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Pearson Edexcel

Mark Scheme (Results)

Summer 2021

Pearson Edexcel International GCSE
In Business (4BS1)
Paper 02 Investigating Large Business

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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.

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Summary of changes from Provisional Mark Scheme

No changes were made to the Mark scheme for 4BS1 02

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Question Number	Which **one** of the following sectors would a retail outlet operate in? Answer	Mark
1 (a) (i)	**AO1 - 1 mark** **1 (a) (i) The only correct answer is C** **A** is not correct because primary is extracting raw materials **B** is not correct as secondary is the manufacturing of the goods **D** is not correct as quarternary is not a section in retail under this word	**(1)**

Question Number	Which **one** of the following would be used to select a group of applicants for interview? Answer	Mark
1 (a) (ii)	**AO1 - 1 mark** **1 (a) (ii) The only correct answer is B** **A** is not correct because training as this is carried out once the applicant has obtained the job **C** is not correct because marketing it is not involved in interviewing **D** is not correct because advertising is not involved in interviewing	**(1)**

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Question Number	Which **one** of the following would *NEXT* pay in £ (GBP) to the Turkish manufacturer for the 5,000 dresses? Answer	Mark
1 (a) (iii)	**AO2 - 1 mark** **1 (a) (iii) The only correct answer is D** **A** is not correct 5 101 is 5000 + 101.10 **B** is not correct 5 674 is 5000 + (100 x 6.74) **C** is not correct 33 700 is 5000 x 6.74	**(1)**

Question Number	Which **one** of the following describes Kaizen? Answer	Mark
1 (a) (iv)	**AO1 - 1 mark** **1 (a) (iv) The only correct answer is D** **A** is not correct as skilled manufacturing is making the product **B** is not correct as JIT is the arrival of materials in time for manufacture **C** is not correct as market orientated is not related to production	**(1)**

Question Number	What is the percentage increase, to two decimal places, of online customers from 2017 to 2018? Answer	Mark
1 (a) (v)	**AO2 - 1 mark** **1 (a) (v) The only correct answer is C 4.26%** **A** is not correct 2.00% is (4.9 – 4.7) x 10 **B** is not correct 4.08% is 4.9 + 4.7 = 9.6 x 4.26/ 10 **D** is not correct 4.70% is 4.7 million as a percentage	**(1)**

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Question Number	Which **one** of the following is a benefit of buying a franchise? Answer	Mark
1 (a) (vi)	**AO1 - 1 mark** **1 (a) (vi) The only correct answer is A** **B** is not correct as franchisee pay the same rate of VAT **C** is not correct as the franchisor does not pay the franchisee to set up **D** is not correct as a franchisee does not make his/her own decisions	**(1)**

Question Number	Define the term **delegation**. Answer	Mark
1 (b)	**AO1 - 1 mark** Award 1 mark for a correct definition of delegation. • The passing of responsibility to a subordinate **(1)**	**(1)**

Question Number	Define the term **venture capital**. Answer	Mark
1 (c)	**AO1 - 1 mark** Award 1 mark for a correct definition of venture capital. • Venture capital is a type of risk capital available to start-up businesses **(1)**	**(1)**

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Question Number	State **one** reason why *NEXT* might use cost plus pricing. Answer	Mark
1 (d)	**A02 - 1 mark** Award 1 mark for a valid reason of using cost plus pricing in the context of the business. • *NEXT* may use this method as the mark up can be different in the 70 countries it operates/sells in **(1)** • *NEXT* may use cost plus pricing to ensure that a profit is made on each dress sold **(1)** **Accept any other appropriate response.**	**(1)**

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Question Number	Calculate the predicted sales for next year. Answer	Additional guidance	Mark
1 (e)	**A02 - 2 marks** 727 000 000 x 1.032 **(1)** = 750 264 000 **(1)**	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct numerical answer without working.	**(2)**

Question Number	Explain **one** disadvantage for a business that does not achieve its predicted growth. Answer	Mark
1 (f)	**A01 - 3 marks** Award 1 mark for identification of a disadvantage for a business that does not achieve its predicted growth, plus 2 further marks for explaining the reason, for a maximum of 3 marks. • Shareholders may not be very happy **(1)** because if the business does not reach its predicted growth they may not receive dividends **(1)** and this may mean that they invest in other businesses **(1)** • If the business does not achieve its predicted growth it may not be able to expand **(1)** this means that it may lose some market share **(1)** as customers could go elsewhere **(1)** NB Answers that list three disadvantages with no explanation will get 1 mark only. **Accept any other appropriate response.**	**(3)**

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Question Number	Analyse the benefits to *NEXT* of training all its employees. Indicative content	Mark
1 (g)	**AO2 = 3 marks AO3 = 3 marks** **<u>AO2</u>** • If *NEXT* trained all its employees, then they are trained in a consistent fashion so that they can operate in the same way across 70 countries • Employees attending these training sessions will gain customer service skills they can use in *NEXT* shops **<u>AO3</u>** • This means that all employees work to the same standards set by *NEXT* • These new customer service skills allow employees to improve their sales techniques and this could lead to increased sales for *NEXT*	**(6)**

Level	**Mark**	**Descriptor**
	0	No rewardable material.
Level 1	1-2	• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).
Level 2	3-4	• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).
Level 3	5-6	• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).

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Question Number	State **one** reason why *NEXT* would want to promote its own employees. Answer	Mark
2 (a)	**A02 - 1 mark** Award 1 mark for a valid reason for *NEXT* promoting its own employees in the context of the business. • If *NEXT* promotes its own employees, they are experts in the home interiors *NEXT* sell **(1)** • By promoting their own employees *NEXT* does not have to spend time and money interviewing and training new staff to sell its new dresses **(1)** **Accept any other appropriate response**.	**(1)**

Question Number	State **one** reason why *NEXT* complies with health and safety laws. Answer	Mark
2 (b)	**A02 - 1 mark** Award 1 mark for a valid reason for *NEXT* complying with health and safety laws in the context of the business. • *NEXT* will want to protect employees/customers whilst they are in its clothing stores **(1)** • By complying it is not breaking any laws and employees feel safe whilst working in its garment factories **(1)** **Accept any other appropriate response.**	**(1)**

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Question Number	Explain **one** reason why businesses fail. Answer	Mark
2 (c)	**A01 - 3 marks** Award 1 mark for a reason why businesses fail, plus 2 further marks for explaining the reason, for a maximum of 3 marks. • Businesses fail because of cash flow problems **(1)** this may be that the business has a greater outflow than inflow **(1)** leading to potential problems paying employees/suppliers **(1)** NB Answers that list three reasons why a business fails with no explanation will get 1 mark only. **Accept any other appropriate response.**	**(3)**

Question Number	Explain **one** reason why a business would use batch production. Answer	Mark
2 (d)	**A01 - 3 marks** Award 1 mark for a reason for using batch production, plus 2 further marks for explaining this reason, for a maximum of 3 marks. • A business with a wide range of products may need to produce them in smaller numbers **(1).** They can change the product easily, for example colour/size **(1)** without incurring too much cost **(1)** NB Answers that list three reasons with no explanation will get 1 mark only. **Accept any other appropriate response**.	**(3)**

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Question Number	Explain **one** reason why employees keep their curriculum vitae (CV) up to date. Answer	Mark
2 (e)	**A01 - 3 marks** Award 1 mark for identification of a reason why employees keep their curriculum vitae (CV) up to date, plus 2 further marks for explaining why having an up to date curriculum vitae is beneficial to an employee, for a maximum of 3 marks. • It means that an employee can apply for a job straight away **(1)** without having to spend time updating a CV **(1)** which avoids missing out on job opportunities **(1)** NB Answers that list three reasons with no explanation will get 1 mark only. **Accept any other appropriate response.**	**(3)**

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Question Number	**Option 1:** targeted advertising online **Option 2:** e-newsletters. **(f)** Justify which **one** of these two options *NEXT* should choose. Indicative content	Mark
2 (f)	**AO2 = 3 marks AO3 = 3 marks** **AO4 = 3 marks** **<u>AO2</u>** • **Option 1** – By using targeted online advertising *NEXT* are only sending information to those customers who have purchased furniture or have signed up to its website • **Option 2** – E-newsletters are a cost effective way of sending information to customers, if they are interested in the wedding list service, it could include text, illustration and special offers **<u>AO3</u>** • **Option 1** – *NEXT* could test whether the people it is targeting are buying the furniture being advertised • **Option 2** – The only expense *NEXT* has is the setting up of the newsletter, and then this can be distributed with no further expense to all its customers **<u>AO4</u>** • **Option 1** – However, targeted online advertising does not reach all the customers of *NEXT* who might wish to purchase furniture • **Option 2** – However, *NEXT* cannot be certain that all its customers who want to receive the wedding list service will read the newsletter as there is no guarantee or way of checking that they have seen it	**(9)**

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Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-3	• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3). • Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made (AO4).
Level 2	4-6	• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3). • Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made (AO4).
Level 3	7-9	• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3). • Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made (AO4).

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Question Number	Define the term **economies of scale**. Answer	Mark
3 (a)	**A01 - 1 mark** Award 1 mark for a correct definition of economies of scale. • When average costs fall as a result of a business increasing in size **(1)**	**(1)**

Question Number	Outline **one** reason why *NEXT* uses special offers. Answer	Mark
3 (b)	**A02 - 2 marks** Award 1 mark for identifying a reason why *NEXT* have special offers, plus 1 further mark for linking it to the context of the question. • *NEXT* have special offers to encourage customers to purchase clothes **(1).** Once they have purchased dresses using a special offer they may return to purchase others **(1)** NB Do not accept a reason that is not in the context of *NEXT.* **Accept any other appropriate response.**	**(2)**

Question Number	Calculate the number of women working at *NEXT*. Answer	Additional guidance	Mark
3 (c)	**A02 - 2 marks** 43,000 X 0.7 **(1)** = 30,100 **(1)**	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct numerical answer without working.	**(2)**

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Question Number	Analyse why *NEXT* would want to remove any communication barriers within its organisation. Indicative content	Mark
3 (d)	**AO2 = 3 marks AO3 = 3 marks** **<u>AO2</u>** • As *NEXT* trades in different countries it will therefore need employees to speak the language of that country. • If *NEXT* has long chains of command it could mean that messages from head office take too long to reach shop assistants. **<u>AO3</u>** • By speaking the language of the customer the staff can communicate and make it easier to increase sales**.** • The communication could become unclear/inaccurate on its way through the chain of command leading to errors.	**(6)**

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	0	No rewardable material.
Level 1	1-2	• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).
Level 2	3-4	• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).
Level 3	5-6	• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).

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Question Number	**Option 1:** job rotation **Option 2:** job enrichment. (e) Justify which **one** of these two options *NEXT* should choose. Indicative content	Mark
3 (e)	**AO2 = 3 marks AO3 = 3 marks** **AO4 = 3 marks** **<u>AO2</u>** • **Option 1** – By offering job rotation the employees may get to experience different jobs moving from the stock room to working on the shop floor • **Option 2** – With job enrichment *NEXT* employees may find they utilise their skills of displaying the furniture and child clothes in their shop windows **<u>AO3</u>** • **Option 1** – The employees may find the experience of moving from the stock room to the shop floor gives them additional skills and knowledge which can be used within *NEXT* • **Option 2** – The employees will be able to use the new skills of displaying products in applying for different jobs either within *NEXT* or at another business **<u>AO4</u>** • **Option 1** – However, these new experiences and skills may mean that employees could decide to look for other jobs other than remaining employed by *NEXT* • **Option 2** – However, this could incur additional costs for *NEXT* of time and training of the employees	**(9)**

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Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-3	• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3). • Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made (AO4).
Level 2	4-6	• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3). • Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made (AO4).
Level 3	7-9	• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3). • Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made (AO4).

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Question Number	Calculate to two decimal places the operating profit margin for *NEXT* in 2019. Answer	Additional guidance	Mark
4 (a)	**A02 - 2 marks** 590 ÷ 4 221 x 100 **(1)** = 13.98 **(1)**	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct numerical answer without working.	**(2)**

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Question Number	Analyse the effects for *NEXT* of an increase in UK interest rates. Indicative content	Mark
4 (b)	**AO2 = 3 marks AO3 = 3 marks** **<u>AO2</u>** • If the interest rate rises then consumers will spend less on items such as clothing from *NEXT* • Consumers are less likely to purchase *NEXT* furniture on credit. **<u>AO3</u>** • This could lead to a reduction in sales for *NEXT* which could have an impact on its profits • This could lead to *NEXT* not being able to sell its inventory	**(6)**

Level	**Mark**	**Descriptor**
	0	No rewardable material.
Level 1	1-2	• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).
Level 2	3-4	• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).
Level 3	5-6	• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).

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Question Number	Evaluate the importance for *NEXT* of maintaining quality throughout all of its manufacturing processes. Indicative content	Mark
4 (c)	**AO1 = 3 marks AO2 = 3 marks** **AO3 = 3 marks AO4 = 3 marks** **<u>AO1</u>** • Consumers who purchase clothes expect quality goods • Quality of products give a business a good reputation **<u>AO2</u>** • *NEXT* provide quality furniture and fashionable dress for customer to buy • A poor reputation may mean that *NEXT* attracts fewer customer to its worldwide shops **<u>AO3</u>** • *NEXT* will have to ensure that all manufacturers of their clothes and furniture, maintain the same standard throughout 70 countries • *NEXT* may have to close some of its shops which would reduce the number of its outlets and sales **<u>AO4</u>** • However, maintaining this standard is expensive as the production of clothes and furniture will need constant inspection to ensure that the items are of the quality set • However, once a poor reputation for quality is gained amongst customers for clothes or furniture it is very hard to regain their loyalty	**(12)**

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Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-4	• Demonstrates elements of knowledge and understanding of business concepts and issues, with limited business terminology used (AO1). • Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3). • Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made (AO4).
Level 2	5-8	• Demonstrates mostly accurate knowledge and understanding of business concepts and issues including appropriate use of business terminology in places (AO1). • Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3). • Makes a judgement, providing a justification based on sound evaluation of c business information and issues relevant to the choice made (AO4).

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Level 3	9-12	• Demonstrates accurate knowledge and understanding of business concepts and issues throughout, including appropriate use of business terminology (AO1). • Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3). • Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made (AO4).

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