reflect social trends:</p> <ul style="list-style-type: none"><li>• concern over resource depletion: designing for waste minimisation, re-use and recycling</li><li>• ethical sourcing.</li></ul>
<b>3 Promotion and branding</b>	<p>a) Types of promotion.</p> <p>b) Types of branding.</p> <p>c) The benefits of strong branding:</p> <ul style="list-style-type: none"><li>• added value</li><li>• ability to charge premium prices</li><li>• reduced price elasticity of demand.</li></ul> <p>d) Ways to build a brand:</p> <ul style="list-style-type: none"><li>• unique selling points (USPs)/differentiation</li><li>• advertising</li><li>• sponsorship</li><li>• the use of social media.</li></ul> <p>e) Changes in branding and promotion to reflect social trends:</p> <ul style="list-style-type: none"><li>• viral marketing</li><li>• social media</li><li>• emotional branding.</li></ul>



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## Activity 2a: Build a question

### 1.3.3 Marketing Mix and Strategy (continued)

<b>4 Pricing strategies</b>	<p>a) Types of pricing strategy:</p> <ul style="list-style-type: none"><li>• cost plus (mark-up on unit cost)</li><li>• price skimming</li><li>• penetration</li><li>• predatory</li><li>• competitive</li><li>• psychological.</li></ul> <p>b) Factors that determine the most appropriate pricing strategy for a particular situation:</p> <ul style="list-style-type: none"><li>• number of USPs/amount of differentiation</li><li>• price elasticity of demand</li><li>• level of competition in the business environment</li><li>• strength of brand</li><li>• stage in the product life cycle</li><li>• costs and the need to make a profit.</li></ul> <p>c) Changes in pricing to reflect social trends:</p> <ul style="list-style-type: none"><li>• online sales</li><li>• price comparison sites.</li></ul>
<b>5 Distribution</b>	<p>a) Distribution channels:</p> <ul style="list-style-type: none"><li>• four stage: producer to wholesaler to retailer to consumer</li><li>• three stage: producer to retailer to consumer</li><li>• two stage: producer to consumer.</li></ul> <p>b) Changes in distribution methods.</p>





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## Activity 2a: Build a question

Using the two extracts on pages 5 & 6 and the specification on pages 7 & 8, create two 4 mark 'Explain **one** reason...' questions.

### Question 1:

Explain **one** reason.....

.....

.....

### Question 2:

Explain **one** reason.....

.....

.....

Discuss each of the questions you have written with the other delegates on your table.

Select the best question from those discussed on your table.



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## Activity 2b: Create an answer

### ‘Explain...’ mark scheme

October 2019 Paper 1 (WBS11/01), Question 2(b)

Question	Answer	Mark
2(b)	<p style="text-align: center;"><b>Knowledge 1, Application 2, Analysis 1</b></p> <p>Quantitative skills assessed: <b>QS8</b> Use and interpret quantitative and non-quantitative information in order to make decisions</p> <p><b>Knowledge</b> Up to 1 mark for giving one reason why product is important e.g. • The product/service needs to meet customer needs <b>(1)</b>.</p> <p><b>Application</b> Up to 2 marks for answer contextualised: • Passengers are looking for luxurious cabins. <b>(1)</b>. • Customers expect quality inflight entertainment and food from <i>Emirates</i>. <b>(1)</b>.</p> <p><b>Analysis</b> Up to 1 mark for reasons/causes/consequences for <i>Emirates</i>, e.g. • If the product features are inadequate then customers may turn to competitors, resulting in lower sales and loss of market share for <i>Emirates</i>.</p>	<b>(4)</b>



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## Activity 2b: Create an answer

### ‘Explain...’ Exemplar 1:

#### October 2019 Paper 1 (WBS11/01), Question 2(b)

(b) Explain **one** reason why product may be considered the most important element of the marketing mix for *Emirates*.

(4)

Product is considered the most important element in the marketing mix of Emirates because it is how they gain their competitive advantage. Emirates is known worldwide for their commitment to quality. They provide industry-leading in-flight entertainment, excellent in-flight food and world-class customer service. This is how Emirates attracts their customers. ~~It is therefore~~ Product is therefore considered most important in the marketing mix as it's superior service is what attracts their customers and increases their market revenues as they.

AO1 = /1

AO2 = /2

AO3 = /1

Total Mark =



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## Activity 2b: Create an answer

### ‘Explain...’ Exemplar 2:

October 2019 Paper 1 (WBS11/01), Question 2(b)

(b) Explain **one** reason why product may be considered the most important element of the marketing mix for *Emirates*.

(4)

Product is a part of the marketing mix and is about the function of the product. For emirates, this might be the most important part as they are known for their superior service ~~and~~ luxury premium cabins and their commitment to quality. This is how Emirates differentiates itself from its competitors and ~~then~~ gives them a competitive advantage, ~~this~~ This will ~~have~~ potentially result in higher market share, revenues and profit margins.

AO1 = /1

AO2 = /2

AO3 = /1

Total Mark =





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## Activity 3: Which response is the best?

### June 2019 Paper 2 (WBS12/01), Extract C:

#### Extract C

##### **UK Government will consider additional 25p charge on disposable coffee cups**

The UK Government is considering adding an additional charge of 25p on all disposable coffee cups. This is aimed at helping the environment. Consumer trends have already shown people are prepared to pay more in order to prevent billions of tonnes of waste packaging ending up in the world's oceans, such as with the success of the existing 5p charge on plastic bags. 5

The proposal was announced by the UK Prime Minister as part of the government's 25-year environmental plan. The focus is on the need to reduce the amount of plastic thrown away each year.

The UK currently throws away approximately 2.5 billion disposable coffee cups every year with only a small number being recycled. If government plans go ahead, it is estimated the 25p charge could raise £438m and reduce use of the throw away cups by 30%. 10

*Starbucks* is to trial the additional charge, in London, but with a lower initial charge of 5p per cup. A spokesman for the coffee house chain from the US said its procedures were focused on reducing environmental concerns at the same time as maintaining the great taste, quality and service customers expect from *Starbucks*. Money raised will go to environmental charities researching better ways to recycle and protect the environment. 15

*Starbucks* currently sells reusable cups for £1 and offers a small discount for people using their own cup. It is the second biggest coffee house chain in the UK (after *Costa Coffee*) and the average price of its coffee is around £2.50. 20



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## Activity 3: Which response is the best?

June 2019 Paper 2 (WBS12/01), Question 2(c) mark scheme:

Question Number	Answer	Mark
2(c)	<p style="text-align: center;"><b>Knowledge 2, Application 2, Analysis 2</b></p> <p><b>Knowledge</b></p> <p>Up to 2 marks for defining quality management, e.g.</p> <ul style="list-style-type: none"><li>• The process of a business maintaining a desired level of excellence in a product/service <b>(1)</b> by paying attention to each stage of the process <b>(1)</b></li></ul> <p>OR</p> <p>For giving two reasons, e.g.</p> <ul style="list-style-type: none"><li>• Customers may spend more if they feel more likely to receive good service/product <b>(1)</b></li><li>• It may earn <i>Starbucks</i> a good reputation <b>(1)</b></li></ul> <p><b>Application</b></p> <p>Up to 2 marks for answers contextualised to <i>Starbucks</i>, e.g.</p> <ul style="list-style-type: none"><li>• <i>Starbucks</i> is focused on maintaining great tasting coffee <b>(1)</b></li><li>• <i>Starbucks</i> is the 2<sup>nd</sup> largest coffee chain in the UK behind <i>Costa</i> <b>(1)</b></li></ul> <p><b>Analysis</b></p> <p>Up to 2 marks for reasons/causes/consequences for providing quality control, e.g.</p> <ul style="list-style-type: none"><li>• The customers will be more confident they will be served quality coffee and so provide repeat custom <b>(1)</b></li><li>• <i>Starbucks</i> may gain a positive reputation and increase market share, challenging <i>Costa</i> <b>(1)</b></li></ul>	<b>(6)</b>



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## Activity 3: Which response is the best?

June 2019 Paper 2 (WBS12/01), Question 2(c) Exemplar 1:

(c) Analyse **two** possible reasons why quality management may be important to Starbucks.

(6)

Quality management are techniques used by businesses to try and ensure that the quality of their products are up to standard, mainly to keep a good brand image and increase consumer loyalty. Quality management has different techniques such as total quality management, quality control & quality assurance. Starbucks is the second biggest coffee house chain in the UK and it also states in the extract consumers expect great quality, taste and service, this shows that quality is a big aspect of Starbucks so to make sure the consumers keep coming and sales remaining constant they have to make sure quality is up good and up to what consumers expect to not loose to its main competitor Costa coffee. Good quality means that consumers wouldn't mind paying a higher price to get better quality and since the average price of it's coffee which is around £2.50 which is above average, they will have to maintain quality if they want to charge a reasonable price and if they want to increase price.

**Total Mark =**





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## Activity 3: Which response is the best?

June 2019 Paper 2 (WBS12/01), Question 2(c) Exemplar 2:

- (c) Analyse **two** possible reasons why quality management may be important to Starbucks.

(6)

It makes the taste of each cup of coffee identical. This is because the barista will produce each cup in the same way using the correct blend of beans. Therefore customers are likely to become loyal to Starbucks.

It ensures the quality of each drink is always at a high standard. Therefore allowing Starbucks to charge a premium for each drink. As a result making sure quality reaches a certain standard could allow value to be added.

**Total Mark =**





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## Activity 3: Which response is best?

### June 2019 Paper 2 (WBS12/01), Question 2(c) Exemplar 3:

(c) Analyse **two** possible reasons why quality management may be important to Starbucks.

(6)

Quality management is the method a business uses to ensure the quality of the product meets a pre-determined standard. For instance this could be quality assurance where quality is checked at each stage of production.

One reason why it is important is that it could ensure the quality of each cup of coffee is identical. Therefore no matter which Starbucks a customer goes into a flat white will always taste the same. As a result customers are much more likely to return to Starbucks instead of switching to Costa instead.

Another reason is the market is very competitive. Therefore Starbucks need to ensure its drinks meet a high standard in order to charge a high price per cup. If quality management is not maintained customers may prefer Costa since they will be unsure what quality of coffee Starbucks may produce.

Total Mark =



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## Activity 4: Find the level

### June 2019 Paper 1 (WBS11/01) Extracts A & B:

#### Extract A

##### What is Zwift?

Millions of people around the world enjoy cycling. However, the weather or road conditions can sometimes make it difficult or even impossible to take part in this activity. *Zwift* created a solution to this by introducing a virtual reality computer program, which combines cycling with computer gaming. The cyclist rides their bicycle indoors while it is attached to a fixed frame, so the bicycle does not actually move. This allows the cyclist to watch their progress on a virtual road on a computer screen. People of all cycling abilities can improve their fitness at the same time as enjoying social interaction with fellow cyclists from around the world.

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By paying *Zwift* a \$10 fee every month to use the game, the cyclist's efforts can be displayed in a virtual world on the computer screen, complete with maps, roads, landscapes and other riders to interact with.

10

Jon Mayfield and Eric Min, both keen cyclists, launched *Zwift* as a private limited company in 2014, with an initial investment of \$3m, followed by venture capital of \$27m in 2016. The statistics are certainly impressive. In October 2017, *Zwift* had more than 300,000 riders from over 150 countries. Between them they had collectively logged 218,128,291km. There are currently no direct competitors to *Zwift* and with several additions to the game being planned its success looks set to continue.

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#### Extract B

##### Selected financial information for *Zwift* for year ending 31 December 2017

	\$
Revenue	36 000 000
Cost of sales	(21 000 000)
Gross profit	15 000 000



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## Activity 4: Find the level

### June 2019 Paper 2 (WBS12/01) Question 1(d) mark scheme:

Question Number	Indicative content
1(d)	<p><b>Indicative content guidance</b></p> <p>Answers must be credited by using the level descriptors (below) in line with the general marking guidance. The indicative content below exemplifies some of the points that candidates may make but this does not imply that any of these must be included. Other relevant points <b>must</b> also be credited.</p> <p><b>Knowledge, Application, Analysis, Evaluation – indicative content</b></p> <ul style="list-style-type: none"><li>• <i>Zwift</i> is a private limited company, meaning it has limited liability</li><li>• Limited liability means the owners of the business are only liable for the money they have invested in the business</li><li>• This means Jon Mayfield and Eric Min were able to take more risks without the worry they may lose their personal possessions if the venture failed</li><li>• <i>Zwift</i> may have grown to have more than 300,000 customers in over 150 countries because the owners were more prepared to take the risks</li><li>• However, setting up <i>Zwift</i> so it has limited liability would have taken longer and been more complicated than if Jon and Eric operated as a partnership</li><li>• With less concern over running up huge debts, if problems occur in the future, <i>Zwift</i> may not be able to repay their creditors and could go into liquidation</li></ul>





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## Activity 4: Find the level

**June 2019 Paper 2 (WBS12/01) Question 1(d) mark scheme:**

Level	Mark	Descriptor
	0	No rewardable material.
<b>1</b>	1–2	Isolated elements of knowledge and understanding – recall based. Weak or no relevant application to business examples. Generic assertions may be presented.
<b>2</b>	3–5	Accurate knowledge and understanding. Applied accurately to the business and its context. Chains of reasoning are presented, showing cause(s) and/or effect(s) but may be assertions or incomplete. An attempt at an assessment is presented that is unbalanced and unlikely to show the significance of competing arguments.
<b>3</b>	6–8	Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context. Logical chains of reasoning, showing cause(s) and/or effect(s). Assessment is balanced, well contextualised, using quantitative and/or qualitative information, and shows an awareness of competing arguments/factors.



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## Activity 4: Find the level

### June 2019 Paper 2 (WBS12/01) Question 1(d) Exemplar 1:

(d) Discuss the likely advantages for Zwiift of having limited liability.

(8)

Limited liability is when the business owner is only personally liable for the original amount invested in the company.

This is also one of the biggest advantages of having limited liability. Jon and Eric, owners of Zwiift, are only reliable for paying back their \$3m originally invested in the business, ~~if~~ if the company suddenly goes into ~~depth~~ debt. They will not need to pay of the ~~comp~~ company's debt because their legal identity is seperated from the business'. This will also mean that people are more likely to invest in Zwiift and buy shares, because they know the exact limit to their investment. It might therefore become easier for Zwiift to sell their shares and gain more capital.

However, one of the disadvantages of having limited liability is that the business has to publish their financial data online to the public. Everybody can see how the business is doing financially, including competitors. Rivals to Zwiift might therefore take advantage of this and use the data available to them to try and gain a competitive edge over Zwiift. Consequently, worsening Zwiift's sales and market share.

Overall Level =  Overall Mark =



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## Activity 4: Find the level

### June 2019 Paper 2 (WBS12/01) Question 1(d) Exemplar 2:

(d) Discuss the likely advantages for Zwiift of having limited liability.

(8)

Having limited liability, means being a different identity from business. One possible advantage of that is that if business will fail, the owner will lose only the ~~more~~ assets that they put into a business, so if Zwiift liquidates, it is the company that will ~~be~~ be in debt to investors, so owners personal assets are safe and can't be forced to use to pay the debts.

Having a limited liability, though, can make it harder for Zwiift to get investment, because owners are not risking as much, as if they had unlimited liability, so investors be worried, since if company fails, they may not get their money back. Unlike if they ~~have~~ <sup>had</sup> unlimited liability, investors could feel safer about getting money back, therefore more likely to invest. If Zwiift breaks the law, the company is going to get sued and not the owners, so owners may feel safer about their position. For example, if an accident happens, their product will break and someone will be injured, consumers will sue the company Zwiift and not their owners, as they are different legal identities.

Overall Level =

Overall Mark =





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## Activity 4: Find the level

### June 2019 Paper 2 (WBS12/01) Question 1(d) Exemplar 3:

(d) Discuss the likely advantages for Zwiift of having limited liability.

(8)

By having limited liability it means Zwiift is an incorporated business as the owners won't be affected in case of debt, they would only lose the amount they have invested as the ~~the~~ business Zwiift will have a separate legal identity from the two owners. This may be very good in certain cases for example if a customer isn't satisfied or if Zwiift was to go to court for a problem the owners won't be affected or charged. It can be discussed that, because no personal assets are at stake there could be a lack in motivation, because there is no threat to their own money or belongings. There may be a chance that if Zwiift wanted to get a loan to better their business lenders such as the bank could prefer a business with unlimited liability, because if they do not pay it back they would lose personal money or belongings.

Overall Level =

Overall Mark =



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## **Activity 5: Better balance**







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## Personal learning:

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### Things to do:

- Make sure that you recognise that the levels of response questions **will be marked according to a line of best fit across all four of the Assessment Objectives or 'AOs' contained within the level descriptor.**
- Make sure you know what each command word requires students to do and which AOs it targets.
- Use the examiners' reports and annotated worked exemplars on the Edexcel website to help your students prepare.
- Use the *Getting Started Guide* (available on the Pearson website) to understand the breadth and scope of the specification.

### Things to avoid:

- Do not use questions from the old specification, unless you change the command word and mark tariff to match question style from the new specification.
  - Be careful about where the specification content is now placed. Just because the specification content as a whole has not really changed, there has been movement of content from Unit 1 to Unit 2 – make sure that you update your lesson plans to reflect this. This is especially important in Units 1 and 2.
  - Make sure you understand what units are available when, and when the IAS and IAL can be awarded.
- 

### Your ideas: