



Examiners' Report

June 2023

International Advanced Level Business WBS13 01

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Introduction

The paper discriminated well, with students accessing a wide range of marks with some very good responses to the questions set. Candidates with sound business understanding did well, with some excellent and thoughtful responses, particularly for the longer questions. By contrast, there were also some very weak responses that showed little understanding of, or even familiarity with, the specification content. The main reasons for some students underachieving were the usual ones of not following the command words and not reading the questions carefully enough. Command words are still being ignored by a large number of candidates.

Instructions to 'Assess' and 'Evaluate' were not followed by some candidates. Some of the students missed out on marks because they did not answer the question that was set. This was a particular problem for Q1c, Q1e and Q3 where a failure to read the wording of the question carefully, cost them valuable marks. It is worth reminding future students of the need to apply proper context to all responses. Repeating generic or stock answers or just copying the extracts will not access the higher levels of the mark scheme.

Marking Levels – a holistic approach

The IAL specification continues to use marking descriptors for all levels-based questions. It is essential that centres look at these and understand how these are different to the legacy specification. The levels-based mark schemes are applied in a holistic way rather than looking for individual Assessment Objectives. This means that a student who attempts evaluation with some context will not necessarily be placed in the top levels (as would be the case for the legacy specification) and may only achieve a maximum of level 2 if the evaluation is weak. Far too many students are simply copying out large sections of the extracts with an attempt at limited evaluation; this will only achieve lower levels.

Question 1 (a)

This question was marked by using a points-based mark scheme with 1 Knowledge mark, 2 Application marks and 1 Analysis mark. Often responses started with a definition of shareholder which is not necessary as the the Knowledge mark can only be awarded for a suitable reason. Many reasons were rewarded and these included assessing the performance of the business, the financial stability of the business and whether the company was a good investment. Some responses only used one piece of Application and there must be two separate uses of context or data to be awarded both marks. If the response was generic and could apply to any business, then marks for Application could not be awarded. The Analysis mark was awarded for some sort of development of the reason or for the consequence for shareholders.

This response scored 4 marks.

- 1 (a) Explain **one** reason why shareholders might be interested in the financial statements of Lush.

(4)

Shareholders are the owners of a business, people which invest on it. They are interested in the financial statements of Lush as they need to assess the profitability of the company. In 2022, shareholders' received no dividends, this leads to them analysing ~~was~~ what has gone wrong. For instance the loss in pre-tax profit, from £45m to £29m, or the decrease of ~~£29.1m~~ £29.1m in turnover. Therefore, they can evaluate if it is worthwhile to keep shares of Lush or it is better to sell them.



ResultsPlus
Examiner Comments

Although the response starts with a definition of shareholders which is not rewardable, this response does give an accurate reason why shareholders might be interested in the financial statements of Lush in terms of assessing the profitability of the company (Knowledge). Two separate pieces of Application are used with reference to no dividends being paid in 2022 and the use of financial data in terms of what was happening to pre-tax profits and turnover. An analytical point is then made regarding shareholders evaluating if it is worthwhile it to keep or sell their shares.



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Examiner Tip

For the 'Explain' questions, do not define the key term. The Knowledge mark is for the reason and not for any definitions. Always try to use two separate pieces of Application in your response as often there is only one piece of context used.

Question 1 (b)

Almost all students answered this question well and it was very pleasing to see fewer mistakes in terms of using the correct unit in the final answer. Often students do not give their final answer to the correct decimal places, omit units or use incorrect units. There were different methods used to arrive at the correct final answer and all approaches were rewarded.

This response scored 4 marks for a correct calculation.

(b) Using Extract B, calculate the total monthly contribution if *Lush* sells 3,300,000 bath soaps per month. You are advised to show your working.

(4)

$$\begin{aligned} \text{contribution per soap} &= \text{revenue per bath soap} - \text{variable cost per bath soap} \\ &= 5.50 - 1 \\ &= \text{£}4.50 \end{aligned}$$

$$\begin{aligned} \text{Total monthly contribution} &= \text{contribution per unit} \times \text{average monthly sales} \\ &= 4.50 \times 3,300,000 \\ &= \text{£}14,850,000 \end{aligned}$$



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The response does show each step of the calculation (always advised) and has used the correct units.



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Examiner Tip

Check you have given your response to the correct decimal places (if applicable) and have used the correct units. Often we see incorrect units used and this results in only 3 marks rather than 4 marks being awarded.

This response scored 4 marks.

(b) Using Extract B, calculate the total monthly contribution if *Lush* sells 3,300,000 bath soaps per month. You are advised to show your working.

(4)

total Contribution = total revenue - variable Cost

$$3\,300\,000 \times \text{€}5.50 = \text{€}18\,150\,000$$

$$3\,300\,000 \times \text{€}1.00 = \text{€}3\,300\,000$$

$$18\,150\,000 - 3\,300\,000 = \text{€}14\,850\,000$$



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Examiner Comments

This is an alternative way to correctly calculate the total monthly contribution. Workings are shown which is vital to do so that marks can be awarded for Application even if an incorrect answer is given. The question does state to show your working but many students do not follow this advice.



ResultsPlus
Examiner Tip

Always write the correct formula and show every step of your working because marks can be awarded for these if an incorrect answer is given. If there is no correct formula given, the maximum mark that can be awarded is only 2 marks rather than 3 marks.

Question 1 (c)

Many students did not really focus on the question set. Instead they focused on the use of social media rather than the effects of not using social media on financial resources. Better responses did have much more of a focus on financial resources and referred to the impact on cash flow, liquidity, sales, profits and short-term borrowing requirements. Some students did have a stronger counter argument with references to there being a potential increase in sales revenue due to Lush being seen as an ethical business or by gaining publicity from withdrawing from social media platforms. As with all levels-based questions, marks were awarded holistically for the quality of the evaluation rather than the number of individual points being made.

This response scored 8 marks for considering the effects of not using social media on Lush's financial resources.

(c) Using Extract C, discuss the effects on Lush's financial resources of its strategic decision not to use social media.

(8)

Corporate strategy is the long term approach taken by Lush to achieve its aims and goals. Lush's strategy to not use social media has an effect on its financial resources. Lush is an ethical firm, so due to effect of social media on teenage girls Lush's co-founder shut its Facebook, Snapchat, Instagram and TikTok accounts. Lush lost \$10m as a result. Moreover, turnover has reduced from £408.7m to £437.8m in 2022 as its not reaching ^{key} target market of teenage girls in social media. This means that profit inflows for Lush's retained profits will decrease over time due to Lush's revenue decreasing. Lush plans to invest in refitting shops using retained profits which will be a major reduction of Lush's retained profits. Consequently, increased outflow and lower profit inflow due to revenue decreasing due to Lush unable to access target market of teenage girls on social media will mean Lush's retained profits will drop over time. This mean Lush may not have sufficient retained profits to utilise during a crisis such as the global health crisis.

Moreover, Lush lost \$10m after leaving social media and Mark Constantine was happy about it. Potential shareholders may not invest in Lush as they may see that exiting the 4 social media platforms that target key market of teenage girls will reduce Lush's profits significantly, and the potential shareholders may come to a conclusion

that Lush will not give sufficient dividend returns. This is worsened as despite pretax profit of \$20m there was no dividend payment. This will mean demand for Lush's shares will fall causing share market price to fall. Moreover, Lush may struggle to raise capital in future such as for investments in refitting shops due to this. This will mean Lush will have to resort to other financial sources such as loans in the future for its investments such as refit of shops in future.

However, Lush can be seen as a corporate social responsibility fulfilling business as it exited 4 social media platforms due to negative effect of social media on target market teenage girls. Ethically conscious customers especially parents of teenage girls may switch to rivals from other rival brands. As a result Lush's revenue and profits will rise, increasing profit inflows for retained profits for Lush to utilise during a crisis or future investment such as expansion of shops.



There are links made to the negative effect on profits, shareholders and borrowing. This response is really well written and applied to Lush throughout. There is a counter argument provided and although shorter than the negative effects on financial resources, it does match the level descriptor in terms of an awareness of competing arguments.



Discuss questions always require a two-sided argument. Many candidates still only provide one-sided responses for this question. A conclusion is not required.

This answer scored five marks.

(c) Using Extract C, discuss the effects on Lush's financial resources of its strategic decision not to use social media.

(8)

Financial resources are the monetary values that the business holds. This would include its capital, its assets, and retained profits, etc. The strain of the shut down of social media usage of Lush would pay the company a positive impacts and also a negative impacts.

Since in this case, it mentions that the company were to lose 10m from this shut down this could mean that they may have lost additional finances that were bound to be ~~invested~~ invested into the development of the business. By this, it could cause a negative strain as now the company would have take that amount from the financial resources they already have present. This could lower their availability of funds or liquidity to pay any immediate bills. This may affect the workforce, as the company may ^{manage} reduce wages to ~~keep~~ keep costs.

Another way this ~~but~~ would impact of the company's financial resources would if ^{now the company would have to look} ~~their ROCE were to reduce~~ if the return of at other methods of financing. And if they selected a method that involves borrowing, the company would be vulnerable towards interest rates. As mentioned in the case, the global health crisis is also an ongoing at the time of this extract.

However, since Lush is an already established brand and even Mark Constantine mentions that they are well ahead of the global financial crisis, which then may be any the loss of 10m from the shut down would not be as severe.



The first part of the response really does focus on the negative effects on financial resources in terms of losing £10m resulting in the loss of additional finances for investment. availability of funds/liquidity to pay bills, other methods of financing, borrowing and interest rates. There is an attempt at a counter argument at the end of the response but this is very simplistic in terms of Lush being an established brand and is simply taken from the extract rather than developing this chain of reasoning. This response matches the level descriptor for level 2 and the quality of the evaluation is not developed enough to access level 3. This is such as shame as the main argument is very detailed indeed but the counter argument is very unbalanced.



Try and provided a balanced evaluation for this question. The marks are awarded for the quality and depth of the response rather than for the number of points being made.

Question 1 (d)

A wide range of responses were seen for this question with some very detailed answers which were able to link employee share ownership specifically to labour turnover to those students that focused mainly on productivity which was not what the question was asking. In order to access the higher levels, there had to be direct links made between this form of reward and employees wanting to remain at Lush due to employees gaining a share of the profits. Some students referred to motivational theories such as Taylor, Herzberg and Mayo but this was not a requirement to access the higher levels. For the counter argument, students considered that some employees are not motivated by financial rewards and instead are motivated by non-financial rewards such as empowerment and enrichment. A conclusion is required for 12 mark questions and often this did not add anything and was a repeat of earlier points.

This response scored 12 marks.

(d) Assess whether employee share ownership might reduce labour turnover for a business such as Lush.

• However - ~~reduction~~ (12)
to ~~reduction~~

Employee share ownership refers to the process of a business issuing shares for their employees with the aim of it being to increase productivity and retention while reducing turnover. Labour turnover refers to the number of people leaving the business during a given period.

Firstly we see that by Lush gifting 10% of the company's shares into the employee benefit trust they are creating a sense of loyalty within their employees as they now own a small part of the business. This will result in them being more productive and wanting the business to be competitive. The rate of absenteeism amongst employees is bound to reduce and employees will not want to leave the business due to the financial reward they are gaining.

Another factor to consider is that employees quality of life would increase. Financial rewards such as employee share ownership would be a bonus on top of the employees annual wage.

Therefore this extra financial reward would allow them to gain a better quality of life ~~at~~ ~~in~~ their personal lives as their other interests can now be funded resulting in them being more efficient and productive at work. We see that employee satisfaction levels will be high at Lush reducing labour turnover.

Finally we see that employees will get a lump sum of the share capital made at Lush if they stay for a longer period of time.

This will be an incentive for them to remain within the business

reducing the risk of them leaving to rival businesses as Switching costs are now high. This too will ~~increase~~ reduce Lush's labour turnover and enable them to retain employees for a longer period of time.

However, According to Maslow's hierarchy of needs we see that other factors such as employee welfare, good working conditions, ~~empowerment strategies~~ and job promotions may be more important for employees & compared to financial motivators. If rival businesses are willing to offer better working conditions and other non-financial motivators Lush's employees may leave the business in search of better opportunities. Employee share ownership alone may be inadequate to retain employees and Lush may have to use empowerment strategies & consultation strategies in order to reduce turnover.

Employee share ownership may also be costly to maintain over a long period of time and a system would have to be in place to issue these shares. This may increase administrative & financial costs of the business ~~not~~ making it unprofitable in the long run. We see that Lush has an employee benefit trust and five trustees who represent the employees. But this could increase the costs of the business.

In conclusion we see that Employee share ownership schemes would increase retention & reduce employee turnover as employees will ~~feel~~ feel taken care of and their needs would be met. However financial rewards alone may not be sufficient to reduce turnover and may be ~~unprofitable~~ uncompetitive in the long run as rivals may offer more attractive benefits.



This is a really coherent and well written response which does link employee share ownership to labour turnover all the way through the response. There is balanced evaluation with an effective use of business behaviour (theories) so full marks were awarded for the quality of the evaluation.



You are not required to define key terms for any questions on this paper in order to score full marks so do not waste time doing this and instead get straight to the point in your response.

Question 1 (e)

This question was not as well answered in comparison to Q1d. Some candidates only gave one-sided responses or had very limited evaluation. The quality of the evaluation was key to accessing the higher levels and examiners did not count the number of stakeholders covered and students could access level 4 if they only assessed the impact on one stakeholder group. Many students could apply the information in the extracts to show how Lush's decisions affected various stakeholder groups using mainly Extract E but context could come from any of the extracts provided. A wide range of stakeholder groups were assessed including customers, employees, suppliers, shareholders and the environment. For the counter argument, students could take a variety of approaches including whether Lush prioritised certain stakeholder groups over others or whether there could be stakeholder conflict between shareholders and customers from being ethical. A conclusion was required but often students repeated earlier points rather than coming to a judgement in terms of whether all stakeholders are considered when making business decisions.

This response scored 11 marks.

(e) Assess the extent to which Lush considers its stakeholders when making business decisions.

(12)

Stakeholders refers to a group or individual people that are interested in the business. They may include internal stakeholders such as employees, shareholders, owners or external stakeholders such as customers, suppliers, pressure groups, government. Lush has a strong mission statement used for 25 years which ~~include~~ considers all stakeholders involved in Lush's business. Employees always aim to maximize wages and benefits through job satisfaction and job security. Lush has been able to provide the needs of employees as they provide job security and job satisfaction by providing Lush employees company shares and has been 10% employee owned since 2017. and also provides the bonus culture, this has been ~~the~~ proven on from Extract A as labour turnover has fallen.

Lush considers customers needs by providing value for money. Lush makes products that are of good value which allows them to make a profit and that the customer is always right. Lush tries to satisfy customers by providing more services to them. Lush operates plans to attract more customers by investing in larger outlets with services such as health spas and hairdressers which shows that Lush considers its stakeholders when making business decisions.

Moreover, Lush considers its stakeholders as it takes into account managers decisions which is to make profits and improve the business. Lush has successfully been able to make profits in the financial year 2021-2022 thereby indicating that Lush does consider its ~~stake stat of~~ stakeholders when making business decisions.

Lastly, Lush is an ethical UK high street retailer known for its highly scented bath soaps and handmade cosmetics which indicates that Lush considers pressure groups needs of wanting business to become more ethical. Lush products are made effectively from fresh, organic fruit and vegetables the finest essential oils and safe synthetics, making products by hand using little or no preservative or packaging, using only vegetarian ingredients, buying ingredients only from companies that do not test on animals this indicates that Lush considers all its stakeholders when making business decisions and also thinks of the environment.

However, Lush may not be able to carry this out long term as it would be difficult for Lush to consider each and every stakeholder's needs and it is extremely costly for Lush as a result in the short term Lush may be able to consider all the stakeholder's needs but in the long term Lush may not be able to keep it up.

Lastly, Lush will not be able to satisfy all the stakeholders when making business decisions as there can be conflicts between stakeholders such as Lush managers wanting to increase profits and expand their businesses which will conflict with providing rewarding returns to shareholders and satisfying shareholder value.

In conclusion, Lush's ability to consider all stakeholders needs would depend on the funds available for Lush and whether it can be maintained in the long term. It is usually difficult to satisfy all stakeholders.



This response is very well written with developed chains of reasoning and strong evaluation. The first part of the response applies (in detail) how Lush's decisions may affect employees, customers, managers and the environment. It demonstrates how Lush takes these stakeholders into account when making decisions. The counter argument does consider the costs of considering each and every stakeholder including conflicts between the different stakeholder groups with an example to illustrate this conflict. The conclusion is good and does consider whether Lush has enough funds to include all stakeholder groups in its decision making.

Question 2

This question asked students to use Porter's five forces and the data in Extracts F and G to evaluate whether the threat of substitutes is the most important external influence to Apple. There was plenty of information in the extracts to help students evaluate the impact on Apple and many students were able to use the market share data to support their evaluation. Better responses really did use Porter's five forces rather than simplistic references to substitutes. Students did not have to evaluate all Porter's five forces to access the higher levels. For the counter argument we looked for some understanding for why the threat of substitutes might not be the greatest external influence to Apple. Many students used the data provided to show Apple's dominance within the marketplace and how much market share it had above other rival businesses so it was unlikely to be threatened by substitutes. Some students considered the impact of bargaining power of suppliers as more influential on Apple due to supply issues mentioned in Extract F. Largely descriptive responses were unlikely to access the higher levels and to access the higher levels, developed chains of reasoning and use of Porter's five forces was required rather than a 'common sense' evaluation.

This is an excellent response that accessed level 4 and scored 18 marks.

2 Using Porter's five forces and the data in Extracts F and G, evaluate whether the threat of substitutes is the most important external influence on Apple.

(20)

Porter's five forces is a strategy that can be used by a business to evaluate the external market. Porter's five forces consist of the existing rivalry of the market, the threat of new entrants, the threat of substitutes, Bargaining power of Suppliers and bargaining power of Consumers.

For Apple we see that currently it's biggest threat in the smart watch market is the new launch of the Pixel watch. Even though Apple has 33.5% market share for their watches. An upcoming business such as Google may gain a percentage of this market share by attracting a larger customer base. We can say that out of the external influences the threat of a substitute is the main challenge for Apple to overcome as it may lead to them either having to reduce the cost for their watches or differentiate them in order to maintain their high market share.

The biggest benefit we see that Google will have over Apple is the results of their takeover in 2019. Their takeover of Fitbit an already established smartwatch brand may boost their sales for the Pixel watch. This is because the technology and branding of the Fitbit has been passed to Google. Since Apple will have to implement their health and fitness tracking based on their own developments at Apple it may not be as

efficient and user friendly as the fitbits.

Other than fitbit and Google's joint market share of 8.1%. We see that companies like Huawei and Samsung are also in the running with market shares of 8.4% & 8.0% respectively.

So far the extract shows ~~to~~ us that the threat of substitutes is ~~to~~ the only external factor impacting the success of the Apple watch. As smaller brands may sell their watches ~~at~~ at lower prices due to the lack of quality and technology but people may still be purchasing them due to the fact that a smart watch is a complementary good and is considered as a luxury rather than a necessity.

~~The extract shows~~ However, the extract tells us that there have been supply chain issues in the smartwatch market in 2022. This may mean that out of their external influences the power of suppliers too may be increasing giving apple not much of a choice than to pay higher prices due to ~~the~~ demands made by suppliers as well as supply chain problems. ~~There are~~ Other businesses may also use the same suppliers putting pressure on suppliers for raw materials & technology. This may be because smartwatches are still fairly new complementary goods ~~therefore~~ that are always changing and improving due to fast moving technology. Hence suppliers may be unable to keep up with demands and may also have significant power within the market.

Apple said that two-thirds of Apple watch purchasers were first time buyers of a smartwatch. Meaning that repeat purchasers for Apple watches have not yet set in and there is no

loyalty towards this complementary good yet. meaning that if customers were dissatisfied after their first purchase they could easily switch to other brands within the market.

This may increase the bargaining power of consumers as the apple smartwatch is still a significantly new product to the market.

We can also say that porters five forces alone doesn't give us a good idea about the market conditions experienced by Apple.

If we want to better analyse external factors strategies such as PESTLE which oversee the political, economic, social, technological, legal and environmental factors can be used to gain a better understanding. We see that if economic factors are bad and a country is in recession consumers would not be buying luxury complementary goods such as an apple watch which could be an important external influence to consider for Apple.

In conclusion we can say that yes to a great extent the threat of external substitutes such as Google's Pixel watch could be the greatest threat for the Apple watch. However we have proved that it is not the only external influence & if further analysis of the external market is needed to be carried out then strategies such as PESTLE should be used too.



From the first few lines, it is clear that the student understands Porter's five forces. The data from the extracts is well used to contextualise the response. The student works through several reasons why the threat of substitutes might not affect Apple. A conclusion is provided.



The information in the extract is there for a reason so use this to contextualise your response rather than just copying out large chunks of it. Data can be used in a variety of ways and often can be used as evidence on both sides of an argument.

Question 3

This question was synoptic and drew from earlier AS units on the course. Examiners were looking for some understanding of how franchising might help to increase Sosyo's market share in India and various approaches were rewarded. Some students focused the evaluation just on the advantages and disadvantages of franchising without referring to an alternative method whilst some students evaluated franchising **and** offered alternatives such as social media, advertising, marketing and inorganic methods as ways better ways to increase market share. Both approaches were able to access level 4. One thing to note is some students are not still fully evaluating the topic in the question. For example, some students only gave the benefits of franchising and then proposed alternative methods to gain market share without explaining the disadvantages of franchising. They are using alternative methods as the counter argument rather than fully evaluating franchising which is what the question is asking them to do. To access the higher levels, students had to demonstrate accurate and thorough knowledge and understanding of franchising rather than simplistic references to market share. The better responses tied the evaluation back to market share throughout the response rather than just an evaluation of franchising. A conclusion/judgement was required as to whether franchising is the best way to gain market share but there was correct answer as which is the best way.

This scored 17 marks.

Hajoori wants to increase the market share for Sosyo in India. One way could be to offer more franchises to bottle and distribute the Sosyo drink.

3 Using the data in Extract H, evaluate whether franchising is the best way to increase Sosyo's market share in India.

(20)

Franchising is a business concept where the franchisor lets another business (the franchisee) operate by using the franchisor's brand name and products. In this case, Hajoori will allow other businesses to operate under the Sosyo brand name and sell Sosyo products.

Franchising is usually a low risk option for the franchisor. This is because the majority of the risk is borne by the franchisee who invests his own money and bears the risk of losing this money if the business fails. This will also mean that the franchisee is more likely to work harder and make the business successful as their personal money is invested in the franchised store. This improves the likelihood that the business would become successful and more profitable, which would lead to increased royalties for Hajoori. This, ~~combined~~ ^{combined} with the fact that it is a low risk investment for Hajoori, means that it is an attractive way of expanding the Sosyo brand and improving their market share.

Furthermore, Franchising is a fast way of growing for Hajoori. This is important because Hajoori wishes to increase Soyso's market share within the next five years. Since franchising involves many different franchisees devoting their full attention to growing the business in their respective areas, it is likely that growth can be achieved faster than if Hajoori themselves were to ~~invest~~ ^{open up} multiple different stores across India.

This is because if Hajoori were to carry out the expansion alone, they would have had to divide their attention and resources across many different stores, which is problematic since they are also aiming to set up bottling plants in countries such as UAE, Zambia, and USA. This could reduce efficiency, and might even lead to diseconomies of scale. Franchising would mean ~~that Hajoori could~~ ^{that Hajoori could} ~~avoid~~ these issues.

However, franchising would mean that Hajoori would not be able to gain the full profit from these new ~~set~~ stores. This is because the franchisee would keep most of the profits, and Hajoori ~~would~~ ^{may} get only the royalties. This would mean that the financial benefit Hajoori could get from this expansion would be limited.

Furthermore, when Hajoori allows franchisees to operate under its brand name, ~~the~~ any mistakes committed by the franchisee, or a lack of good

quality customer service would have a negative impact on the brand as a whole. This is because if one store treats customers badly, customers would associate this bad treatment with the general Soysa brand, which could result in a fall in revenue for the business as a whole.

Moreover, there are other methods that Hajarri could use to pursue expansion, such as expanding their social media presence. This would ^{help} ~~help~~ make Soysa a household name, and would help them reach a larger number of people with their marketing campaigns. This would improve the brand image of the business, which would ^{help increase} ~~make it as~~ customer loyalty and increase market share.

In conclusion, franchising is a quick and easy method for Hajarri to achieve their objective of ^{increasing} ~~achie~~ Soysa's market share within the next five years, ^{with minimal} ~~This is a~~ risk. However, franchising does have its disadvantages, such as being unable to control the quality of franchisee's stores and the fact that their earnings might be limited due to the franchisee taking most of the profit. Furthermore, there are other ways that Hajarri can improve their market share, such as by expanding their presence on social media, which may be more appropriate.

(Total for Question 3 = 20 marks)



This is a very good response with detailed chains of reasoning covering several benefits of franchising linked throughout to market share. The counter argument does cover the disadvantages of franchising. This student also suggests an alternative method to gain market share via the use of social media. The conclusion does just repeat earlier points and summarises rather than adding anything extra.



Make your conclusion count! Do not just repeat or summarise your previous points but add some sort of judgement.

Paper Summary

There are several points which could raise performance in future sittings. Based on their performance on this paper candidates are offered the following advice:

- Do read the question carefully and answer the question that is set
- Do check units and decimal places are correct for calculate questions
- Do use two separate pieces of Application for the Explain questions
- Do not give a one-sided answer for the Discuss question
- Do watch out for command words such as Assess or Evaluate
- Do use examples to illustrate your argument
- Do use the language of the subject and avoid generalities or common sense responses
- Do watch your timing and do not spend too long on one question
- Do write concisely (and neatly please!)
- Do add a relevant conclusion to the longer questions
- Do not use additional sheets – there is more than enough space to answer each question as marks are awarded for quality not quantity.

Grade boundaries

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

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