

Delegate Booklet

International GCSE Business
Welcome to Pearson (Module 2)

4BS1-20IO3



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About this event:

Course Title: International GCSE Business: Welcome to Pearson (Module 2)

Course Code: 4BS1-20IO3

Aims and Objectives of the event:

- ☐ Understand the Assessment Objectives for the qualification
- ☐ Understand the question types for the qualification
- ☐ Understand the mark schemes for the qualification
- ☐ Practise using the mark schemes using exemplar student work
- ☐ Learn about support provided by Pearson around assessment and exemplars.



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Marking Activity 1: Find the mark

June 2019 Paper 1 (4BS1/01) 'Define...' Mark scheme:

Question Number	Answer	Mark
1 (b)	AO1 - 1 mark Award 1 mark for a correct definition of stakeholder. <ul style="list-style-type: none">• Individuals or groups with an interest in the success or failure of a business (1).	(1)

June 2019 Paper 1 (4BS1/01) 'Define...' Exemplar 1:

(b) Define the term **stakeholder**.

(1)

A stakeholder is someone who is has permission to use their businesses in different countries etc.

Total Mark =

June 2019 Paper 1 (4BS1/01) 'Define...' Exemplar 2:

(b) Define the term **stakeholder**.

(1)

Person / group of people interested in business
(e.g. customer, employee, government)

Total Mark =



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Marking Activity 1: Find the mark

June 2019 Paper 1 (4BS1/01) 'State...' Mark scheme:

Question Number	Answer	Mark
2 (b)	<p>AO2 - 1 mark</p> <p>Award 1 mark for any valid piece of information in the context of the business.</p> <ul style="list-style-type: none">• Gain more knowledge about shoes/accessories (1).• Receive training at a college on selling men and children's shoes (1). <p>Accept any other appropriate response.</p>	(1)

June 2019 Paper 1 (4BS1/01) 'State...' Exemplar 1:

(b) State **one** benefit to Backyard Shoez of using off-the-job training.

(1)

By using off-the-job training, the shoe retailer's employees could get new and fresh ideas into the business, which could lead to the ~~company's~~ business improvement.

Total Mark =

June 2019 Paper 1 (4BS1/01) 'State...' Exemplar 2:

(b) State **one** benefit to Backyard Shoez of using off-the-job training.

(1)

The training does not effect the productivity during business hours.

Total Mark =



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Marking Activity 1: Find the mark

June 2019 Paper 1 (4BS1/01) 'Calculate...' Mark scheme:

Question Number	Answer	Additional guidance	Mark
3 (c)	AO2 - 2 marks 100 000/ (4 300 – 3 500) OR 100 000/ 800 (1) = 125 shoes (1) . NB: Alternatively if candidates have worked out revenue instead of number of shoes then marks can be awarded for calculating break even revenue: 125 x 4 300 = 537 500Ks (1) .	 Award 1 mark for correctly substituting numbers into formula. Award full marks for correct numerical answer without working.	 (2)

June 2019 Paper 1 (4BS1/01) 'Calculate...' Exemplar 1:

Backyard Shoez's monthly fixed costs are 100 000 Ks with a variable cost of 3 500 Ks for a pair of shoes, at a selling price of 4 300 Ks.

(c) Calculate the break-even point. You are advised to show your working.

(2)

Fixed cost	$\frac{100\,000}{4\,300 - 3\,500} = 125.$
selling - variable price - cost.	
<div>125. Ks</div>	

Total Mark =



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June 2019 Paper 1 (4BS1/01) 'Calculate...' Exemplar 2:

Backyard Shoez's monthly fixed costs are 100 000 Ks with a variable cost of 3 500 Ks for a pair of shoes, at a selling price of 4 300 Ks.

(c) Calculate the break-even point. You are advised to show your working.

(2)

$$\begin{array}{r} 100000 \\ \hline 4300 - 3500 = 125 \end{array}$$
$$\begin{array}{r} \cancel{100000} + 3500 \\ 4300 \times 125 = 537500 \end{array}$$
$$* 537500 \text{ Ks}$$

Total Mark =



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Marking Activity 1: Find the mark

June 2019 Paper 1 (4BS1/01) 'Explain...' Mark scheme:

Question Number	Answer	Mark
2 (d)	<p>AO1 - 3 marks</p> <p>Award 1 mark for identification of method, plus 2 further marks for explaining this method, for a maximum of 3 marks.</p> <ul style="list-style-type: none">• A business could use television advertising (1). This can be seen by large numbers of people raising awareness (1) resulting in an increase in sales for a business (1). <p>Answers that list more than one method with no explanation will get a maximum of 1 mark.</p> <p>Accept any other appropriate response.</p>	(3)

June 2019 Paper 1 (4BS1/01) 'Explain...' Exemplar 1:

(d) Explain **one** method of above the line promotion a business could use.

(3)

A business could use adverts on the Television. Because the television is viewed by so many people this would be lots of exposure for the business's product.

Total Mark =



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June 2019 Paper 1 (4BS1/01) 'Explain...' Exemplar 2:

(d) Explain **one** method of above the line promotion a business could use.

(3)

A business can use motivational promotion to get their product made faster, a different way, to get workers to stop arguing etc. Motivational promotion is basically bribery, ~~the~~ a competition almost, the boss will tell employees that if they complete a certain task they can be rewarded with said promotion. Another example would be ~~saying to~~ employees that the first one to complete such task gets a promotion, this is merely for the boss's benefit and is used when there's loaded work.

Total Mark =



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Marking Activity 1: Find the mark

June 2019 Paper 1 (4BS1/01) 'Outline...' Mark scheme:

Question Number	Answer	Mark
3 (b)	<p>AO2 - 2 marks</p> <p>Award 1 mark for identifying an impact of an increase in interest rates on <i>Backyard Shoez</i>. One further mark for outlining it in the context of the business.</p> <p><i>Backyard Shoez</i> could see a decrease in sales of shoes (1) because their customers who have debts have less income to spend on luxury items because they are paying more back to lenders (1).</p> <p>NB Do not accept a reason that is not in context of <i>Backyard Shoez</i>.</p> <p>Accept any other appropriate response.</p>	(2)

June 2019 Paper 1 (4BS1/01) 'Outline...' Exemplar 1:

(b) Outline **one** impact on *Backyard Shoez* if interest rates increase.

(2)

That means Backyard shoez will have to
in order
pay more interest ~~than~~ to borrow money from banks.
Therefore ~~making~~ ^{will making} less profit due to more
money is spent.

Total Mark =



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June 2019 Paper 1 (4BS1/01) 'Outline...' Exemplar 2:

(b) Outline **one** impact on *Backyard Shoez* if interest rates increase.

(2)

The cost of borrowing money will increase
Therefore if they make a profit the profit
would be reduced because of the
increased interest rates.

Total Mark =



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Activity 2: Find the level

June 2019 Paper 2 (4BS1/02) Question 1 Case Study:

- 1 *Tata Motor Company* began trading in 1868, and is now part of a large group of companies that is estimated to be worth \$100 billion. *Tata Motor Company* manufactures a wide range of cars, buses and trucks. It is India's largest maker of vehicles with manufacturing centres in many countries including Korea, Italy and the UK.

One of the main aims of *Tata Motor Company* is to produce goods that the public want and need. It is currently working on electric cars that are more environmentally friendly. *Tata Motor Company* plays an active role in community development such as building schools, houses and investing in the health and welfare of local people.

(Source adapted from: <https://www.tatamotors.com/about-us/>)

June 2019 Paper 2 (4BS1/02) 'Analyse...' Mark scheme:

Question Number	Indicative content	Mark
1 (g)	<p>AO2 = 3 marks AO3 = 3 marks</p> <p>AO2</p> <ul style="list-style-type: none"> <i>Tata Motor Company</i> highlights that it helps the local community with building schools/working on the environment. <i>Tata Motor Company</i> also invests heavily in the health and welfare of people and the community. <p>AO3</p> <ul style="list-style-type: none"> The public are more likely to think highly of <i>Tata Motor Company</i> if it is using the profits from its business to help local communities. If there is any bad publicity about the vehicles sold then it could have a negative effect on the business. 	(6)

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-2	<ul style="list-style-type: none"> Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2) Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3)
Level 2	3-4	<ul style="list-style-type: none"> Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies. (AO2) Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3)
Level 3	5-6	<ul style="list-style-type: none"> Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2) Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3)



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June 2019 Paper 2 (4BS1/02) 'Analyse...' Exemplar 1:

(g) Analyse the importance of good public relations for *Tata Motor Company*.

(6)

One advantage of good public relations for Tata Motor company is it helps create customer loyalty. This means Tata Motor company should see repeat purchase from customers, helping to generate a higher revenue. A second advantage of good public relations, is that it makes Tata Motor Company more friendly and welcoming. This will mean ~~customers~~ ^{potential buyers} are more likely to shop their, compared to rival ~~businesses~~ ^{businesses}. Therefore, helping Tata Motor Company to see a higher profit margin.

(Total for Question 1 = 20 marks)

	Level 0	Level 1	Level 2	Level 3
Level for Application (AO2)				
Level for Analysis (AO3)				
Overall Level				
Overall Mark				



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June 2019 Paper 2 (4BS1/02) 'Analyse...' Exemplar 2:

(g) Analyse the importance of good public relations for *Tata Motor Company*.

(6)

Good public relations is extremely important for Tata Motor Company as it could increase their amount of customers. This is because customers will feel more comfortable and attracted towards Tata Motor Company, which will increase their chances of shopping there. This will create more revenue for Tata as more customers will want more sales.

Another reason why good public relations will be important for the business is because it will create exposure for the business. This is because ~~known~~ existing customers will spread the business to potential customers. This could allow Tata Motor Company to expand as there will be more demand for the business in other areas.

(Total for Question 1 = 20 marks)

	Level 0	Level 1	Level 2	Level 3
Level for Application (AO2)				
Level for Analysis (AO3)				
Overall Level				
Overall Mark				



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Activity 2: Find the level

June 2019 Paper 2 (4BS1/02) 'Justify...' Mark scheme:

Question Number	Indicative content	Mark
2 (f)	<p style="text-align: center;">AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks</p> <p><u>AO2</u></p> <ul style="list-style-type: none">• Option 1 – With cost plus pricing <i>Tata Motor Company</i> know that the cost of making the vehicle has been covered.• Option 2 – If <i>Tata Motor Company</i> uses promotional pricing it is a good strategy for selling new vehicles. <p><u>AO3</u></p> <ul style="list-style-type: none">• Option 1 – <i>Tata Motor Company</i> knows that if the cars are selling well it is making money, which means more profit for the business.• Option 2 – The lower price from the promotional price will result in higher sales. <p><u>AO4</u></p> <ul style="list-style-type: none">• Option 1 – Although this type of pricing method guarantees a profit on the cost of manufacturer it does not guarantee that sales are going to be made, especially if a competitor is cheaper, therefore selling more vehicles.• Option 2 - Even though the sales may be higher, the profit per vehicle will be lower.	(9)



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Activity 2: Find the level

June 2019 Paper 2 (4BS1/02) 'Justify...' Mark scheme:

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-3	<ul style="list-style-type: none">• Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2)• Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3)• Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made. (AO4)
Level 2	4-6	<ul style="list-style-type: none">• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies. (AO2)• Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3)• Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made. (AO4)
Level 3	7 - 9	<ul style="list-style-type: none">• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2)• Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3)• Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made. (AO4)



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June 2019 Paper 2 (4BS1/02) 'Justify...' Exemplar 1:

Tata Motor Company uses different pricing strategies. It is considering **two** options for the launch of a new vehicle:

Option 1: cost plus

Option 2: promotional.

(f) Justify which **one** of these two options Tata Motor Company should use.

(9)

Pricing strategies are very important for a firm as customers want good quality products at low prices. If prices are too high they may purchase their items elsewhere.

Tata Motor company should consider choosing cost plus pricing strategy. This will be beneficial to Tata Motor company as it ensures that their cost of producing the cars are covered. This is also a much easier method as only a percentage needs to be added on total costs.

Promotional pricing may not be the best pricing strategy because when providing discounts and sales to consumers the company may lose out as they need to sell their cars at lower prices now. Therefore it may have a financial impact on the business.

However, although cost plus pricing may seem like the best pricing strategy it ignores market conditions. This means that it does not take into account the prices of competition. Therefore if ~~the~~ ^{other car company prices} competitors prices are low Tata Motor company may lose out on customers.

(Total for Question 2 = 20 marks)

	Level 0	Level 1	Level 2	Level 3
Level for Application (AO2)				
Level for Analysis (AO3)				
Level for Evaluation (AO4)				
Overall Level				
Overall Mark				



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June 2019 Paper 2 (4BS1/02) 'Justify...' Exemplar 2:

Tata Motor Company uses different pricing strategies. It is considering **two** options for the launch of a new vehicle:

Option 1: cost plus

Option 2: promotional.

(f) Justify which **one** of these two options Tata Motor Company should use.

(9)

cost plus pricing would be the best pricing strategy for Tata Motor company to use on the launch of a new vehicle. cost plus pricing means matching your competitors pricing to ensure you have successful sales. More customers will want to buy a new vehicle if it is matched to another competitors pricing. Furthermore, cost plus pricing will allow the company to ~~re~~ make more profit from the launch of its new vehicle. The reason for this is because a lower priced, new vehicle will appeal to many customers on the market. I do not believe promotional pricing would be a good option however because it makes the vehicle more expensive which could reduce the ~~number~~ the size of the market due to the amount people are willing to spend on a new vehicle.

	Level 0	Level 1	Level 2	Level 3
Level for Application (AO2)				
Level for Analysis (AO3)				
Level for Evaluation (AO4)				
Overall Level				
Overall Mark				



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Activity 2: Find the level

June 2019 Paper 2 (4BS1/02R) Question 4 Case Study:

Yellow, a clothing retailer, is part of *BEXIMCO Textiles Limited*. *Yellow* opened in 2004 and now has 15 stores across Bangladesh and Pakistan, with new stores opening in Dubai and Toronto. *Yellow* clothes are mainly manufactured in Bangladesh. Some are bought from manufacturers in other countries. *Yellow* expects its suppliers and manufacturers to provide fair wages and safe working conditions. It requires every manufacturer to commit to meeting recognised health and safety standards, be ethical and environmentally sustainable. It encourages all of its manufacturers to use Kaizen.

June 2019 Paper 2 (4BS1/02R) 'Evaluate...' Mark scheme:

Question Number	Indicative content	Mark
4 (c)	<p>AO1 = 3 marks AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks</p> <p><u>AO1</u></p> <ul style="list-style-type: none">• Customers buy <i>Yellow</i> clothing because they offer a wide variety of clothing.• <i>Yellow</i> has low manufacturing costs. <p><u>AO2</u></p> <ul style="list-style-type: none">• It offers clothing for all the family with different price ranges.• It gains a competitive advantage because it responds quickly to the change in the fashion market demanded by its customers. <p><u>AO3</u></p> <ul style="list-style-type: none">• Customers want clothing that is sold at a reasonable price and the whole family can shop at one store without going to other stores.• By having a quick response to changes in demand it is ahead of its competitors. <p><u>AO4</u></p> <ul style="list-style-type: none">• However, not all members of the family have the same taste and some may prefer different styles of clothing that <i>Yellow</i> offer.• Not all customers are driven by fashion changes and many would want clothing that would last a number of years.	(12)



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June 2019 Paper 2 (4BS1/02R) 'Evaluate...' Mark scheme (continued):

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-4	<ul style="list-style-type: none">• Demonstrates elements of knowledge and understanding of business concepts and issues, with limited business terminology used. (AO1)• Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2)• Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3)• Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made. (AO4)
Level 2	5 - 8	<ul style="list-style-type: none">• Demonstrates mostly accurate knowledge and understanding of business concepts and issues including appropriate use of business terminology in places. (AO1)• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies. (AO2)• Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3)• Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made. (AO4)
Level 3	9 - 12	<ul style="list-style-type: none">• Demonstrates accurate knowledge and understanding of business concepts and issues throughout, including appropriate use of business terminology. (AO1)• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2)• Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3)• Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made. (AO4)



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June 2019 Paper 2 (4BS1/02R) 'Evaluate...' Exemplar 1:

Yellow prides itself on using the following principles:

- sells a wide range of fashionable clothing
- limited advertising
- clothes are sold to a wide demographic
- clothes from suppliers are ready to go straight onto store shelves.

multiplier effects

(c) Evaluate how Yellow may have gained a competitive advantage in the clothing market. You should use the information provided as well as your own knowledge of business.

(12)

Selling a wide range of fashionable clothing is a huge advantage as customers of wide needs or clothing can satisfy themselves in "Yellow" and not any other store.

Clothes being sold to a wide demographic of people = accessibility that means that there are clothes that are relatively cheap in compare to other clothing brands in their area. All people with different incomes can afford to buy something with good quality from "Yellow".

Clothing going straight onto shelves is another huge advantage as clothes are ~~not~~ ~~not~~ brought to the store straight away. This means that new collection of clothes come relatively quick.

This is a huge advantage over their competitors. Instead of buying clothes from old collections in other businesses people ^{will} prefer buy buying from "Yellow".



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June 2019 Paper 2 (4BS1/02R) 'Evaluate...' Exemplar 1 (continued):

In addition to all these advantages, multiplier effect plays its huge role. All these advantages help the business attract customers in different ways. Attracting customers will give you even more customers as the public sees that everyone are buying from "Yellow" this will encourage others buy things from "Yellow" as well.

	Level 0	Level 1	Level 2	Level 3
Level for Knowledge (AO1)				
Level for Application (AO2)				
Level for Analysis (AO3)				
Level for Evaluation (AO4)				
Overall Level				
Overall Mark				



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June 2019 Paper 2 (4BS1/02R) 'Evaluate...' Exemplar 2:

Yellow prides itself on using the following principles:

- sells a wide range of fashionable clothing
- limited advertising
- clothes are sold to a wide demographic
- clothes from suppliers are ready to go straight onto store shelves.

(c) Evaluate how Yellow may have gained a competitive advantage in the clothing market. You should use the information provided as well as your own knowledge of business.

(12)

Yellow has a group of positive principles, that ~~helped~~ may have helped Yellow to gain a competitive advantage in the clothing market. Firstly, the business sells a wide range of fashionable clothing. It means that this range will satisfy the needs and wants of a wide range of customers, which will build up customers loyalty, as their perceptions are being considered by the business. Secondly, the business uses a limited advertising, which is a total advantage to the business itself. As we know advertising costs are pretty high, this means that the business is trying to keep its costs low to gain more profit, as profit is connected to the costs of the business. Thirdly, Yellow sells its clothes to a wide demographic. This means that business takes into account the income, social class, geographical area into account, for the customers to be able to afford the products, to be able to buy them from accessible locations. This is also an example of satisfying the customers' needs and wants, which will also build up the customer loyalty and definitely bring more cash into the business. Finally, the clothes from suppliers are transported straight onto store shelves, this means that it doesn't



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June 2019 Paper 2 (4BS1/02R) 'Evaluate...' Exemplar 2 (continued):

have too much for the business to transport its goods, and this will definitely satisfy the customers, as they will not wait for a very long time to buy the products. All of the principles stated above, help the business to gain a competitive advantage in the clothing market, as more and more cash flows into the business, meaning that the business will be able to pay its debts and generate more profit. This means that the probability that Yellow will fail is very low.

	Level 0	Level 1	Level 2	Level 3
Level for Knowledge (AO1)				
Level for Application (AO2)				
Level for Analysis (AO3)				
Level for Evaluation (AO4)				
Overall Level				
Overall Mark				



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Personal Learning:

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 of the Assessment Objectives or 'AOs' the question is designed to test.**
- 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:

- Focusing on pure 'knowledge' of AO1. Many questions do not even target knowledge and candidates need to think about other skills such as 'Application or 'AO2' when constructing their answers
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Your ideas: