GCSE (9-1) Business: exemplars and marks from the Getting Ready To Teach training events

'Calculate' questions: Exemplar 1

Table 1 contains information about a business.

Sales revenue	£300 000
Cost of sales	£210 000
Gross profit	£90 000

Table 1

(c) Using the information in Table 1 calculate the gross profit margin. You are advised to show your workings.

gross profit margin = $\frac{90000 \times 100}{300000}$ = $\frac{90000 \times 100}{300000}$

Pearson

Taken from Paper 2 SAM Question 2(c) (Section A)

25

This candidate from Paper 2 has given the correct answer and **scores 2 marks**. In the SAM for paper 2 there is no answer line. However, the answer line will be in live exam papers and in the Extra Assessment Materials (the EAMs).

'Calculate' questions: Exemplar 2

The cost of the contactless payment system is £4 500. Neil and Sue plan to borrow the money from their bank. They will repay the loan over three years. Their monthly repayment is £136.50.

(b) Calculate the total interest Neil and Sue will pay for this loan as a percentage of the total amount borrowed. You are advised to show your workings.

$$12 \times 3 = 36$$
 4,914-4800
 $136.50 \times 36 = 4,914 = 414$
 $\frac{414}{4500} \times 100 = 9.2$ 4,9.2. %

Pearson

Taken from Paper 1 SAM Question 5(b) (Section B)

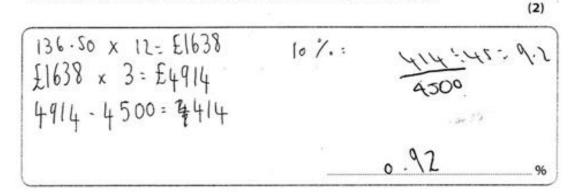
26

'Calculate' questions: Exemplar 2 - This is an exemplar from Paper 1 (question 5(b)) and the candidate has provided the correct answer, on the answer line, so scores <u>2 marks</u>.

'Calculate' questions: Exemplar 3

The cost of the contactless payment system is £4 500. Neil and Sue plan to borrow the money from their bank. They will repay the loan over three years. Their monthly repayment is £136.50.

(b) Calculate the total interest Neil and Sue will pay for this loan as a percentage of the total amount borrowed. You are advised to show your workings.



? Pearson

Taken from Paper 1 SAM Question 5(b) (Section B)

27

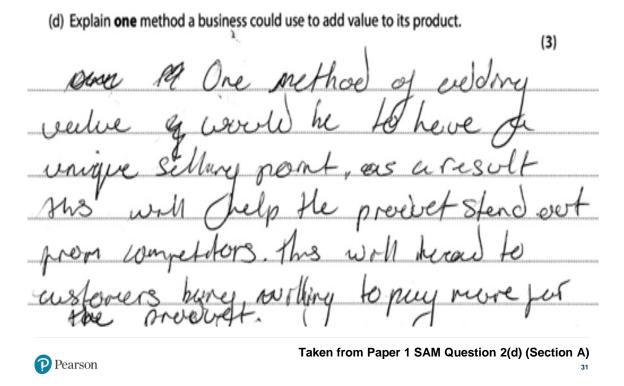
'Calculate' questions: Exemplar 3 - This candidate, has given the correct answer in the top right hand corner of the answer box, but has then clouded the issue by providing an incorrect answer on the answer line of '0.92'. Thus, this candidate **scores 1 mark** for having shown some understanding, demonstrated by the calculations made, but ultimately has an incorrect answer on the answer line.

Explain questions: Exemplar 1

(d) Explain one disadvantage to a business of operating in a competitive environment.
A disadvantage to the business
operating in a competetive
argument would mean it
would be harder to keep repetative
customers as they may go to
Other businesses.
Taken from Paper 1 SAM Question 3(d) (Section A)

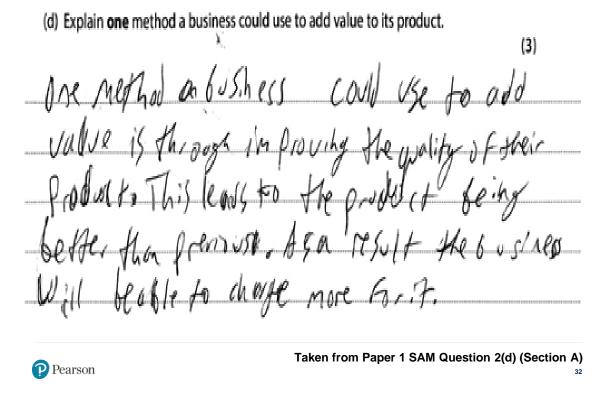
'Explain' questions: Exemplar 1 - This exemplar is just about a <u>**2 mark answer**</u>. The candidate wastes time by effectively repeating the question at the start of their answer. The candidate starts scoring when they state 'harder to keep repetitive customers', which is then linked to 'as they may go to other businesses'.

Explain questions: Exemplar 2



'Explain' questions: Exemplar 2 - This is now a different 'Explain' question from Paper 1 and it is also a trickier question since it requires the development of a 'method'. The candidate again wastes time by repeating part of the question. Nevertheless, they score a mark for 'unique selling point' which is further developed through 'product would stand out from competitors' which is further developed through 'this will lead to customers being willing to pay more for the products'. **3 marks were awarded.**

Explain questions: Exemplar 3



'Explain' questions: Exemplar 3 - <u>This is again a 3 mark answer.</u> The candidate again wastes time by repeating most of the question at the start of their response. Scoring starts with 'improving the quality of the product' which is linked to 'the product being better than previous' which is linked to 'the business will be able to charge more for it'.

'Outline' questions: Exemplar 1

(c) Outline one reason why being an e-tailer gives Amazon an advantage over Argos.

Lower costs due to no rent. This means they can charge lower prices.



Taken from Paper 2 SAM Question 7(c) (Section C)

35

'Outline' questions: Exemplar 1 - This is a generic answer. It has development but no context, so it can only ever score one mark. This is a classic example of an opportunity missed. 1 mark was awarded.

'Outline' questions: Exemplar 2

(c) Outline one reason why being an e-tailer gives Amazon an advantage over Argos.

(2)

Being an e-tailer gives Amazon an advantage over Argos, because every win be able to reach more consumers, as they do not need to move to order a product (like in Argos where you have to pick up in store). This means that with more customers, fixed costs will spread.



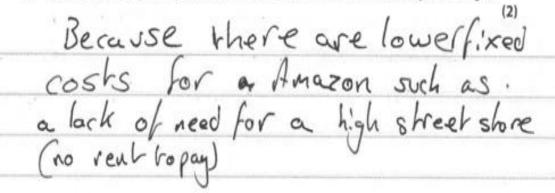
Taken from Paper 2 SAM Question 7(c) (Section C)

36

'Outline' questions: Exemplar 2 - This response, on the other hand, is overly long, but **scores 2 marks.** There is a reason provided 'reach more customers' and the development is contextualised through 'they do not have to move to pick up a product (like in Argos where you have to pick it up in store).

'Outline' questions: Exemplar 3

(c) Outline one reason why being an e-tailer gives Amazon an advantage over Argos.





Taken from Paper 2 SAM Question 7(c) (Section C)

37

'Outline' questions: Exemplar 3 - This final exemplar again <u>scores 2 marks.</u> There is a reason 'lower fixed costs' which is developed through 'a lack of a need for a high-street store'. The use of the term 'high street store' adds contextualisation.

'Discuss' questions: Exemplar 1

(e) Discuss the likely benefit to a business of having a decentralised organisational structure.

A decentralised organisation means that local areas have more power. As a result they are more plexible. This means they can react to local changes faster. This would benefit the business because it would be more easily be able to meet consumer almomals. This means consumes will find the products more obsirable. Atherefore more sales will be made which leads to greater profit.



Taken from Paper 2 SAM Question 3(e) (Section A)

'Discuss' questions: Exemplar 1 - In this answer the candidate provides an accurate benefit 'local areas have more power' which is further developed through 'are more flexible' which is linked to 'react to changes faster' which is again linked to 'more able to meet customer demands' which is developed again through 'consumers will find the products more desirable' with a further final strand through 'therefore more sales will be made which leads to greater profit'. The candidate has made good use of terminology (considering the imprecise nature of the question) and has provided at least 5 accurate linked strands following the identification of a benefit. Therefore, this answer reached level 3 for both of the assessed skills and 6 marks were awarded.

'Discuss' questions: Exemplar 2

(e) Discuss the likely benefit to a business of having a decentralised organisational structure.

(6)

Characterioral Decentralised organisation structures are when decisions are made by Lower here! managers within the organisation. This means More responsibility is placed on Local department managers, rather than the owners of a business. As a result, the business stores many trary as on different factors as local managers will make different decisions.

One benefit of thaving decentralised structure is that decisions are made by Local managers. This means the decisions are tailored to local customers preferences. As a result, they one more likely to return and create repeat purchase.

(Total for Question 3 = 15 marks)



Taken from Paper 2 SAM Question 3(e) (Section B)

'Discuss' questions: Exemplar 2 - By way of a contrast, this next exemplar is not as good. The first paragraph is describing features of 'decentralisation' rather than developing the benefit of it to a business. Only in the second paragraph does the candidate start to answer the question. 'Decisions made by local managers' is linked to 'decisions tailored to local customer preferences' which is linked to 'customers are more likely to return and repeat purchase'. This response scored at the top of Level 1 for understanding since most of the answer was not relevant to the question. For analysis there were two linked strands following the identification of a benefit which allows the candidate to reach level 2 for the analysis skill. Thus, the answer was placed on the threshold between level 1 and 2 and 3 marks were awarded in total.

'Discuss' questions: Exemplar 3

(e) Discuss the likely benefit to a business of having a decentralised organisational structure.

One benefit is that independent branches have cantrol. This means the Jecisions they make such as stock control can be better decided. This means the independent branches are more customer orientatived, making the profibor the decentralised Gusiners increase. One tradition of branches is that be siness' focus may become skewed as different branches make choices. This means the Grand image is in cansistant than a cas a result fewer in the control of the contro



Taken from Paper 2 SAM Question 3(e) (Section A)

'Discuss' questions: Exemplar 3 - The final exemplar of this question type is one where the candidate has approached the question, as if it were on the old legacy specification. In the new specification, 'Discuss' does not require any evaluation so the second paragraph is not generating any marks. Within the first paragraph there is merit. 'Branches have control' is linked to 'decisions such as stock control can be better decided'. This is further developed through 'branches are more customer orientated, which is linked to 'making profits at the decentralised business increase'. Therefore, the candidate has provided 3 accurate linked strands and there is some useful terminology used such as 'stock control' and 'customer orientation' Therefore, for both skills a good level 2 was awarded, so the answer scored 4 marks in total.

'Analyse' questions: Exemplar 1

If Fender Charges higher prices then their lowest income customers won't be able to afford their high quality instruments. Eligis they own less market share. As a result, their lower income customers which can cest florage. As a result, their lower income customers will go to competitors such as Jackson Gruitars. Therefore, state their zolles although, profit margine will increase, total sales will decrease. Finally, this could lead to a decrease in total profit, and the company might not be able to afford to confirme purchasing new equipment like 3D Printers.

(Total for question 4=8 marks)

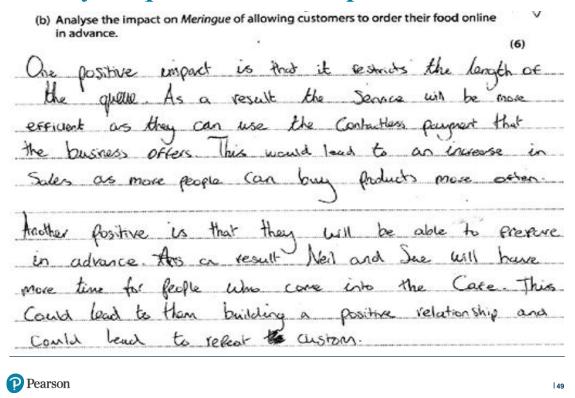


Taken from Paper 2 SAM Question 3(e) (Section B)

-1

'Analyse' questions: Exemplar 1 - In this response, the candidate has contextualised their response through '£10,000', 'Jackson guitars', and 'not afford to continue purchasing new equipment like 3D printers'. This skill was adjudged to reach Level 3. Regarding analysis, the candidate has made more than 5 linked strands within their answer which are all logical and accurate. This answer reached Level 3 for both of the assessed skills and <u>6 marks were awarded in total.</u>

'Analyse' questions: Exemplar 2



'Analyse' questions: Exemplar 2 - In this exemplar, which is from a different 'Analyse' question, the candidate approaches the question by developing <u>two</u> impacts. This is fine since the word impact could mean a singular impact or a multitude of impacts. Regarding application there is plenty contained within the response, such as, 'length of queue', 'contactless payment', 'Neil and Sue' and 'café'. In this skill area the answer achieved Level 3. Regarding analysis, over the course of the two impacts there are more than 5 accurate linked strands allowing the candidate to reach Level 3 here as well. Thus, this exemplar demonstrates a different route to the full 6 marks.

'Analyse' questions: Exemplar 3

(b) Analyse the impact on Meringue of allowing customers to order their food online in advance.
One impact that Meningue
does to allow customers to
order their food online, is
Saves customers time and
encourages repetative customers
to order in advance meaning
new customers to not naving
to wait as long. As a
result Meningue will curry
on increasing more happier
customers-
Pearson

'Analyse' questions: Exemplar 3 - The final example is not as strong as the two previous ones we considered. The response is devoid of any context so it is placed in level 0 for this skill. However, the 'Analysis' is quite good with three accurate links following the identification of an impact. Therefore, the answer has Level 0 'Application' and Level 2 'Analysis'. Therefore, using the best fit approach the response was placed at the top of Level 1 and 2 marks were awarded in total.

'Justify' questions: Exemplar 1

Neil and Sue are considering two options to reduce the amount they need to sell to break even.

Option 1: Increasing average prices by 10%

Option 2: Reducing the cost of ingredients by using a cheaper supplier

(d) Justify which one of these two options Neil and Sue should choose.

The block hat their and he had inverse the predicts by the services of the product high-quality break and parties of the product high-quality break and parties of the product high quality or call to get away the product high away to the product high away to the product high away to the product of the product of the payed of quicker. He a result Their are will make provide costes. There are the business will be able to break even sooner. This is because fixed costs will be payed of quicker. He a result Their are will make provide costes. There are the business will be able to have it in other aspects of the business like the Website they are currently redesifying.

In conclusion, Their are to avoid anything that will impact on the quality of its products. As Their age operates in a competative market with other cases, covaper inguitables will domage its reputation. There are this is a reason why option I is the and creation way for the period of the products will domage its reputation. There are this is a reason why option I is the and the case the product of the field to break even.

'Justify' questions: Exemplar 1 – This answer looks like it has been written by three different students! However, this response is quite good. There is a lot of contextualisation in each of the three paragraphs with 'bread and pastries' in paragraph 1 and reference to the 'new website' in paragraph 2. In the conclusion, there is also a recognition that quality is of paramount importance to Meringue and again 'cakes and ingredients' are mentioned. For the skill of 'Application' Level 3 was awarded. For analysis, there are more than 5 accurate logical chains spread out across the first two paragraphs, so once again a good Level 3 was awarded. 'Evaluation' or AO3b was not as thorough as it could have been and is probably 'sound' and meets the level 2 descriptor on balance. Thus, the response has two skill areas comfortably in level 3 and one in Level 2. Using a best fit approach the response was placed in level 3 but at the bottom with 7 marks. To improve this response, the candidate needed to generate more convincing evaluative comments.

'Justify' questions: Exemplar 2

Neil and Sue are considering two options to reduce the amount they need to sell to break even.

Option 1: Increasing average prices by 10%

Option 2: Reducing the cost of ingredients by using a cheaper supplier

(d) Justify which one of these two options Neil and Sue should choose.

Neil and Sue Should Choose option I one advantage of crossoss. The average free by 10% is that they will earn those profit. As a result they will then break ever more quickly as more revenue is coming into the business from the Sales of break and cakes. This would lead to Neil and Sue gaining profit from the business more quickly. One disadvantage of option 2 is the quality west be as high as before. As a result the customers may not be happy with the quality of the poduct being reduced. This could lead to Sue and Neil Losing audioners and them going to a business that sens better quality products In Conclusion I think they Should increase their peides because they will earn more money and the absonue's will enderstand as the quality has not Changed. This is important in the Counterthive case market they seems

'Justify' questions: Exemplar 2 - This next response is not as good as the previous one. The candidate has written three paragraphs and there is limited application within them referring to 'cakes' twice and 'bread' once. Thus, 'Application' was judged to be in Level 1. 'Analysis' was better and the candidate provided at least 5 accurate linked strands allowing Level 3 to be achieved. For 'Evaluation' or AO3b, the candidate considered the drawbacks of option 2 rather than evaluating option 1. This could be viewed as simply further support for the positives of option 1. Therefore, for the skill of 'Evaluation' Level 1 was again awarded since there was some limited evaluative comment in the conclusion. Using the best fit approach, good Level 1 was achieved twice and Level 3 was achieved once leading to a mark of 5 towards the middle of Level 2 overall.

'Justify' questions: Exemplar 3

Fender is considering two options to increase its profitability:

Option 1: Increase advertising

Option 2: Increase prices

adertising costs.

(c) Justify which one of these options Fender should choose.

(9)

Fender should increase its advertising theory to increase its profitability because uin advertising comes more awareness from consumers which is important for a quitar company because many people are buying quitars for the first lime arroughout their life, so if Fender is the most known bround more people are likely to buy one as one first quitar. This will encourage consumer loyalty and therefore repeat purchase. Also, Fenders prices are already high against Gibson, so their competitors have a competitive advantage over price, so fender need to make consumers aware of their competitive advantage Through quality, This would happen through advertising. This will increase desirability for Fenders quitais, so mere people uiu purchase Dreir products, with increase sales comes

'Justify' questions: Exemplar 3 - This response is from a different exam paper compared to the other two exemplars. However, the same marking principles hold true. For 'Application' Level 3 was awarded since the candidate mentions 'guitars' several times and a competitor of Fender called 'Gibson'. The candidate also has recognition that guitars are only usually purchased once which demonstrates that the candidate has a deep understanding of the context. For this skill, the answer was placed in Level 3. The same can be said for analysis since there are more than 5 linked strands spread across the answer. The only disappointment was evaluation of which there was little relative to the other skill areas. Therefore, two good Level 3s for 'Application' and 'Analysis' were offset by a Level 1 for 'Evaluation'. Using the best fit approach, this equates to Level 2 and 6 marks. The candidate could have improved their response by perhaps using the 'it depends rule' or through development as to why the chosen option is preferable to the discarded one.

increased profitability which all make up for

(Total for Question 6 = 12 marks)

'Evaluate' questions: Exemplar 1

(e) Evaluate whether Sally's business idea is likely to be a success. You should use the
information provided as well ås your knowledge of business. (12)
tall is from traver as hard and soile as wares and
complians was as Witality and Bootrang are cobeque than
Sally and buy are already set up wering had by we
Whely to how the customers on the local were. As a
(soll I believe that sally will have to squad movey on
advertishing at the customers wen't likely to know
about her Business. This leads increased total costs
to talo und of read Nine place last comers with
excens to tur over my profit.
Manera, on the other hand a censor in which her
business may work is that Sally is able to work flexibly
in a lo mile radius. As a result this will be
Converient to the Costances as they may not be able
yllas to indistribus remoters of chast city ellar of log of
En mark Hersdy carried or rebeat trajames coming
back to sally also due to be tail that she works
Plexibly it is added valor so her witames may
be prepared to pay E25 a SISSIM with is dauger
War expensive on or being projuces or projuing
area.
In conclusion, I teel that Sally's business idea
Won't work as I believe this I've too wich
test ill is such dra assis lasel ill at additional

Onat Sally is wanting to Charge ESS per Session which is made expensive than compositors Witality and booking I dan't think but with any that what we price.

'Evaluate' questions: Exemplar 1 - For application the candidate has managed to successfully contextualise their response allowing Level 3 to be scored in this skill area. Regarding 'Understanding', this is good, but the expression is a touch basic at times, although some terms such as 'added value' have been used. This skill was placed at the top of Level 2. The same could be said of 'Analysis' so this was adjudged to be at the top of Level 2. 'Evaluation' is poor and it is worth pointing out that starting a paragraph with the word 'However' does not fool an examiner into thinking that the response is evaluative. For this skill area, Level 1 was awarded.

So, with one Level 3, two top Level 2s and a Level 1, the answer was placed in Level 2 overall and awarded 8 marks.

'Evaluate' questions: Exemplar 2

One may positive of Sally's pusiness is trut she offer
a unique linst by allowing auxomes to evaluate
the neelves. This leads to customes feeling more involved
with their situess, is a result, customer satisfaction
nereozes.
One disadvantage of Sally's business is that she's setting
up in a time were peoples incomes could tall. I wis could lead
to lower suces the to low disposable incomes, As a result,
Sally's profits could fall.
Another positive of Sally's princes is that there is little
competition in the orea. This leads to less customes going
to risal businesses. As a result, Sallys posits could
be stable.
*
Another disadvantage of the Jusiness is that the Sally's
prices of higher tran her competitions. I his could lead to
har losing automes. As a result, her prosity would
En M.

'Evaluate' questions: Exemplar 2 - This exemplar was poor and achieved Level 1 for 'Understanding', and 'Application', For 'Analysis', there were more than 2 linked strands, allowing level 2 to be accessed. 'Evaluation' was basic with pros and cons being listed and level 1 was awarded. It was a basic answer which just listed some simplistic pros and cons with a limited attempt to actually answer the set question. **As a result, the overall response had to be placed in Level 1 and it scored 3 marks.**