

GCSE

Business

J204/01: Business 1: business activity, marketing and people

General Certificate of Secondary Education

Mark Scheme for June 2024

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This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which marks were awarded by examiners. It does not indicate the details of the discussions which took place at an examiners' meeting before marking commenced.

All examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the report on the examination.

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MARKING INSTRUCTIONS**PREPARATION FOR MARKING****RM ASSESSOR**

1. Make sure that you have accessed and completed the relevant training packages for on-screen marking: *RM Assessor Assessor Online Training*; *OCR Essential Guide to Marking*.
2. Make sure that you have read and understood the mark scheme and the question paper for this unit. These are posted on the RM Cambridge Assessment Support Portal <http://www.rm.com/support/ca>
3. Log-in to RM Assessor and mark the **required number** of practice responses (“scripts”) and the **number of required** standardisation responses.

YOU MUST MARK 5 PRACTICE AND 10 STANDARDISATION RESPONSES BEFORE YOU CAN BE APPROVED TO MARK LIVE SCRIPTS.

MARKING

1. Mark strictly to the mark scheme.
2. Marks awarded must relate directly to the marking criteria.
3. The schedule of dates is very important. It is essential that you meet the RM Assessor 50% and 100% deadlines. If you experience problems, you must contact your Team Leader (Supervisor) without delay.
4. If you are in any doubt about applying the mark scheme, consult your Team Leader by text or the RM Assessor messaging system, or by email.
5. **Crossed Out Responses**
Where a candidate has crossed out a response and provided a clear alternative then the crossed out response is not marked. Where no alternative response has been provided, examiners may give candidates the benefit of the doubt and mark the crossed out response where legible.

Multiple Choice Question Responses

When a multiple choice question has only a single, correct response and a candidate provides two responses (even if one of these responses is correct), then no mark should be awarded (as it is not possible to determine which was the first response selected by the candidate).

When a question requires candidates to select more than one option/multiple options, then local marking arrangements need to ensure consistency of approach.

Contradictory Responses

When a candidate provides contradictory responses, then no mark should be awarded, even if one of the answers is correct.

Short Answer Questions (requiring only a list by way of a response, usually worth only **one mark per response**)

Where candidates are required to provide a set number of short answer responses then only the set number of responses should be marked. The response space should be marked from left to right on each line and then line by line until the required number of responses have been considered. The remaining responses should not then be marked. Examiners will have to apply judgement as to whether a 'second response' on a line is a development of the 'first response', rather than a separate, discrete response. *(The underlying assumption is that the candidate is attempting to hedge their bets and therefore getting undue benefit rather than engaging with the question and giving the most relevant/correct responses.)*

Short Answer Questions (requiring a more developed response, worth **two or more marks**)

If the candidates are required to provide a description of, say, three items or factors and four items or factors are provided, then mark on a similar basis – that is downwards (as it is unlikely in this situation that a candidate will provide more than one response in each section of the response space.)

Longer Answer Questions (requiring a developed response)

Where candidates have provided two (or more) responses to a medium or high tariff question which only required a single (developed) response and not crossed out the first response, then only the first response should be marked. Examiners will need to apply professional judgement as to whether the second (or a subsequent) response is a 'new start' or simply a poorly expressed continuation of the first response.

6. Always check the pages (and additional objects if present) at the end of the response in case any answers have been continued there. If the candidate has continued an answer there, then add a tick to confirm that the work has been seen.
7. **Award No Response (NR) if:**
 - there is nothing written in the answer space

Award Zero '0' if:

- anything is written in the answer space and is not worthy of credit (this includes text and symbols).

Team Leaders must confirm the correct use of the NR button with their markers before live marking commences and should check this when reviewing scripts.

8. The RM Assessor **comments box** is used by your team leader to explain the marking of the practice responses. Please refer to these comments when checking your practice responses. **Do not use the comments box for any other reason.**
If you have any questions or comments for your team leader, use the phone, the RM Assessor messaging system, or e-mail.
9. Assistant Examiners will send a brief report on the performance of candidates to their Team Leader (Supervisor) via email by the end of the marking period. The report should contain notes on particular strengths displayed as well as common errors or weaknesses. Constructive criticism of the question paper/mark scheme is also appreciated.
10. For answers marked by levels of response:
- To determine the level** – start at the highest level and work down until you reach the level that matches the answer
 - To determine the mark within the level**, consider the following


Descriptor	Award mark
On the borderline of this level and the one below	At bottom of level
Just enough achievement on balance for this level	Above bottom and either below middle or at middle of level (depending on number of marks available)
Meets the criteria but with some slight inconsistency	Above middle and either below top of level or at middle of level (depending on number of marks available)
Consistently meets the criteria for this level	At top of level


11. Annotations




Annotation	Meaning
AN	Analysis (AO3a)
APP	Application (AO2)
BOD	Benefit of doubt
BP	Blank page
×	Cross
EVAL	Evaluation (AO3b)
K	Knowledge (AO1a)
NAQ	Not answered question
NUT	No use of text
OFR	Own figure rule
REP	Repeat
SEEN	Noted but no credit given
TV	Too vague
✓	Tick





Annotation	Meaning
U	Understanding (AO1b)

SECTION A			
Question	Answer	Marks	Assessment Objective
1	B	1	1b
2	B	1	2
3	C	1	2
4	B	1	1a
5	D	1	2
6	C	1	2
7	D	1	2
8	B	1	2
9	C	1	1b
10	A	1	2
11	B	1	2
12	D	1	1b
13	B	1	2 (PS)
14	C	1	2
15	C	1	1a

Question		Answer	Mark	Guidance
16	(a)	<p>Explain one way that limited liability affects the owners of a company.</p> <p>Knowledge/understanding may include:</p> <ul style="list-style-type: none"> • Owners/shareholders can only lose up to the amount originally invested • Shareholders not required to repay/not personally liable for the company's debts • The owner's personal assets are protected/not at risk/cannot be taken from them • Due to separate legal identity/incorporation • Less stress/worry/concern/risk/more financial security for shareholders • Shareholders may be willing to take more risks • May encourage shareholders to invest more <p>Exemplar responses:</p> <p>Owners cannot lose more than the amount originally invested (1) so their personal belongings cannot be taken to repay debts (+1).</p> <p>A shareholder's liability for debts is limited (1) which means that they might be willing to take more risks (+1).</p> <p style="text-align: right;">ARA</p>	<p>2</p> <p>AO1a 1 AO1b 1</p>	<p>One mark for knowledge of limited liability plus one further mark for understanding. </p> <p><i>Answers do not need to relate to Sainsbury's.</i></p>

16	(b)	<p>Explain <u>three</u> advantages for Sainsbury's of using television to advertise its products.</p> <p>Understanding may include:</p> <ul style="list-style-type: none"> • Audio <ul style="list-style-type: none"> ○ They can use a catchy jingle ○ Audio sticks in the memory • Visual <ul style="list-style-type: none"> ○ Can use colour ○ Can show images/products ○ Can show celebrities ○ Can reinforce brand colour scheme • Video <ul style="list-style-type: none"> ○ Can show moving images ○ Can demonstrate products • Adaptable <ul style="list-style-type: none"> ○ Can adapt for different seasons ○ Can create variations in adverts to form a campaign • Large audience <ul style="list-style-type: none"> ○ Reaches a large number of people/mass market ○ Reaches a wide range of people ○ Lots of people watch TV/customers have TVs ○ Seen all over the country/world • Targeting <ul style="list-style-type: none"> ○ Can target specific customers (according to the channel/timing/programme) ○ Can target market segments <p>Application may include:</p> <ul style="list-style-type: none"> • Aimed at middle to high income customers. • The supermarket industry is very competitive • Show price match against Aldi • Show visuals of its food • Developing new products is important for Sainsbury's 	<p>6</p> <p>AO1b 3 AO2 3</p>	<p>One mark for an advantage of using television advertising, up to a maximum of three marks. </p> <p><i>No further marks can be gained without understanding.</i></p> <p>One further mark for each application to Sainsbury's, up to a maximum of three marks. APP</p> <p>NB: No reward for advantages of advertising in general. Must be specific advantages of advertising on television.</p> <p>Reach large(r) audience (1) 'Reach <u>more</u> customers' (0) TV 'Reach a <u>larger</u> number of customers' (0) TV</p>
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		<p>Exemplar responses</p> <p>Television advertising is visual (1) which is useful to the supermarket because it can show its middle-class customers how good its food looks (APP).</p> <p>Sainsbury's can target customers (1) by carefully choosing the programme to show the advert (NUT).</p> <p style="text-align: right;">ARA</p>		
16	(c)	<p>Analyse <u>one</u> likely reason why Sainsbury's uses market segmentation when developing new products.</p> <p>Knowledge may include:</p> <ul style="list-style-type: none"> • Create products <u>for specific customer needs</u> • Tailor products <u>for specific customer needs</u> <p>Application may include:</p> <ul style="list-style-type: none"> • Aimed at middle to high income customers • Sainsbury's develops new products to remain competitive • Customers always looking for something new • The supermarket industry is <u>very</u> competitive/<u>lots</u> of competitors • Sainsbury's believes that good food should be accessible to everyone <p>Analysis may include:</p> <p>Common analytical comments (which must stem from the reason stated) include positive impacts on market share, revenue, profit, competitive advantage, reputation, efficiency, etc.</p> <p>Exemplar responses:</p> <p>Can alter products to satisfy the needs (1) of the middle to high income customers (APP). This will help boost revenue (+1).</p> <p>Can make products to target the needs of customer segments (1). This will help Sainsbury's to maintain customer loyalty (+1).</p> <p style="text-align: right;">ARA</p>	<p>3</p> <p>AO1a 1 AO2 1 AO3a 1</p>	<p>One mark for a reason for using market segmentation. </p> <p><i>No further marks can be gained without knowledge.</i></p> <p>One further mark for application to Sainsbury's. </p> <p>One further mark for analysis of why market segmentation is used by a business. </p> <p>NB: Analysis must be business-facing.</p> <p>NB: No reward for what market segmentation is.</p> <p>Answer must relate to <u>product development</u> i.e. create, make, design, tailor, develop, alter, cater for, implement customer needs. Including image, packaging, quality, ingredients.</p> <p>Do not reward answers referring to post-development i.e. pricing, selling, promoting (marketing), advertising, launching, releasing, etc.</p> <p>Do not reward adaptations that attempt to meet the needs of ALL customers (as this does not relate to market segmentation).</p>


16	(d)	(i)	<p>Identify <u>two</u> primary market research methods.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • Questionnaire • Survey • Interview • Trialling/trial/taste test • Focus group • Observation 	<p>2</p> <p>AO1a 2</p>	<p>One mark for each primary market research method identified, up to a maximum of two marks. </p> <p><i>Answers do not need to relate to Sainsbury's.</i></p>
16	(d)	(ii)	<p>Evaluate whether Sainsbury's should use primary or secondary market research methods in the future.</p> <p>Application may include:</p> <ul style="list-style-type: none"> • One of the UK's largest supermarkets • Aimed at middle to high income customers • Sainsbury's develops new products to remain competitive • Customers always looking for something new • Uses market segmentation to support successful product development • The supermarket industry is very competitive • Promotions are important, such as Sainsbury's Aldi price match • Sainsbury's believes that good food should be accessible to everyone 	<p>7</p> <p>AO2 2 AO3a 2 AO3b 3</p>	<p>Use marking grid to assess skill levels.</p> <p>Annotate as:</p> <p>Up to 2 marks for application to Sainsbury's </p> <p>Up to 2 marks for analysis </p> <p>Up to 3 marks for evaluation </p> <p>NB: Context must be <u>used to help explain the pros/cons of the market research method</u> for it to be awarded as application.</p> <p>Analysis must be business facing.</p> <p>For strong evaluation i.e., the full three marks, the evaluation must be contextual.</p> <p>No marks for stating features of market research methods, or examples of these methods e.g. questionnaire, survey, websites, census, etc.</p> <p>NB: Pros of one method are often the cons of the other method i.e. REP.</p> <p>Do not reward answers relating to 'accuracy', 'reliability', 'trustworthiness', 'ease' as these are too vague.</p>

		<p>Analysis may include:</p> <table><tr><td colspan="3">Points in favour of primary research</td></tr><tr><td>Primary MR is tailored/more specific to needs/gain answers to specific questions/more relevant</td><td>OR</td><td>Secondary MR may not be exactly what the business wants</td></tr><tr><td>Primary MR can be up-to-date</td><td>OR</td><td>Secondary MR may be outdated</td></tr><tr><td>Primary MR can select sample size</td><td>OR</td><td>Secondary MR uses predetermined sample size</td></tr><tr><td>Primary MR uses own design so can be sure it is in the form required</td><td>OR</td><td>Secondary MR may be in a form that cannot be easily analysed</td></tr></table> <table><tr><td colspan="3">Points in favour of secondary research</td></tr><tr><td>Secondary MR is cheaper/lower cost</td><td>OR</td><td>Primary MR expensive/costly</td></tr><tr><td>Secondary MR takes less time/less work</td><td>OR</td><td>Primary MR takes a lot of time/more work</td></tr><tr><td>Secondary MR has data readily available</td><td>OR</td><td>Primary MR needs to be collected</td></tr><tr><td>Secondary MR has a larger amount of information</td><td>OR</td><td>Primary MR is from a smaller pool</td></tr></table> <p>Evaluation includes: A clear decision as to which type of market research Sainsbury's should use. This decision should be justified using relevant argument. For full marks the justification needs to be contextual.</p>	Points in favour of primary research			Primary MR is tailored/more specific to needs/gain answers to specific questions/more relevant	OR	Secondary MR may not be exactly what the business wants	Primary MR can be up-to-date	OR	Secondary MR may be outdated	Primary MR can select sample size	OR	Secondary MR uses predetermined sample size	Primary MR uses own design so can be sure it is in the form required	OR	Secondary MR may be in a form that cannot be easily analysed	Points in favour of secondary research			Secondary MR is cheaper/lower cost	OR	Primary MR expensive/costly	Secondary MR takes less time/less work	OR	Primary MR takes a lot of time/more work	Secondary MR has data readily available	OR	Primary MR needs to be collected	Secondary MR has a larger amount of information	OR	Primary MR is from a smaller pool	<p>Do not reward 'free'.</p>
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			<p>Exemplar response:</p> <p>Utilising primary market research means they can find out specific information (AN) about sales in its competitive market (NUT) so that Sainsbury's can fulfil the needs and wants of its middle to high income customers (APP).</p> <p>Using secondary market research is much cheaper (AN). However, since Sainsbury's is one of the largest UK supermarkets (APP) financial constraints are unlikely to be a problem.</p> <p>I think Sainsbury's should use primary market research (EVAL) in future because it needs specific information to help the company develop and market products to compete with rivals like Aldi (CONT) (EVAL)(EVAL).</p> <p style="text-align: right;">ARA</p>		
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Q16(dii) Evaluate whether Sainsbury's should use primary or secondary market research methods in the future.



	Application (2 marks)	Analysis (2 marks)	Evaluation (3 marks)
Strong	2 marks Two <u>uses</u> of context in relation to pros/cons of market research methods. [APP] [APP]	2 marks Two different pros/cons of market research methods (business-facing). [AN] [AN]	3 marks A justified contextual judgement about whether Sainsbury's should use primary or secondary market research methods in future. [EVAL] [EVAL] [EVAL]
Good			2 marks A justified judgement about whether Sainsbury's should use primary or secondary market research methods in future. [EVAL] [EVAL]
Limited	1 mark One <u>use</u> of context in relation to pros/cons of market research methods. [APP]	1 mark One pro/con of a market research method (business-facing). [AN]	1 mark A decision about whether Sainsbury's should use primary or secondary market research methods in future. [EVAL]

Question			Answer	Mark	Guidance
17	(a)		<p>State <u>two</u> aspects of employment law that may affect a business.</p> <p>Answers may include:</p> <ul style="list-style-type: none"> • Discrimination/equality e.g. equal pay, disabilities, sexism, racism, ageism, etc • Contract (of employment) • Holidays • Maternity pay/paternity pay • Antenatal care • Sick pay • Working hours/days • Breaks • Minimum/living wage • Health & safety • Working environment • Redundancy/dismissal e.g. severance pay and notice <p style="text-align: right;">ARA</p>	<p>2</p> <p>AO1a 2</p>	<p>One mark for each of two aspects of employment law that may affect a business. </p> <p><i>Answers do not need to relate to Clarks.</i></p> <p>Do not reward answers relating to fairness e.g. fair pay (0), treated fairly (0) as these are ethical rather than legal requirements.</p> <p>‘Employment rights’ (0) TV ‘Pay’/‘How much they are paid’ (0) TV</p>

17	(b)	<p>Analyse <u>one</u> advantage for Clarks of interpreting quantitative data when designing new products.</p> <p>Understanding may include:</p> <ul style="list-style-type: none"> • Can sort/analyse/investigate/evaluation/judge/measure/compare/draw conclusions (not interpret) • Can identify/find/see trends • Can identify patterns (must be comparative) <p>Application may include:</p> <ul style="list-style-type: none"> • <u>Very</u> competitive market/<u>lots</u> of competitors • Employs specialist designers • Fast-changing fashion trends • Footwear for children, women and men • Need to ensure new styles meet customer needs • Need to ensure new styles will be profitable <p>Analysis may include: Common analytical comments (which must stem from the reason stated) include positive impacts on market share, revenue, profit, competitive advantage, reputation, efficiency, etc.</p> <p>Exemplar responses: Quantitative data will help Clarks identify changes in demand (1) for its children's, women's and men's ranges (APP). Designing products to closely meet customer demand will lead to increased revenue (+1).</p> <p>The impact of a new promotion on Clarks' sales can be analysed (1). This will help Clarks improve its marketing efforts (+1).</p> <p style="text-align: right;">ARA</p>	<p>3 AO1b 1 AO2 1 AO3a 1</p>	<p>One mark for an advantage of quantitative data. ✓</p> <p><i>No further marks can be gained without understanding.</i></p> <p>One further mark for application to Clarks. APP</p> <p>One further mark for analysis of the advantage to a business of interpreting quantitative data. ✓</p> <p>NB: Analysis must be business-facing.</p> <p>NB: No reward for what quantitative data is.</p> <p>Do not reward 'objective', 'numerical data', 'can be plotted on a graph'; advantages for business of these are required.</p> <p>NB: Do not reward 'can interpret' as this is the question.</p> <p>Advantage must be to Clarks and NOT the customer or other stakeholders.</p> <p>'Patterns' must be comparative i.e. <u>most</u> popular, <u>highest</u> demand, sells <u>better</u> than the others.</p> <p>High sales (0) TV High demand (0) TV</p>
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17	(c)	<p>Explain <u>three</u> reasons why employee retention is important for Clarks.</p> <p>Knowledge may include:</p> <ul style="list-style-type: none"> Recruitment and selection <ul style="list-style-type: none"> Reduced need for recruitment Lower recruitment costs Less time taken to recruit Wider pool to recruit from Training and development <ul style="list-style-type: none"> Reduced need for training Lower training costs Less time taken to train Quality of workforce <ul style="list-style-type: none"> Retains skills, specialism, knowledge of the business, products, customers Size of workforce <ul style="list-style-type: none"> Avoid staff shortages/being understaffed Employee <ul style="list-style-type: none"> High motivation/work harder/better work ethic Engagement/commitment/goodwill/workforce loyalty <p>Application may include:</p> <ul style="list-style-type: none"> <u>Very</u> competitive market/<u>lots</u> of competitors Specialist designers create new shoe styles Fast-changing fashion trends Need to ensure new styles meet customer needs Designers central to Clarks' success <p>Exemplar responses:</p> <p>Clarks' training costs will be low (1) which means it can spend this money on promotion to help it to succeed in the very competitive market (APP).</p> <p>It will prevent losing skills to business rivals (1) in this competitive market (NUT).</p> <p style="text-align: right;">ARA</p>	<p>6 AO1 3 AO2 3</p>	<p>One mark for a reason why employee retention is important for a business, up to a maximum of three marks. </p> <p><i>No further marks can be gained without knowledge.</i></p> <p>One further mark for each application to Clarks, up to a maximum of three marks.</p> <p style="text-align: right;">APP</p> <p>NB: No reward for what employee retention is.</p> <p>Do not reward 'high morale'/'feel valued' as these are personal benefits. Importance for the business is required.</p>
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17	(d)	(i)	<p>Analyse <u>one</u> advantage for Clarks of using interviews to select new designers.</p> <p>Understanding may include:</p> <ul style="list-style-type: none"> • Can assess the candidate's body language/facial cues/communication skills/personal presentation/personality/how they react under pressure • Can assess how candidate would fit into the business/work in a team • Can find out things from the candidate such as knowledge of the business, previous experience, skills, specialisms, etc • Can compare candidates' responses to similar questions <p>Application may include:</p> <ul style="list-style-type: none"> • <u>Very</u> competitive market/lots of competitors • Designers create new shoe styles • Designers are specialist • Fast-changing fashion trends • Ranges for children, women and men • Designers are central to business success <p>Analysis may include: Common analytical comments (which must stem from the reason stated) include positive impacts on market share, revenue, profit, competitive advantage, beating the competition, reputation, efficiency, productivity, customer service, innovation, teamwork, decision making, etc.</p> <p>Exemplar responses: The designers are specialists (APP). Therefore, interviews allow the interviewer to get answers to detailed questions to better understand their skills (1) leading to a competitive advantage for Clarks (+1). They can compare all candidates' answers to the same questions (1). So they can select a worker who will improve productivity (+1).</p> <p style="text-align: right;">ARA</p>	<p>3 AO1b 1 AO2 1 AO3a 1</p>	<p>One mark for an advantage of using interviews to select employees. </p> <p><i>No further marks can be gained without understanding.</i></p> <p>One further mark for application to Clarks. </p> <p>One further mark for analysis of the advantage for a business of using interviews to select new employees. </p> <p>NB: Analysis must be business-facing.</p> <p>NB: No reward for what interviews are.</p> <p>Do not reward features of method e.g. 'can see candidate'/'can ask questions'; advantage for business of these is required.</p> <p>Advantage must be for Clarks and NOT the employee or customer.</p> <p>NB: 'designers' is in the wording of the question. Take care with APP.</p> <p>Do not reward 'find the best person for the job', 'find the most suited' as this is the purpose of all recruitment and selection methods.</p>
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17	(d)	(ii)	<p>Analyse one advantage for Clarks of using references to select new designers.</p> <p>Understanding may include:</p> <ul style="list-style-type: none"> Can confirm from a <u>third party</u> (e.g. previous employer, character referee) candidate attributes e.g the candidate's standard of work/behaviour/attitude/skills/personality/teamworking/specialisms Can verify information (e.g. as supplied in an application form) Can offer additional information about the candidate (which they may not have disclosed) Low labour time/input/quicker/low cost <p>Application may include:</p> <ul style="list-style-type: none"> <u>Very</u> competitive market/<u>lots</u> of competition Designers are specialist Fast-changing fashion trends Employees need to work closely with other functional areas such as marketing, finance and retail Designers need to be able to interpret quantitative data <p>Analysis may include:</p> <p>Common analytical comments (which must stem from the reason stated) include positive impacts on market share, revenue, profit, competitive advantage, beating the competition, reputation, efficiency, productivity, customer service, innovation, teamwork, decision making, etc.</p> <p>Exemplar responses:</p> <p>References indicate which candidates have had good teamworking skills with a previous employer (1). This is important because the designers will work with colleagues from other functional areas (APP), potentially increasing productivity in the workplace (+1).</p>	<p>3</p> <p>AO1b 1 AO2 1 AO3a 1</p>	<p>One mark for an advantage of using references to select employees. </p> <p><i>No further marks can be gained without understanding.</i></p> <p>One further mark for application to Clarks, using evidence from the text. APP</p> <p>One further mark for analysis of the advantage for a business of using references to select new employees. </p> <p>NB: Analysis must be business-facing.</p> <p>NB: No reward for what references are.</p> <p>Do not reward features of method e.g. 'third party assessment'/'can ask questions'; advantage for business of these is required.</p> <p>Advantage must be for Clarks and NOT the employee or customer.</p> <p>NB: 'designers' is in the wording of the question. Take care with APP.</p> <p>Do not reward 'find the best person for the job', 'find the most suited' as this is the purpose of all recruitment and selection methods.</p>
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			The reference can verify the information on an application form (1) which should help to increase competitive advantage (+1). ARA		
17	(d)	(iii)	<p>Recommend whether using interviews or references is likely to be more effective for selecting new designers. Give a reason for your answer.</p> <p>A full answer needs a supported judgement as to which method is MORE EFFECTIVE.</p> <p>Justification can be made using any combination of features/ advantages/disadvantages so long as a comparison is being made (i.e. a link between them as opposed to separate points).</p> <p>Exemplar responses: <u>Interviews</u> are likely to be more effective (1) because Clarks can assess their knowledge of fashion (CONT). A <u>reference</u> is unlikely to include this information unless they previously worked for another fashion business (+2). Clarks is likely to find <u>interviews more effective</u> (1) because they can make their own assessment of how the candidate may work with employees. Whereas a <u>reference</u> provides the opinion of the previous employer (NUT (+1)). References are better (1) for Clarks. <u>References</u> evidence whether the applicant worked efficiently with other employees when designing shoes (CONT). <u>Interviews</u> cannot tell you this (+2). <u>References</u> are best (1) because they are cheaper as you only need time to read through the reference for each candidate. An <u>interview</u> would mean spending lots more time asking questions to candidates (NUT (+1)).</p> <p>ARA</p>	<p>3 AO3b 3</p>	<p>One mark for a recommendation of whether Clarks should use interviews or references. ✓</p> <p>PLUS</p> <p>Two marks for a contextual justification of the recommendation whether Clarks should use interviews or references to select new designers. ✓ ✓</p> <p>OR</p> <p>One further mark for a non-contextual recommendation of the judgement whether Clarks should use interviews or references to select new designers. ✓</p> <p>Double tick in margin</p> <p>Single tick in margin</p> <p>NB: Context, rather than application, required for full marks.</p> <p>NB Justification is why one method is BETTER THAN the other for the business (rather than just good for business). A comparison is required; therefore, the response must cover both methods to gain a mark for justification. I.e. Positive point for one method compared with rejected option (even if the comparative justification for the rejected option is basic e.g. 'cannot do ...' or 'doesn't allow ...').</p>





					<p>NB: If two separate points are made i.e. one about interview and one about references, there must be a comparative link i.e. both about degree of detail, both about cost, both about honest, etc.</p> <p>To gain full marks the justification must also be contextual (but not necessarily applied).</p>
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Question			Answer	Mark	Guidance
18	(a)		<p>Creativity is one characteristic of an entrepreneur.</p> <p>Identify <u>one</u> other characteristic of an entrepreneur.</p> <p>Indicative content:</p> <ul style="list-style-type: none"> • Risk taking • Determination • Confidence 	<p>1</p> <p>AO1a 1</p>	<p>One mark for a characteristic of an entrepreneur. </p> <p><i>Answers do not need to relate to SJ Salon.</i></p> <p>Do not accept 'creativity' (or 'synonyms such as 'innovative') as this is excluded by the question.</p> <p>Accept synonyms of the indicative content e.g. 'perseverance' for 'determination' or 'self-assured' for 'confidence', etc.</p> <p>NB: Indicative content, do not accept other character traits such as 'motivated' or 'well organised', 'resilient', 'teamwork' and 'hardworking'.</p>

18	(b)	<p>Analyse <u>two</u> advantages for SJ Salon of using cost-plus pricing.</p> <p>Understanding may include:</p> <ul style="list-style-type: none"> Ensures price exceeds costs/costs are covered (depending on sales) Ensures profitability/a profit/a markup/a profit margin/avoid a loss (depending on sales) Can change the price <u>easily/quickly</u> <p>Application may include:</p> <ul style="list-style-type: none"> Employ one part-time employee and one full-time employee A working week is 40 hours Recruiting two new part-time employees Business been profitable since 2014 National hairdresser planning to open a salon in the town 66 customers said quality more important than price 84 customers would try the competition if prices were cheaper <p>Analysis may include: Common analytical comments (which must stem from the reason stated) include positive impacts on market share, revenue, profit, profit margin, avoiding a loss, competitive advantage, reputation, expansion, efficiency, productivity, customer service, reinvest profit, business development, better lifestyle, etc.</p> <p>Exemplar responses: Can easily adjust the price (1) to ensure that the labour cost of the two additional employees (APP) is covered so that a profit is still made (+1). Cost-plus pricing ensures that price always exceeds costs (1). This avoids the salon making a loss (+1).</p> <p style="text-align: right;">ARA</p>	<p>6 AO1b 2 AO2 2 AO3a 2</p>	<p>One mark for each advantage for a business of cost-plus pricing, up to a maximum of two marks. </p> <p><i>No further marks can be gained without understanding.</i></p> <p>One further mark for each application to SJ Salon, up to a maximum of two marks. APP</p> <p>One further mark for analysis of an advantage of cost-plus pricing for a business, up to a maximum of two marks. </p> <p>NB: Analysis must be business-facing (including impacts on partners since the business is unincorporated). Do not credit impacts on customers or employees.</p> <p>NB: No reward for what cost-plus pricing is.</p>
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18	(c)	(i)	<p>Analyse <u>one</u> advantage for SJ Salon of each method of communication.</p> <p><u>Weekly team meeting</u> Understanding may include:</p> <ul style="list-style-type: none"> • Can check for understanding/misunderstanding/attention/inattention • Supports teamworking • Improved relationship between employees and employer • Motivating/motivation/improved work ethic • <u>Can emphasise points using</u> body language/facial expressions/visual aids • Owners get immediate/real time responses <p>Application may include:</p> <ul style="list-style-type: none"> • 200 customers completed a questionnaire • Employ one part-time employee and one full-time employee • Recruiting two new part-time employees • Jamila thinks it is more important to keep customers satisfied • Concerned about the additional competition <p>Analysis may include: Common analytical comments (which must stem from the reason stated) include positive impacts on market share, revenue, profit, profit margin, avoiding a loss, competitive advantage, reputation, expansion, efficiency, productivity, customer service, labour turnover, motivation, etc.</p> <p>Exemplar responses: The owners can check everyone understands (1). This will help increase customer satisfaction (+1), which is very important since the national hairdresser is about to open a salon in the town (APP). Enhances employee motivation (1) which could increase customer service (+1).</p>	<p>6 AO1b 2 AO2 2 AO3a 2</p>	<p>For each method: One mark for an advantage for a business of using the method. ✓</p> <p><i>No further marks can be gained without understanding.</i></p> <p>One further mark for application to SJ Salon. APP</p> <p>One further mark for analysis of the advantage for a business of the method. ✓</p> <p>NB: Analysis must be business-facing.</p> <p>NB: No reward for what communication is. No reward for what meetings are. No reward for what email is.</p> <p>Do not reward responses that solely refer to features of the methods e.g. staff meet together, two-way communication, verbal discussion, can raise questions, body language, facial expressions, written record, can get receipts, etc. The advantage for business of these is required to award a mark.</p> <p>Meeting: Feel valued (0) – advantage to employee rather than advantage for the business.</p>
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		<p><u>Weekly email</u></p> <p>Understanding may include:</p> <ul style="list-style-type: none"> • Time efficient/takes little time/quick • Message can be sent to many recipients <u>at once</u> • Does not need scheduling/diarising • Can be accessed anytime/anywhere/remotely • Can be kept/referred back to/read multiple times • <u>Can emphasise points using</u> highlights/underlining/italics/capitals, etc • More useful for complex/numerical information <p>Application may include:</p> <ul style="list-style-type: none"> • 200 customers completed a questionnaire • Employ one part-time employee and one full-time employee • Recruiting two new part-time employees • Jamila thinks it is more important to keep customer satisfied • Concerned about the additional competition <p>Analysis may include:</p> <p>Common analytical comments (which must stem from the reason stated) include positive impacts on market share, revenue, profit, profit margin, avoiding a loss, competitive advantage, reputation, expansion, efficiency, productivity, customer service, labour turnover, motivation, etc.</p> <p>Exemplar responses:</p> <p>The content of the email can be referred back to in the future (1) which should help improve customer service (+1) to combat the effect of the new national salon opening (APP).</p> <p>Sending an email is time efficient (1) which should help improve productivity (+1).</p> <p style="text-align: right;">ARA</p>		<p>Email:</p> <p>Cheap (0) TV</p> <p>Free (0)</p> <p>Easy (0) TV</p>
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18	(c)	(ii)	<p>Recommend whether a weekly meeting or a weekly email would be the more appropriate method of communication for SJ Salon to use. Give a reason for your answer.</p> <p>A full answer needs a supported judgement as to which method is MORE APPROPRIATE.</p> <p>Justification can be made using any combination of features/ advantages/disadvantages so long as a comparison is being made (i.e. a link between them as opposed to separate points).</p> <p>Exemplar responses:</p> <p>The company should use a <u>meeting</u> (1). All employees can meet together once a week helping SJ Salon's newly enlarged staff team (CONT) work together effectively to satisfy customers. <u>Emails</u> do not involve any staff interaction so do not help teamworking (+2).</p> <p>The company should use a <u>meeting</u> (1). All employees can meet together once a week to help the staff work together as a team. <u>Emails</u> do not involve any staff interaction so do not help teamworking (NUT (+1)).</p> <p>A weekly <u>email</u> should be chosen (1). Three of the employees work part-time (CONT) so finding a time when everyone is available to have a staff <u>meeting</u> will be difficult. An email can be read at any time (+2).</p> <p>A weekly <u>email</u> should be chosen (1). Finding a time when everyone is available to have a staff <u>meeting</u> will be difficult. An email can be read at any time (NUT (+1)).</p> <p style="text-align: right;">ARA</p>	<p>3 AO3b 3</p> <p>One mark for a judgement of whether SJ Salon should use a weekly meeting or email. </p> <p>PLUS</p> <p>Two marks for a contextual justification of whether SJ Salon should use a weekly meeting or email.   Double tick in margin</p> <p>OR</p> <p>One further mark for a non-contextual justification of whether SJ Salon should use a weekly meeting or email.  Single tick in margin</p> <p>NB: Context, rather than application, required for full marks.</p> <p>NB Justification is why one method is BETTER THAN the other for the business (rather than just good for business). A comparison is required; therefore, the response must cover both methods to gain a mark for justification. I.e. Positive point for one method compared with rejected option (even if the comparative justification for the rejected option is basic e.g. 'cannot do ...' or 'doesn't allow ...').</p> <p>NB: If two separate points are made i.e. one about meetings and one about email, there must be a comparative link i.e. both about time (accept quicker than), both about cost (accept cheaper than), both about accessibility, etc.</p>
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18	(d)*	<p>Evaluate, using the data in Text 3, whether Sam should write a new business plan.</p> <p>Knowledge and understanding:</p> <ul style="list-style-type: none"> Definition: <ul style="list-style-type: none"> Knowledge: business plan is a document/record/e-file Understanding: Content details/outlines - purpose of business/business ideas/product or service/ resources/marketing/market research/production/ target market/the competition/aims/objectives/goals, finance, etc. <p>Application (quantitative) includes:</p> <ul style="list-style-type: none"> <u>Any</u> relevant calculation regarding questionnaire data including: <ul style="list-style-type: none"> 130 have been using SJ salon for <u>5 years</u> or more <u>65%</u> have used SJ salon since 2019 <u>35%</u> have only recently become customers <u>70</u> have only recently become customers <u>52%</u>/around <u>half</u> were aware of the competitor <u>48%</u> were not aware of the competitor <u>96</u> were not aware of the competitor <u>42%</u>/<u>almost half</u> would try competitor if cheaper <u>58%</u> would not try the competitor if cheaper <u>116</u> would not try the competitor if cheaper <u>33%</u>/<u>one third</u> consider quality of service over price <u>66%/67%</u> do not consider quality more important than price <u>134</u> do not consider quality more important than price <u>18</u> more customers would try the rival if price cheaper than those who thought that quality was more important etc 	<p>9</p> <p>AO1a 1 AO1b 1 AO2 2 AO3a 2 AO3b 3</p> <p>(Quant 2)</p>	<p>Use marking grid to assess skill levels.</p> <p>Annotate as:</p> <p>1 mark for knowledge K</p> <p>1 mark for understanding U</p> <p>Up to 2 marks for quantitative application* APP</p> <p>Up to 2 marks for analysis AN</p> <p>Up to 3 marks for evaluation EVAL</p> <p>*Application assesses quantitative skills and refers to the use of data only.</p> <p>Knowledge – a business plan is a document (rather than a thought/idea or process).</p> <p>Understanding – a named item of content within the definition.</p> <p>Analysis business-facing pros or cons.</p> <p>Evaluation – the decision must be explicit for 1 mark. For two marks there must be a valid justification. For strong evaluation i.e., the full three marks, the evaluation must be contextual.</p>
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			<ul style="list-style-type: none"> Any relevant calculation regarding other quantitative data including: <ul style="list-style-type: none"> The salon now has 4 employees The salon now employs 3 part-time workers The salon has 2 partners 6 people work in the salon Number of employees has doubled i.e. 2 to 4 SJ Salon has been open for 10 years The business plan has not been updated for 10 years It would take Sam 75%/three-quarters of a working week to write the business plan etc <p>Analysis:</p> <ul style="list-style-type: none"> Pros of writing a business plan <ul style="list-style-type: none"> set/adapt goals inform stakeholders attract investors create strategies obtain finance monitor progress measure success Cons of writing a business plan <ul style="list-style-type: none"> Time Cost Opportunity cost (time could be spent doing something else) <p>Evaluation may include: A clear decision as to whether Sam should or should not write a new business plan. This decision should be justified using relevant argument. For full marks the justification needs to be contextual.</p>		
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		<p><u>Exemplar response:</u></p> <p>A business plan is a document (K). It contains information on business aims (U) and the target market.</p> <p>42% (APP) of customers would consider having their hair cut at the new hairdressing salon if it were cheaper which is concerning for SJ Salon.</p> <p>One advantage of writing a new plan is that it may help the salon develop a new USP (AN) which could help retain its current customers.</p> <p>However, creating a business plan will take a long time (AN) and will mean Sam will lose three-quarters (APP) of a week's revenue.</p> <p>I think that Sam should write a new business plan (EVAL). The additional competition is a concern for SJ Salon, especially as over 40% of customers would consider having their hair cut there (CONT). By writing a bit of the plan each week, Sam can make time to update the plan and keep his customers satisfied, so that the partners are clear how they will deal with the competition (EVAL) (EVAL).</p> <p style="text-align: right;">ARA</p>		
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Q18(d)* Evaluate, using the data in Text 3, whether Sam should write a new business plan.

	Knowledge (1 mark)	Understanding (1 mark)	Application (2 marks)	Analysis (2 marks)	Evaluation (3 marks)
Strong	1 mark Knowledge that a business plan is a specific document (rather than a process). [K]	1 mark Understanding of the content of a business plan. [U]	2 marks Two demonstrations of quantitative skill. [APP] [APP]	2 marks One pro and one con (business facing) of a business plan. [AN] [AN]	3 marks A justified contextual judgement as to whether SJ Salon should write a new business plan. [EVAL] [EVAL] [EVAL]
Good					2 marks A justified judgement as to whether SJ Salon should write a new business plan. [EVAL] [EVAL]
Limited			1 mark One demonstration of quantitative skill. [APP]	1 mark One pro or con (business facing) of a business plan. [AN]	1 mark A decision as to whether SJ Salon should write a new business plan. [EVAL]

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