

Examiners' Report/  
Principal Examiner Feedback

Summer 2013

International GCSE Business Studies  
(4BS0)

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# **International GCSE Business Studies (4BS0) June 2013**

## **General Comments**

It was evident that many students had gained a great deal of business knowledge from studying the course and this was evident in the answers given. Unfortunately this knowledge was not always followed up by (i) applying the knowledge gained to the questions asked and then this (ii) restricted the students' access to the full mark range.

As mentioned in previous reports there are still a number of students who answer the questions from a generic point of view and do not apply their answers to the context. Students will therefore, be unable to access the full range of marks available for questions. This year's mark scheme included the Assessment Objectives to help prepare students for future examinations. All four of the Assessment Objectives are covered throughout the paper and the percentage breakdown of each AO can be seen on page 8 of the Teacher's Guide. On page 14 are examples of the command words used that indicate the AO's being tested. In a question where more than one AO is being tested the command word will always refer to the highest AO.

It is also worth reiterating yet again, that the examination paper is marked using the online 'ePEN' system. Therefore students must indicate if they have continued their answer somewhere else on the paper, many students heeded the advice given last year, although there are still a number who did not.

## Comments on individual questions

### Section A

#### Question 1

The multiple choice questions are answered quite well by the majority of the students.

However there appeared to be some confusion with 1 a (ii), where a number of students thought that training provided by a college is 'on-the-job' method and not 'off-the-job'.

In part 1 b – most students were able to match the terms against the definitions given.

In part 1 c - a number of students seemed to think market segmentation related to Azeem's employees, particularly when recruiting them, rather than customers. Many just made generalised statements and often repeated the same point in each segment, which would not gain additional marks.

In part 1 c (i) students made basic comments such as 'different ages require different hair styles'; and some then justified this more by explaining that older people may want perms while the younger people would require fashionable, trendy cuts. Some students referred to the hairdressers as a beauty salon where other services would be required e.g. to nail polish, waxing etc. Acceptable comments; teenagers prefer modern and up to date hairstyles, where older people prefer a style they have had for many years and are reluctant to change.

In 1 c (ii) most students found it more difficult to specify the differences between men and women, with most saying that men and women would like to use different products designed for different genders. This answer was not then expanded upon to gain the full marks. Examples that could have been mentioned are; men prefer to spend little time at the hairdressers and often have hair cut short, whereas women like to spend more time, having many different types of treatment such as colouring and/or straightening.

In 1 c (iii) this third part of the question was not answered as well as c (i) and (ii). A number of students commented here about 'richer people wanting more luxurious hairstyles that cost more'; but in general this section was the weakest of the three. Possible answers could have included; those with a more affluent lifestyle would expect more luxurious premises, with many added extras, whereas people with low income would want a basic salon where they are only paying for the hair cut and not the surroundings.

In part 1 d (i) and (ii) was well answered by most students understanding what the term 'partnership' meant and the implications of a 'deed of partnership'.

## Question 2

In part 2 a asked what is meant by 'marketing' a number of students gave detailed answers on what a 'market' is, which is very different. A market is where buyers and sellers come together to exchange products for money, whereas as marketing is identifying the needs and wants of customers.

In part 2 b The identification of the four elements of the marketing mix was well answered by a large percentage of the students.

In part 2 c (i) students were able to gain one of the two marks available for why Azeem would set the objective of 'survival', however the second mark was not gained by many students. If they had developed why Azeem had set this objective, such as most businesses do not survive during the first few years, this would have gained the second mark. Many students gave generic answers as to why objectives are set rather than concentrating on survival. An example of where students did not read the question and therefore, did not answer it as required.

In part 2 c (ii) a number of students gained full mark on this question, however some students simply put the word 'profit'. Profit on its own is not considered an objective, they needed to develop this by simply adding 'to increase profits' or 'to maximise profits'.

In part 2 d approximately half of the students gained full marks on this question by being able to identify the four stages of the product life cycle.

In part 2 e students realised that the two premises were different but then only gave one reason for their choice, explained twice. Also some students gave reasons for premise 1 and the second reason justified for premise 2. It is worthy of note that this type of question may appear each year and students should be prepared for it.

## Question 3

In part 3 a (i) Nearly 70 per cent of the students were able to work the calculation out and gain the mark available, showing an understanding of the Profit and Loss Account.

In part 3 a (ii) proved more challenging for some students with just under half gaining full marks. Students had to give two examples of expenses that would have been incurred when advertising for the business, the most popular answers tended to be printing leaflets and distributing them.

In part 3 b students were able to give basic comments about not having enough data and needing more than one year to compare, however they did not comment on why it was important. Those who understood financial aspects of business often scored full marks.

In part 3 c a number of students gave a very detailed account of what a cash flow forecast was and how it was produced, together with what it means when there is a negative amount or a positive amount, but then failed to develop the answer in relation to Designer Cuts. Those students who understood the concept of cash flow forecasting scored highly, often linking it to the identification of possible liquidity problems and the need to arrange finance in advance.

In part 3 d again students tended to give very detailed and a correct explanation of what a bank loan was and what an overdraft was without 'assessing' why the bank loan would be a better choice and therefore no evaluative comments. Of those that did evaluate, a large number of students were able to comment on the fact that the bank loan was likely to be at a lower rate of interest than the overdraft and therefore be more beneficial to the business because this would reduce their costs. Also referring to how a bank loan will help the business plan for the future as the payment is consistent throughout the term.

In part 3 e a number of students failed to answer how the act 'affects' the way Designer Cuts recruits. Also many students just repeated the stem of the question and stated that it was illegal and they would have to re-write the advertisement. Some students gave a detailed description of all the acts that applied to the advertisement and why they were illegal, which did not gain them any marks. A number of students were able to comment that Designer Cuts may be forced to change the advertisement to ensure that both males and females were able to apply but relatively few made the link with what could happen if Designer Cuts did publish the advert e.g. Designer Cuts could be taken to court or their reputation could be affected.

## Section B

### Question 4

In part 4 a (i) There was some confusion about what is included in a Person Specification and what is included in a Job Description. Also a number of students thought that the Person Specification would be written by the applicant, giving a list of the skills, experience and knowledge which would help Designer Cuts in their choice of candidate. However there were a number of students that gave a very clear and detailed answer as to the importance of having a good Person Specification in the recruitment process.

In part 4 a (ii) In this part of the question a number of students gave detailed information about what else would be included in the Job Description and their purpose. This is yet another example of where students did not answer the question asked.

In part 4 b although there were some very good answers seen to this question, many students did not differentiate between telephone and email and just produced a generic response. Other students gave lengthy detail about the negative aspects of each of the methods used and how they could cause problems and issues, clearly misinterpreting what the question asked for. A number of students made reference to suppliers abroad and ordering raw materials, often forgetting the context for the paper – a small local hairdresser.

In part 4 c Some excellent answers seen, but unfortunately a large number of students explained how a break-even graph is constructed, how it works and when it is used, missing the point of the question, of how it could be used to inform Azeem's decision making process. Students who did perform well tended to do better on the justification of not using a break-even 'graph' but often this was omitted completely, restricting the marks available to 3.

#### Question 5

In part 5 a (i) A question that the ePEN statistics show was well answered by students.

In part 5 a (ii) in general was not answered well. Students gave a very detailed description of Maslow's Hierarchy and how each level is needed before they can move on to the next level. Therefore there was often little or no reference especially to social needs and little evaluation of how those might be affected. Comments were made that 'they moved down a level' realising that if one need is not met then the employee reverts to a lower level. Often being made redundant, out of work and having no money were other comments made.

In part 5 b the question specifically asked why would the use of leaflets would be the most appropriate method for advertising Designer Cuts. Students tended to give a lot of theoretical or generic points. Again the question was not always read very carefully, with some students reading the stem of the question and taking the "decided not to use" part of the rubric and explaining why he did not use leaflets. Many did gain marks by stating that they were informative/persuasive but there was little application other than they were cheap to produce and can target the local area.

In part 5 c as in past papers students were asked to consider two options and justify why they have selected one and rejected the other. Only a few good answers were seen in a question that should have given students the opportunity to shine and develop their answers. Many students wasted time describing primary and secondary research and how each method is collected and used, together with the various methods of collection. Comparatively few went on to access the remaining marks by developing their answers in context through analysis and evaluation of which research method would be most useful for Designer Cuts.

There are still a number of students that are writing in bullet format, this, does not allow them to gain the analysis and evaluation marks available. Some students were able to comment on the method chosen and justify their reasons whilst rejecting the other in detail. It is worth pointing out to students that this question does carry the most marks and they should allow sufficient time to answer the question. A number of students only completed a few lines and therefore did not gain many 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>

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