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Mark Scheme (Results)

Summer 2022

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

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.
- Mark schemes will indicate within the table where, and which strands of QWC, are being assessed. The strands are as follows:
    - (i) ensure that text is legible and that spelling, punctuation and grammar are accurate so that the meaning is clear
    - (ii) select and use a form and style of writing appropriate to purpose and to complex subject matter
    - (iii) organise information clearly and coherently, using specialist vocabulary when appropriate

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Question Number	Which **one** of the following types of business ownership would usually be formed by a business of two solicitors? Answer	Mark
1 (a) (i)	AO1 - 1 mark **B** Partnership A A sole trader is only one person C Public Corporation is a large business run by many D Public Limited Company has directors and can be quite a large business	(1)

Question Number	Which **one** of the following would show a business its cash flow forecast? Answer	Mark
1 (a)(ii)	AO1 - 1 mark **A** Cash inflows and outflows B Money owed to its creditors is a debt and is not a forecast C Net cash flow is the difference between money in and money out D Opening and closing balances are actual amounts and not a forecast	(1)

Question Number	Which **one** of the following would a customer in South Africa pay in ZAR for two 850 gram *Cadbury* Dairy Milk Bars? Answer	Mark
1 (a) (iii)	AO2 - 1 mark **C** 411.19 A 20.59 (20.58 + 1) B 205.60 (20.58 x 9.99) D 411.60 (20.58 x 10.00 x 2)	(1)

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Question Number	Which **one** of the following functional areas would a skilled machinist work in? Answer	Mark
1 (a)(iv)	AO1 - 1 mark **C** Production A Finance deals with the money side of the business B Human Resources deals with recruitment D Marketing deals with advertising the products	(1)

Question Number	What is the percentage decrease in the price of the *Cadbury* Crunchie? Answer	Mark
1 (a) (v)	AO2 - 1 mark **D** 8.42% A 0.92% (0.87 ÷ 0.95) B 1.09% (0.95 ÷ 0.87) C 8.00% (0.95 - 0.87)	(1)

Question Number	Which **one** of the following is an example of secondary market research? Answer	Mark
1 (a)(vi)	AO1 - 1 mark **B** Market Report A Telephone Survey is primary research C Test Marketing is primary research D Focus Group is primary research	(1)

Question Number	Define the term **personal savings**. Answer	Mark
1 (b)	AO1 - 1 mark Award 1 mark for a correct definition of **personal savings.** • Money that belongs to an individual not a business **(1)**	(1)

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Question Number	Define the term **sole trader.** Answer	Mark
1 (c)	**AO1 - 1 mark** Award 1 mark for a correct definition of a **sole trader.** • A business owned by a single person **(1)**	**(1)**

Question Number	State **one** reason why *Cadbury* might pay its UK employees above the minimum wage. Answer	Mark
1 (d)	**A02 - 1 mark** Award 1 mark for a valid reason of why *Cadbury* pays its UK employees above the minimum wage in the context of the business. • Employees are more likely to stay with *Cadbury* and not move to a competitor such as Rowntree's to earn additional money **(1)** • Employees are less likely to take time off from producing chocolate bars if they are paid well **(1)** **NB** Do not accept a reason that is not in the context of *Cadbury*. **Accept any other appropriate response.**	**(1)**

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Question Number	Calculate the selling price of the chocolate cake. Answer	Additional guidance	Mark
1 (e)	**A02 - 2 marks** 6.50 x .20 = 1.30 **(1)** 6.50 + 1.30 = 7.80 **(1)** **OR** 6.50 x 1.20 **(1)** = 7.80 **(1)**	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct numerical answer without working.	**(2)**

Question Number	Explain **one** advantage for businesses if banks reduce their interest rates. Answer	Mark
1 (f)	**A01 - 3 marks** Award 1 mark for identification of an advantage for a business if the banks reduce their interest rates, plus 2 further marks for explaining the reason, for a maximum of 3 marks. • This means that if a business took out loans **(1)** monthly repayments would be lower **(1)** leaving more funds for other business expenses **(1)** • If the interest rates are reduced, then customers may have more funds available **(1)** to spend on goods/products **(1)** thus increasing the turnover of businesses **(1)** **NB** No marks are awarded for a definition. Answers that list three advantages with no explanation will get 1 mark only. **Accept any other appropriate response.**	**(3)**

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Question Number	Analyse **two** factors that could influence *Cadbury* when locating a new factory. **Indicative content**	Mark
1 (g)	**AO2 = 3 marks AO3 = 3 marks** <u>AO2</u> • *Cadbury* may need to move to a location where there are skilled employees, such as cake designers and biscuit bakers • Locating near to motorways or railways means that cocoa can be delivered to *Cadbury* factories using a variety of methods <u>AO3</u> • If *Cadbury* locates near to a pool of skilled employees they require, employees will be willing to work at *Cadbury* as they will not have far to travel • This means that the cocoa will arrive in time for the production of *Cadbury* products	**(6)**

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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** item of information that an applicant would include in their Curriculum Vitae (CV) when applying for a position with *Cadbury*. **Answer**	**Mark**
2 (a)	**A02 - 1 mark** Award 1 mark for a valid item that could be included in a Curriculum Vitae in the context of the business. • Previous experience of health and safety legislation from working in food factories **(1)** • Previous employers as referees confirming that they have appropriate food experience **(1)** **NB** Do not accept an item that is not in the context of *Cadbury*. **Accept any other appropriate response**.	**(1)**

Question Number	State **one** item of information that may appear in a job description for a *Cadbury* Production Line Supervisor. **Answer**	**Mark**
2 (b)	**A02 - 1 mark** Award 1 mark for a valid item of information that may appear in a job description for a Production Line Supervisor in the context of the business. • Experience of supervising employees making chocolate on a production line **(1)** • Experience of supervising employees in a *Mondelez* production facility **(1)** **NB** Do not accept an item that is not in the context of *Cadbury*. **Accept any other appropriate response.**	**(1)**

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Question Number	Explain **one** method a business could use to motivate its employees. **Answer**	**Mark**
2 (c)	**A01 - 3 marks** Award 1 mark for a method a business could use to motivate its employees, plus 2 further marks for explaining the reason, for a maximum of 3 marks. • Giving its employees fringe benefits **(1)** such as discounts off products produced **(1)** makes them feel that their work is valued **(1)** • Bonus payments given to employees **(1)** as an individual or teams **(1)** when they have met certain targets **(1)** **NB** No marks are awarded for a definition. Answers that list three methods why a business could use to motivate its employees, with no explanation will get 1 mark only. **Accept any other appropriate response.**	**(3)**

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Question Number	Explain **one** reason why a business has fully trained employees. **Answer**	**Mark**
2 (d)	**A01 - 3 marks** Award 1 mark for a reason why businesses ensure that its employees are fully trained, plus 2 further marks for explaining this reason, for a maximum of 3 marks. • Training is important as it increases the skills and knowledge of the employee **(1)** so that they can perform their job more effectively **(1)** thereby increasing productivity **(1)** • The training keeps employees up-to-date **(1)** with any new technology/machines **(1)** so that they can maximise the amount they can produce per hour **(1)** **NB** No marks are awarded for a definition. Answers that list three reasons why businesses ensure that its employees are fully trained, with no explanation will get 1 mark only. **Accept any other appropriate response**.	**(3)**

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Question Number	Explain **one** reason why many manufacturing businesses use Kaizen in their factories. **Answer**	**Mark**
2 (e)	**A01 - 3 marks** Award 1 mark for identification why businesses use Kaizen in manufacturing plus 2 further marks for explaining why, for a maximum of 3 marks. • Kaizen means employees are involved in the process of improvement **(1)** and suggest ways in the manufacturing process **(1)** that could lead to improved product quality **(1)** • Kaizen helps to reduce waste **(1)** as employees understand how to operate the machinery more effectively **(1)** resulting in lower overall costs for the business **(1)** **NB** No marks are awarded for a definition. Answers that list three reasons of why businesses use Kaizen in manufacturing with no explanation will get 1 mark only. **Accept any other appropriate response.**	**(3)**

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Question Number	**Option 1:** allowing employees to work part-time **Option 2:** allowing employees to job share. Indicative content	Mark
2 (f)	AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks <u>AO2</u> • **Option 1** – By offering part-time working *Cadbury* can provide flexibility for their employees • **Option 2** – If one employee in the job share is absent through illness then the other members may be able to take the place in the design of chocolate wrappers <u>AO3</u> • **Option 1** – *Cadbury* can use the flexibility of part-time staff to meet increased seasonal demands such as Christmas • **Option 2** – Job sharing benefits *Cadbury* as it provides the ideas and enthusiasm of two people rather than one <u>AO4</u> • **Option 1** – However, it may increase employment costs because of legal benefits that have to be offered to part-time employees • **Option 2** – However, the two people job sharing will have to work as a team and liaise effectively	(9)

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	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 **public relations**. Answer	Mark
3 (a)	**A01 - 1 mark** Award 1 mark for a correct definition of **public relations.** • Building and maintaining a favourable image of a business for its products **(1)**	**(1)**

Question Number	Outline **one** reason why *Cadbury* interviews shortlisted candidates for vacancies in its functional areas. Answer	Mark
3 (b)	**A02 - 2 marks** Award 1 mark for identifying a reason why *Cadbury* interviews people that are shortlisted for a vacancy, plus 1 further mark for linking it to the context of the question. • So that *Cadbury* can check that the applicants interviewed match the details in their CV **(1)** and assess whether they are suitable to work in chocolate production line **(1)** **NB** Do not accept a reason that is not in the context of *Cadbury.* **Accept any other appropriate response.**	**(2)**

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Question Number	Calculate the donation *Cadbury* made in 2018. Answer	Additional guidance	Mark
3 (c)	**A02 - 2 marks** 7 617 600 × 0.012 = 91 411.20 **(1)** 7 617 600 – 91 411.20 = 7 526 188.80 **(1)** **OR** 7 617 600 x 0.988 **(1)** **=** 7 526 188.80 **(1)**	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct numerical answer without working.	**(2)**

Question Number	Analyse why some governments have introduced legislation to reduce the amount of sugar in chocolate. Indicative content	Mark
3 (d)	**AO2 = 3 marks AO3 = 3 marks** <u>AO2</u> • By introducing legislation to reduce the amount of sugar in chocolate bars means that this would reduce the sugar levels for its customers • The legislation would help reduce the demands and impact on the health service as fewer customers will need its services <u>AO3</u> • Consuming too much sugar can have other effects on the body such as being overweight • It could reduce the costs of health-related illnesses thereby benefiting the overall health of the country	**(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:** batch production **Option 2:** flow production. Indicative content	Mark
3 (e)	AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks <u>AO2</u> • **Option 1** – With batch production, if Dinky Deckers is not popular, they can limit or stop production of them • **Option 2** – By using this method they can ensure that there will be sufficient Dinky Deckers available for all its customers wanting to try the new chocolate bars <u>AO3</u> • **Option 1** – By limiting the number produced it could encourage more customers to want to purchase the chocolate bar • **Option 2** – Shops/supermarkets will have a continuous supply of the new chocolate bar <u>AO4</u> • **Option 1** – However, this method of production can be more expensive because of time spent changing the machines to produce Dinky Deckers • **Option 2** – However, there is no guarantee on how popular the Dinky Deckers will be and if it will sell well; *Cadbury* could be left with a large quantity of unsold Dinky Deckers	**(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 gross profit margin. Answer	Additional guidance	Mark
4 (a)	**AO2 - 2 marks** 10.3 / 25.9 **(1)** X 100 = 39.77 **(1)**	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct numerical answer without working.	**(2)**

Question Number	Analyse why *Cadbury* may have needed to take out an overdraft. Indicative content	Mark
4 (b)	**AO2 – 3 marks AO3 – 3 marks** <u>AO2</u> • An overdraft would allow *Cadbury* to withdraw temporary funds from its bank account to pay suppliers for an unexpected delivery of cocoa • If *Cadbury* needs to pay an unexpected bill to keep the factory working <u>AO3</u> • It is flexible as *Cadbury* will only pay interest on the amount they are overdrawn • By using an overdraft, the factory can carry on producing whilst *Cadbury* improves its cash flow	**(6)**

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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 of marketing for *Cadbury* when introducing a new product. Indicative content	Mark
4 (c)	AO1 = 3 marks AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks <u>AO1</u> • *Cadbury* needs to make products that customers will want to buy so by using market research it can identify a gap in the market. • By producing chocolate bars that people enjoy it keeps them loyal to those products <u>AO2</u> • If the market research finds that customers like chocolate ice creams *Cadbury* could introduce them • *Cadbury* wants loyal customers to continue buying its range of chocolate products <u>AO3</u> • Customers buying the ice creams increases sales and they are more likely to recommend *Cadbury* products to their friends • Loyal customers are more likely to purchase new products that *Cadbury* introduces from time to time <u>AO4</u> • However, any bad publicity about the chocolate ice creams could reduce sales and give *Cadbury* a bad reputation • However, to maintain loyalty to *Cadbury*, it may have to offer special deals or free gifts on purchasing old and new chocolate products	(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 business information and issues relevant to the choice made. (AO4)
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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