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Examiners' Report
Principal Examiner Feedback

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Pearson Edexcel International GCSE
In Commerce (4CM1) Paper 02

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PE REPORT ON GCSE INTERNATIONAL COMMERCE 4CM1 02 – June 2024

GENERAL COMMENTS

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

Many candidates have gained a great deal of commercial understanding from studying the course and this is apparent in the answers given. However, there are a number of candidates who are answering the questions detailing their knowledge of the topic without giving any application, analysis or evaluative comments. This does restrict the candidates' access to the full range of marks.

Generally though, the range of scenarios throughout the paper of real life commercial operations appeared to be of interest to the candidates and this enabled them to demonstrate their knowledge and understanding of the questions quite easily. Higher marks were achieved with analysis of that application and then evaluation of their arguments.

The mark scheme includes the Assessment Objectives to help in the preparation of candidates for future examinations. Just to reiterate, 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 1e(i) and 1e(ii) the command word is 'State' which requires AO2 responses so is looking to find that the answer first demonstrates the knowledge and understanding of the question posed but importantly that this is then applied to the case study. When seeking this application, candidates need to remember that they must avoid just repeating words and phrases in the question although they should seek to use any that are offered in the stem if these are not repeated in the actual question. In Q4c, the command word is "Evaluate" and there are marks available for all four of the Assessment Objectives which means this question is very accessible to all students.

It is important that candidates consider the marks allocated for each question. The marks given provide guidance on the amount of detail they need to answer the question.

It is also worth mentioning that the examination paper is marked using the online 'ePEN' system, therefore candidates must indicate if they have continued their answer somewhere else on the paper or have added additional sheets. Although many candidates did follow this information there were still a number who did not. For those candidates that used additional paper, their response to the questions must be clearly identified on the paper. Sufficient lines are given for candidates to

answer questions. It is also important that candidates clearly label the additional pages to show their details and which question they are continuing to answer.

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

COMMENTS ON INDIVIDUAL QUESTIONS

SECTION A - Question 1

In part 1 a – more than sixty-eight percent of the candidates gained the mark for identifying that a receipt is proof of payment.

In part 1 b – again well answered by almost seventy-eight percent of candidates who clearly identified that the advantage to the customer of using mobile banking is being able to access their bank account at any time.

In part 1 c – candidates had to define the term investor. Many found this challenging with only twelve percent of candidates gaining the mark available.

In part 1 d – another define question where candidates had to define the term bank draft. Forty-two percent were able to offer a correct response. A sizeable number confused a bank draft with a bank overdraft.

In part 1 (ei) – this was the first ‘State’ question, where candidates had to identify a benefit to TVG of offering hire purchase to its customers. Over forty- eight percent were able to do this and offered the required application by identifying a car or the £33 460 required payment. Please remind students that they should never use the phrase ‘product’ in their responses to any questions that include marks for AO2s. Always refer to examples of the product. Similarly, rather than referring to a ‘business’ it is good practice to develop a habit of referring to something distinctive about the business in question such as in this case a business referring to the luxury Audi cars.

In part 1 (eii) - this is the second ‘State’ question where candidates must relate their response to the scenario because it is an AO2 question. Almost thirty-four percent of candidates gained the mark available by providing a reason TVG requires a customer to sign the written hire purchase agreement.

In part 1 (eiii) –candidates were required to calculate the profit for the year for 2020. Over fifty-two percent gained the highest two marks. Another twenty-nine percent gained 1 mark usually due to not answering to 2 decimal places. It is worth reminding candidates that it is always worth showing their workings so that they can achieve at least one of the two marks available.

In part 1 f – an explain question where candidates are required to explain a reason it might be important to a manufacturer to have its raw materials delivered quickly. This was quite well answered. Over forty-eight percent achieved full marks. Twenty-four percent gained 2 marks but did not develop the benefit enough to gain the 3rd mark. It is worth reminding candidates that each part of the response must be a development of the previous statement.

In part 1 g – candidates were asked to explain one reason a business might display its goods at a trade fair. This was well answered. Fifty-four percent of candidates achieved full marks. Overall, only four percent of students were given zero marks. Almost forty-two percent of students were able to achieve two marks but failed to develop their responses fully. The ability of the business to meet with foreign buyers interested in the types of products sold by the business was the most popular response. This needed to be developed to explain how this was beneficial in increasing their exports.

In part 1 h – this is the first question in the paper which is marked by levels. It requires the candidates to meet the A02 and A03 requirements. No marks are available for A01 knowledge and understanding. The response must be applied analysis. To gain the marks available candidates needed to apply the information and then analyse it. The question required a response analysing how Audi benefits from sponsoring the Spiderman films. Application could be achieved by reference to the 'No Way Home' film or the brave and adventurous hero or with reference to Audi cars. Thirteen percent of candidates achieved L3 marks. The majority of almost fifty-eight percent achieved mid-level marks. This was usually due to lack of application.

Question 2

In part 2 a – a multiple choice question where candidates had to identify the cost that would increase if a business held too much inventory. More than seventy-two percent of candidates were able to correctly identify this as storage costs.

In part 2 b – a multiple choice question where candidates had to identify the approach to advertising used by Cadbury when comparing its chocolate to rivals. Over seventy-eight percent of the cohort gained the mark available.

In part 2 ci – ninety-nine percent of students were able to interpret the graph and identify that the biggest fall in the number of ATMs was 6 100. Some candidates risked gaining this mark by entering both the year and the actual number. Candidates must make a choice of just one of these factors.

In part 2 cii – More than eighty-two percent of students were able to identify the year with the most ATMs was 2017.

In part 2 d – a define question where candidates were asked to define the term advice note. Over forty-four percent of students gained this mark. Many of the remaining candidates confused this with instruction or guidance about a product provided by the supplier.

In part 2 e – this question was an AO1 'explain' question hence candidates did not need to put it in context. Over ninety-five percent of students were able to explain a benefit to a business of selling shares to raise capital. Most candidates were able to gain 2 or 3 marks on this question. One frequently chosen benefit to a customer was that they could raise substantial amounts of money which would be an interest free method of funding growth or expansion. Some candidates did not develop the answer beyond being interest free.

In part 2 f – over seventy-three percent of the cohort gained one to three marks on this question. As it was another AO1 'explain' question candidates did not have to put it in context. From the responses seen many candidates understood that one disadvantage to a customer of using a debit card to pay for goods is that because payment is made straight away from their account, the card will be refused if there are insufficient funds. Most were able to develop this with the acknowledgment of the embarrassment caused to the customer. Almost forty percent of candidates were able to gain the full three marks.

In part 2 g – again this question is marked by levels so candidates are required to apply, analyse and evaluate the scenario in their responses and are rewarded holistically on how well they do this. No marks are available just for knowledge. Candidates had to choose whether Tesco should use trains or trucks to deliver their perishable goods. Pleasingly twelve percent of candidates achieved Level 3 and over forty-six percent achieved a Level 2. Most candidates justified why they had chosen their option and analysed their reasons for this choice. Marks were often lost due to a failure to offer evaluation of their choice i.e., reasons why their choice

may not be effective. This must take the form of clearly stating why the choice made may not be successful. Further detail can be achieved and higher marks gained with reference to or a comparison to the alternative choice but this must not replace the direct evaluation of the first choice. In order to gain the highest marks application should be evident throughout both sides of the argument.

SECTION B - Question 3

In part 3 a – the majority of the candidates gained the mark for identifying that an advantage to a business of using a night safe is that it provides secure storage for large amounts of cash overnight.

In part 3 b – Again the majority of candidates were able to identify that a reason why soleRebels would make a phone call to spartoo.com is to discuss prices of the latest designs.

In part 3 c – a state question where candidates had to offer one way soleRebels achieves low purchasing costs. As an AO2 question this must be applied to the scenario, but candidates must avoid repeating any context used in the question. Almost forty-nine percent of candidates were able to apply their answer by referring to the use of recycled tyres. Where marks were not gained this was almost always because either the response was not in context or too often, the candidate had confused purchasing costs with selling price.

In part 3 d – candidates were asked to complete the quotation by calculating the missing amounts. Over thirty-three percent of candidates gained two marks. Too many lost one mark for deducting VAT rather than adding it on.

In part 3 e – candidates were asked to analyse why soleRebels only accepts credit cards for online payments. This is an AO2 and AO3 six mark question so must have application to support the analysis of the scenario. Candidates achieved a wide range of marks with thirteen percent gaining a Level 3 mark and more than sixty-two percent gaining a Level 2 mark. This has been explored several times and most candidates could analyse how the fact that the business is guaranteed to receive payment means that bad debts are less likely.

In part of 3 f – again another option question where candidates had to justify whether soleRebels should invest in advertising the opening of its new stores on its website or on television. Over ninety-six percent of candidates were able to gain some marks with most of those gaining level 2 marks and thirteen percent were able to achieve Level 3 marks with detailed interconnected points and logical chains of reasoning in context and some evaluation. Where marks were lost, it was often due to the lack of including the purpose of the advertisement expenditure. i.e that this was to promote new shops and how this affected the choice made.

SECTION C - Question 4

In part 4 of a - candidates are required to outline one way TLG could use a bank when exporting to Asia. The most common answer was to use it to access different currencies and application was achieved by referring to the specific currencies of yen and rupee. The command outline requires that the response is applied. Two marks are available. More than fifty-three percent achieved two marks. The majority of those not achieving these marks, failed to do so because of a lack of application.

In part 4 of b – over forty-six percent of candidates gained Level 2 marks for this question where they were asked to analyse how TLG uses digital technology to promote its new designs of Lego toys. An analysis question requires application with the analysis. There was lots of potential application available in the stem with reference to the new website, the collection of votes and the interactive nature of the communication. Many candidates realised that this was a valid response. Higher marks were often achieved with the use of interconnected points regarding the level of targeted promotion this method makes available to TLG and the ability to develop the brand recognition that this provides. Almost thirteen percent of candidates developed their responses in this way to achieve Level 3 marks.

In part 4 of 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.

Candidates were asked to evaluate why TLG may choose to use retained profit to build a new factory in Vietnam. Most candidates gave the valid response that the use of retained profit would mean that the business did not have to pay interest on a bank loan. Many failed to offer strong evaluation of how lower retained profits can put the business at higher risk if there are future emergencies where capital is required quickly. Almost sixty percent of candidates gained level 2 marks. Higher Level 3 marks were often achieved with detailed use of some of the financial data available often with reference to the growing demand in Asia.

Some candidates offered lengthy responses continued on additional paper, which is perfectly acceptable if these are genuinely long responses. Please ensure that all candidates do include the centres details and their name and candidates' number on these additional sheets. However, too often candidates are using the additional paper sheets where there is ample space without them.

