



Examiners' Report  
Principal Examiner Feedback

November 2020

Pearson Edexcel International GCSE  
In Business (4BS1) Paper 02R



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## **PE REPORT ON GCSE INTERNATIONAL BUSINESS STUDIES 4BS1 02R – 2020**

### **GENERAL COMMENTS**

Candidates appeared to have found this paper accessible and were able to complete the paper in the allotted time. For the majority of the questions candidates were well prepared and were able to apply their knowledge, analyse and evaluate to answer the questions. However, a number of candidates struggled with the 'State' questions.

Many candidates had gained a great deal of business understanding from studying the course and this was apparent in the answers given. However, there are a number of candidates who are answering the questions detailing their knowledge of the topic without giving any application, analysis or evaluative comments. This does restrict the candidates' access to the full range of marks. The scenario of Hans Raj Mahajan Worldwide (HRMW), a real life business manufacturing sports equipment, perhaps interested the candidates which meant that they were able to relate their comments to the business.

The mark scheme includes the Assessment Objectives (AO's) to help in the preparation of candidates for future examinations. Just to reiterate, that all four of the Assessment Objectives are covered throughout the paper and the percentage breakdown of each AO can be seen on page 7 of the Getting Started for Teacher's Guide and page 22 in the Specification. Also on page 32 of the Teacher's Guide and page 31 of the Specification, are examples of the command words used that indicate which of the AO's are being tested. For example in question 2 (f) and 3 (e) the command word is 'Justify' and the Assessment Objectives being tested are AO2 – Application, AO3 – Analysis and AO4 – Evaluation. Candidates are asked to write an extended answer, using information provided in order to recommend one of the two options to a business.

It is important that candidates take into account the marks allocated for each question, giving them guidance on the amount of detail they need to answer the question. It is also worth mentioning, that the examination paper is marked using the online 'ePEN' system, therefore candidates must indicate if they have continued their answer somewhere else on the paper or have added additional sheets. Although many candidates did follow this information there were still a number who did not. The examiner may not realise that a candidate has continued writing somewhere else on the paper unless it is made clear. For those candidates that used additional paper, their response to the questions must be clearly identified on the paper. Sufficient lines are given for candidates to answer questions. It is also important that candidates clearly label the additional pages to show which question they are continuing with. Examiners are unable to guess if a candidate has continued the answer somewhere else. Candidates must clearly indicate by using 'continued', 'contd page ....' or 'see separate sheet'.

There are also some candidates who do not follow the instructions of the examination paper, for the first six questions, are multiple choice and candidates are given the instruction to mark an 'X' in the box. There are some candidates who are using 'ticks'.

Questions can be taken from any part of the specification; therefore centres should ensure that all sections are covered so that they do not disadvantage any candidates. From the work seen it appeared that some candidates had not covered the full specification.

## **COMMENTS ON INDIVIDUAL QUESTIONS**

### **Question 1**

The multiple choice questions were answered well by the majority of the candidates. Questions 1 (a) (i) and (ii), over three quarters of the cohort gained the mark available, having an understanding of what production means and the benefits of buying a franchise. Questions 1 (a) (iii) just over half of the candidates gained the mark available, showing how to work out the cost of markup on a product. Question 1 (a) (iv) four fifths of the cohort gained the mark available showing the impact on the changes in the interest rates. Question 1 (a) (v) where over three quarters of the cohort were able to identify a feature of a public corporation. Question 1 (a) (vi) another calculation question where more than two thirds of the candidates gained the mark available.

In part 1 b – nearly three quarters of the candidates did not gain the mark available, showing that perhaps candidates were not familiar with the term commission. A number of candidates referred to it as being a reward for work carried out.

In part 1 c – another ‘Define’ question, candidates had to define, ‘revenue’. Over half of the candidates did not gain the mark for this question. A number of candidates confused revenue with profit.

In part 1 d – this is the first of the ‘State’ questions where candidates must relate their response to the business. Only a quarter of the candidates gained the mark available. Although from the responses seen many candidates understood what the term short span of control was, but did not relate it to the scenario of HRMW and thus did not gain the mark.

In part 1 e – a calculation question where candidates had to calculate the Net Cash Flow for HRMW. Nearly half of the cohort did not gain the mark available for correctly working the calculation out. Although nearly a third did gain one mark showing that if candidates include all their working out, they can gain a mark. It is also worth pointing out that the question asked for two decimal places, if candidates only gave one, they would not get the mark.

In part 1 f – a question where candidates could have developed their answers more to gain the full 3 marks available. Nearly a fifth of the candidates did not gain any marks on this question. From the responses seen there were a number that had an understanding of what sponsoring an event was, but then did not give the benefits to the business, relating it more to its customers or those at the event. Again it is worth reiterating to candidates to read the question through at least twice before answering to ensure that they fully understand the question they have to answer.

In part 1 g – this is the first question in the paper which is marked to levels. Candidates were asked to analyse the benefits of HRMW branding its products. To gain the marks available candidates needed to apply the information and then analyse. Unfortunately a large number of candidates gave in depth detail of what branding means and how businesses do it, but did not apply to HRMW and how it would benefit them, therefore they did not gain the marks available. Some candidates repeated the information from the stem which is not worthy of a mark. A number of candidates gave a list of branded products. Less than a fifth of the cohort gained no marks, with over half gaining either marks in Level 1 or Level 2.

## Question 2

In part 2 a – a ‘State’ question where candidates were asked to state one function that human resources at HRMW would carry out. Again as mentioned previously candidates were able to identify a function but did not relate it to the business and therefore did not gain the mark available. The majority of candidates did not gain the mark available on this question.

In part 2 b – another ‘State’ question, where candidates were asked to state one reason why HRMW carries out market research. Candidates were able to give some valid reasons but again did not relate it to HRMW, with nine tenths of gaining candidates not gaining the mark available. On these type of questions candidates should be encouraged to ensure that it is related to the scenario of the paper, to enable them to gain the marks available. For example, ‘to find out what type of sports equipment customers prefer’. By just mentioning HRMW would not gain them a mark as the business is mentioned in the question.

In part 2 c – for this question candidates were asked to give one benefit of using penetration pricing, and as the question is ‘explain’ they did not need to put it in context, although a large number did and are not penalised for doing this. Nearly a third of the candidates did not gain a mark on this question. A number of candidates were able to given a detailed benefit of using penetration pricing when introducing a new product, showing clear understanding of the benefits to the business.

In part 2 d – nearly a third of the cohort did not gain any marks on this question. As it was another ‘explain’ question candidates did not have to put it in context. From the responses seen some candidates appeared to be confused as to the benefits of using the internet to carry out secondary research. A number of responses seen showed that candidates had not read the question fully and gave the benefits of secondary research without relating it to the internet. Some understood the benefits of using the internet but then did not develop their answers to gain the marks available. Again perhaps it is ensuring that the question is read carefully before answering.

In part 2 e – most candidates understood a benefit of a business introducing new products, with only a small percentage not gaining a mark. Nearly a third gained full marks on the question, showing that they understood the benefits to the business. From the responses seen some candidates developed their response but in relation to customers and not the business.

In part 2 f – candidates had to choose between the two methods of production. Most candidates understood that they had to justify why they had chosen which option. However, a large number of candidates gave very detailed descriptions of the option chosen, which was knowledge and therefore not worthy of any marks. Most candidates understood differences between the two methods of production with Just-In-Time (JIT) being preferred to Kaizen. Nearly half of the cohort did not gain a mark on this question and a third of the candidates gained a Level 1 mark. For candidates to gain the higher levels they need to draw conclusions or make evaluative comments as to why they have made their choice, or perhaps why they have chosen one option as opposed to the other.

### Question 3

In part 3 a – half of the cohort gained the mark available whilst half did not. From the responses seen some candidates referred to e-tailers as those people who made clothes and designed them, others gave a correct definition.

In part 3 b – again this question seemed to challenge candidates with well over three quarters of the cohort not gaining a mark. Candidates had to outline one reason why HRMW uses robotics in its production. A number of candidates described the benefits of robots in production, but then did not relate it back to HRMW and therefore did not gain the marks available.

In part 3 c – candidates should be encouraged to show their workings as advised in the question, as they could gain a mark for the formula, even if the actual answer is wrong. Only a third of the cohort gained the full marks available for the question, with two thirds not gaining a mark. From the responses seen a number of candidates did not attempt the question.

In part 3 d – this question asked candidates to analyse the limitations of why HRMW would use break-even charts. From the responses seen a number of candidates gave descriptions of what break-even is used for but did not apply it to HRMW. Others did not mention the limitations of using the chart, nearly two thirds of the candidates gained no marks for this question. With the remainder gaining a Level 1 mark.

In part 3 e – again another option question where candidates have to justify which one of the two options would be more suitable to HRMW. As in question 2 many candidates described both methods of raising funds giving the advantages and disadvantages, often not relating it back to HRMW. As mentioned previously there are no knowledge marks available for this type of question. Most candidates were able to apply the two options with less than half of the cohort gaining either a Level 1 mark. A number of candidates identified how HRMW could use the options but then did not evaluate their comments to gain the higher level.

## Question 4

In part 4 a – this question was well answered by over half of the cohort gaining the marks available, showing clear understanding of the calculation required. Again candidates should be encouraged to include their workings. Although it is worthy of note that over a third did not gain a mark on this question.

In part 4 b – most candidates were able to gain some marks on this question, with only just under a quarter of the cohort gaining no marks at all. Approximately half gained a Level 1 mark. As previously mentioned and indicated in the 'Getting Started Booklet', page 32, an analyse question, is looking for application and analysis of why a bank would be interested in a business's financial documents when they apply for a loan. A number of candidates listed the documents that might be required and then gave details of what would be included in the document, this is knowledge.

In part 4 c – It is worth pointing out to candidates that this question does carry the most marks and they should allow sufficient time to answer it with all four of the Assessment Objectives being tested. A number of candidates only completed a few lines and therefore did not gain many of the marks available. Some candidates are using bullet points or numbered format, this will not allow them to gain the higher level marks because they may not have analysed or evaluated the points made.

Candidates were asked to evaluate what makes HRMW so successful. A variety of valid comments were made by candidates, such as mentioning producing sports goods that customers want, ensuring that customers are completely satisfied with the products they have purchased, as well as referring to question earlier in the paper about sponsorship. However

they then failed to develop these points and justify their decisions to enable them to gain the higher level marks. Only a tenth of the cohort did not gain a mark. Two thirds of the cohort gained either Level 1 or the middle of Level 2 mark. To gain the higher levels candidates must draw conclusions and justify the comments made.

Some candidates continued on additional paper, which is acceptable, but if there is no indication on the examination paper that they have done so, valuable marks could be lost. Candidates must let the examiner know that they have continued their answer, simply by adding the word 'continued', or 'contd' or something similar is acceptable.