



# Mark Scheme (Final)

## Summer 2019

Pearson Edexcel International  
GCSE Business 4BS1  
Paper 02R: Investigating Large Businesses

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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.
- Mark schemes will indicate within the table where, and which strands of QWC, are being assessed. The strands are as follows:
  - i) ensure that text is legible and that spelling, punctuation and grammar are accurate so that meaning is clear*
  - ii) select and use a form and style of writing appropriate to purpose and to complex subject matter*
  - iii) organise information clearly and coherently, using specialist vocabulary when appropriate.*

Question Number	Answer	Mark
1 (a) (i)	AO1 = 1 mark  C – Tertiary	(1)

Question Number	Answer	Mark
1 (a)(ii)	AO1 = 1 mark  A – Rent	(1)

Question Number	Answer	Mark
1 (a) (iii)	We are aware that there is no correct answer to this item. Because of this, all candidates will be awarded 1 mark for this question 1 (a) (iii). An error was made with the multiple-choice distractors. We take our responsibility of ensuring the accuracy of our assessments very seriously and we are reviewing candidate responses to ensure no one is disadvantaged.	(1)

Question Number	Answer	Mark
1 (a)(iv)	AO2 = 1 mark  D – Could charge lower prices	(1)

Question Number	Answer	Mark
1 (a) (v)	AO1 = 1 mark  B – Reinvested profit	(1)

Question Number	Answer	Mark
1 (a)(vi)	AO2 = 1 mark  A – 4.03%	(1)

Question Number	Answer	Mark
1 (b)	<p><b>AO1 = 1 mark</b> Award 1 mark for correct definition of crowdfunding.</p> <ul style="list-style-type: none"> <li>Raising money from many people for a new project via the internet <b>(1)</b>.</li> </ul>	(1)

Question Number	Answer	Mark
1 (c)	<p><b>AO1 = 1 mark</b> Award 1 mark for correct definition of branding.</p> <ul style="list-style-type: none"> <li>A name/symbol/design that identifies and differentiates a product from other products <b>(1)</b>.</li> </ul>	(1)

Question Number	Answer	Mark
1 (d)	<p><b>AO2 = 1 mark</b> Award 1 mark for a correct example of a diseconomy of scale in the context of the business.</p> <ul style="list-style-type: none"> <li>Communication between <i>Yellow's</i> clothing factory and the retail shops could become difficult in different countries <b>(1)</b>.</li> </ul> <p>Accept any other appropriate response.</p>	(1)

Question Number	Answer	Additional guidance	Mark

<p><b>1 (e)</b></p>	<p><b>A02 = 2 mark</b></p> <p>252 x .17 <b>(1)</b> = 42.84</p> <p>252 + 42.84 = 294.84 <b>(1)</b></p> <p><b>OR</b></p> <p>252 x 1.17 <b>(1)</b></p> <p>= 294.84 <b>(1)</b></p>	<p>Award 1 mark for correctly substituting numbers into formula.</p> <p>Award full marks for correct numerical answer without working.</p>	<p><b>(2)</b></p>
<p><b>Question Number</b></p>	<p><b>Answer</b></p>	<p><b>Mark</b></p>	
<p><b>1 (f)</b></p>	<p><b>A01 = 3 marks</b></p> <p>Award 1 mark for identification of an advantage of a business having loyal customers, plus 2 further marks for explaining this advantage for a maximum of 3 marks.</p> <ul style="list-style-type: none"> <li>An advantage will be repeat custom <b>(1)</b> if customers are loyal they will only shop at that business <b>(1)</b> which could increase market share/revenue <b>(1)</b>.</li> </ul> <p>Answers that list three advantages with no explanation will get a maximum of 1 mark.</p> <p>Accept any other appropriate response.</p>	<p><b>(3)</b></p>	

Question Number	Indicative content	Mark
1 (g)	<p><b>A02 = 3 marks    A03 = 3 marks</b></p> <p><b>A02</b></p> <ul style="list-style-type: none"> <li>• The quality of the T-shirts will be better.</li> <li>• Reduction in costs of making the T-shirts.</li> </ul> <p><b>A03</b></p> <ul style="list-style-type: none"> <li>• <i>Yellow's</i> reputation will be enhanced leading to higher sales.</li> <li>• There will be fewer returns of T-shirts, which could lead to increased profitability for the manufacturer.</li> </ul>	<b>(6)</b>

Level	Mark	Descriptor
	0	No rewardable material.
<b>Level 1</b>	1-2	<ul style="list-style-type: none"> <li>• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2).</li> <li>• Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).</li> </ul>
<b>Level 2</b>	3-4	<ul style="list-style-type: none"> <li>• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2).</li> <li>• Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).</li> </ul>
<b>Level 3</b>	5-6	<ul style="list-style-type: none"> <li>• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2).</li> <li>• Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).</li> </ul>

Question Number	Answer	Mark
2 (a)	<p><b>AO2 = 1 mark</b></p> <p>Award 1 mark for a valid benefit in the context of the business.</p> <ul style="list-style-type: none"> <li>• <i>Yellow</i> attract more customers who want to design their own shirt <b>(1)</b>.</li> </ul> <p>Accept any other appropriate response.</p>	<b>(1)</b>

Question Number	Answer	Mark
2 (b)	<p><b>AO2 = 1 mark</b></p> <p>Award 1 mark for valid way <i>Yellow</i> could carry out market research in the context of the business.</p> <ul style="list-style-type: none"> <li>• <i>Yellow</i> could ask questions of customers in its shops <b>(1)</b>.</li> </ul> <p>Accept any other appropriate response.</p>	<b>(1)</b>

Question Number	Answer	Mark
2 (c)	<p><b>AO1 = 3 marks</b></p> <p>Award 1 mark for identification of a benefit of retaining staff, plus 2 further marks for explaining the benefits, for a maximum of 3 marks.</p> <ul style="list-style-type: none"> <li>• If staff stay with the business it means that there is consistency <b>(1)</b>. It means that employees gain knowledge of the products they are selling <b>(1)</b> and they can pass this information on to customers <b>(1)</b>.</li> </ul> <p>Answers that list three benefits with no explanation will get a maximum of 1 mark.</p> <p>Accept any other appropriate response.</p>	<b>(3)</b>



Question Number	Answer	Mark
2 (d)	<p><b>AO1 = 3 marks</b></p> <p>Award 1 mark for identification of an advantage of a business using targeted advertising online, plus 2 further marks for explaining the advantage for a maximum of 3 marks.</p> <ul style="list-style-type: none"> <li>• A business can target a wider audience <b>(1)</b> because it is worldwide and 24/7 <b>(1)</b> and is a relatively cheap method of advertising to traditional methods <b>(1)</b>.</li> </ul> <p>Answers that list three advantages with no explanation will get a maximum of 1 mark.</p> <p>Accept any other appropriate response.</p>	<b>(3)</b>

Question Number	Answer	Mark
2 (e)	<p><b>AO1 = 3 marks</b></p> <p>Award 1 mark for identification of a reason why cash flow forecasts are important, plus 2 further marks for explaining the importance for a maximum of 3 marks.</p> <ul style="list-style-type: none"> <li>• It allows the business to predict its future inflow and outflows <b>(1)</b>. It knows whether it can survive or not <b>(1)</b> and whether it has sufficient funds to keep trading <b>(1)</b>.</li> </ul> <p>Answers that list three reasons why a cash flow forecast is important with no explanation will get a maximum of 1 mark.</p> <p>Accept any other appropriate response.</p>	<b>(3)</b>

Question Number	Indicative content	Mark
2 (f)	<p><b>AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks</b></p> <p><u>AO2</u></p> <ul style="list-style-type: none"> <li>• <b>Option 1</b> – Full-time staff means fewer employees in each store.</li> <li>• <b>Option 2</b> – Part-time staff offer flexibility in the hours they work in each store.</li> </ul> <p><u>AO3</u></p> <ul style="list-style-type: none"> <li>• <b>Option 1</b> – Full-time staff provide consistency, commitment and loyalty.</li> <li>• <b>Option 2</b> – Part-time staff have the flexibility to meet the demand of longer shop hours or busy periods.</li> </ul> <p><u>AO4</u></p> <ul style="list-style-type: none"> <li>• <b>Option 1</b> – Costs may be increased because they have to be paid regardless of demand in the stores.</li> <li>• <b>Option 2</b> – Higher recruitment costs because part-time staff may be less committed to <i>Yellow</i>.</li> </ul>	<b>(9)</b>

Level	Mark	Descriptor
	0	No rewardable material.
<b>Level 1</b>	1-3	<ul style="list-style-type: none"> <li>Limited application of knowledge and understanding of business concepts and issues to the business context (AO2).</li> <li>Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).</li> <li>Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made (AO4).</li> </ul>
<b>Level 2</b>	4-6	<ul style="list-style-type: none"> <li>Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2).</li> <li>Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).</li> <li>Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made (AO4).</li> </ul>
<b>Level 3</b>	7 - 9	<ul style="list-style-type: none"> <li>Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2).</li> <li>Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).</li> <li>Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made (AO4).</li> </ul>

Question Number	Answer	Mark
3 (a)	<p><b>AO1 = 1 mark</b></p> <p>Award 1 mark for a correct definition of multi-national business.</p> <ul style="list-style-type: none"> <li>• A business that is operational in more than one country <b>(1)</b>.</li> </ul> <p>Accept any other appropriate response.</p>	<b>(1)</b>

Question Number	Answer	Mark
3 (b)	<p><b>AO2 = 2 marks</b></p> <ul style="list-style-type: none"> <li>• It means that the revenue from <i>Yellow</i> <b>(1)</b> can help out the other businesses in the group <b>(1)</b>.</li> <li>• It could increase <i>Yellow's</i> brand awareness <b>(1)</b> which as result more customers would be interested in the clothing industry <b>(1)</b>.</li> </ul> <p>NB Do not accept reasons that would not be appropriate for the context of <i>BEXIMCO</i>.</p> <p>Accept any other appropriate response.</p>	<b>(2)</b>

Question Number	Answer	Additional guidance	Mark
3 (c)	<p><b>AO2 = 2 marks</b></p> <p>10.68/147.5 x 100 <b>(1)</b></p> <p>= 7.24 <b>(1)</b></p>	<p>Award 1 mark for correctly substituting numbers into formula.</p> <p>Award full marks for if correct numerical answer without working.</p>	<b>(2)</b>

Question Number	Indicative content	Mark
3 (d)	<p><b>AO2 = 3 marks      AO3 = 3 marks</b></p> <p><b>AO2</b></p> <ul style="list-style-type: none"> <li>• All demographics need to buy clothing.</li> <li>• Covering a range of clothing spreads the risk.</li> </ul> <p><b>AO3</b></p> <ul style="list-style-type: none"> <li>• By selling to all demographics , <i>Yellow</i> will have a larger number of customers.</li> <li>• If sales of children’s clothing is not as good it can be compensated by sales from teenage clothing.</li> </ul>	<b>(6)</b>

Level	Mark	Descriptor
	0	No rewardable material.
<b>Level 1</b>	1-2	<ul style="list-style-type: none"> <li>• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2).</li> <li>• Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).</li> </ul>
<b>Level 2</b>	3-4	<ul style="list-style-type: none"> <li>• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2).</li> <li>• Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).</li> </ul>
<b>Level 3</b>	5-6	<ul style="list-style-type: none"> <li>• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2).</li> <li>• Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).</li> </ul>

Question Number	Indicative content	Mark
3 (e)	<p><b>A02 = 3 marks    A03 = 3 marks</b> <b>A04 = 3 marks</b></p> <p><b><u>A02</u></b></p> <ul style="list-style-type: none"> <li>• <b>Option 1</b> – By adding additional tasks such as supervising newly recruited employees.</li> <li>• <b>Option 2</b> – Employees could rotate from working in the store with customers or in the back room with the stock.</li> </ul> <p><b><u>A03</u></b></p> <ul style="list-style-type: none"> <li>• <b>Option 1</b> -The employee will gain the experience of the new tasks and feel appreciated by the business. The member of staff will then feel more committed to the business.</li> <li>• <b>Option 2</b> - By using job rotation it distracts from the boredom of doing one job, e.g. unpacking items to put on shelves to creating displays in the store. It helps the managers if staff are able to move from one job to another at busy times.</li> </ul> <p><b><u>A04</u></b></p> <ul style="list-style-type: none"> <li>• <b>Option 1</b> - <i>Yellow</i> will benefit from the employee being able to carry out different tasks, but there may come to a point where they demand more pay.</li> <li>• <b>Option 2</b> – This could incur cost of time and training of the employee who then might use their new skills to seek another job.</li> </ul>	<b>(9)</b>

Level	Mark	Descriptor
	0	No rewardable material.
<b>Level 1</b>	1-3	<ul style="list-style-type: none"> <li>Limited application of knowledge and understanding of business concepts and issues to the business context (AO2).</li> <li>Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).</li> <li>Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made (AO4).</li> </ul>
<b>Level 2</b>	4-6	<ul style="list-style-type: none"> <li>Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2).</li> <li>Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).</li> <li>Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made (AO4).</li> </ul>
<b>Level 3</b>	7 - 9	<ul style="list-style-type: none"> <li>Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2).</li> <li>Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).</li> <li>Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made (AO4).</li> </ul>

Question Number	Answer	Additional guidance	Mark
4 (a)	<p><b>AO2 = 2 marks</b></p> <p>13.75 x 14 000 <b>(1)</b> = 192 500            192 500 - 154 700 = 37 800 <b>(1)</b></p> <p><b>OR</b></p> <p>13.75 - 11.05 <b>(1)</b> = 2.7            2.7 x 14 000 = 37 800 <b>(1)</b></p>	<p>Award 1 mark for correctly substituting numbers into formula.</p> <p>Award full marks for correct numerical answer without working.</p>	<b>(2)</b>



Question Number	Indicative content	Mark
4 (b)	<p><b>A02 = 3 marks    A03 = 3 marks</b></p> <p><b><u>A02</u></b></p> <ul style="list-style-type: none"> <li>• Customers may make negative comments about the clothes purchased.</li> <li>• Customers may not want to buy clothes because of the reviews posted.</li> </ul> <p><b><u>A03</u></b></p> <ul style="list-style-type: none"> <li>• The impact of negative comments on clothes purchased might be a decrease in the sale of that type of clothing leading to excess stock.</li> <li>• <i>Yellow</i> may lose customers and sales due to the comments made on social media, without customers seeing the clothes.</li> </ul>	<b>(6)</b>

Level	Mark	Descriptor
	0	No rewardable material.
<b>Level 1</b>	1-2	<ul style="list-style-type: none"> <li>• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2).</li> <li>• Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).</li> </ul>
<b>Level 2</b>	3-4	<ul style="list-style-type: none"> <li>• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2).</li> <li>• Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).</li> </ul>
<b>Level 3</b>	5-6	<ul style="list-style-type: none"> <li>• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2).</li> <li>• Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).</li> </ul>

Question Number	Indicative content	Mark
4 (c)	<p><b>AO1 = 3 marks    AO2 = 3 marks</b>  <b>AO3 = 3 marks    AO4 = 3 marks</b></p> <p><b><u>AO1</u></b></p> <ul style="list-style-type: none"> <li>• Customers buy <i>Yellow</i> clothing because they offer a wide variety of clothing.</li> <li>• <i>Yellow</i> has low manufacturing costs.</li> </ul> <p><b><u>AO2</u></b></p> <ul style="list-style-type: none"> <li>• It offers clothing for all the family with different price ranges.</li> <li>• It gains a competitive advantage because it responds quickly to the change in the fashion market demanded by its customers.</li> </ul> <p><b><u>AO3</u></b></p> <ul style="list-style-type: none"> <li>• Customers want clothing that is sold at a reasonable price and the whole family can shop at one store without going to other stores.</li> <li>• By having a quick response to changes in demand it is ahead of its competitors.</li> </ul> <p><b><u>AO4</u></b></p> <ul style="list-style-type: none"> <li>• However, not all members of the family have the same taste and some may prefer different styles of clothing that <i>Yellow</i> offer.</li> <li>• Not all customers are driven by fashion changes and many would want clothing that would last a number of years.</li> </ul>	<b>(12)</b>

Level	Mark	Descriptor
	0	No rewardable material.
<b>Level 1</b>	1-4	<ul style="list-style-type: none"> <li>• Demonstrates elements of knowledge and understanding of business concepts and issues, with limited business terminology used (AO1).</li> <li>• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2).</li> <li>• Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).</li> <li>• Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made (AO4).</li> </ul>
<b>Level 2</b>	5 - 8	<ul style="list-style-type: none"> <li>• Demonstrates mostly accurate knowledge and understanding of business concepts and issues including appropriate use of business terminology in places (AO1).</li> <li>• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2).</li> <li>• Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).</li> <li>• Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made (AO4).</li> </ul>



<b>Level 3</b>	9 - 12	<ul style="list-style-type: none"><li>• Demonstrates accurate knowledge and understanding of business concepts and issues throughout, including appropriate use of business terminology (AO1).</li><li>• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2).</li><li>• Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).</li><li>• Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made (AO4).</li></ul>
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