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Examiners' Report

Principal Examiner Feedback

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Pearson Edexcel International A Level

In Business Studies (WBS04)

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Introduction

This was the first time that this exam has been taken in October and there were only a small number of entrants. Nevertheless, the paper seemed to discriminate well with candidates accessing a wide range of marks, with some good, and occasionally very good, responses to the questions set. Having said that, there were also some very weak responses that showed little understanding of, or even familiarity with, the specification content and the standard expected of an A2 candidate.

The main reasons for some otherwise able students underachieving were the usual ones of not heeding command words and not reading the questions carefully enough. Command words are still being ignored by a sizeable number. Instructions to 'Assess' and 'Evaluate' were not followed by some candidates.

Some of the students missed out on marks because they did not answer the question that was set. This was particularly the case with question 6, which was particularly unfortunate as it carried 25% of the total marks available. Some students missed out several whole questions.

It is worth reminding future students of the need to apply proper context to all responses. Repeating generic or stock answers or just copying the text out will not access the higher levels of the mark scheme.

Question 1a

This was reasonably well answered with a significant number of candidates gaining the full 2 marks. Where this was not the case it was often due to the response focusing on the advantages or disadvantages of a takeover rather than a full definition and/or an example.

Question 1b

This question could have been answered in a number of ways, any valid definition was accepted. A disappointing number of candidates failed to offer a clear and accurate formula for profit for the year, often gaining just 1 mark.

Question 2

Responses were mixed for this question, with some candidates seemingly lacking knowledge of the difficulties of entering a new market. Many candidates identified either cultural clashes or trade barriers but only a few identified 2 difficulties. Context was often unrelated to the difficulty specified and analysis quite vague. Not a question gaining high marks.

Question 3

A number of candidates failed to offer 2 reasons, often trying to differentiate between seeking increased sales, lower costs and increased profit but, too often, offering a response that merged all these factors into one reason. Too few considered market development or seeking to enter non saturated markets. Some included well explained economies of scale as a reason and rarer still, capacity utilisation. Those that did offer these alternatives often scored high marks if they were able to include relevant application that specifically related to the reason they offered, rather than random excerpts from the case study.

Question 4

Many otherwise good answers were limited to 7 out of 10 because candidates had failed to put the response into context. There were also several instances of responses that did not distinguish organic from inorganic growth. The higher marks were achieved when responses referred to internal economies of scale, or developed the response beyond the basic advantages and disadvantages of organic growth and supported their argument with context.

Question 5

Exchange rates usually prove a difficult topic for students and this was no exception. Despite good examples in the evidence, some students confused the impacts of a depreciating vs an appreciating currency. Many responses simply launched into a generic account of a weak currency being good for exporters and bad for importers. Only a few responses actually addressed the specific question and looked at the relative importance of exchange rates in comparison to other important factors when trading internationally.

Question 6

There was a wide range in the quality of responses to this question. Sadly, a considerable number of candidates confused glocalisation with globalisation and therefore did not gain any marks at all. Glocalisation is a main part of the specification and this really does emphasise the need for students to read the question carefully before starting to write. It is also worthwhile pausing every now and then, to check that their response is answering the question set.

Some responses were focused exclusively on Disney in Shanghai and failed to take the opportunity to introduce other examples to strongly support counter arguments to the benefits of glocalisation. The strongest candidates highlighted the fact that glocalisation was perhaps simpler and so worked better for some types of businesses than others, e.g. food and that the benefits for many types, such as Disney, might be long term rather than short term because of the initially higher costs.

Question 7

The case study allowed candidates to offer reasonable responses discussing how ethical considerations affected Lush, although many were unable to use other examples or look at wider aspects. Nevertheless, there was a good range of responses which differentiated candidates well. Higher marks and levels were reached with the introduction of relevant examples other than Lush and for fully evaluating the extent of the effects and consideration of short and long term differences.

Based on their performance on this paper, candidates are offered the following advice:

- Do read the question carefully and answer the question that is set
- Do watch out for command words such as Assess or Evaluate
- Do use examples to illustrate your argument
- Do use the language of the subject and avoid generalities
- Do watch your timing and do not spend too long on one question
- Do write concisely
- Do add a conclusion to the longer questions