

# Most Able GCSE Business Studies Students – Revision Questions for Unit 3 – Mark Scheme

## Q1.

		Indicative content
<b>AO2 =2</b>		The aim here is for candidates to make a judgement as to whether increasing advertising or designing new features is more effective in allowing <i>Nintendo</i> to improve the sales of its consoles. There is no right or wrong answer and the candidate can argue that either method is better, depending on the circumstances.
<b>AO3 =4</b>		<p>Candidates might consider the following possible ideas as part of their answer: Increasing advertising:</p> <ul style="list-style-type: none"> <li>☒ Enhance branding.</li> <li>☒ Target certain market segments.</li> <li>☒ Increases repeat purchases from existing <i>Nintendo</i> customers.</li> <li>☒ Expensive.</li> <li>☒ Not guaranteed to increase sales.</li> <li>☒ Depends on what kind of advertising is done.</li> <li>☒ Will rival firms simply increase their advertising?</li> </ul> <p>Designing new features:</p> <ul style="list-style-type: none"> <li>☒ Differentiates their consoles from those of competitors.</li> <li>☒ Makes their consoles unique.</li> <li>☒ Time consuming.</li> <li>☒ Expensive.</li> <li>☒ Will the new features be attractive to the market?</li> <li>☒ Will other manufactures copy the new features?</li> </ul> <p>To be evaluative and support the judgement made, the candidate might suggest (for example) that the more effective method might be to increase advertising since this will allow <i>Nintendo</i> to boost sales, although this would be dependent on how much advertising is done and whether it is done in the right way. An alternate route to evaluation might come through the candidate examining the drawbacks of their chosen option. E.g. advertising is expensive.</p>
Level	Mark	Descriptor
<b>No mark</b>	<b>0</b>	Non-rewardable material.
<b>Level 1</b>	<b>1-2</b>	A judgement or point is given as to which method is most likely to allow <i>Nintendo</i> to improve its sales. If there is just a simple judgement or where the support shows misunderstanding of the concept 1 mark should be awarded. If this judgement/point has some simple support, the response should be placed at the top of this level.
<b>Level 2</b>	<b>3-4</b>	A judgement/point is given on one or both issues with some development/support, which includes at least <b>one</b> reason/cause/consequence etc. At the top of this level this analysis will be relevant and linked to the judgement/point made.
<b>Level 3</b>	<b>5-6</b>	A judgement/point is given on one or both issues with some development/support, which includes at least <b>two</b> reasons/causes/consequences etc. and includes some balance. At the top of this level there will be a conclusion drawn from the analysis and the answer will be in context.

## Q2.

	Indicative content	
*QWC Strands (i), (ii) and (iii)  AO2=4 AO3=6	<p>The aim here is for candidates to make a judgement as to whether '<i>giving celebrities free bags</i>' (a form of promotion) will allow <i>Mulberry</i> to build a successful marketing mix. To demonstrate the evaluative skill, candidates could consider the importance of this kind of promotion relative to other elements of the marketing mix such as price, product or place or even other types of promotion such as advertising. For instance candidates may consider that the quality of the bags/design of bags is much more important than a celebrity endorsement. Other candidates might suggest that in the world of designer fashion, having the right brand is essential and therefore celebrity endorsement is crucial to building a successful marketing mix. Some candidates might consider time periods and suggest that in the longer term having a high quality bag (product) might become more important than celebrity endorsement (promotion), especially since celebrities themselves can go out of fashion. There is no right or wrong answer to this question, but candidates should aim to make a judgement which is supported and balanced. Candidates may consider the following ideas as part of their answer: Reasons why '<i>giving celebrities free bags</i>' will be beneficial:</p> <ul style="list-style-type: none"> <li>☐ Enhances <i>Mulberry's</i> branding</li> <li>☐ Makes the brand appear fashionable and cool.</li> <li>☐ Attracts consumers who like those celebrities.</li> <li>☐ Generates lots of free promotion through photographs in magazines.</li> <li>☐ It is a relatively cheap source of promotion compared to advertising.</li> </ul> <p>Reasons why '<i>giving celebrities free bags</i>' will not be beneficial:</p> <ul style="list-style-type: none"> <li>☐ Other elements of the marketing mix may be more important.</li> <li>☐ Potential damage to the brand if the celebrity does something naughty/loses popularity.</li> <li>☐ Not all consumers follow celebrities, so other elements of the marketing mix need to be considered as well.</li> </ul>	
Level	Mark	Descriptor
No mark	0	Non-rewardable material.
Level 1	1-4	One relevant point is identified with some development – there can be a maximum of 4 marks if the links to the point are relevant – one mark per link (up to a maximum of 3). An alternative route to the marks could involve a judgement being given; at the lower end of the level no support will be provided. At the top of the level some support will be given. A list of bullet points will gain up to a maximum of three marks, assuming they are all relevant. The quality of written communication will be poor with frequent spelling, punctuation, style and grammar errors.
Level 2	5-7	Candidates consider the importance of giving celebrities free bags in allowing <i>Mulberry</i> to build a successful marketing mix and offer <b>two or more</b> reasons/causes/consequences etc. in support. At the middle of the level a judgement/conclusion will be made but with no support and merely re-states the question. At the top of the level candidates may offer at least one other undeveloped factor to balance out the answer. At the top of the level a judgement/conclusion will be made with some support given although not drawn from the analysis and there may be reference to the <i>Mulberry</i> context. There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter.
Level 3	8-10	Candidates consider the importance of giving celebrities free bags in allowing <i>Mulberry</i> to build a successful marketing mix and offer <b>two or more</b> reasons/causes/consequences etc. in support. At the lower end of the level some value will be attached to these reasons whilst at the top of the level there will be clear recognition of the value of the points made to the business, identifying an advantage and disadvantage, cost/benefit, pro/con etc. or using the ' <i>it depends</i> ' rule. At this level candidates are likely offer at least one other developed factor to balance out the answer. At the middle of the level a judgement/conclusion will be made with some support drawn from the analysis. At the top of the level a judgement/conclusion will be given clearly drawn from the analysis representing a coherent argument and will refer to the <i>Mulberry</i> context. The quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard and there will be clear evidence that the candidate has structured their answer clearly and coherently, using appropriate terminology.

## Q3.

	Answer	Mark
<p><b>(d)</b>  <b>AO1=2</b>  <b>AO2=4</b>  <b>AO3=2</b></p>	<p>This question has a 2 x 4 mark split. There is <b>one</b> mark for identifying an advantage and <b>one</b> mark for identifying a disadvantage. The remaining <b>three</b> marks are for the explanation (for each impact) which will show how holding higher levels of buffer stock can be an advantage/disadvantage to <i>Dell</i>. Within the answer there will be at least <b>three</b> clearly identifiable strands of explanation <b>and reference to the context</b> for each advantage/disadvantage considered. These may contain connective words such as, 'this leads to...' 'because...' etc. Possible advantages include:</p> <ul style="list-style-type: none"> <li>☒ Protects against uncertainty e.g. Thai floods.</li> <li>☒ Prevents damage to brand from cancelling customer orders.</li> <li>☒ Can fulfil customer's orders faster.</li> <li>☒ More bulk orders allow for greater economies of scale.</li> <li>☒ Can supply unexpected orders.</li> </ul> <p>Possible disadvantages include:</p> <ul style="list-style-type: none"> <li>☒ Buffer stocks will quickly become out of date.</li> <li>☒ Cost of stock holding will be higher.</li> <li>☒ May damage the competitiveness of <i>Dell</i>.</li> <li>☒ Stock may become damaged.</li> </ul> <p>E.g. Disadvantage: Reduced competitiveness (1 mark). Holding stock will involve the need for a larger warehouse (1 mark). This will increase the costs of producing a <i>Dell</i> computer (1 mark). As a result the price of a <i>Dell</i> computer may have to increase. This will make <i>Hewlett Packard</i> computers more attractive in the market compared to <i>Dell</i> (1 mark). This answer would gain <b>four</b> marks since a disadvantage has clearly been identified and there are at least <b>three</b> linked strands that build the explanation, with reference to the <i>Dell</i>/computer context. Without the use of this context this answer would only be worth 3 marks.</p>	<p><b>(8)</b></p>

## Q4.

		Indicative Content
(d) AO2= 2  AO3= 4		<p>The aim here is for candidates to make a judgement as to whether linking more <i>Lego</i> sets to new movies or advertising is more effective in remaining competitive. There is no right or wrong answer and the candidate can argue that either method is better, depending on the circumstances. Candidates might consider the following possible ideas as part of their answer: Link more sets to newly released movies:</p> <ul style="list-style-type: none"> <li>☑ Keeps <i>Lego</i> sets up to date.</li> <li>☑ Lots of free advertising if the movie is popular.</li> <li>☑ May enable <i>Lego</i> to break into new markets.</li> <li>☑ <i>Lego</i> might get exclusive rights to make toys for that movie.</li> <li>☑ Will <i>COBI &amp; MEGA Bloks</i> be able to copy?</li> <li>☑ How much will it cost to link the sets to a movie?</li> </ul> <p>Increasing advertising:</p> <ul style="list-style-type: none"> <li>☑ Helps differentiate all <i>Lego</i> sets not just ones linked to a particular movie.</li> <li>☑ Will enhance the <i>Lego</i> brand across all of its products.</li> <li>☑ Will <i>COBI &amp; MEGA Bloks</i> simply increase their advertising?</li> <li>☑ Time consuming.</li> <li>☑ Expensive.</li> </ul> <p>To be evaluative and support the judgement made, the candidate might suggest (for example) that the level of competitiveness achieved is dependent on the popularity of the movie. Some flops might have short life cycles, reducing the level of competitiveness. An alternate route to evaluation might come through the candidate examining the drawbacks of their chosen option. E.g. advertising is expensive/linking to a new movie may involve some kind of licensing fee.</p>
Level	Mark	Descriptor
No mark	0	Non-rewardable material.
Level 1	1–2	A judgement or point is given as to which method is more likely to allow <i>The Lego Group</i> to remain competitive. If there is just a simple judgement or where the support shows misunderstanding 1 mark should be awarded. If this judgement/point has some simple support, the response should be placed at the top of this level.
Level 2	3–4	A judgement/point is given on one or both issues with some development/support, which includes at least <b>one</b> reason/cause/consequence etc. At the top of this level this analysis will be relevant and linked to the judgement/point made.
Level 3	5–6	A judgement/point is given on one or both issues with some development/support, which includes at least <b>two</b> reasons/causes/consequences etc. <b>and includes some balance</b> . At the top of this level there will be a conclusion drawn from the analysis and the answer will be in <i>The Lego Group</i> context.

Q5.

		Indicative content
<b>QWC Strands (i), (ii) and (iii)AO2 =3 AO3=5</b>		<p>The aim here is for candidates to consider whether changing the 'place' element of the marketing mix will improve the <i>Toy Box's</i> competitiveness. The question asks the candidate to 'assess', so the candidate must develop some evidence of balance within the answer. This could take the form of disadvantages which reduce the size of the benefits to the <i>Saltash Toy Box</i> of closing down its retail store, or through a consideration of the extent to which it is likely to be a successful strategy. Benefits of switching to catalogues/internet:</p> <ul style="list-style-type: none"> <li>☒ Lower costs/overheads.</li> <li>☒ Opportunity for lower prices.</li> <li>☒ Greater ability to compete on price with <i>Toys R Us</i>.</li> <li>☒ Wider market can be targeted rather than just a small town.</li> <li>☒ Increased profit margins.</li> </ul> <p>Drawbacks of switching to catalogues/internet:</p> <ul style="list-style-type: none"> <li>☒ Will still not be able to compete on price with <i>Toys R Us</i>.</li> <li>☒ Will lose its reputation for customer service.</li> <li>☒ Loss of USP since children cannot now play with toys before purchase.</li> <li>☒ Could lower profits.</li> <li>☒ Damage to the brand/loss of local custom.</li> </ul> <p>It is likely that evaluation will be demonstrated by a consideration of the drawbacks of the strategy and the scale of those drawbacks. Some outstanding candidates might consider that the drawbacks may be of a different size over different time periods, therefore it is difficult to judge whether it is likely to be a success.</p>
Level	Mark	Descriptor
<b>No mark</b>	<b>0</b>	Non-rewardable material. No mark is to be awarded if the candidate just re-states the question, i.e. using the Internet will increase the competitiveness of the <i>Saltash Toy Box</i> .
<b>Level 1</b>	<b>1-2</b>	Reference to <b>one</b> effect is given with some weak development or two effects are given with limited or no development of either. If there is just a simple judgement/value attached to one of the effects, 1 mark should be awarded. If this judgement/point has some simple support, the response should be placed at the top of this level. The quality of written communication will be poor with frequent spelling, punctuation, style and grammar errors.
<b>Level 2</b>	<b>3-5</b>	Reference to <b>one or more</b> effects is given with some development/support, which includes at least <b>one</b> reason/cause/consequence etc. At the middle of the level this analysis will be relevant and linked to the judgement/point made. Answers at the middle of this level will tend to assume that the judgement/point made will work and that the change of focus will have no downside. At the top of the level there will be some consideration of another point of view and there will be some context. There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter.
<b>Level 3</b>	<b>6-8</b>	Reference to <b>one or more</b> effects is given. A judgement/point is given with some development which includes at least <b>two</b> reasons/causes/consequences etc. and possibly the use of the 'it depends' rule. Some balance will be given in the form of advantage/disadvantage, pros/cons, costs/benefits. The candidate will be able to show some appreciation that the effect(s) are not 'inevitable' or 'automatic'. At this level, candidates may attach some value/importance to both of the effects and may make a judgement about which of the effects is more important/valuable to <i>Saltash Toy Box</i> . The answer will be in context. The quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard and there will be clear evidence that the candidate has structured their answer clearly and coherently, using appropriate terminology.

Q6.

	Answer	Mark
<p><b>QWC strands (i), (ii) and (iii)AO2 =4 AO3=4</b></p>	<p>This question has a 2 x 4 mark split. There is one mark for identifying an advantage/disadvantage. The remaining 3 marks are for the explanation which will show how the advantage/disadvantage will affect the <i>Saltash Toy Box</i>. Within the answer there will be at least <b>two</b> clearly identifiable strands of explanation <b>and reference to the context</b>. These may contain connective words such as, 'this leads to...' 'because...' etc. Possible advantages include:</p> <ul style="list-style-type: none"><li>☐ Lower levels of stock.</li><li>☐ Higher profit.</li><li>☐ Lower costs.</li><li>☐ Excellent relationships can help overcome problems easier.</li></ul> <p>Possible disadvantages include:</p> <ul style="list-style-type: none"><li>☐ Not being able to meet demand.</li><li>☐ Suppliers not being reliable.</li><li>☐ Damage to brand.</li><li>☐ Cannot respond to changes in the market.</li><li>☐ Requires excellent relationships with suppliers which are not easy to maintain.</li></ul> <p>E.g. Disadvantage: Damage to brand (1 mark). If the Saltash Toy Box runs out of stock, customers may not get their toys on time (1 mark). This means that they will be late for Christmas/birthdays etc. (1 mark). Customers will then be reluctant to make repeat orders (1 mark). This answer would gain 4 marks since a disadvantage has clearly been identified and there are at least <b>two</b> linked strands that build the explanation <b>and</b> there is reference to the context which earns the final mark. Two answers of this quality (an advantage and a disadvantage) would gain the full 8 marks.</p>	<p><b>(8)</b></p>

Q7.

		Indicative content
* QWC Strands (i), (ii) and (iii)AO2 =3 AO3=5		<p>The aim here is for candidates to consider whether the use of break-even analysis will be valuable as a planning tool. The question asks the candidate to 'assess', so the candidate must develop some evidence of balance within their answer. This could take the form of considering the degree to which breakeven analysis can be used as a planning tool. Assessment could also be developed by suggesting that <i>Shiftyjelly</i> operates in a fast moving market so variables often change, reducing its effectiveness as a planning tool. An alternative route to attaining assessment marks could come through the consideration of the drawbacks of break-even analysis e.g. assumption that all the apps will be sold etc. Possible benefits of using break-even analysis as a planning tool:</p> <ul style="list-style-type: none"> <li>☐ Can see how many apps need to be sold to break-even.</li> <li>☐ Can ask 'what if' questions e.g. seeing impacts of price changes.</li> <li>☐ Will help <i>Shiftyjelly</i> to set sales targets.</li> </ul> <p>Counterbalancing factors:</p> <ul style="list-style-type: none"> <li>☐ The market for apps is very fast moving so the figures may change quickly.</li> <li>☐ Only really useful together with other techniques such as market research.</li> <li>☐ Too simplistic/only a forecast.</li> </ul>
Level	Mark	Descriptor
No mark	0	Non-rewardable material. No mark is to be awarded if the candidate just re-states the question. i.e. break-even analysis is a valuable planning tool.
Level 1	1-2	Reference to <b>one</b> factor related to the use of break-even analysis is given with some weak development or two factors are given with limited or no development of either. If there is just a simple judgement/value attached to one of the factors, 1 mark should be awarded. If this judgement/point has some simple support, the response should be placed at the top of this level. The quality of written communication will be poor with frequent spelling, punctuation, style and grammar errors.
Level 2	3-5	Reference to <b>one or more</b> factors relating to the use of breakeven analysis is given, with some development of at least <b>one</b> at the lower end. A judgement/point is given at the lower end of the level with some development/support, which includes at least <b>one</b> reason/cause/consequence etc. At the middle of the level this analysis will be relevant and linked to the judgement/point made. Answers at the middle of this level will tend to assume that break-even analysis is a valuable planning tool. At the top of the level there will be some consideration of another point of view and there <b>may</b> be some context. For example they may consider the limitations of break-even analysis or suggest other factors such as market research are more important in planning. There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter.
Level 3	6-8	Reference to <b>two</b> factors relating to use of break-even analysis is given with development of each. A judgement/point is given with some development which includes at least <b>two</b> reasons/causes/consequences etc. and possibly the use of the 'it depends' rule. Some balance will be given in the form of advantage/disadvantage, pros/cons, costs/benefits. The candidate will be able to show some appreciation that the factors are not 'inevitable' or 'automatic'. At this level, candidates will attach some value/importance to both of the factors as to whether break-even analysis is valuable. They will probably suggest that it depends on the situation or that break-even analysis should be used with a variety of other techniques e.g. writing a business plan, market research etc for it to become really useful as a planning aid. The answer will be in context. The quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard and there will be clear evidence that the candidate has structured their answer clearly and coherently, using appropriate terminology.

Q8.

	Answer	Mark
(b) AO1=1 AO2=1 AO3=2	<p>For 4 marks, the description will make up to <b>four</b> relevant points associated with the effects of import protection on Thai based computer manufacturers. Four marks could also be achieved through focusing on <b>two</b> effects plus some development. One mark can be given for a definition of 'import protection'. The answer <b>must be</b> rooted in the context of computers to secure all four marks. Possible effects include:</p> <ul style="list-style-type: none"> <li>☐ Less competition.</li> <li>☐ Ability to increase prices.</li> <li>☐ Efficiency can fall.</li> <li>☐ Other governments may react making it more difficult for Thai based computer manufacturers to sell in export markets.</li> </ul> <p>E.g. Import protection involves placing taxes or other restrictions on computers that are made abroad but sold in Thailand (1 mark). This will make foreign made computers such as <i>Apple Macs</i> more expensive (1 mark). As a result more Thai customers will buy from Thai computer manufacturers (1 mark). This could mean that Thai firms become lazy though due to lack of competition (1 mark). This answer would gain <b>four</b> marks since the candidate has developed one effect in context (through mentioning '<i>Apple Macs</i>') and mentioned another. There is also a definition of 'import protection'.</p>	<b>(4)</b>

	Indicative content	
* (c) QWC Strands (i), (ii) and (iii) AO2=4 AO3=4	<p>The aim here is for candidates to consider whether changing the price of <i>Dell's</i> computers will increase <i>Dell's</i> ability to improve its profits. The question asks the candidate to 'assess', so the candidate must develop some evidence of balance within their answer. This could take the form of considering whether profits may increase or actually fall as a result of the price increase. Assessment could also be developed by suggesting that <i>Dell</i> operates in a competitive market so any price increase will reduce their competitiveness, but the extent to which this occurs is dependent on whether competitors have also increased their prices. An alternative route to attaining assessment marks could come through the consideration of by how much demand will fall if prices are increased and whether the strength of <i>Dell's</i> brand allows it to increase prices successfully and raise rather than reduce its ability to improve its profits. Possible reasons why increasing prices leads to improved profits:</p> <ul style="list-style-type: none"> <li>☐ Will increase the profit per computer.</li> <li>☐ <i>Dell</i> has a strong brand name so can add value.</li> <li>☐ Are competitors also increasing their prices?</li> <li>☐ Contribution per unit will increase.</li> </ul> <p>Counterbalancing factors:</p> <ul style="list-style-type: none"> <li>☐ Depends on how consumers react to the price increase.</li> <li>☐ Demand could fall by a significant amount.</li> <li>☐ Loss of market share to rivals such as <i>Hewlett Packard</i>.</li> <li>☐ All computer manufacturers may be forced to do this, so no effect on <i>Dell's</i> ability to improve its profits.</li> <li>☐ Depends on how much the price has increased by.</li> <li>☐ Price may not be an important element in a consumer's decision to buy a <i>Dell</i> computer.</li> </ul>	
Level	Mark	Descriptor
No mark	0	Non-rewardable material. No mark is to be awarded if the candidate just re-states the question, e.g. Changing price affects <i>Dell's</i> ability to improve its profits.
Level 1	1–2	Candidate will consider <b>one</b> factor related to increasing price <b>with no development</b> - bottom of level. Candidate will consider <b>one</b> factor related to increasing price <b>with simple development</b> – top of level. Candidate will consider <b>two</b> factors relating to increasing price <b>with no development</b> – top of level. The quality of written communication will be poor with frequent spelling, punctuation, style and grammar errors.
Level 2	3–5	Candidate will consider <b>one</b> factor relating to increasing price <b>with more detailed development</b> – bottom of level. Candidate will further develop their responses with a reason/cause/consequence – middle of level. Candidate will have <b>some evidence of balance</b> – top of level. At the top of the level there will be some evidence of balance to the point/judgement in the form of

		<p>advantage/disadvantage, cost/benefit, pro/con or some counterbalancing factor. At the top of the level, candidates may attach some value/importance to one of the factors. There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter.</p>
<p><b>Level 3</b></p>	<p><b>6–8</b></p>	<p>Candidate will consider factor(s) relating to increasing price with development which includes <u>two</u> reasons/causes/consequences, balance with simple judgement(s) all of which is in the context of the business – bottom of level. Candidate will consider factor(s) relating to increasing price with development which includes <u>two</u> reasons/causes/consequences, clear balance with developed judgement(s) all of which is in the context of the business – middle of level. Candidate will consider factor(s) relating to increasing price with development which includes <u>two</u> reasons/causes/consequences, clear balance with strong judgement(s) all of which is in the context of the business and using the 'it depends' rule or something similar – top of the level. The quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard and there will be clear evidence that the candidate has structured their answer clearly and coherently, using appropriate terminology.</p>

Q9.

Indicative content		
*QWC stands (i), (ii) and (iii)AO2 =3 AO3=3	<p>The aim here is for candidates to consider the benefits to <i>Mulberry</i> of using internal sources of finance as opposed to other types of finance. The question asks the candidate to '<i>discuss</i>', so we should expect some balance within the answer. This could take the form of examining why one benefit is more important than another or through considering the drawbacks of solely using internal sources of finance. Possible benefits:</p> <ul style="list-style-type: none"> <li>☐ Lower risk-the fashion market can change rapidly.</li> <li>☐ No interest to pay/less costly than using bank loans.</li> <li>☐ No new shares need to be issued-no loss of control.</li> <li>☐ No restrictions placed on the company by banks.</li> </ul> <p>Possible sources of balance:</p> <ul style="list-style-type: none"> <li>☐ Internal sources are unlikely to be enough to allow rapid expansion.</li> <li>☐ <i>Mulberry</i> may miss out exploiting its competitive advantage.</li> <li>☐ Rival firms may expand faster.</li> </ul>	
Level	Mark	Descriptor
No mark	0	Non-rewardable material.
Level 1	1-2	<b>One</b> benefit to <i>Mulberry</i> is highlighted with some simple development or <b>two</b> benefits are given with no development of either. An alternative route to marks in this level is if just a simple judgement or value is given to a benefit. 1 mark can be awarded for no support and 2 if some simple support is offered. The quality of written communication will be poor with frequent spelling, punctuation, style and grammar errors.
Level 2	3-4	Reference to at least <b>two</b> benefits is given with some development of each. A judgement/point is given at the lower end of the level with some development/support, which includes at least <b>one</b> reason/cause/consequence etc. for each benefit. At the top of the level this analysis will be relevant and linked to the judgement/point made and there <b>may</b> be some reference to the context. There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter.
Level 3	5-6	Reference to at least <b>two</b> benefits is given with development of each. A judgement/point is given with some development which includes at least <b>two</b> reasons/causes/consequences etc. for each benefit and should include some comparison/judgement as to which benefit is more important/evidence of balance. Answers at the top of this level will refer to the <i>Mulberry</i> /designer fashion goods context. The quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard and there will be clear evidence that the candidate has structured their answer clearly and coherently, using appropriate terminology.

## Q10.

		Indicative content
<b>AO2=2</b> <b>AO3=4</b>		<p>The aim here is for candidates to make a judgement as to whether increased advertising or lowering prices is more important in allowing <i>Marks and Spencer</i> to maintain its profits. There is no right answer and the candidate can argue that either method is better, depending on the circumstances. Candidates might consider the following possible ideas as part of their answer:</p> <p>Advertising:</p> <ul style="list-style-type: none"> <li>☐ Increases the size of the market.</li> <li>☐ Target certain market segments.</li> <li>☐ Can add value.</li> <li>☐ Increases customer loyalty.</li> <li>☐ Allow <i>Marks and Spencer</i> to outcompete <i>Waitrose/Debenhams</i> etc.</li> <li>☐ Expensive.</li> </ul> <p>Lower prices:</p> <ul style="list-style-type: none"> <li>☐ Increases size of the market.</li> <li>☐ Will decrease profit per item.</li> <li>☐ Could change perception of quality.</li> <li>☐ Out-compete <i>Waitrose/Debenhams</i>.</li> <li>☐ Increased revenue/sales.</li> </ul> <p>To be evaluative and support the judgement made, the candidate might suggest that the more effective method might be to lower prices since this should boost sales in the short term. In the longer-term, advertising may be more appropriate or some combination of the two e.g. heavily promoted 20% off sales days. An alternate route to evaluation might come through the candidate examining the drawbacks of cutting prices and/or increasing advertising, since there are possible implications for profit.</p>
Level	Mark	Descriptor
<b>No mark</b>	<b>0</b>	Non-rewardable material.
<b>Level 1</b>	<b>1-2</b>	A judgement or point is given as to which method is most likely to allow <i>Marks and Spencer</i> to maintain its profits. If there is just a simple judgement or where the support shows a misunderstanding of the concept 1 mark should be awarded. If this judgement/point has some simple support, the response should be placed at the top of this level.
<b>Level 2</b>	<b>3-4</b>	A judgement/point is given on one or both issues with some development/support, which includes at least <b>one</b> reason/cause/consequence etc. At the top of this level this analysis will be relevant and linked to the judgement/point made.
<b>Level 3</b>	<b>5-6</b>	A judgement/point is given on one or both issues with some development/support, which includes at least <b>two</b> reasons/causes/consequences etc. and includes some balance. At the top of this level there will be a conclusion drawn from the analysis and the answer will be in context.

## Q11.

Indicative content		
<b>AO2 =3</b> <b>AO3 =3</b>	<p>The aim here is for candidates to consider the importance of increasing wages in motivating workers in low skill industries such as catering and cleaning. The question asks the candidate to 'discuss', so the candidate must develop balance within their answer to reach the top level.</p> <p>This could take the form of considering the extent to which money will motivate a worker, or through the examination of other factors that might be important in enhancing worker motivation. An alternate source of evaluation could come from the candidate using the 'it depends' rule. For instance it depends on why they are working, if they are single parents, working part time, how large the increase in wages is etc.</p> <p>Reasons why increased wages might be an important motivator:</p> <ul style="list-style-type: none"> <li>☑ Low skill jobs are usually low paid.</li> <li>☑ Cleaning jobs are boring so money is important.</li> <li>☑ Workers need money to fulfil physical/physiological needs.</li> </ul> <p>Reasons why increased wages might not be an important motivator:</p> <ul style="list-style-type: none"> <li>☑ Factors such as enjoyment, having friends in the work place may be more important.</li> <li>☑ Depends on whether the individual has satisfied their physical/physiological needs.</li> </ul>	
Level	Mark	Descriptor
<b>No mark</b>	<b>0</b>	Non-rewardable material.
<b>Level 1</b>	<b>1-2</b>	<b>One</b> reason why increased wages could motivate employees is given with some simple development or two reasons are given with no development of either. An alternative route to marks in this level is if just a simple judgement or value is given to the importance of wages. 1 mark can be awarded for no support and 2 if some simple support is offered. Expect to see no reference to the 'low-skill' context in this range.
<b>Level 2</b>	<b>3-4</b>	Reference to <b>two</b> reasons is given with some development of each. A judgement/point is given at the lower end of the level with some development/support, which includes at least <b>one</b> cause/consequence etc. for each reason. At the top of the level this analysis will be relevant and linked to the judgement/point made and there <b>may</b> be some reference to the context.
<b>Level 3</b>	<b>5-6</b>	Reference to <b>two</b> reasons is given with development of each. A judgement/point is given with some development which includes at least <b>two</b> causes/consequences etc. In this level expect there should be some evidence of balance. Answers at the top of this level will refer to the context.

## Q12.

	Answer	Mark
<p><b>AO2</b> <b>=4</b></p> <p><b>AO3</b> <b>=4</b></p>	<p>This question has a 2 x 4 mark split. There is one mark for identifying an advantage and one mark for identifying a disadvantage. The remaining 3 marks are for the explanation which will show how paying a salary can be an advantage/disadvantage to <i>Shiftyjelly</i>. Within the answer there will be at least <b>three</b> clearly identifiable strands of explanation <b>and reference to the context</b> for each advantage/disadvantage considered. These may contain connective words such as, 'this leads to...' 'because...' etc.</p> <p>Possible advantages include:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Better motivation (security of income).</li> <li><input type="checkbox"/> Cheaper than other methods of remuneration e.g. commission if the apps designed are successful.</li> <li><input type="checkbox"/> Can ask app developers to do more work for no extra pay.</li> <li><input type="checkbox"/> Simple for <i>Shiftyjelly</i> to calculate its labour costs.</li> <li><input type="checkbox"/> More staff loyalty.</li> <li><input type="checkbox"/> Higher profits.</li> </ul> <p>Possible disadvantages include:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Motivation may be lower.</li> <li><input type="checkbox"/> Other app companies may use more attractive methods of remuneration.</li> <li><input type="checkbox"/> May find it harder to recruit the best app developers.</li> <li><input type="checkbox"/> Lower profits.</li> </ul> <p>E.g. Advantage: Lower Costs (1 mark). Paying a salary means <i>Shiftyjelly</i> can get its developers to work for longer hours designing new apps without having to pay them any extra money (1 mark). This will reduce the costs of designing an app (1 mark) compared to paying a wage/commission/time rate etc. (1 mark), increasing <i>Shiftyjelly's</i> profits. This answer would gain 4 marks since an advantage has clearly been identified and there are at least <b>three</b> linked strands that build the explanation, with reference to the app/<i>Shiftyjelly</i> context. The contextualisation must go beyond what is provided in the question. Without the use of this context (designing new apps) the answer would be worth 3 marks.</p>	<p><b>(8)</b></p>

## Q13.

	Answer	Mark
<p><b>(d)</b></p> <p><b>AO1</b> <b>=1</b></p> <p><b>AO2</b> <b>=1</b></p> <p><b>AO3</b> <b>=2</b></p>	<p>For 4 marks, the description will make up to <b>four</b> relevant points associated with the effects of pressure group activity on <i>Ryanair</i>. Four marks could also be achieved through focusing on <b>two</b> effects plus some development. One mark can be given for a definition of 'pressure groups'. The answer <b>must be</b> rooted in the context of <i>Ryanair</i> to secure all four marks.</p> <p>Possible effects include:</p> <ul style="list-style-type: none"> <li>☑ Less people want to fly.</li> <li>☑ People are more aware of the environmental damage.</li> <li>☑ Government might restrict airport expansion.</li> <li>☑ People switch to other modes of transport.</li> <li>☑ <i>Ryanair's</i> brand is damaged.</li> </ul> <p>E.g. A pressure group is an organisation which tries to change the decisions made by a business (1 mark). 'Plane stupid' is trying to get <i>Ryanair</i> to reduce the number of flights it makes (1 mark). If <i>Ryanair</i> do this there will be less pollution from aviation fuel. The government may also pass laws to restrict airline growth (1 mark). This answer would gain <b>four</b> marks since the candidate has defined 'pressure groups', and contextualised the answer by referring to the words 'flights', 'aviation fuel' and 'airline'. There are also two separate points one of which has been developed.</p>	<p><b>(4)</b></p>

## Q14.

		Indicative content
<b>QWC Strands (i), (ii) and (iii)AO2 =4 AO3=6</b>		<p>The aim here is for candidates to make a judgement as to whether it was right to increase the national minimum wage. To demonstrate the evaluative skill, candidates could consider whether increasing the minimum wage will increase unemployment in the very industries where it is supposed to help workers, since it could cause employers to employ fewer people or may encourage relocation overseas. Other candidates might demonstrate evaluation by considering the scale of the increase which is very low, compared to that of the previous year. There is no right or wrong answer, but candidates should aim to make a judgement which is supported. Candidates may consider the following ideas as part of their answer:</p> <p>In favour of the increase:</p> <ul style="list-style-type: none"> <li>☐ Reduces exploitation of workers in low skill industries.</li> <li>☐ Not ethical to allow wages to fall below a certain minimum level.</li> <li>☐ Minimum wage has only increased by 7p which is 1.2%, so business costs are barely being affected.</li> <li>☐ Will make work more attractive to the unemployed.</li> <li>☐ Could increase the amount of spending in the local area.</li> <li>☐ All firms in the industry required to pay, so it is a level playing field for all UK firms.</li> </ul> <p>Not in favour of the increase:</p> <ul style="list-style-type: none"> <li>☐ May increase unemployment.</li> <li>☐ Employers will expect existing workers to do more work, rather than hiring new workers.</li> <li>☐ Increases costs.</li> <li>☐ Increases the chances of a business relocating overseas.</li> <li>☐ In a recession prices fall (or do not rise as quickly), so wages do not need to increase.</li> </ul>
Level	Mark	Descriptor
<b>No mark</b>	<b>0</b>	Non-rewardable material.
<b>Level 1</b>	<b>1-4</b>	One relevant point is identified with some development – there can be a maximum of 4 marks if the links to the point are relevant – one mark per link (up to a maximum of 3). An alternative route to the marks could involve a judgement being given; at the lower end of the level no support will be provided. At the top of the level some support will be given. A list of bullet points will gain a maximum of three marks, assuming they are all relevant. The quality of written communication will be poor with frequent spelling, punctuation, style and grammar errors.
<b>Level 2</b>	<b>5-7</b>	Candidates consider the reasons for increasing the minimum wage and offer <b>two or more</b> reasons/causes/consequences etc. in support. At the middle of the level a judgement/conclusion will be made but with no support and merely re-states the question. At the top of the level candidates may offer at least one other factor to balance out the answer. At the top of the level a judgement/conclusion will be made with some support given although not drawn from the analysis and there may be reference to the context. There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter.
<b>Level 3</b>	<b>8-10</b>	Candidates consider the reasons for increasing the minimum wage and offer <b>two or more</b> reasons/causes/consequences etc. in support. At the lower end of the level some value may be attached to these reasons whilst at the top of the level there will be clear recognition of the value of the points made to the business, identifying an advantage and disadvantage, cost/benefit, pro/con etc. or using the 'it depends' rule. At this level candidates are likely offer at least one other factor to balance out the answer. At the middle of the level a judgement/conclusion will be made with some support drawn from the analysis. At the top of the level a judgement/conclusion will be given clearly drawn from the analysis representing a coherent argument and will refer to the context. The quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard and there will be clear evidence that the candidate has structured their answer clearly and coherently, using appropriate terminology.