



Examiners' Report

June 2023

Int GCSE Business 4BS1 01

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Introduction

Both paper 1 and 2 allow learners to apply theory to realistic contexts. This paper is based on the business Irsi Chocolatier, a chocolate shop in Brussels, the capital city of Belgium. This case study proved to be accessible to candidates. Many candidates understood the location of the business, understanding there were many competitors nearby along with the heritage of the business which started in 1989. Many candidates showcased evidence of their understanding of business from studying this course. Providing answers on the given scenario does seem to still present some difficulty for some learners which restricted their entry to the higher levels or respond to the 'State' and 'Outline' questions appropriately. Centres are encouraged to work closely with their learners to encourage them to revisit the scenario set and encourage them to practice answering questions in the context of the scenario set. Centres are advised to look at the command words outlined on page 31 of the specification as many learners are losing marks through their lack of understanding of these words. To assist centres in their preparation for future examinations it is worth noting that the mark scheme does include the Assessment Objectives (AO) for all questions. The breakdown for each AO can be seen on page 7 of the 'Getting Started to Teach' guide. For analysis (AO3) and evaluation (AO4) responses candidates are asked to write an extended answer using the information provided within the paper. The time provided for the paper was sufficient and the paper differentiated well. Overall, learners responded well to the paper.

Question 1 (b)

This question saw around one third of candidates correctly define the term limited liability although some candidates confused the term with unlimited liability. Some candidates simply stated that it meant the business and owner had a separate identity, this is not a clear definition as the business and owner could have a separate identity for a number of reasons.

This response demonstrates accurate knowledge of limited liability.

(b) Define the term **limited liability**.

Limited liability is when a businesses shareholders are ⁽¹⁾ only responsible for the amount they put into a business + won't need to cover other debts.



1 mark



For 'Define' questions candidates are required to show they have a clear understanding of the term.

This response scored 0 marks.

(b) Define the term **limited liability**.

limited liability is when the shareholder⁽¹⁾
~~owner~~ of
a business and the business have separate
legal identities.



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Examiner Comments

This response does not state a clear definition of limited liability as the business and owner could have a separate identity for a number of reasons.

Question 1 (c)

This question saw almost half of candidates correctly identify the term social enterprise. Some candidates did confuse the term with public corporation or charity.

This response scored 1 mark.

(c) Define the term **social enterprise**.

(1)

A social enterprise aims to improve both the environment and human well-being



This response demonstrates accurate knowledge of social enterprise.

Question 1 (d)

Centres are reminded that 'State' questions must contain context in relation to the given business scenario. This question saw about one quarter of candidates correctly state one way Irsi Chocolatier could use the Boston matrix. Those who did not gain the mark either did not have any knowledge of the Boston matrix or if they did then it was not in the context of the business thus not achieving the A02 mark.

This response scored 1 mark.

(d) State **one** way Irsi Chocolatier could use the Boston matrix.

Irsi Chocolatier can use the Boston matrix to identify⁽¹⁾ which of its chocolates to invest in. As it's more useful investing in a star than a dog.



This candidate has stated one way Irsi Chocolatier could use the Boston matrix and it is in the context of the given business scenario allowing them to access the mark for this question.

This response scored 0 marks.

(d) State **one** way Irsi Chocolatier could use the Boston matrix.

(1)

The Boston matrix allows Irsi Chocolatier to see whether the business has low/high market share or low/high market growth to try and improve their business.



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Examiner Comments

This candidate shows knowledge of the Boston matrix but without context in the response in relation to the given business scenario they cannot achieve the mark for this question.



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Examiner Tip

All 'State' questions require candidates to include context to their response – encourage candidates to check if their response is generic and can be applied to any business or have they included phrases that link it directly to the given scenario? For this scenario reference to the product sold e.g. chocolate would be sufficient.

Question 1 (e)

This is a calculation question where two thirds of candidates gained the full available marks for calculation of the cost of the chocolate after the discount has been applied. Some candidates who did not gain the marks failed to apply the discount to the cost of the chocolates or miscalculated the discount amount.

This response scored 2 marks.

A customer buying five boxes of chocolates for a total of €75.50 is given a 6% discount.

(e) Calculate, to two decimal places, the cost of these chocolates after the discount has been applied. You are advised to show your working.

(2)

$$\begin{aligned} \cancel{75.50 \times 5} &= 75.50 - (75.50 \times 0.06) \\ &= 70.97 \\ &\text{€ } 70.97 \end{aligned}$$



A good response where the candidate has gained the full available marks for the correct answer.

This response scored 1 mark.

A customer buying five boxes of chocolates for a total of €75.50 is given a 6% discount.

- (e) Calculate, to two decimal places, the cost of these chocolates after the discount has been applied. You are advised to show your working.

(2)

$$\begin{array}{r} 75.50 \\ 1\% = 0.755 \times 6 = \\ \quad \quad \quad 4.53 \\ 75.50 + 4.53 \\ \hline \text{€ } 80.03 \end{array}$$



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Examiner Comments

This is an example of a candidate who has not achieved the full available marks due to miscalculation. They have added the discount amount to the cost of the chocolates as opposed to subtracting, however, as this candidate has shown clear working out a mark was awarded, as per the mark scheme, for the calculation of the discount amount of €4.53.



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Examiner Tip

Candidates should be encouraged to include their working out. As you can see from the example, there are occasions where candidates have the incorrect final response but the correct working out so have been able to gain a mark.

Question 1 (f)

Less than half of candidates were able to explain one benefit for a business that uses test marketing. Candidates who produced a list of benefits only gained 1 mark. The benefit must be developed to gain the further marks. It is clear from some of the responses that candidates were not aware of the concept of test marketing.

This response scored 3 marks.

(f) Explain **one** benefit for a business that uses test marketing.

(3)

Using test marketing helps the business to reduce risks of a product having low sales and bad reviews which can potentially damage the reputation of the business. This is because the business gets to test their product to a certain group before its group by giving them to a small group of people. This helps the business to find if there is any potential faults and repair it before it launches.



A good response which gained full marks. Test marketing is clearly understood and the benefit of reduced risk has been explained well.

Question 1 (g)

A question where around one quarter of candidates achieved a level 3 mark by being able to analyse the importance of branding for Irsi Chocolatier. Those who did not gain full marks either lacked the knowledge of branding or they did not apply their response back to the given business scenario. Candidates must be reminded that there are no AO1 marks for this question, there are AO2 marks for this level-based question as often candidates would provide an extended answer but not apply this answer to the context of Irsi Chocolatier therefore not allowing themselves to move into the top of level 2. Most marks gained by candidates were within the level 2 band for this particular question.

This response scored 6 marks.

(g) Analyse the importance of branding for Irsi Chocolatier.

(6)

for Irsi Chocolatier, branding is very important as if they have a good reputation with hand-made chocolates and jelly-fruits, people will want to try their products, which would therefore increase the repeating costumers ~~in~~ and therefore increase profit. Also, the branding for Irsi Chocolatier is very important as their chocolate shop has several competitors of chocolate shops nearby, if they have a better brand image than rivals, costumers will go to Irsi Chocolatier and buy the chocolates and jelly-fruits there instead of going to other nearby shops rivals, this will decrease the risk of decreasing of costumers because of other competitors. for example, Irsi chocolatier could promote it's shop with attractive aduents or through social media to increase brand recognition. Also if branding gets better, Irsi chocolatier will be able to sell in a wider area inseed of locally only.



Candidates chose to take many routes to answer this question and could bring in their knowledge of the subject to respond to this question. This candidate has chosen reputation and the competition to analyse the importance of branding for Irsi Chocolatier. This candidate demonstrates a response where clear context has been provided linked to the given business scenario.



Centres should encourage candidates to include context in 'analyse' questions to ensure they can reach the top level of this levels based question.

Question 2 (a)

A 'State' question which saw over one third of candidates gain the mark. Where candidates did not gain the mark they would often state one method to improve competitive position but not relate it back to the business scenario of Irsi Chocolatier.

This response scored 1 mark.

2 (a) State **one** method *Irsi Chocolatier* could use to improve its competitive position. (1)

Irsi ^{Chocolatier} could lower the prices it charges for its chocolates to ~~increase sales~~ improve competitiveness in comparison to more expensive competition prices.



This is a good response where the candidate has correctly identified that lowering the price can improve its competitive position, this candidate has also ensured the response is in the context of the business by making reference to a product sold by the business 'chocolates.'



Centres must ensure candidates are reminded that 'state' questions have to have context in the response otherwise they will not gain the mark.

Question 2 (b)

Another 'State' question which saw just over one third of candidates able to correctly identify a way Irsi Chocolatier might extend the life cycle of one of its products. Centres should remind candidates that 'State' questions need to be in the context of the given business, a lot of candidates are currently being disadvantaged by not using this skill.

This response scored 0 marks.

(b) State **one** way Irsi Chocolatier might extend the life cycle of one of its products.

(1)

By advertising the product, they will be able to extend its life-cycle as ~~consumers~~ their customers would want to try it out.



This candidate has correctly identified a way to extend the life cycle of a product by advertising, unfortunately, they have omitted any context making the response generic and can be related to any business as opposed to Irsi Chocolatier specifically.

Question 2 (c)

Candidates who gained the full marks for this question showed clear understanding of e-newsletters. Some candidates took the route of one way businesses could use e-newsletter with employees, others took the route of explaining one way of how a business could use e-newsletter with customers – both of these are acceptable. Those who did not gain the full marks failed to show a good understanding of e-newsletters or understand that businesses would need the details of customers to be able to send the e-newsletters to them so when responding with generic comments such as drawing in new customers this was not sufficient.

This response scored 3 marks.

(c) Explain **one** way a business could use e-newsletters.

(3)

Using e-newsletters to promote new or existing products is an option. This will be effective as e-newsletters are sent to customers who have already purchased or potential customers who have shown an interest in a business. By sending documents detailing new products the customer is less likely to ignore them as they may be more personalised and viewed as important. This will help promotion as the customer will be able to read through and be informed of the business's activities in real time. This is due to the frequency at which e-newsletters are sent.



A good response as this candidate correctly identifies 'promote new or existing products' as one way a business could use e-newsletters. This candidate has then successfully explained this way by stating '...as e-newsletters are sent to customers who have already purchased or potential customers who have shown an interest in a business.' This shows that the candidate understands an e-newsletter has to be subscribed to. This candidate then gains the final mark for '...detailing new products the customer is less likely to ignore them as they may be more personalised and viewed as important.' This candidate has then unnecessarily further explained this one way but as we can see from the mark scheme candidates can only gain 2 further marks for explaining this way.

Question 2 (d)

A well answered question which saw over half of candidates gain the full available marks as they were able to correctly explain one way a business could use market research information. Common responses included to identify customer needs, identify gaps in the market, to reduce risk and to inform business decisions which is pleasing to see as it shows this area of the specification is being taught well across centres.

This response scored 3 marks.

(d) Explain **one** way a business could use market research information.

(3)

business's can use market research in order to find out ~~what~~ customer needs in order to modify their own products to match these needs in order to improve customer satisfaction and therefore more repeat purchases and sales.



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Examiner Comments

A good response which shows a clear way of '...to find out customer needs...' This candidate has then been able to expand upon this way and explain how this could be used '...to modify their own products to match these needs...' and '...in order to improve customer satisfaction.'



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Examiner Tip

Candidates are advised to refer back to the mark scheme to how explain questions should be answered. No context is required for explain questions but often we see candidates applying context unnecessarily.

Question 2 (e)

This 'Explain' question was not as well answered as 2 (d) and 2 (c) as it shows some gaps in the knowledge of candidates of a decentralised organisational structure. Those candidates who understood the concept of a decentralised organisational structure were able to identify one benefit to a business and then go on to explain this benefit therefore gaining the full available marks. Some candidates found it difficult to extend their answers beyond listing benefits and therefore were unable to gain full marks. Around one third of candidates showed no knowledge of this type of organisational structure and therefore gained no marks.

This response scored 3 marks.

(e) Explain **one** benefit to a business that has a decentralised organisational structure.

(3)

~~A decentralised structure will provide a business with better communication. This is because the ^{control} ~~few~~ This comes as a result of each manager possibly taking command and acting independently when changes occur. This will allow quicker reactions to events and thus a business will be able to stay ahead of its competitors. Also communication will be quicker as there will be no delays between waiting for senior to make decision.~~

Having a decentralised structure will allow a business to adapt to market changes quicker. This comes as a result of each manager possibly taking command and acting independently when changes occur. This will allow quicker reactions to events and thus a business will be able to stay ahead of its competitors. Also communication will be quicker as there will be no delays between waiting for senior to make decision.



This is a good response whereby this candidate states the benefit as '...allow a business to adapt to market changes quicker.' This candidate is then able to explain this benefit and shows good understanding of having a decentralised organisational structure. Towards the end of the response this candidate starts to list a second benefit but they have already gained the full marks up to this point so has wasted time adding to this response.



Some areas of the specification which can appear to be more difficult to understand should be revisited with candidates to embed their learning.

Question 2 (f)

For this question candidates were asked to choose between using batch production or job production for Irsi Chocolatier to make the new chocolate lollipops. Those candidates who gained no marks on this response simply showed knowledge of one or both options with no application, analysis or evaluation. Candidates working at level 1 showed good knowledge of both options, making statements on one or both options with some relation to Irsi Chocolatier but this was not always expanded upon in their answer. Candidates accessed level 2 by expanding on their answers but often missed balance and a conclusion of their thoughts. More able candidates accessed level 3 by considering their chosen option carefully in the context of Irsi Chocolatier and how this would impact the production of the chocolate lollipops, linking their points together and concluding their answer with balance and justification.

This response scored 9 marks.

Irsi Chocolatier is planning to produce chocolate lollipops in different shapes and flavours.

Currently, handmade chocolates are made using batch production and cakes for special occasions use job production.

To make the new chocolate lollipops *Irsi Chocolatier* is considering using:

Option 1: batch production

Option 2: job production.

(f) Justify which **one** of these two options *Irsi Chocolatier* should choose.

(9)

By using job production it is possible to make the different shapes and flavours in a custom manner. Since the chocolate lollipops will be made one at a time, it is possible to customise the shape and the flavour. This will help satisfy customers. Hence, they will be loyal. As a result sales and profit will rise.

Furthermore, the lollipops can be made to a high quality. This will enable *Irsi Chocolatier* to use this ^{unique} selling point to gain a competitive edge in the market and charge higher prices. This will help raise revenue and profit.

However, it is expensive. Since the chocolate makers who are highly skilled have to be employed, the wages that has to be paid to them will be higher. As a result the wage cost of *Irsi Chocolatier* will rise. Hence profits may reduce.

Furthermore, the lead time will be longer. As the custom shapes have to be produced one at a time, it will take longer to produce. Hence, customers may have to stay longer to get their order. This may inconvenience the

customer and result in dissatisfaction. As a result they may spread negative publicity.

Overall, it is beneficial to use job production if the business aims to provide high quality custom chocolates, however it depends on the quality of training that the chocolate makers will be provided with. The most important factor of this method ~~of~~ is that employees may be motivated. Batch production is non desirable since quality and customisability will be less.



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Examiner Comments

This response shows what is expected from candidates in order to gain the full marks for this type of 'justify' question. This candidate has shown detailed understanding of the choice they have made, they have included context throughout their response with logical chains of reasoning and has made a good judgement about their choice with a thorough evaluation.

Question 3 (a)

A question where candidates were asked to define the term fringe benefits. Around half of candidates showed clear knowledge of the term, those who did not gain the mark either lacked knowledge of fringe benefits or provided examples of fringe benefits as opposed to a clear definition.

This response scored 1 mark.

3 (a) Define the term **fringe benefits**.

(1)

Perks over or above the normal wage or
salary.



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Examiner Comments

This is a good example of how we would expect candidates to respond to this question.

Question 3 (b)

The response for an 'Outline' question requires candidates to answer in the context of Irsi Chocolatier to gain the full available marks. Some candidates did well to identify a way that Irsi Chocolatier could keep customer loyalty. Those who achieved full marks were able to identify a way and explained this in the context of the given scenario.

This response scored 2 marks.

(b) Outline **one** way Irsi Chocolatier could keep customer loyalty.

(2)

One way is to sustain the quality of the chocolates. This could be done by using better quality to ingredients. This will ensure the customers will know ~~it is a~~ Irsi Chocolatier will sustain their same taste and give them the confidence to know what they will expect time and time again.



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Examiner Comments

This is the only outline question in the paper and requires candidates to outline a way that Irsi Chocolatier could keep customer loyalty. 'Outline' questions require candidates to use context within their responses and this shows how we would expect candidates to respond to this type of question as this has achieved the full available marks.



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Examiner Tip

Centres are encouraged to remind candidates how to respond to the command words in order to access all of the available marks.

Question 3 (c)

A well answered calculation question. It is pleasing to see candidates are making more use of the formulas given at the start of the paper.

This response scored 2 marks.

Irsi Chocolatier has current assets of €26 000 and current liabilities of €14 852.

(c) Calculate, to two decimal places, the current ratio. You are advised to show your working.

(2)

$$\begin{aligned} \text{Current ratio} &= \frac{\text{current assets (CA)}}{\text{current liabilities (CL)}} \\ \text{current ratio} &= \frac{€26,000 \rightarrow \text{CA}}{€14,852 \rightarrow \text{CL}} = 1.75 \text{ (2.dp)} \end{aligned}$$

.....1.75 :1



This response shows how the candidate has made full use of the formula from the front of the paper and correctly calculated the current ratio for *Irsi Chocolatier*.

Question 3 (d)

A question where candidates who accessed level 3 carefully considered the limitations for Irsi Chocolatier of using break-even charts to decide whether it should sell the new product of chocolate lollipops. Candidates were disadvantaged when they did not apply their answer to Irsi Chocolatier as they cannot access the top of level 2 without any application. Common responses included effects of external factors on the break-even point, the assumption that all stock would be sold, the effect on costs over time.

This question shows a lack of knowledge of break-even charts for some candidates. Candidates should revisit areas of the specification which can appear to be more difficult to understand to embed their learning.

This response scored 6 marks.

Irsi Chocolatier will need to consider many factors if it wants to introduce its new product of chocolate lollipops.

(d) Analyse the limitations for *Irsi Chocolatier* of using break-even charts to decide whether it should sell the new product.

(6)

A disadvantage of break-even charts to decide whether it should sell a new product will be that in break even charts it is assumed that all the output produced it's always sold but sometimes it isn't. Considering that Irsi chocolater is considering new chocolate lollipops and chocolate lower it's quality in just a few days, it would probably lead to some being thrown away and the break even chart wouldn't be realistic and reliable.

Another disadvantages of break-even charts to make the decision is that in break even charts the price remain constant all the time. This is a problem because prices don't always remain the same and they can sometimes change. For Irsi chocolater this would be a problem because as they have many competitors there they may be forced to raise or lower their prices depending in their sales so the break-even chart wouldn't be reliable.



This candidate shows how we expect candidates to respond to an 'analyse' question.

This response shows detailed application of knowledge and understanding of business concepts with context throughout as well as interconnected points with logical chains of reasoning. This response shows that the candidate has thought about the limitations of break-even charts for Irsi Chocolatier when deciding whether it should sell the new product.



Unless responses for 'analyse' questions are in the context of the given business scenario candidates will find it difficult to access to higher marks.

Question 3 (e)

For this question candidates were asked to choose between the training the new employee on-the-job or off-the-job as Irsi Chocolatier is planning to expand its delivery service and opening hours so it is looking to recruit and train one new employee. Candidates working at level 1 showed good knowledge of both options, making statements on one or both options with some relation to Irsi Chocolatier but they did not always expand upon their answer. More able candidates accessed level 3 by considering their chosen option in the context of Irsi Chocolatier and how this would impact the business when deciding which method to choose, they have linked their points together and concluded their answer with balance and justification.

This response scored 9 marks.

Irsi Chocolatier is planning to expand its delivery service and opening hours. It is anticipating this will lead to an increased demand for its products. *Irsi Chocolatier* is looking to recruit and train one new employee and is considering two options:

Option 1: train the new employee on-the-job

Option 2: train the new employee off-the-job.

(e) Justify which **one** of these two options *Irsi Chocolatier* should choose.

(9)

Irsi Chocolatier should ^{train} ~~use~~ the new employee on-the-job because then the employee will learn how to make the handmade chocolates the way the business prefers it, meaning that no difference to the recipe will be made, therefore the chocolates can maintain the quality that customers are used to, meaning no impact on customer satisfaction.

However, unlike training off-the-job, the employee may not learn the most up-to-date methods ^{on}, meaning that the current methods may be slower or less effective, [⊕] so there's less output being made, therefore the business can't restock the shelves as often and there will be less available to locally ~~by~~ be delivered.

([⊕] considering that the business was opened in 1989 and may want to keep their traditional production methods)

Overall, the business should use on-the-job training because the employee is producing sweets while on the job ~~and~~ and salaries are being paid, meaning

that costs won't increase as the business won't pay for jelly fruit sweets that aren't being produced, meaning the business will have more cash to spend on expanding the opening hours. However, this depends on the method of on-the-job training used as shadowing an experienced baker may mean the baker's productivity decreases as they are trying to teach the new employee.

(Total for Question 3 = 20 marks)

For me, the most important factor is that employees will be able to settle in faster than if they did off-the-job training.



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Examiner Comments

This response shows what we would expect from candidates when responding to a 'justify' question.

This candidate is considering both the benefits and drawbacks of using on-the-job training for the new employee. This candidate has also offered a conclusion which offers an evaluation gaining the full available marks.



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Examiner Tip

Candidates do not need to consider both options. Candidates need to make a clear choice out of the two options and be able to balance out their response as to why the business should or should not choose that option. Candidates are then expected to provide a clear overall judgement to evaluate their decision.

Question 4 (a)

A calculation question which has been generally well answered by candidates. Some candidates only gained one mark as they have worked out the operating profit but to gain the full marks available candidates needed to calculate the operating profit margin. It is clear to see centres have encouraged candidates to include their working out as often candidates have gained a mark for their calculation despite their final answer being incorrect. Candidates should be encouraged to double check the requirements of the question as some candidates worked out parts of the question and missed the top marks because they did not complete all of the calculations required from the question. It is also pleasing to see candidates making more use of the formula page at the front of the exam paper to respond to the calculate question where applicable.

This response scored 2 marks.

4 **Figure 1** is an extract from *Irsi Chocolatier's* Statement of Comprehensive Income.

Revenue	€330 606
Gross profit	€80 282
Other operating expenses	€12 692

Figure 1

(a) Calculate, to two decimal places, the operating profit margin. You are advised to show your working.

(2)

$$\begin{aligned} 80\,282 - 12\,692 &= 67\,590 \\ \frac{67\,590}{330\,606} &\times 100 \\ &= 20.44427506 \\ &= 20.44 \\ &\dots\dots\dots 20.44 \dots\dots\dots \% \end{aligned}$$



A good response which meets the requirements of the mark scheme giving the correct response to two decimal places.

Question 4 (b)

For this question candidates were asked to analyse the importance of place to Irsi Chocolatier. Those who responded well to this question understood the current location of Irsi Chocolatier where it is surrounded by many competitors but benefits from being located somewhere central making it more accessible to the market.

This response scored 6 marks.

(b) Analyse the importance of place to Irsi Chocolatier.

(6)

Irsi Chocolatier is located in Belgium which is the most famous place for chocolate businesses. Place is very important to Irsi Chocolatier since they have to locate next to their markets ^{to deliver locally - low transportation costs.} Since they have been operating since 1989, they have acquired customer loyalty over the years. Irsi Chocolatier is most likely to locate close to their loyal customers so that they keep visiting their chocolate shop. Irsi Chocolatier also needs to be close to raw materials - cocoa powder or jelly to make their handmade chocolates and jelly fruit sweets. If they were to locate far away from suppliers, Florent Corne and the other directors would have to find a way to increase cash inflows to make up for the increased transportation costs. Furthermore, Irsi Chocolatier should locate near its workers since it would be demotivating to have to travel far for work. By doing this, Irsi Chocolatier makes sure that both employees and customers are satisfied.



This is a good response which shows detailed application of knowledge and understanding of the importance of place to Irsi Chocolatier. This candidate has found detailed interconnected points with logical chains of reasoning throughout their response.

Question 4 (c)

Centres are reminded that this is the only level-based question in the paper which is equally weighted across all four assessment objectives. It is pleasing to see that most candidates made an attempt at this question. Candidates at level 1 made some attempt at the question and were able to make basic statements about financial methods of motivation, often with very little or no context. Those candidates who accessed level 3 considered the impact of financial methods of motivation in the context of Irsi Chocolatier and the impact this can have on the business, they have then successfully linked their points together in a logical order and been able to conclude their answer with a well-balanced and justified argument .

This response scored 12 marks.

Irsi Chocolatier is a business with three loyal employees. As it expands it wants to ensure its current and new employees remain happy and motivated within the workplace.

(c) Evaluate the impact of Irsi Chocolatier using financial methods of motivation on its employees. You should use the information provided as well as your own knowledge of business.

(12)

Irsi Chocolatier, can use financial methods of motivation to motivate its employees like bonuses ^{and} promotions ~~and commissions~~. The ~~older~~ three loyal employees could be offered ~~bonuses~~ a higher ~~promoted~~ position via promotion, this would improve the motivation of Irsi Chocolatier's current employees as they are aware that if they indulge in better performance for example produce more chocolates than other employees they have a chance of being ~~motivated~~ promoted which would come with perks such as higher salary, more responsibility and freedom.

Irsi Chocolatier could also offer bonuses to its new and current employees based on the output they produce for example based on piece rate: if the employee produces more chocolates and fruit jelly they can get higher bonuses, this would motivate ~~so the~~ employees to continue improving their output as well as benefit business through higher productivity therefore more chocolates and fruit jelly can be ~~put on~~ sold to consumers. However disadvantage of rewarding bonuses based on piece rate is that it could compromise quality of products and lead

to higher defects / spoiled chocolates and fruit jelly.
Furthermore ~~some~~ ~~exmpl~~ the ~~use of~~ effectiveness of
using financial methods of motivation could be
limited because it depends on factors such as
nature of employee, they may not look for factors
of motivation that do not involve financial incentives
for example, they may prefer methods of motivation
like job rotation, job and job ~~enrichment~~ enrichment
where they can be rotated between various jobs
improving their skills and ensuring the work
remains interesting ~~or~~ (job rotation) or where
they are challenged with additional tasks ~~that~~ and
feel more valued as they are given more
responsibilities and trust (job enrichment).



ResultsPlus
Examiner Comments

This is a strong response and indicative of a level 3 response. It is clear to see that the candidate understands the question and has been able to bring in their own business knowledge to support their response. There is good context throughout the response as well as a balanced argument with a clear evaluation.

Paper Summary

Based on the performance in this paper candidates and centres are offered the following advice:

- Not to spend time repeating the questions – this is not necessary and simply wastes time
- Understand what the financial terms mean
- 'Justify' questions do not need to consider both options
- 'State' and 'Outline' questions must have context in order to gain the full available marks
- 'Explain' questions require no context but a full explanation of the point being made

Grade boundaries

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

<https://qualifications.pearson.com/en/support/support-topics/results-certification/grade-boundaries.html>

