Examiners' Report
Principal Examiner Feedback

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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 previously there are still quite a number of 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 some 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 enables them 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.

If candidates do 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 could 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 should indicate by using, 'continued', 'contd page ....' or 'see separate sheet' or something else 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.

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 – most candidates gained the mark for identifying which is a physical limit on the quantity of items imported by a business. 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 gaining the mark for which is a physical limited on the quantity of items imported by a business.

In part 1 c – a define question where candidates had to define the term 'insurance policy'. This was not well answered by candidates, again perhaps because it is a question on insurance which is not always answered well. Candidates should try and not use insurance policy in their answer. Avoiding the term in their response will help them to perhaps understand what the term is.

In part 1 d – another define question, where candidates had to define the term 'investment'. Most of the cohort understood the term that it is putting funds into a business.

In part 1 e (i) – a calculation question, where candidates had to work out the cost of a basket of fruit with a discount. Candidates should be reminded that there are two decimal places to all currency questions. It is also 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 very few candidates gain the mark available. Although from the responses seen candidates understood the effect on Wellington Fruit Growers of lowering the price of a basket of fruit, but then did not put it in context and therefore did not gain the mark. Just putting cheaper price in the response does not guarantee the mark, an example needs to be included such figs or raisin, given in the scenario which relates back to the scenario, to gain the mark.

In part 1 e (iii) – another state question. Candidates had to give a disadvantage for Wellington Fruit Growers of using loss leaders. To gain the mark candidates could have referred to grapes or raisins or even fruit basket as it is not in the question. It is important to read the question through at least twice to ensure that it is fully understood.

In part 1 f – candidates were asked to give a benefit for a business of having fidelity guarantee. Questions on insurance does seem to cause some candidates difficulty and therefore the questions are not as well answered. Those candidates that understood what a fidelity guarantee is were able to give a detailed explanation of the purpose of them and the benefits to the business.

In part 1 g – another question where candidates could have developed their answers more to gain the full 3 marks available. A question on why hypermarkets are so popular. 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. Most responses seen gave valid reasons as to why hypermarkets are so popular, this might be because they have visited or shopped at one.

In part 1 h – this is the first question in the paper which is marked by levels. Candidates were asked to analyse why Hanoi Weekend Night Market stall holders should insure against fire occurring. Most candidates understood why it would be important to have insurance, however there were several candidates that confused why stall holders would have insurance on their stalls with shops. To gain the marks available candidates needed to apply their knowledge and analyse it to the scenario. 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 percentage change in sales. Most of the cohort were able to gain the mark available.

In part 2 b – a multiple choice question where candidates had to identify which one of the options describes an insurance broker. Again, a topic on insurance which is not always well answered.

In part 2 c (i) – candidates had to look at figure 2 and then identify which was the town with the lowest number of people. Again, many of candidates were able to choose the correct town gaining the mark available.

In part 2 c (ii) – again candidates had to refer to figure 2 and identify the town with the highest population.

In part 2 d – a define question where candidates were asked to define 'consequential loss'. Some candidates were confused with this question or did not give a full definition, by just mentioning loss would not gain the mark. 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. The question asked for one reason why business feel more confident if they have taken out insurance. Most responses understood the question and were able to give valid reason.

In part 2 f – Another 'explain' question, so candidates do not have to put it in a context. The question was on insurance and asked for one reason why clauses are included in an insurance policy. As mentioned earlier insurance questions are not well answered and most candidates did not gain full marks on this question.

In part 2 g – this is a question that is marked by levels. Candidates had to choose between the two options of how to deal with customer complaints or how to provide good customer service. Most candidates understood that they had to justify why they had chosen which option with some responses showing clear understanding of the difference between a complaint and providing good service. 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, there 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 details 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.

SECTION B

Question 3

In part 3 a – another multiple choice, question asking which one of the risks is uninsurable. Again, as mentioned questions on insurance are not as well answered compared to parts of the specification.

In part 3 b – on this multiple choice, question candidates had to calculate the cost of the play station in the US. From the responses seen most candidate were able to work the calculation out.

In part 3 c – another ‘state’ question where candidates had to give an administration cost for Sony. As mentioned earlier, from the responses seen, several candidates gave a valid answer but did not relate it back to Sony and therefore did not gain the mark available. Again, even if the candidate mentioned administration but did not put in the context of Sony they would not gain the mark. If Sony 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 consumer protection might affect Sony. Again, from the responses seen a number of candidates gave more than one reason, but did not put the response in context, and therefore did not gain the marks available.

In part 3 e – candidates were asked to analyse two reasons why Sony prefers not to sell its products to small independent retailers. Candidates appeared to understand the question with a variety of reasons for not selling to small retailers, although some candidates only gave one reason and not two. 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 Sony, supplying directly to multiple chain retailers or to wholesalers. 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. 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. 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 – as previously mentioned, this is an analyse question, which is looking for application of knowledge and analysis of the impact of why Pothys would want to take out insurance on its goods they are exporting. From some of the responses seen a number of candidates gave very detailed response as to why insurance is needed when exporting goods, showing sound knowledge and information.

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 how Pothys deals with language difficulties when exporting its goods to other countries. Some candidates' responses did not clearly understand what is involved in exporting goods. Whereas some candidates understood the main difficulties with language of other countries but they then failed to develop these points and justify their reasoning or give evaluative comments to enable them to gain the higher level marks. 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.

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