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Examiners' Report
Principal Examiner Feedback

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Pearson Edexcel International GCSE
In Commerce (4CM1)
Paper 01: Commercial operations and associated
risks

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PE REPORT ON GCSE INTERNATIONAL COMMERCE 4CM1 01 –
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GENERAL COMMENTS

As reported in previous series candidates are finding the paper more accessible and can complete the paper in the given time. For most of the questions candidates were well prepared and were able to apply their knowledge, application, analysis and evaluation to answer the questions. However, again as mentioned in previous reports there are still several candidates who struggle, with the 'State' questions.

Many candidates had gained a great deal of commercial understanding from studying the course and this was apparent in the answers given. However, there are several candidates who are answering the questions detailing their knowledge of the topic without giving any application, analysis, or evaluative comments when the question is analyse, justify or evaluate. This does restrict the candidates' access to the full range of marks available. The various scenarios throughout the paper are of real-life commercial operations, which perhaps interested some candidates and this meant that they were able to relate their comments more easily to the questions.

The mark scheme includes the Assessment Objectives to help in the preparation of candidates for future examinations. Just to reiterate, that all four of the Assessment Objectives (AO's) are covered throughout the paper and the percentage breakdown of each AO can be seen on page 31 in the Specification. Also on page 44 of the Specification, are examples of the command words used. For example in question 2 (g) and 3 (f) the command word is 'Justify' and candidates are asked to write an extended answer, using information provided in order to recommend one of the two options to a commercial operation.

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.

Further more, it is also worth mentioning, that if candidates need additional sheets of paper they must indicate if they have continued their answer somewhere else on the

paper or have added additional sheets. Unfortunately, there are still a few who did not and they may have missed some valuable marks. For those candidates that used additional paper, their response to the questions must be clearly identified on the paper. 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 indicating, 'continued', 'contd page' or 'see separate sheet' or something along those lines.

There are also some candidates who do not follow the instructions of the examination paper, for the multiple choice questions candidates are given the instruction to mark an 'X' in the box. There are some candidates who are using 'ticks' which may not be picked up as these questions are marked by computer.

It is worth noting that 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 difficulty answering certain topics.

COMMENTS ON INDIVIDUAL QUESTIONS

SECTION A

Question 1

In part 1 a – over three quarters of the candidates gained the mark for identifying that retailing was in the tertiary sector. Candidates should be reminded that if they do make a mistake when answering a multiple choice question, they should put a line through the wrong answer and an 'X' through the correct response. A candidate that marks two answers will not gain any marks.

In part 1 b – again well answered by the majority of candidates with nine tenths of the cohort gaining the mark available on indicating that they understood that marine insurance would insure a ship and its cargo.

In part 1 c – a define question where candidates had to define the term 'indemnity'. This was not well answered by candidates and only a tenth of the cohort gained the mark available. From responses seen, many candidates either did not answer the question. Questions on insurance does cause some problems for some candidates.

In part 1 d – another define question, where candidates had to define the term 'proposal form'. Just under two fifths of the cohort gained the mark for this question, showing that candidates did not fully understand what the term meant. From the responses seen a number of candidates, referred to 'proposal form', as being something that is sent out when insurance is taken.

In part 1 e (i) – a calculation question, where candidates had to work out the cost of the meal after 21.00 hours. Just over four fifths of the candidates gained the two marks for this question. It is worth reiterating to candidates to show their workings within the box, as they may have the correct formula and figures but the actual calculation was incorrect. Also, candidates should be encouraged to ensure that the figures written are clear and easily readable, thus avoiding any confusion.

In part 1 e (ii) - this is the first of the 'State' questions where candidates must relate their response to the scenario. As in previous series less than a fifth of the cohort gained the mark available. Although from the responses seen candidates understood the disadvantage on Mit Ko Yuan reducing the price of the set meal after 21.00, but then did not put it in context and therefore did not gain the mark. Just putting cheap price in the response does not guarantee the mark – as price is in the question, an example needs to be included such as Thai food, to gain the mark.

In part 1 e (iii) – another state question. Candidates had to give an advantage of Mit Ko Yuan reducing the price of the set meal. This question was answered slightly better with nearly a quarter of the cohort gaining this mark.

In part 1 f – candidates were asked to give a reason why stalls in street markets are popular. Just over a tenth of the cohort did not gain a mark on this question. Over half of the cohort were able to gain one or two marks. There were many responses from candidates as to why stalls are popular, but again only one reason was required and candidates then had to develop that reason rather than giving additional reasons. It was anticipated that candidates understood this question as they may have come across them near to where they live or whilst shopping with friends.

In part 1 g – another question where candidates could have developed their answers more to gain the full 3 marks available. Over a fifth of the cohort gained full marks on this question on a topic of why insurance companies require a completed claim form for every claim made. Another topic of insurance which is not always well answered, with 19% not gaining a mark. Perhaps candidates should be encouraged to ensure that all sections of the topic are revised. It is also important that candidates read the question carefully before answering. The question asked for one reason as opposed to two, and on this occasion as it is an explain question, the response did not have to be in context and candidates could demonstrate their knowledge of the topic.

In part 1 h – this is the first question in the paper which is marked by levels. Candidates were asked to analyse the benefit for Sausiri Homes (PVT) Ltd of having employers' liability insurance. Again, another topic of insurance. To gain the marks available candidates needed to apply their knowledge and analyse it to the scenario. Nearly a fifth of the cohort understood the benefits and gained a Level 1 mark, with just over

half gaining a Level 2 mark. Candidates should be encouraged to ensure that they apply the knowledge given and then analyse it to gain the higher level.

Question 2

In part 2 a – a multiple choice question where candidates had to identify which one of the options was the distribution cost. Nearly four fifths of the cohort gained the mark available.

In part 2 b – a multiple choice question where candidates had to identify which one of the options was a tax on imports. This proved to be a well answered question with nearly the whole cohort gaining the mark available. Perhaps because it was a topic, that candidates are extremely familiar with.

In part 2 c (i) – candidates had to look at figure 1 and then identify which country had a decreased in the exchange rate. Again nearly 90% of candidates were able to choose the correct country gaining the mark available.

In part 2 c (ii) – again candidates had to refer to figure 1 and identify the country with the highest increased in the exchange rate from March to August, this was well answered with nearly the whole cohort gaining the mark available.

In part 2 d – a define question where candidates were asked to define ‘cooperatives’. Only a quarter of the candidates gained the mark for this question. As mentioned, candidates are encouraged not to use the words in the question when giving a definition as it does not always show a true definition of the term/word/phrase.

In part 2 e – this question was an ‘explain’ hence candidates did not need to put their response into context. Only the use of knowledge is required to answer the question. Nearly two fifths of cohort gained the full marks on this question and a further two fifths gained two marks. The question asked for one way a customer could make a complaint about goods purchased from a shop. Perhaps the reason being for this is that candidates have had experience of dealing with faulty or damaged goods and therefore knew what they had to do.

In part 2 f – nearly half of the cohort did not gain a mark on this question. Another ‘explain’ question, so candidates do not have to put it in a context, but on the topic of insurance which as mentioned earlier is not always fully understood. The question asked to explain the importance of the principle of insurable interest when taking out insurance. It is important that candidates do read the question carefully to ensure they know exactly what they are answering. There were varied responses to this question with a fifth of the candidates understanding the principle and gaining full marks.

In part 2 g – again this is a question that is marked by levels. Candidates had to choose between the two options of either buying direct from a local supplier or buying through a wholesaler. 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 two options, which was knowledge and therefore they did not gain any marks. As mentioned earlier on option questions candidates do not have to make comments on both options, their response can solely be on one option. This was also a question where a number of candidates continued on an additional sheet. Perhaps if they had not included detailed descriptions of the two options, they would probably have answered the question in the space provided. Some candidates made some very valid comments, but then did not develop them to gain the higher level. Less than 15% of the candidates gained a Level 1 mark, and over half of the cohort gained a Level 2 mark showing sound application of knowledge, analysis, and evaluative comments.

SECTION B

Question 3

In part 3 a – another multiple choice, question where four fifths of the candidates gained the mark for identifying a reason for a business of having consumer protection.

In part 3 b – on this multiple choice, question, again four fifths of the cohort gained the mark for calculating the price of a two night stay at The Mandarin Oriental Hotel.

In part 3 c – another ‘state’ question where candidates had to give a reason for The Mandarin Oriental of having its logo on all its products it sells. As mentioned earlier, from the responses seen, a number of candidates gave a valid answer but did not relate it back to Mandarin Oriental and therefore did not gain the mark available. Nearly a fifth of the candidates gained the mark. Again, even if the candidate mentioned Mandarin Oriental Hotel, but did not put the response in context, they would not gain the mark. If Mandarin Oriental Hotel appears in the question and the candidates uses the name in the response, then they are not answering the question in context.

In part 3 d – this is an ‘outline’ question which is very similar to a state question where candidates must put their response in the context of the question. Candidates were asked one reason why The Mandarin Oriental Hotel is unable to insure against making a profit. Nearly four fifths of the cohort did not gain a mark on this question. Again, from the responses seen a number of candidates gave more than one reason. A number of candidates gave the correct response but it was not in context, and therefore did not gain the marks available.

In part 3 e – candidates were asked to analyse why Mandarin Oriental would regularly update its website. Candidates appeared to understand the question with only just under 4% not gaining a mark. Over half of the cohort gained a Level 2 mark. Candidates should be encouraged to develop their answers with interconnected points to move them into the higher level.

In part 3 f – again another option question where candidates had to justify which one of the two options would be more suitable for the Mandarin Oriental Hotel to increase its guests, either by having special offers, or introducing a loyalty programme. As in question 2 many candidates described both methods giving the advantages and disadvantages. Again, there are no knowledge marks available for this type of question. Most candidates were able to gain marks on this question with only 3% of the cohort not gaining a mark. Over half of the cohort gained a Level 2 mark and 25% gaining a Level 3 mark. Candidates should be encouraged to analyse and evaluate either of the two options to enable them to gain the higher marks. There is no right or wrong answer on this type of question, the candidates can justify either one. Candidates should also be encouraged to draw conclusions and make judgements or evaluative comments to enable them to gain the higher level marks.

SECTION C

Question 4

In part 4 a - candidates should be encouraged to show their workings as advised in this question, as they could gain a mark for the formula, even if the actual answer is incorrect. Also as mentioned earlier candidates need to take care when writing their figures in the box, for some candidates it is difficult for the examiner to read, for example, if they have written a 4 or 7 or 9. However, just over half of the candidates gained the two marks available. It is worth reiterating that if the question asks for a calculation to two decimal places if a response only has one decimal place, with the correct answer they would not get one mark, for not following what the question asked. Also, any question that is in the context of monetary value there are normally two figures after the decimal place. Again, if only one is given then no mark would be awarded, unless part of the calculation is correct.

In part 4 b – over 35% of the cohort gained a Level 2 for this question and nearly a third of the cohort not gaining a mark. As previously mentioned, this is an analyse question, which is looking for application of knowledge and analysis of the impact of why Nintendo wants a cover note when taking out insurance. From some of the responses seen a number of candidates gave a response that a cover note was the actual policy. Again, candidates had not fully read the question. It is important to reread the question perhaps three times to ensure that candidates answer what is being asked.

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 covered. 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 why Nintendo should ensure that it does not sell faulty goods. A variety of valid comments were made by candidates, such as losing sales, bad reputation. However, they then failed to develop these points and justify their reasoning or give evaluative comments to enable them to gain the higher level marks. Nearly 60% of the candidates achieved a Level 2 mark for this question and just over 4% of cohort not gaining a mark. Candidates should ensure that they given

detailed comments about the question with some application of knowledge, analysis and evaluative comments.

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 and as mentioned earlier, together with which question they are continuing with.

