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Examiners' Report
Principal Examiner Feedback

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

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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 significant 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 – almost sixty percent of the candidates gained the mark for identifying that factoring is a source of short-term finance.

In part 1 b – again well answered. Over eighty-three percent of candidates clearly identified that an invoice is a request for payment.

In part 1 c – candidates had to define the term bank giro (credit transfer). Almost seventy-four percent of candidates gained the mark available.

In part 1 d – another define question where candidates had to define the term hire purchase. This was well answered by candidates with over sixty-four percent being able to offer a correct response.

In part 1 (ei) – this was the first ‘State’ question, where candidates had to state one benefit for Blue Bottle Café of having a bank account. Less than ten percent were able to do this. The most popular response was that it was a safe place to keep money but almost all lacked any application. There was ample opportunity to reference the coffee sold. 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 sale of coffee.

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. Just over fifteen percent of candidates gained the mark available. Candidates needed to refer to the coffee sold in order to achieve application.

In part 1 (eiii) – candidates were required to calculate eight percent interest charged in 2023. Over seventy percent of candidates gained the highest 2 marks. Another eleven percent gained 1 mark usually due to not actually achieving the figure 600 but showing the workings of $7\,500 \times 0.08$. 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 benefit to a customer of using a credit sale. Almost fifty-five percent achieved full marks. Over 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. For example, ‘allows a customer to spend more money than they have in their account (1st mark) so they can make a purchase instantly (2nd mark) and pay for it later’ (3rd mark). It is also important to remind students that they should check that they have answered with a benefit to the customer if requested as a benefit to any other party such as a bank would receive zero marks.

In part 1 g – candidates were asked to explain one benefit to a customer of having a savings account. This was quite well answered. Over forty-three percent of candidates achieved full marks. Overall, only four percent of students were given zero marks. Over fifty-two percent of students were able to achieve mid marks but failed to develop their responses fully. The ability of the customer to make regular deposits and have some money set aside for emergencies was the most popular response.

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 increasing concern about environmental matters might impact on the way Blue Bottle Coffee advertises its products. Twenty percent of candidates achieved L3 marks. The majority of fifty-nine percent achieved mid-level marks. This was usually due to lack of application. Those who did apply the response usually referred to the EcoCups and organic beans.

Question 2

In part 2 a – a multiple choice question where candidates had to identify the correct definition of a bulk carrier. Forty-three percent of candidates were able to do this although a significant number chose to incorrectly define a bulk carrier as a container ship.

In part 2 b – a multiple choice question where candidates had to identify a product subject to seasonal demand. Over ninety-five percent of the cohort gained the mark available.

In part 2 ci – all students were able to interpret the graph and identify the region with the largest number of posted letters.

In part 2 cii – over ninety-five percent of students were able to identify how many letters were posted in Africa in 2020. the region with the largest number of posted letters.

In part 2 d – a define question where candidates were asked to define the term dividend. Almost seventy-one percent of students gained this mark.

In part 2 e – this question was an AO1 'explain' question hence candidates did not need to put it in context. Almost eighty-two percent of students were able to explain a benefit to a business of using crowdfunding to finance a new project and gain 2 or 3 marks. One frequently chosen benefit to a customer was that the business could raise money without paying interest.

In part 2 f – over eighty-two 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 reason a business has minutes of its meetings is so it can have a record of the decisions made and how the discussions that took place. Most were able to develop this with the argument that this reduces misunderstandings which could lead to a more efficient business. Almost forty-eight 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 either launching a website or attending international trade fairs to promote a brand internationally. Pleasingly almost sixteen percent of candidates achieved Level 3 and fifty-one 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 a government office assisting people abroad is a consular service.

In part 3 b – Again the majority of candidates were able to identify the approach to advertising as a competitive approach.

In part 3 c – a state question where candidates had to offer one banking service Whole Kids may use when making business trips abroad. As an AO2 question this must be applied to the scenario, but candidates must avoid repeating any context used in the question. Candidates found this quite challenging and rarely applied their answers. The stem offered possibilities of referring to the various countries to which Whole Kids export. Where marks were not gained this was almost always because the response was not in context.

In part 3 d – candidates were asked to complete the quotation by calculating the missing amounts. Over ninety-one percent of candidates gained two marks.

In part 3 e – candidates were asked to analyse how an overseas agent could help Whole Kids successfully export. 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 almost seventeen percent gaining a Level 3 mark and almost fifty-eight percent gaining a Level 2 mark. Most candidates could analyse how the fact that the business would have contact with businesses that might be interested in its products making entry to this new market easier.

In part of 3 f – again another option question where candidates had to justify whether Whole Kids should increase its selling prices or find cheaper suppliers to increase its profit margins. Over ninety-eight percent of candidates were able to gain some marks with most of those gaining level 2 marks and twenty-seven percent were able to achieve Level 3 marks with detailed interconnected points and logical chains of reasoning in context and some evaluation. This was often achieved with detail such as the considerations of how cheaper suppliers might reduce the quality of whole food organic products and not meet the needs and wants of parents who are particularly concerned with the health of their children. Higher marks can only be achieved by reference back to the aim of increasing profit margins.

SECTION C - Question 4

In part 4 of a - candidates are required to outline one reason why Nike would deliver its products by road in the US. The command outline requires that the response is applied. Two marks are available. Almost twenty-two percent achieved two marks and over seventy-five percent achieved 1 mark. The majority of those not achieving these marks, failed to do so because of a lack of application. Candidates needed to refer to the products that Nike offered for sale such as sportswear.

In part 4 of b – almost sixty-four percent of candidates gained Level 2 marks for this question where they were asked to analyse why Nike has increased the number of regional distribution warehouses. An analysis question requires application with the analysis such as a reference to the running shoes or football kits. Most candidates realised that the warehouses allow Nike to deliver to a larger area. Higher marks were often achieved with a link to the increased demand arising from selling direct to customers. Almost twenty-one 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 how Nikeland helps Nike promote its ecommerce sales. Most candidates gave the valid response that the gaming platform allowed players to see the latest designs and attract customers worldwide. This helps to develop brand recognition. There was a weaker offering of evaluation, but most were able to offer the issue of potential negative feedback being spread around. Higher levels often achieved these marks by recognising that there are still many customers who like to see a product physically before purchasing so they can test the fit and feel of the sportswear. Almost sixty-five percent of candidates achieved Level 2 marks.

Some candidates offered lengthy responses continued on additional paper, which is perfectly acceptable. Please ensure that all candidates do include the centres details and their name and candidates' number on these additional sheets.

