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Mark Scheme (Results)

Summer 2014

Pearson Edexcel International GCSE in Business (4BS0) Paper 01

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

Section A:

Question Number	Answer	Mark
1(a) (i) **AO1= 1**	C	**(1)**

Question Number	Answer	Mark
1(a) (ii) **AO1= 1**	A	**(1)**

Question Number	Answer	Mark
1(a) (iii) **AO1= 1**	B	**(1)**

Question Number	Answer	Mark
1(a) (iv) **AO1= 1**	A	**(1)**

Question Number	Answer	Mark
1(a) (v) **AO1= 1**	C	**(1)**

Question Number	Answer	Mark
1(b) **AO1= 5**	C E D A B	**(5)**

Question Number	Answer	Mark
1(c) **AO1= 2**	E.g. • Share responsibility • Share ideas • More financial investment • Profits/losses shared • Share workload (2x1)	**(2)**

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Question Number	Answer	Mark
1(d) **AO2 = 4**	Valid points could include: • (Unlimited liability) – therefore any debts of the company are the responsibility of both partners (AO2), which could mean taking personal possessions (AO2). • (Partners can disagree) – this could cause conflict between the partners (AO2) if they cannot agree on how the business should be run e.g. whether to expand or not which could affect the business (AO2). • (They do not have separate legal identity) – therefore if one partner leaves or dies (AO2) then the partnership is automatically dissolved whether they want the partnership to end or not (AO2). 1 mark for basic statement + 1 mark for development (2 x 2)	**(4)**

Question Number	Answer	Mark
1(e) **AO2 = 4**	Valid points could include: • They need to maintain a quality standard so that people will want to buy again (AO2) if the standard is different each time a person buys from them they may not want continue to purchase. (AO2) • People like to know what they are paying for and that it will be consistent (AO2) more likely to recommend the coffee shop if you can guarantee the service (A02) and quality provided each time you visit (AO2), thus gaining repeat business (AO2) 1 mark for each point and 1 mark for the reason x 2 Or 1 x 4	**(4)**

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Question Number	Answer	Mark
2 (a) (i) **AO1 = 1**	28.0 or £28 000	**(1)**

Question Number	Answer	Mark
2 (a) (ii) **AO1 = 1**	48.3% Accept 48.27	**(1)**

Question Number	Answer	Mark
2 (b) (i) **AO1 = 1** **AO2 = 1**	Valid points could include: Gross profit does not take into account any of the expenses/overheads (AO2) such as purchase of raw materials/rent (AO1)	**(2)**

Question Number	Answer	Mark
2 (b) (ii) **AO3 = 4**	Valid points could include: • *Stargo*'s appears to be performing the best of companies because its GP ratio is higher than the other two companies (AO3) although their sales are not as great as *Cosno*'s (AO3). • *However, Cosno*'s seems to be performing better than the other two companies as their sales revenue is the highest of all three companies (AO3) although their cost of sales is far higher than the other two companies (AO3). 1 mark for each point + 3 marks for reason/development	**(4)**

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Question Number	Answer	Mark
2 (c) (i) **AO1 = 2**	Valid points could include: • Objectives give a company a focus (AO1) employers know what they are aiming for (AO1) • Employees know what their targets are (AO1) and so the whole company work towards the same goals (AO1) 1 mark for each point + 1 mark for development	**(2)**

Question Number	Answer	Mark
2 (c) (ii) **AO3 = 4**	Valid points could include: • *Rojaz* could meet its profitability by reducing the expenditure (AO3) it makes in purchasing lower quality goods but still sell at the same price (AO3). • *Rojaz* could diversify the products sold/service provided (AO3) and this could mean that they could gain greater profit from these additional services (AO3). • They could reduce their wage/salary which could increase profit (AO3) and they could work longer hours and not employ additional staff (AO3). 1 mark for point + 1 mark for development x 2	**(4)**

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Question Number	Answer	Mark
2 (d) **AO2 = 3** **AO4 = 3**	Valid points include: • *Rojaz* is labour-intensive as it operates a service for customers by making sandwiches/preparing drinks (AO2) as the customers require different items at different times they cannot prepare in advance (AO4). *Rojaz* could be very busy at certain times of the day (AO2) and they may need additional help to ensure that all the orders are met on time (AO4). Working in a coffee shop is always going to be labour-intensive (AO2) as there is no way that all items can be prepared in advance (AO4). • They are unable to prepare many items in advance because the wants and needs change on a daily basis e.g more hot drinks on a cold day (AO2) and therefore they have to be prepared for all changes in demand e.g. wraps more popular than sandwiches (AO4). *Rojaz* may need to employ additional staff to help out at busy times (AO2) if they cannot cope with the number of customers (AO4). Most of the cost of running the *Rojaz*'s is down to labour (AO2) unless they buy-in sandwiches (AO4) 3 marks maximum for application to *Rojaz* 3 marks maximum for development	**(6)**

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Question Number	Answer	Mark
3(a) **AO3 = 4**	Valid points could include: • Person is more willing to work harder to prove themselves (AO3) they would be keen to keep a job (AO3) especially as jobs may be hard to find in the current climate (AO3). They may want to work for a successful partnership (AO3). • If they take on a person who is known to them it might spoil their relationship (AO3) especially if they are not committed to working hard (AO3). If the person is not motivated (AO3), or with poor attendance and attitude this could affect the business (AO3).	**(4)**

Question Number	Answer	Mark
3 (b) (i) **AO1 = 2**	Valid points could include: Banks • Night safe facility (AO1)- banking money after each trading day, when banks are closed (AO1).	**(2)**

Question Number	Answer	Mark
3 (b) (ii) **AO1 = 2**	Valid points could include: (ii) Suppliers • Supplying *Rojaz* with goods they can sell (AO1) - in quantities that they can use and at the times they need them (AO1).	**(2)**

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Question Number	Answer	Mark
3 (c) **AO1 = 2** **AO2 = 1** **AO4 = 3**	Valid points could include: • (Free uniform) – saves having to buy clothes for work (AO1) if uniform is damaged or spoilt can be replaced (AO2) identifies staff as part of the business (AO4) and feeling of belonging (AO4) • (Bonus) – additional payment for reaching targets (AO1) if *Rojaz* is successful then the bonus could be greater (AO2) if they work harder then Ronald and Jazwinder are more likely to be appreciative of the work they do (AO4) which in turn means that they are not looking for another position (AO4) as they are happy in the work (AO4). Maximum 3 for each choice	**(6)**

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Question Number	Answer	Mark
3 (d) **AO2 = 2** **AO4 = 4**	Valid points could include: Option A – prize draw • People always interesting in winning something for nothing (AO2) will probably want to visit the coffee shop more often (AO4) and have more entries to try and win (AO4) • Offer of two nights away will attract people to take part (AO2) they will enter as there is no other commitment to be made (AO4) and they may think that their chances are quite good as a smaller business – less people visit than a larger store (AO4). Option B – loyalty card • People will visit to collect more stamps on their card (AO2) will probably take friends and family to visit (AO4) and therefore complete their card sooner and gain the benefits offered (AO4) • The card is easy to carry (AO2) and success is very quickly obtained (AO4) and encourages people to keep visiting to gain more rewards (AO4). 1 mark for a basic reason + 2 marks for supporting example or development. (1+2) x 2	**(6)**

Question Number	Answer	Mark
4 (a) (i) **AO1 = 2**	Eg • A unique name (naming a product) • An image for a product • Attracts and retains loyal customers 1 x 2	**(2)**

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Question Number	Answer	Mark
4 (a) (ii) **AO2 = 4**	Valid points include: • Have *Rojaz* printed on packages • Distinctive coloured wrapping so they stand out from other businesses • Meals pre-packed in bags ready to purchase and go • Develop a logo • Nutritional information • Unique ingredient 1 point made and developed x 3 2 points made and developed 4 points made (1 x 3) (2 x 2) (4 x 1)	**(4)**

Question Number	Answer	Mark
4 (b) **AO2 = 2** **AO3 = 2** **AO4 = 2**	Valid points include: • (questionnaires) people complete the questionnaire in the coffee shop and give their opinion (AO2) these can be detailed and give *Rojaz* ideas and methods of improving the service they provide (AO3) not all feedback is relevant and some people do not want to waste their time completing the form (AO4). • (sampling customers) talking to customers getting feedback (AO2) as to how they may improve the service/products they provide (AO3) then being able to implement the changes that the customers require (AO4). • (observations) watching what people buy the most of in the coffee shop (AO2) then ensuring that there are sufficient items of that product available each day (AO3), monitoring when people buy the product to help further improve service (AO4). Up to 2 marks for benefits of feedback Up to 2 marks for development Up to 2 marks for relevance to *Rojaz*'s	**(6)**

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Question Number	Answer	Mark
4 (c) **AO2 = 2** **AO3 = 5** **AO4 = 1**	Valid points include: • (customers) majority of customers now use the facility to pay by credit/debit card (AO2) as it is safer than carrying cash around with them (AO4). If they pay by debit card they know that the money has gone directly into *Rojaz*'s bank account (AO2) and they know their financial situation at all times, as opposed to using cheques and not sure when the cheque will clear (AO3). Customers can spend more or place an order using EFTPOS (AO3) whereas if they pay by cash then they can only spend the money they have with them at that time (AO3). Encourages more people to shop with Rojaz (AO3). They can also use EFTPOS to place orders over the phone and pay which is convenient and easier for them to do (AO4). Encourages more people to shop with *Rojaz* as they can impulse buy with a credit card which they cannot do with cash. • (*Rojaz*) More acceptable method of paying for goods (AO2) possibility of losing customers if they did not accept this payment method (AO3). Allows orders to be taken from various electronic devices (AO3). Having this facility means that there is less cash to deal with (AO3) and less mistakes made in calculating takings etc (AO3) with less visits to the bank (AO4). It is easier for *Rojaz* to keep track of their sales (AO2) and also on their stock items (AO3) thus saving them time and energy on checking (AO4). Up to 4 marks for the relevance of using EFTPOS for Rojaz Up to 4 marks for relevance of using EFTPOS for customers Up to 2 marks for balanced comments Any combination to a maximum of 8 marks Maximum of 6 marks if only customers/Rojaz.	**(8)**

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Question Number	Answer	Mark
5 (a) (i) **AO1 = 1** **AO2 = 1** **AO3 = 3**	Valid points include: e.g. a tax on non bio-degradable products They will have to pay more if they do not have items which are not bio-degradable (AO1). If *Rojaz* uses paper to wrap their sandwiches up in then this can be disposed of and remade into something else (AO2). This is a good sales technique that they could use to make people feel that they care for the environment, (AO3) they will also be meeting the government's commitment to reducing items which cannot be disposed of easily (AO3). Thus increasing the number of customers who agree with having bio-degradable products (AO3). e.g. a reduction in waste collection Any coffee shop generates a great deal of waste of different kinds e.g. wrappers, containers etc (AO1) a reduction in collections would cause a problem as they would not be able to get rid of all the waste they generate (AO2). This could have a negative effect on the company (AO3) as customers would not want to see piles of waste not collected (AO3) this could also cause additional problems with vermin (AO3). 1 mark for definition or reference to what is bio-degradable products/increase in waste collection. 1 mark for relevance to *Rojaz* 3 x 1 mark for analysis	**(5)**

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Question Number	Answer	Mark
5 (b) **AO1 = 1** **AO2 = 1** **AO4 = 3**	Valid points include: (weaknesses) Delegation which by giving control to another person (AO1) is not always the right thing to do for the coffee shop (AO2) this person may not organise the coffee shop in the manner that Ronald and Jazwinder want things done (AO4) and this could have even further impact on the profit the company is making (AO4) which could eventually lead to closure of the coffee shop (AO4) an disagreements with Ronald and Jazwinder. (strengths) by appointing a manager for the shop, they have someone who can take control (AO1) they are increasing the number of people who work there (AO2) enabling them to cope with the increasing number of customers (AO4) and this means that the workload is reduced for Ronald and Jazwinder which gives them more time to do other work, such as the finances of the business (AO4) decided other ways of improving and having meetings to discuss the progress of the business (AO4). 1 mark for knowledge of delegation (could be implied) 1 mark for relevance to *Rojaz* 3 x 1 mark for evaluation implications (accept negative opinions) Max 4 if only strengths/weaknesses are given	**(5)**

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Question Number	Answer	Mark
5 (c) **AO2 = 2** **AO3 = 4** **AO4 = 4**	Valid points include: eg (text messaging/email) If Ronald and Jazwinder communicate by text messaging it means that they are both able to have all problems/issues (AO2) in a format that they can deal with when they have sufficient time to do it (AO3). This means that they can analyse the problem and make a reasoned judgement (AO4) this could then be relayed to the other person (AO3) for them to consider before a final decision is made (AO4). Whereas if they choose to hold a meeting it means that they will have to stop working (AO2) which means that they are not making money (AO3) which could affect their profit in the long term (AO3). Having a meeting can be very time consuming and there may be tired from working (AO4) and therefore not make the right decision for the business (AO4). (meeting) If Ronald and Jazwinder have a meeting it means that they can spend time discussing the problem/issue (AO2) and come up with a solution after careful consideration (AO3). Each person then has time to consider the other person's point of view (AO3) before an agreed decision is made for to resolve the issue (AO4) all people present at the meeting can then have their say and feel that they are involved without one person making all the decisions (AO4). However a meeting can take a long time and no decision is made (AO2) also it can be difficult to find a convenient time when all people involved can meet to discuss (AO3) without affecting the daily running of the business (AO4). Text messaging can be very impersonal and the decision made may not be explained properly (A03) and could affect the relationship between the two people and cause arguments and disagreements which would affect the running of the business (AO4). 5 marks maximum for why method is selected 5 marks maximum for why other method is rejected 2 marks maximum for balance comments against selection (i.e. for disadvantages associated with method selected) Any combination to a maximum of 10 marks	**(10)**

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