

Edexcel GCSE

**Specimen Papers with Mark Schemes**

**Edexcel GCSE in  
Business Studies and Economics (Nuffield-BP)  
(1171)**

**For First Examination**

**Summer 2003**

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## Mark Schemes

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Read the following Evidence (A–E) and then answer ALL the questions in Section A and Section B.

### ‘MAD COW DISEASE’

In 1996 newspapers and television reported a disease called BSE (Bovine Spongiform Encephalitis). This is a disease which affects cows. It was feared that there was a link between BSE and CJD (Creutzfeldt-Jakob Disease), a disease which can lead to brain damage and death in humans.

#### EVIDENCE A

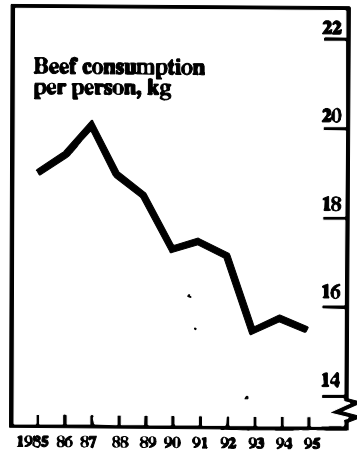


Passers-by queued outside the Houses of Parliament to collect large packs of beef. They did not seem to take any notice of the beef scare caused by BSE. The giveaway was organised by a pressure group, The International Meat Traders’ Association, which wants £35 million of government aid. The beef export industry is worth £600 million a year and 28,000 jobs could be lost if the government does nothing to help.

(Source: Adapted from *The Daily Telegraph*, 24 April, 1996.)

**EVIDENCE B**

**Is eating beef in long term decline?**



(Source: *The Economist*, 23 March 1996.)

**EVIDENCE C**

The health panic caused by the belief that CJD could be caught by eating beef will have a big effect. A worldwide ban on British beef and beef products such as soup and jelly babies, plus killing infected cows, might raise inflation and lead to a loss of jobs. This could cost the government, and that means the taxpayer, up to £20 billion. Farmers are paid £865 for every cow that has to be killed. On top of this, the cost of killing and burning each cow is £120. There is also the cost of welfare payments to workers losing their jobs. There are 400,000 people working in beef and dairy farming. Payments might have to be made to workers in other beef-related industries. Shops in country towns could be hit as people would have less money to spend.

(Source: adapted from *The Economist*, 30 March, 1996.)

**EVIDENCE D**

**These figures have been taken from a butcher's accounts. They are the sales and cost figures for four months in 1996.**

	January 1996	April 1996	July 1996	November 1996
Sales of meat	£2500	£1500	£1600	£2000
Rent and rates	£200	£200	£200	£200
Electricity	£300	£300	£300	£300
Wages	£480	£480	£480	£480
Cost of meat	£1500	£900	£960	£1200

(Source: Abbotts Butchers.)

**EVIDENCE E**

'I have owned the shop since my father died. I employ a young lad whom I am training. The family has run the butchers for the last 60 years. Everyone used to come here for their meat and we, with the vegetable shop and the Post office, were a part of the community. It is a struggle to survive. I am lucky as my overheads are low. The vegetable shop has long gone. Things started to get worse when Sainsbury's arrived. Everyone goes by car and buys their weekly or monthly shop in one go. Even though I sell top quality products, I cannot compete on price. In the last five years two more large supermarkets have been built and there is another one which they are building at the moment. Sometimes I feel like just giving up and wonder what I should do.'

(Source: conversation with the butcher, Mr Abbott.)

**SECTION A**

**Answer ALL of the questions in this section.**

**1. (See Evidence A)**

- (a) Using the evidence, explain what is meant by the term ‘pressure group’ and outline what the objectives of the IMTA (International Meat Traders’ Association) might be.

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**(4)**

- (b) Analyse why the International Meat Traders’ Association chose the location of the Houses of Parliament to give away beef.

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**(4)**

**(Total 8)**



**2. (See Evidence B)**

Consumers have decided to stop buying beef. Discuss how this could affect farmers' profits.

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**3. (See Evidence C)**

Assess how TWO *other* groups of people have been affected by the BSE scare.

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**(14)**

**4. (See Evidence D)**

(a) Calculate the total cost of running the butcher's shop in April 1996. Show your workings.

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**(4)**

(b) Compare the Gross Profit made in April 1996 with January 1996. Show your workings.

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**(4)**





6.

(a) Using TWO examples, explain clearly what is meant by ‘opportunity cost’.

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**(4)**

(b) Farmers are paid £865 for every cow that has to be killed (see Evidence C). What might be the opportunity cost of this?

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**(4)**

**(Total 8)**

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**Total for Section A: 70**

**SECTION B**

**Answer ALL of the questions in this section.**

7. One of the problems caused by the BSE scare has been unemployment.

(a) Outline TWO problems which unemployment creates for individuals.

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**(4)**

(b) Show how unemployed people can improve their chances of obtaining a job.

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**(6)**

(c) You work for a meat-processing firm which has falling sales.

(i) How might the firm try to discover why there has been a fall in sales?

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**1. Leisure Markets**

After the long summer break, schoolchildren have been comparing the breathtaking rides they tried out at Europe’s theme parks. The general trend in attendances has been positive this year with visitor numbers expected to increase.

The high profile launch of Disneyland Paris in France in 1992 created a greater awareness of the leisure market. This has not been at the expense of its rivals (Port Aventura in Spain, Alton Towers and Chessington World of Adventures in England) but has given a boost to demand in general.

(Source: adapted from Frank le Duc in *The Times*, 10 September, 1996.)

(a)

(i) Using TWO examples, explain the term ‘market’.

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**(4)**

(ii) Discuss TWO factors that could cause a rise in the demand for theme parks.

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**(4)**

**(Total 8)**

(b)

(i) Clearly explain the term 'target market', giving TWO examples.

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**(4)**

(ii) Recommend TWO market segments that a theme park might aim at.

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**(4)**

**(Total 8)**

Port Aventura is one of three theme parks run by Tussauds and has proved profitable since it opened. It is in a sunny climate, it is on a coast already established in attracting visitors, and it is well supplied by hotels and apartments. The transport infrastructure (roads, rail and air links) have all been praised.

(Source: Frank le Duc in *The Times*, 10 September 1996.)

*Leave blank*

(c)

(i) In what circumstances is a firm said to be 'profitable'?

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**(6)**

(ii) Explain TWO factors that a business would consider in locating a theme park.

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2 .....  
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**(10)**

**(Total 16)**

Disneyland Paris is expecting the opening of the Planet Hollywood restaurant shortly. Tussauds have successfully opened a hotel at Alton Towers, and there is the intention to open new rides and hotels at Port Aventura.

(Source: Frank le Duc, *The Times*, 10 September 1996.)

*Leave  
blank*

(d) Why would theme parks like those mentioned above provide additional facilities?

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**(4)**

(e) The establishment and expansion of theme parks can bring benefits and costs to the area in which they are located.

Explain TWO economic benefits that a theme park might bring to local people.

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2 .....  
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**(4)**



**2. Branding and the environment**

Green consumerism is going out of fashion. Many supermarkets used to stock shelves full of products, claiming to be environmentally friendly. Many of these products were ‘own label brands’ produced by the supermarkets themselves. The fashion is declining because, as J Sainsbury reported recently, these products have ‘no environmental advantage’ over normal products.

(Source: adapted from Nicholas Schoon in *The Independent*, 10 September 1996.)

(a)

(i) Using TWO examples, explain what is meant by the term ‘brand’.

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**(4)**

(ii) Assess why a supermarket like Sainsbury’s might want to sell own label products as well as branded goods.

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**(4)**

**(Total 8)**

(b) Study the table on consumer attitudes to buying own label products.

Leave blank

‘Why do you buy own label products?’	
They are cheaper than manufacturers’ brands	42%
I would trust my supermarket to offer value for money with their own brands	35%
They offer better value for money	33%
The quality is as good as manufacturers’ brands	26%
They are mostly made by well-known manufacturers	21%
They are packaged in a similar way to manufacturers’ brands	19%

*Base: All who buy own label products (359) (Source: Mori.)*

(i) Using TWO examples, explain the term ‘added value’.

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**(4)**

(ii) 21 per cent thought that own label products are made by well known manufacturers. Some manufacturers state that they do not produce for anyone else. Why would these manufacturers make this known?

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**(4)**

**(Total 8)**



The biggest mistake in green consumerism is the term ‘environment friendly’. There is no such thing. Lorries travel many miles from factory to distribution centre and on to the superstore, burning fossil fuels and belching fumes.

(Source: Nicholas Schoon in *The Independent*, 10 September 1996.)

(c)

(i) Show how the negative externalities described in the passage might affect firms and individuals.

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**(6)**

(ii) Examine TWO policies that a firm could adopt to try and be more environmentally friendly.

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**(10)**

**(Total 16)**

<b>The packaging mountain</b>			
Consumption figures in 000 tonnes			
	Domestic	Commercial	Total
Paper	500	3240	3740
Steel	600	100	700
Aluminium	151	4	155
Glass	1600	0	1600
Plastic	708	816	1524
Total	3559	4160	7719

(Source: adapted from A. Anderton, *The Economy in Focus* 1995/96, Causeway.)

(d) Explain why firms use large amounts of resources in packaging their products.

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**(4)**

(e) What are the costs to society of using resources for packaging?

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**(4)**

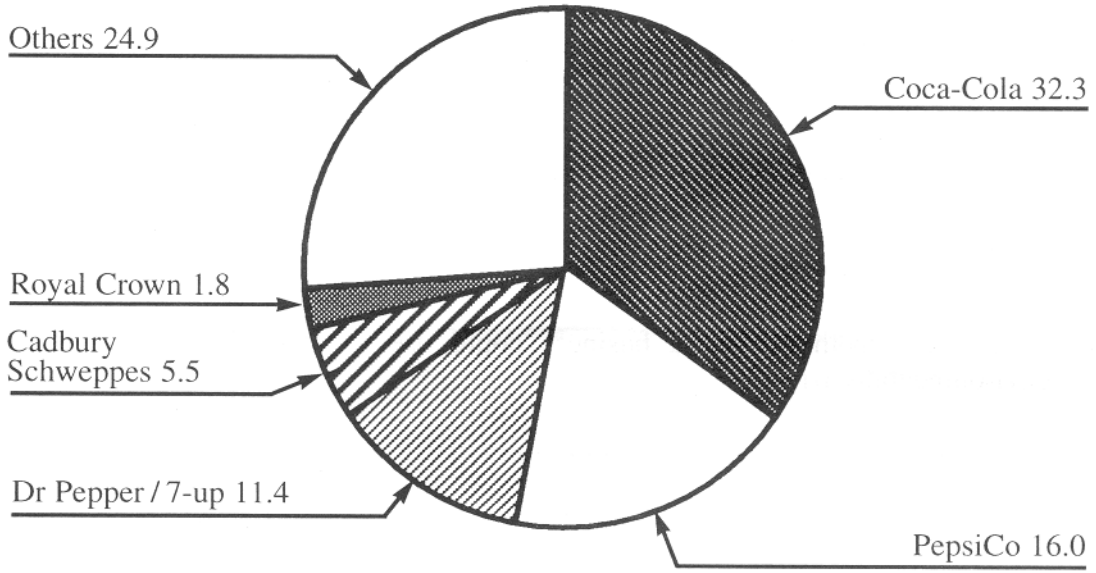
**(Total 8)**



**3. Expansion: the soft drinks market**

Study the data relating to US competition in the soft drinks market.

US Market share by company, 1993 (%)



Cadbury Schweppes: sales of beverages in 6 months to June 1994 (figures in £m)					
UK	Continental Europe	Americas	Pacific Rim	Africa & others	Total
351.7	180.3	308.0	97.2	33.7	970.9

(Source: R Lowe, *Business in Focus* 1995/6, Causeway Press.)

(a)

(i) If Dr Pepper/7-up and Cadbury Schweppes should merge, what would be the size of their combined market share?

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(4)

(ii) Discuss why a firm needs to know the size of its market share.

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**(4)**

**(Total 8)**

(b)

(i) Show how companies like Coca-Cola and Pepsi try to improve their cash flow.

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**(4)**

(ii) Using examples, explain the importance of cash flow to a company.

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**(4)**

**(Total 8)**

*Leave  
blank*

In 1995 Cadbury Schweppes, the international confectionery and drinks company, announced the takeover of Dr Pepper, the US soft drinks giant. Dr Pepper and its partner brand, 7-up, had 11.4% of the US drinks market. Together they can now compete with the two US giants Coca Cola and Pepsi Cola.

(Source: adapted from R.Lowe, *Business in Focus* 1995/96, Causeway Press.)

(c)

(i) Dr Pepper is the brand name of a soft drink. Discuss why brand names are viewed as important by a company such as Cadbury Schweppes.

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**(6)**

(ii) Explain the advantages of the merger between the two companies for Cadbury Schweppes.

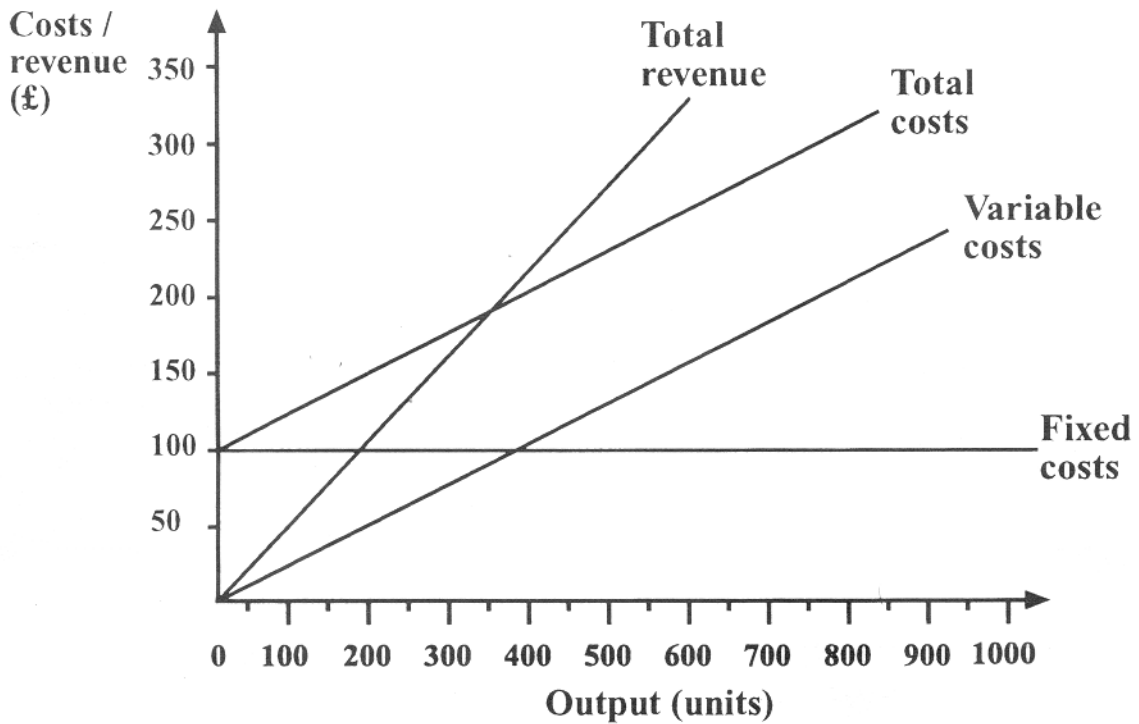
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**(10)**

**(Total 16)**

(d) The diagram below shows a break even chart:

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(i) State what is meant by the term 'break even' and at what output level this occurs for the above firm.

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**(4)**

(i) If variable costs increased per unit of output, what effect would this have on the break even output?

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**(4)**

**(Total 8)**







Read the following Evidence (A–E) and then answer ALL the questions in Section A and Section B.

Leave  
blank

### ‘MAD COW DISEASE’

In 1996 newspapers and television reported a disease called BSE (Bovine Spongiform Encephalitis). This is a disease which affects cows. It was feared that there was a link between BSE and CJD (Creutzfeldt-Jakob Disease), a disease which can lead to brain damage and death in humans.

#### EVIDENCE A



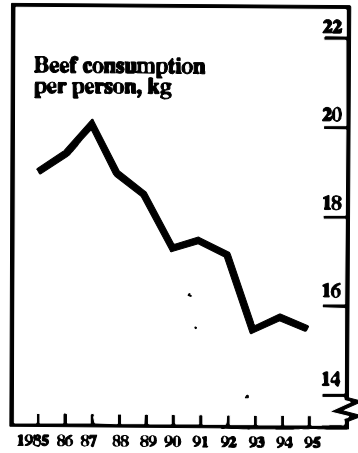
Passers-by queued outside the Houses of Parliament to collect large packs of beef. They did not seem to take any notice of the beef scare caused by BSE. The giveaway was organised by a pressure group, The International Meat Traders’ Association, which wants £35 million of government aid. The beef export industry is worth £600 million a year and 28,000 jobs could be lost if the government does nothing to help.

(Source: Adapted from *The Daily Telegraph*, 24 April, 1996.)

**EVIDENCE B**

*Leave blank*

**Is eating beef in long term decline?**



(Source: *The Economist*, 23 March 1996.)

**EVIDENCE C**

The health panic caused by the belief that CJD could be caught by eating beef will have a big effect. A worldwide ban on British beef and beef products such as soup and jelly babies, plus killing infected cows, might raise inflation and lead to a loss of jobs. This could cost the government, and that means the taxpayer, up to £20 billion. Farmers are paid £865 for every cow that has to be killed. On top of this, the cost of killing and burning each cow is £120. There is also the cost of welfare payments to workers losing their jobs. There are 400,000 people working in beef and dairy farming. Payments might have to be made to workers in other beef-related industries. Shops in country towns could be hit as people would have less money to spend.

(Source: adapted from *The Economist*, 30 March, 1996.)

**EVIDENCE D**

**These figures have been taken from a butcher's account. They are the sales and cost figures for four months in 1996.**

	January 1996	April 1996	July 1996	November 1996
Sales of meat	£2500	£1500	£1600	£2000
Rent and rates	£200	£200	£200	£200
Electricity	£300	£300	£300	£300
Wages	£480	£480	£480	£480
Cost of meat	£1500	£900	£960	£1200

(Source: Abbots Butchers.)

**EVIDENCE E**

'I have owned the shop since my father died. I employ a young lad whom I am training. The family has run the butchers for the last 60 years. Everyone used to come here for their meat and we, with the vegetable shop and the Post office, were a part of the community. It is a struggle to survive. I am lucky as my overheads are low. The vegetable shop has long gone. Things started to get worse when Sainsbury's arrived. Everyone goes by car and buys their weekly or monthly shop in one go. Even though I sell top quality products, I cannot compete on price. In the last five years two more large supermarkets have been built and there is another one which they are building at the moment. Sometimes I feel like just giving up and wonder what I should do.'

(Source: conversation with the butcher, Mr Abbott.)

**SECTION A**

*Leave  
blank*

**Answer ALL of the questions in this section.**

**1. (See Evidence A)**

- (a) Using the evidence explain what is meant by the term ‘pressure group’ and outline what the objectives of the IMTA (International Meat Traders’ Association) might be.

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**(4)**

- (b) Analyse why the International Meat Traders’ Association chose the location of the Houses of Parliament to give away beef.

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**(4)**

**Total (8)**

**2. (See Evidence B)**

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Assess how the decline in beef consumption *might* affect price and quantity using demand and supply analysis.

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**(10)**

**3. (See Evidence C)**

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Assess how TWO *other* groups of people have been affected by the BSE scare.

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**(14)**

**4. (See Evidence D)**

(a) Calculate the total cost of running the butcher's shop in April 1996. Show your workings.

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**(4)**

(b) Compare the Gross Profit Margin in January with July.

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**(6)**







6.

(a) Using TWO examples, explain clearly what is meant by the term ‘opportunity cost’.

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(4)

(b) Farmers are paid £865 for every cow that has to be killed (see Evidence C). What might be the opportunity cost of this?

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(4)

(Total 8)

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**Total for Section A: 70**







1. Leisure Markets

After the long summer break, schoolchildren have been comparing the breathtaking rides they tried out at Europe’s theme parks. The general trend in attendances has been positive this year with visitor numbers expected to increase.

The high profile launch of Disneyland Paris in France in 1992 created a greater awareness of the leisure market. This has not been at the expense of its rivals (Port Aventura in Spain, Alton Towers and Chessington World of Adventures in England) but has given a boost to demand in general.

(Source: adapted from Frank le Duc in *The Times*, 10 September, 1996.)

(a)

(i) Explain how the market for theme parks differs from the market for cars.

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(4)

(ii) Discuss TWO factors that could cause a rise in the demand for theme parks.

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(4)

(Total 8)

(b) Show how the success of a large theme park could be expected to affect the leisure market in general.

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**(6)**



Port Aventura is one of three theme parks run by Tussauds and has proved profitable since it opened. It is in a sunny climate, it is on a coast already established in attracting visitors, and it is well supplied by hotels and apartments. The transport infrastructure (roads, rail and air links) have all been praised.

(Source: Frank le Duc in *The Times*, 10 September 1996.)

(c) Explain TWO factors that a business would consider in locating a theme park.

- 1 .....  
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- 2 .....  
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**(10)**

Disneyland Paris is expecting the opening of the Planet Hollywood restaurant shortly. Tussauds have successfully opened a hotel at Alton Towers, and there is the intention to open new rides and hotels at Port Aventura.

(Source: Frank le Duc, *The Times*, 10 September 1996.)

(d)

(i) Why would theme parks like those mentioned above provide additional facilities?

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**(4)**

(ii) Describe the types of job that might be created following the expansion of a theme park as above.

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**(4)**

(iii) With reference to ONE type of job named in (ii), what sort of skills would the employer be looking for in recruiting staff for that post?

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**(4)**

**(Total 12)**



**2. Branding and the environment**

Green consumerism is going out of fashion. Many supermarkets used to stock shelves full of products, claiming to be environmentally friendly. Many of these products were ‘own label brands’ produced by the supermarkets themselves. The fashion is declining because, as J Sainsbury reported recently, these products have ‘no environmental advantage’ over normal products.

(Source: adapted from Nicholas Schoon in *The Independent*, 10 September 1996.)

(a)

(i) Using TWO examples, explain what is meant by the term ‘brand’.

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**(4)**

(ii) Assess why a supermarket like Sainsbury’s might want to sell own label products as well as branded goods.

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**(4)**

**(Total 8)**

The biggest mistake in green consumerism is the term ‘environment friendly’. There is no such thing. Lorries travel many miles from factory to distribution centre and on to the superstore, burning fossil fuels and belching fumes.

(Source: Nicholas Schoon in *The Independent*, 10 September 1996.)

(b) Examine TWO policies that a firm could adopt to try to be more environmentally friendly.

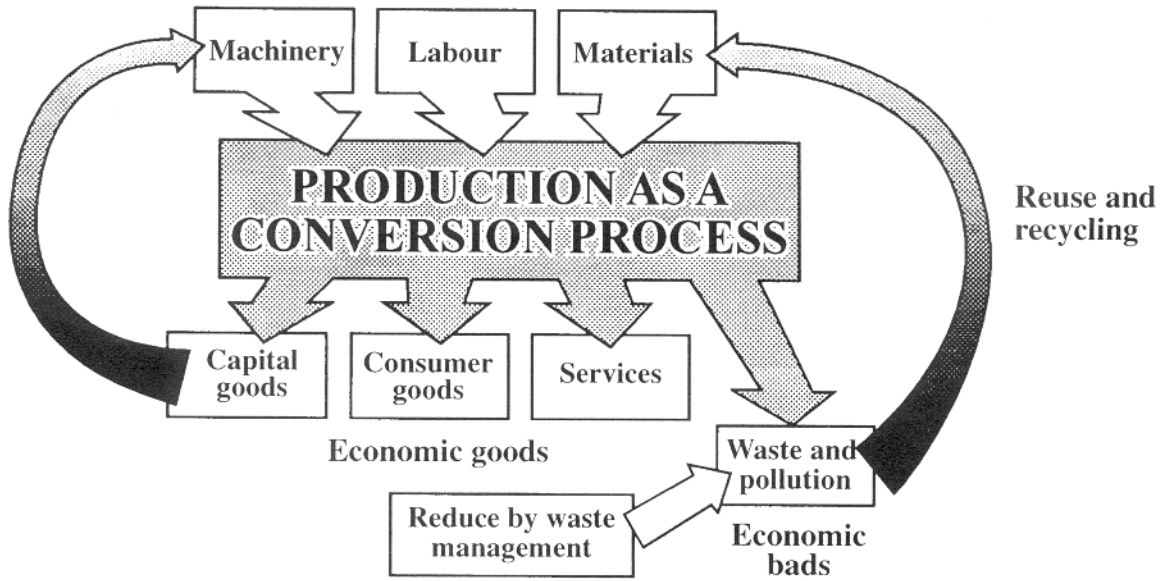
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The diagram shows how factors of production are combined to produce goods and services.

Leave blank



(Source: B. Jewell, *Business Review*, September 1995, Philip Allan Publishers.)

(d)

(i) What items might come under the heading of 'waste' in the production of goods?

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(4)

(ii) What benefits might businesses gain by the efficient management of their waste products?

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(4)

(Total 8)

(e) When firms produce goods they are said to have a responsibility to stakeholders. Consider what these responsibilities might be for a company like J Sainsbury.

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**(4)**



(f) Assess the strength of the case for regulation by the government, or the European Union, of the claims made by producers about the environmental friendliness of their products.

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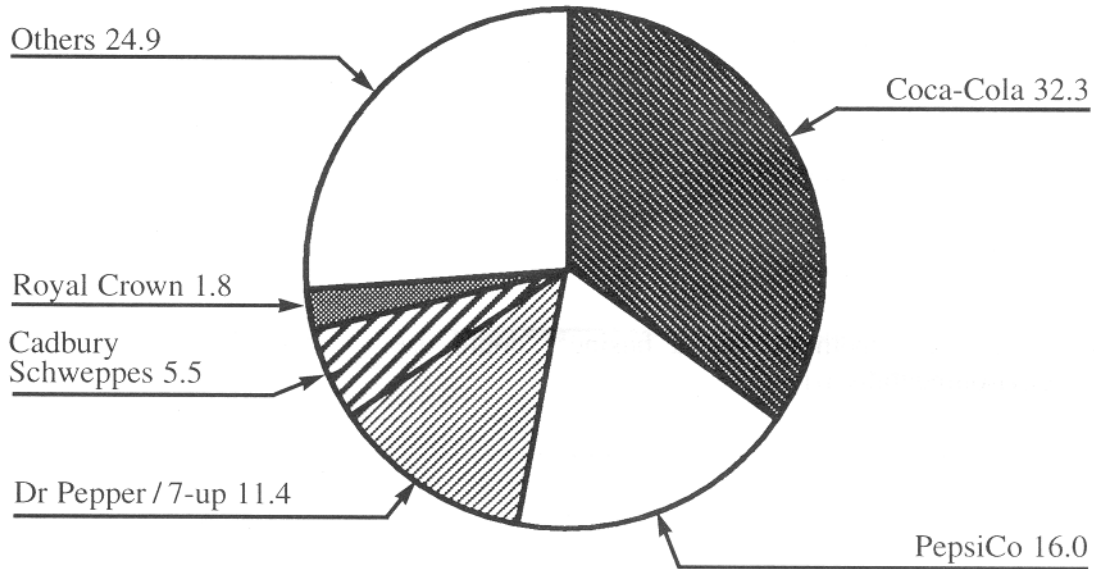
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**Total for Question 2: 50**

**3. Expansion: the soft drinks market**

Study the data relating to US competition in the soft drinks market.

US Market share by company, 1993 (%)



Cadbury Schweppes: sales of beverages in 6 months to June 1994 (figures in £m)					
UK	Continental Europe	Americas	Pacific Rim	Africa & others	Total
351.7	180.3	308.0	97.2	33.7	970.9

(Source: R Lowe, *Business in Focus* 1995/6, Causeway Press.)

(a)

(i) If Dr Pepper/7-up and Cadbury Schweppes should merge, what would be the size of their combined market share?

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(4)

(ii) Discuss the consequences of a falling market share to PepsiCo.

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**(4)**

**(Total 8)**

(b) Discuss the advantages to Cadbury Schweppes of increasing its market share.

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**(6)**

In 1995 Cadbury Schweppes, the international confectionery and drinks company, announced the takeover of Dr Pepper, the US soft drinks giant. Dr Pepper and its partner brand, 7-up, had 11.4% of the US drinks market. Together they can now compete with the two US giants Coca Cola and Pepsi Cola.

(Source: adapted from R.Lowe, *Business in Focus* 1995/96, Causeway Press.)

(c) Explain the advantages of the merger between the two companies for Cadbury Schweppes.

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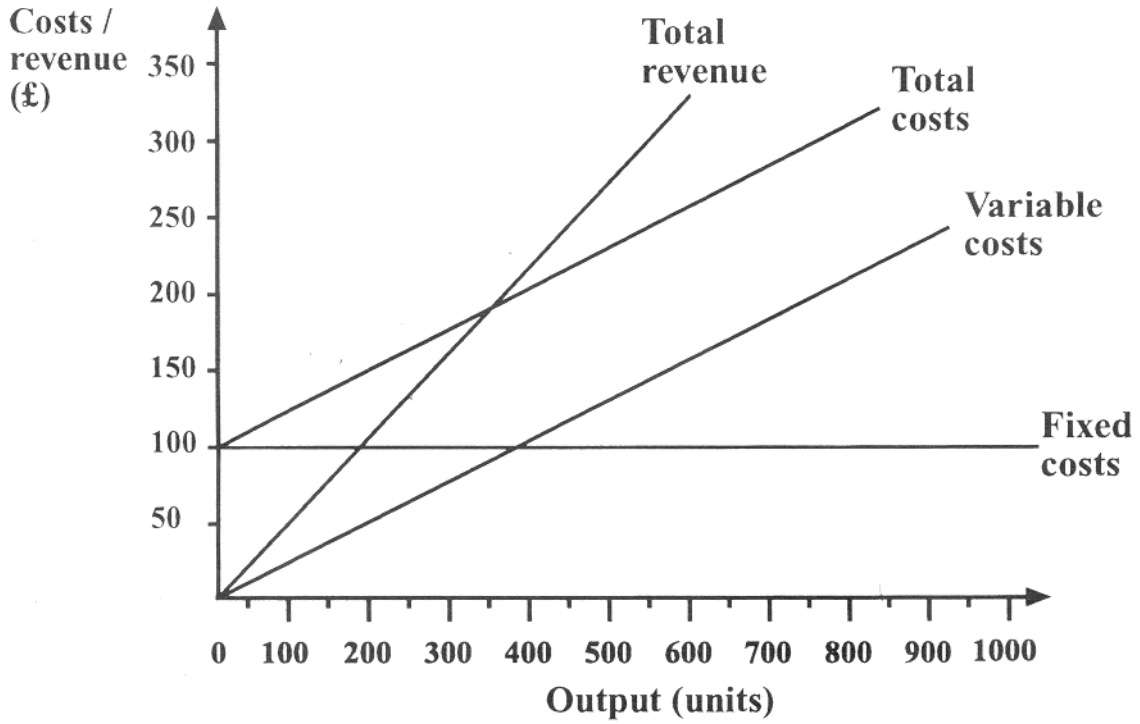
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**(10)**

(d) The diagram below shows a break even chart:



(j) State what is meant by the term ‘break even’ and at what output level this occurs for the above firm.

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(4)

(ii) If Cadbury had been able to sell its products in Poland at a higher price, explain what effect this would have had on the break even output.

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(4)

(iii) What factors might the Cadbury marketing team have considered when deciding to set the price of its products in Poland?

*Leave blank*

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**(4)**

**(Total 12)**

(e) The merger will reduce competition in the soft drinks market. Governments are often concerned to ensure that mergers are in the public interest. Using your knowledge of business and economics, assess the strength of the case *against* such a merger.

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**(14)**

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**Total for Question 3: 50**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 1F Mark Scheme**

**PAPER 1**

**(FOUNDATION)**

**GENERAL INSTRUCTIONS FOR MARKING**

- 1 The paper is to be marked to GCSE standard, including Quality of Written Communication.
- 2 The mark **must** be indicated in the right hand margin of the candidate's answer to the extended questions.
- 3 In numerical responses, the 'own figure rule' **must** be applied. Candidates can only be penalised (that is not rewarded) once for an error.
- 4 Mark in red.
- 5 Sub-totals must be carried forward to the top of the next page and question totals must be circled and transferred to the front of the answer book.
- 6 All Edexcel procedures must be followed because any script may be used in the awarding process or may be the subject of an enquiry or may be returned to the candidate.
- 7 Marking **must** be positive. Negative marking is not allowed.

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 1F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>Q.1</b>		
<b>(a)</b>	<p><i>Using the evidence, explain what is meant by the term ‘pressure group’ and outline what the objectives of the IMTA (International Meat Traders’ Association) might be.</i></p> <p>A pressure group is an organisation that has been set up so that groups of people with a particular interest may persuade members of the public, business or the government of the importance of making changes. The objectives of IMTA are to highlight the plight of the beef export industry and to seek government aid.</p> <p><b>Level 2</b> Gives a clear definition which is rooted in the technical terminology of the subject. Provides a clear explanation as to the objectives of IMTA using the evidence. <span style="float: right;"><b>(3–4 marks)</b></span></p> <p><b>Level 1</b> Candidates recognise and have an understanding of “pressure group”. Attempts to explain the objectives of IMTA using the evidence. <span style="float: right;"><b>(1–2 marks)</b></span></p>	<b>4</b>
<b>(b)</b>	<p><i>Analyse why the International Meat Traders’ Association chose the location of the Houses of Parliament to give away beef?</i></p> <p>Candidates may mention the needs of pressure groups to obtain media attention or stunts to attract attention. The Houses of Parliament is a high profile venue.</p> <p><b>Level 2</b> Candidates show a clear understanding for the need to obtain publicity and the ability to analyse the reasons for the importance of The Houses of Parliament. <span style="float: right;"><b>(3–4 marks)</b></span></p> <p><b>Level 1</b> Candidates identify the importance of the Houses of Parliament to IMTA. <span style="float: right;"><b>(1–2 marks)</b></span></p>	<b>4</b>
		<b>Total 8</b>



**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 1F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**Q.2**      *(See Evidence B)*

*Consumers have decided to stop buying beef. Discuss how this could affect farmers' profits.*

<p><b>Level 3</b></p> <p>Assess and evaluate how consumers no longer buying beef would affect farmers products. Would refer to falling sales and falling prices.      <b>(7–9 marks)</b></p>	<p><b>QWC</b></p> <p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
<p><b>Level 2</b></p> <p>Expands on the simple response to the falling sales and profits and the level of analysis is more limited. Some attempt at evaluation is made.      <b>(4–6 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
<p><b>Level 1</b></p> <p>Discussion and analysis is at a simple level.      <b>(1–3 marks)</b></p>	<p><b>QWC</b></p> <p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 1F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**Q.3**      *(See Evidence C)*

*Assess how TWO other groups of people have been affected by the BSE scare.*

Candidates could refer to, workers, associated industries, taxpayers, government, rural towns/shops.

Valid points should be rewarded. Candidates may choose to discuss loss of income, loss of trade, jobs lost, knock-on effects.

**Level 3**

**QWC**

A thorough analysis and evaluation of the effect of BSE on two groups, including the knock-on effects.  <p align="center"><b>(10–14 marks)</b></p>	Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.
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**Level 2**

**QWC**

Analyses the impact of the BSE scare on groups clearly. Begins to explore knock on effects, such as the impact on government finances, rural towns and the rural economy.  <p align="center"><b>(5–9 marks)</b></p>	Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.
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**Level 1**

**QWC**

Identifies 2 valid groups. Assesses the effects at a limited level.  <p align="center"><b>(1–4 marks)</b></p>	A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.
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**14**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 1F Mark Scheme**

Question	Scheme	Marks
<b>Q.4</b>	<i>(See Evidence D)</i>	
<b>(a)</b>	<i>Calculate the total cost of running the butcher's shop in April 1996. Show your workings.</i>	
	$\begin{aligned} \text{Total cost} &= \text{Rent/rates} + \text{Electricity} + \text{Wages} + \text{Cost of meat} \\ &= 200 + 300 + 480 + 900 \\ &= \text{£}1,880 \end{aligned}$	
	<b>4 marks</b> for correct figure of £1,880	
	<b>3 marks</b> for correct selection but arithmetical errors	
	<b>1–2 marks</b> for incomplete selection of terms	<b>4</b>
<b>(b)</b>	<i>Compare the Gross Profit made in April 1996 with January 1996. Show your workings.</i>	
	$\begin{aligned} \text{Gross Profit} &= \text{Sales of meat} - \text{cost of meat} \\ \text{January} & \quad \quad \quad 2500 - 1500 = \text{£}1,000 \\ \text{April} & \quad \quad \quad 1500 - 900 = \text{£}600 \end{aligned}$	
	Gross profit has fallen by 40%	
	<b>4 marks</b> if has mentioned fallen by 40%	
	<b>3 marks</b> if has correct calculations	
	<b>1–2 marks</b> for correct selection but arithmetic errors.	<b>4</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 1F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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(c) *Consider the reasons for the changes in sales of meat shown in the evidence.*

They could bring out from the evidence: people stopping buying meat at first; sales start to recover perhaps as the butcher markets non-beef products such as poultry, or as the public is assured of safety and meat is imported.

<p><b>Level 3</b></p> <p>Shows ability to come to a reasoned judgement backed by evidence. Assesses the reasons thoroughly and shows awareness that people might have switched to non-beef (meat) products. <b>(6–8 marks)</b></p>	<p><b>QWC</b></p> <p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
<p><b>Level 2</b></p> <p>Develops points made but lacks evaluative skills or makes unsubstantiated judgements. Identifies that sales have started to recover and attempts to provide a reason for this. <b>(3–5 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
<p><b>Level 1</b></p> <p>Assesses the reasons at a simple level with little development. <b>(1–2 marks)</b></p>	<p><b>QWC</b></p> <p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>

**8  
Total 16**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 1F Mark Scheme**

Question	Scheme	Marks
<b>Q.5</b>	<p><i>Small Shops like Abbots find it difficult when large supermarkets move into their area. Recommend and justify THREE ways in which a small shop could compete with a large supermarket.</i></p> <p>There are a variety of activities that could be listed and explained. Activities could include: offering personal service, special offers, specialisation, loyalty schemes, opening hours, attractive presentation, friendly, convenience. <b>Note that the evidence states that he is already selling high quality products and cannot lower price.</b></p> <p><b>Level 2</b> Explains recommendations clearly with creativity, backed up by full explanation and justification of recommendation. Analyses recommendation thoroughly. <b>(3–5 marks)</b></p> <p><b>Level 1</b> Assesses the ways at a simple level eg single statements with little analysis or evaluation such as ‘open longer’, ‘advertise’ etc. <b>(1–2 marks)</b></p>	<b>(5+5+5)= 15</b>
<b>Q.6</b> <b>(a)</b>	<p><i>Using TWO examples, explain clearly what is meant by ‘opportunity cost’.</i></p> <p>Opportunity cost is what a person or business might have had if the next best course of action had been chosen.</p> <p><b>Level 3</b> Gives a clear definition which is rooted in the technical terminology of the subject and gives two relevant examples. <b>(4 marks)</b></p> <p><b>Level 2</b> Candidates recognise and have an understanding of opportunity cost and gives one relevant example. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Candidates answer by giving examples but do not give a clear understanding of the term. <b>(1 mark)</b></p>	<b>4</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 1F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(b)</b>	<p><i>Farmers are paid £865 for every cow that has to be killed (see Evidence C). What might be the opportunity cost of this?</i></p> <p>Look for candidates to list and explain what the money could have been spent on.</p> <p><b>Level 2</b> Candidates understand that it is the government that is paying the £865 and so can explain clearly the opportunity cost to the government. <b>(2–4 marks)</b></p> <p><b>Level 1</b> Explanation and analysis is at a simple level but shows some limited understanding of the concept. <b>(1–2 marks)</b></p>	<b>4</b>
<b>Q.7</b>	<p><i>One of the problems caused by the BSE scare has been unemployment.</i></p>	
<b>(a)</b>	<p><i>Outline TWO problems which unemployment creates for individuals.</i></p> <p>Be flexible in your marking. Look for an identification centred on damage to the individual. The textbook says: living on benefits puts an individual into the poorest 20% of society. In fact most of the people in that group are on benefits. There is evidence to show that there is a strong link between poverty and ill-health. Education can also be affected. Families are trapped in unemployment, and it can be very hard to escape. Family life is affected and people lose their self-esteem.</p> <p><b>2 marks</b> for each developed point <b>1 mark</b> for listed point.</p>	<b>4</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 1F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(b)</b>	<p><i>Show how unemployed people can improve their chances of obtaining a job.</i></p> <p>They could mention: regularly reading newspapers; going to the Job Centre; accepting part-time work; retraining schemes; practise letter writing and how to fill in application forms.</p> <p><b>Level 3</b> Assesses thoroughly how the unemployed can improve their chances eg undertaking retraining and upskilling. <b>(5–6 marks)</b></p> <p><b>Level 2</b> Provides a detailed view on how the unemployed can improve their chances but breadth of coverage is limited. <b>(3–4 marks)</b></p> <p><b>Level 1</b> Provides limited explanation and assesses chances at a simple level. <b>(1–2 marks)</b></p>	<b>6</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 1F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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(c) *You work for a meat-processing firm which has falling sales.*

(i) *How might the firm try to discover why there has been a fall in sales?*

They could carry out market research, conduct questionnaires, ask their retailers or manufacturers. Candidates could expand on these points.

**Level 3**

**QWC**

<p>A full explanation, with a high level of evaluative skills, which uses the example of the meat processing firm to good effect. Candidates will use appropriate terminology and include types of market research such as desk, primary and qualitative research. Desk research: uses information that has been collected by other organisations such as government, trade or specialist market research organisations. Primary research: first hand information about the market. Qualitative research: eg interviews with small numbers of people. <b>(8–10 marks)</b></p>	<p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
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**Level 2**

**QWC**

<p>Candidates attempt to use the context of the meat processing firm. Good understanding of how firms can discover why there has been a fall in sales and some use of correct terminology such as primary and secondary research. Answers might discuss the use of questionnaires and their purpose. <b>(5–7 marks)</b></p>	<p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
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**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 1F Mark Scheme**

**Question**

**Scheme**

**Marks**

**Level 1**

**QWC**

<p>Candidates give a limited assessment of how firms might discover why there has been a fall in sales. Candidates may refer mainly to the use of questionnaires but find it harder to show their relevance. <b>(1–4 marks)</b></p>	<p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>
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**10**

- (ii)** *Your firm believes that one solution to its problem of falling sales is to market its products within the countries of the European Union. How might a European single currency help UK firms to export to other European countries?*

Candidates could point out the advantages of having a single currency in terms of more certainty, no transaction costs and price transparency. It is not essential for these terms to be used. Candidates might also point out however, the practical difficulties of trading for the first time in the rest of the EU especially for small firms.

**Level 3**

**QWC**

<p>Candidates provide a well rounded discussion of the benefits to a firm of joining the single European currency and assess the benefits thoroughly eg lower costs, more markets and more certainty. <b>(8–10 marks)</b></p>	<p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
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**Level 2**

**QWC**

<p>Candidates provide a detailed discussion of the benefits of a single currency. This discussion might refer to increased sales, more profit etc. <b>(4–7 marks)</b></p>	<p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
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**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 1F Mark Scheme**

**Question**

**Scheme**

**Marks**

**Level 1**

**QWC**

<p>Candidates list possible benefits with little comment and show limited understanding but do know what the single currency is.</p> <p><b>(1–3 marks)</b></p>	<p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>
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**10**

**Total 30**

### Assessment Objectives Grid – Paper 1F

<b>Question</b>	<b>Knowledge Marks</b>	<b>Application Marks</b>	<b>Analysis Marks</b>	<b>Evaluation Marks</b>	<b>TOTAL</b>
1 (a)	2	1	1		<b>4</b>
1 (b)	2		2		<b>4</b>
2	2	2	2	3	<b>9</b>
3	4	3	4	3	<b>14</b>
4 (a)	2	2			<b>4</b>
4 (b)	2		2		<b>4</b>
4 (c)	1	2	2	3	<b>8</b>
5	2	4	4	5	<b>15</b>
6 (a)	2	2			<b>4</b>
6 (b)		2	2		<b>4</b>
7 (a)	1	3			<b>4</b>
7 (b)	2	2		2	<b>6</b>
7 (c) (i)	2	1	3	4	<b>10</b>
7 (c) (ii)	2	1	3	4	<b>10</b>
<b>TOTAL</b>	<b>26</b>	<b>25</b>	<b>25</b>	<b>24</b>	<b>100</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 2F Mark Scheme**

**PAPER 2**

**(FOUNDATION)**

**GENERAL INSTRUCTIONS FOR MARKING**

- 1 The paper is to be marked to GCSE standard, including Quality of Written Communication.
- 2 The mark **must** be indicated in the right hand margin of the candidate's answer to the extended questions.
- 3 In numerical responses, the 'own figure rule' **must** be applied. Candidates can only be penalised (that is not rewarded) once for an error.
- 4 Mark in red.
- 5 Sub-totals must be carried forward to the top of the next page and question totals must be circled and transferred to the front of the answer book.
- 6 All Edexcel procedures must be followed because any script may be used in the awarding process or may be the subject of an enquiry or may be returned to the candidate.
- 7 Marking **must** be positive. Negative marking is not allowed.

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>Q.1</b>		
<b>(a) (i)</b>	<p><i>Using TWO examples, explain the term 'market'.</i></p> <p>Any place that brings together a buyer and a seller. Candidates must recognise the two sides to achieve full marks.</p> <p><b>Level 3</b> Gives a clear definition which is rooted in the technical terminology of the subject and gives two relevant examples. <b>(4 marks)</b></p> <p><b>Level 2</b> Candidates recognise the two sides to a market but application is more limited. Gives one example. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Candidates answer by giving examples but do not give a clear understanding of the term. <b>(1 mark)</b></p>	<b>4</b>
<b>(ii)</b>	<p><i>Discuss TWO factors that could cause a rise in the demand for theme parks.</i></p> <p>Income, fashions, advertising, other leisure activities, increase in the younger age in the distribution of the population. A change in price should not be accepted as a cause of a rise in demand. Short term reasons for a rise in demand should be accepted <i>if</i> accompanied by a developed explanation.</p> <p><b>Level 3</b> Provides a good analysis of the factors that could cause a rise in demand, eg. rise in income, marketing by theme parks with use of judgement throughout. <b>(4 marks)</b></p> <p><b>Level 2</b> Provides a fair analysis but lacking judgement. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Limited explanation. <b>(1 mark)</b></p>	<b>4</b>
		<b>Total 8</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(b) (i)</b>	<p><i>Clearly explain the term ‘target market’, giving TWO examples.</i></p> <p>Any part of a market to which sales have been directed.</p> <p><b>Level 3</b> Gives a clear definition which is rooted in the technical terminology of the subject and gives two relevant examples. <b>(4 marks)</b></p> <p><b>Level 2</b> Candidates recognise that sections of the market can be selected in an attempt to maximise sales. Gives one example. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Candidate shows a limited understanding of the term. <b>(1 mark)</b></p>	<b>4</b>
<b>(ii)</b>	<p><i>Recommend TWO market segments that a theme park might aim at.</i></p> <p>Any reference to age, sex, social class, interests, where people live etc is acceptable, but for full marks this must be related to a theme park. ‘School children’ is not acceptable on its own but ‘schools’ is. Differentiate between those who dwell only on age, eg children 11–16 and teenagers 16–25.</p> <p><b>Level 3</b> Two different market segments recommended and fully relates this to a theme park. <b>(4 marks)</b></p> <p><b>Level 2</b> Two market segments and makes a limited attempt to relate to a theme park. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Refers only to market segments. <b>(1 mark)</b></p>	<b>4</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**(c) (i)**      *In what circumstances is a firm said to be 'profitable'?*

When its revenue from sales is greater than the direct and indirect costs of running the business.

**Level 3**

Clear explanation of revenue and costs, using the technical terminology of the subject. **(5–6 marks)**

**Level 2**

Shows some awareness of the role of revenue and costs. **(3–4 marks)**

**Level 1**

Suggests only that the firm is 'making money', showing no awareness of the role of revenue and costs, or is unable to use the terminology appropriately. **(1–2 marks)**

**6**

**(ii)**      *Explain TWO factors that a business would consider in locating a theme park.*

Reserve full marks for the quality of the analysis and evaluation. A simple response with little support will be unlikely to gain more than half marks. Factors could include market, labour, infrastructure, climate and space.

**Level 3**

**QWC**

<p>A thorough assessment of the factors giving clear reasons which are rooted in appropriate technical terminology. <span style="float: right;"><b>(8–10 marks)</b></span></p>	<p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
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**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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<p><b>Level 2</b></p> <p>A good assessment with reasons, using some appropriate terminology.</p> <p align="right"><b>(4–7 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
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<p><b>Level 1</b></p> <p>A simple assessment which identifies factors rather than explains them.</p> <p align="right"><b>(1–3 marks)</b></p>	<p><b>QWC</b></p> <p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>
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**10**  
**Total 16**



**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(d)</b>	<p><i>Why would theme parks like those mentioned above provide additional facilities?</i></p> <p>Increase sales/market share. Encourage more people to visit and stay for longer. To increase choice and therefore attract more people. To compete with rivals. To improve its image for marketing/advertising purposes. Add value.</p> <p><b>Level 3</b> Provides a full explanation that forms a reasoned judgement with evidence of an opinion being supported. <b>(4 marks)</b></p> <p><b>Level 2</b> Provides a range of points but does not support fully. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Lists points but does not provide an explanation. <b>(1 mark)</b></p>	<b>4</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(e)</b>	<p><i>The establishment and expansion of theme parks can bring benefits and costs to the area in which they are located.</i></p> <p><i>Explain TWO economic benefits that a theme park might bring to local people.</i></p> <p>Increase in opportunities for jobs. Increase in spending in the area which increases its wealth. Makes some reference to investment improving facilities such as infrastructure.</p> <p><b>Level 3</b> Provides a detailed explanation of the two points identified and knowledge is shown in context. <b>(4 marks)</b></p> <p><b>Level 2</b> Beginning to demonstrate an understanding through application of the two economic benefits. <b>(2–3 marks)</b></p> <p><b>Level 1</b> A limited explanation of listed points. <b>(1 mark)</b></p>	<b>4</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**(f)**      *Discuss the arguments against the opening of a new theme park.*

Increase in congestion.  
 Problems of pollution.  
 Increased damage to the environment.  
 Possible effect on house prices.

The above are only a few suggestions. Reward candidates for the quality of their argument.

<p><b>Level 3</b></p> <p>A well-rounded evaluative and analytical argument which makes clear use of material learnt during the course will be the answer which commands full marks. Provides a breadth of points explaining the impact of externalities.</p> <p align="right"><b>(8–10 marks)</b></p>	<p><b>QWC</b></p> <p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
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<p><b>Level 2</b></p> <p>Provides an analysis of why the theme park should not be opened with examples eg more pollution etc.</p> <p align="right"><b>(4–7 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
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**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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<b>Level 1</b>	<b>QWC</b>
Assesses the arguments in a limited way, eg mentions pollution but only a limited explanation as to its relevance.  <p align="right"><b>(1–3 marks)</b></p>	A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.

**10**

**Total for Question 1      50**

**Q.2**

**(a) (i)**

*Using TWO examples, explain what is meant by the term ‘brand’.*

A name given to a product to make it appear different in some way from its rivals.

**Level 3**

Identifies the naming with two appropriate examples and recognises the purpose of the name. **(4 marks)**

**Level 2**

Candidate identifies the naming with an appropriate example. **(2–3 marks)**

**Level 1**

Candidates answer by giving examples but do not give a clear understanding of the term. **(1 mark)**

**4**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(ii)</b>	<p><i>Assess why a supermarket like Sainsbury's might want to sell own label products as well as branded goods.</i></p> <p>Capture market share. Improve the image of the firm. As a means of competition. Increase profit.</p> <p><b>Level 3</b> Provides a full explanation with evidence of judgement, e.g. reasons may depend on firm's objectives. <b>(4 marks)</b></p> <p><b>Level 2</b> Provides reasons with some supported explanation. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Provides reasons with no supporting explanation. <b>(1 mark)</b></p>	<p><b>4</b></p> <p><b>Total 8</b></p>
<b>(b) (i)</b>	<p><i>Using TWO examples, explain the term 'added value'.</i></p> <p>Added value is the difference between the costs of inputs into a product and the value placed on that product by the market.</p> <p><b>Level 3</b> Gives a clear definition which is rooted in the technical terminology of the subject and gives two examples that recognise that there are a variety of ways to add value. <b>(4 marks)</b></p> <p><b>Level 2</b> Candidates recognise that by creating a name which gives a message, it is possible to add value. Gives an example. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Lists points with little explanation. <b>(1 mark)</b></p>	<p><b>4</b></p>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(ii)</b>	<p><i>21 per cent thought that own label products are made by well known manufacturers. Some manufacturers state that they do not produce for anyone else. Why would these manufacturers make this known?</i></p> <p>Recognition in the answer of the cannibalisation of their own markets should receive high rewards. A desire to preserve the image of their name might also be offered, possibly because people might think the product is not of such good quality. Any use made by the candidate of the data in their answer should also be rewarded.</p> <p><b>Level 3</b> Gives supported reasons which show good understanding of business objectives. Provides a thorough analysis and evaluation of why manufacturers would make this known. <b>(4 marks)</b></p> <p><b>Level 2</b> Provides reasons but is limited on analysis and evaluation. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Simplistic answer with little recognition of the business reasons for the claim. <b>(1 mark)</b></p>	<b>4</b> <b>Total 8</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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<b>(c) (i)</b>	<i>Show how the negative externalities described in the passage might affect firms and individuals.</i>	
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The negative externalities in the passage are the burning of fossil fuels and the fumes/pollution created. Possible impact that candidates could explore are clean up costs, running out of fossil fuels, impact on health...

**Level 3**

Identifies the externalities and analyses the impact of them with a clear explanation. **(5–6 marks)**

**Level 2**

Correctly identifies the externalities but analysis is weak and gives unsupported statements. **(3–4 marks)**

**Level 1**

Identifies externalities but with little supporting comment. **(1–2 marks)**

**6**

<b>(ii)</b>	<i>Examine TWO policies that a firm could adopt to try to be more environmentally friendly.</i>	
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–They can add environmentally friendly products to their ranges such as cleaning materials which cause less damage, pump action sprays on hair products rather than aerosols.

–They can agree not to test cosmetic products on animals.

–They could recycle paper products.

Companies realise that environmental concerns and green issues are important to their customers. Businesses are able to use these concerns to develop new products. Those concerned customers provide a market for business and green issues have become an important element in the marketing mix.

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 2F Mark Scheme**

**Question** **Scheme** **Marks**

<b>Level 3</b>	<b>QWC</b>
Examines thoroughly, using reasoned judgement, policies that firms can adopt. Policies are distinct, such as recycling, not testing on animals etc. <p style="text-align: right;"><b>(8–10 marks)</b></p>	Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.
<b>Level 2</b>	<b>QWC</b>
Examines policies firms can adopt, giving a detailed explanation. Reasons might lack technical understanding of the subject. <p style="text-align: right;"><b>(4–7 marks)</b></p>	Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.
<b>Level 1</b>	<b>QWC</b>
Provides simple examination with limited development. <p style="text-align: right;"><b>(1–3 marks)</b></p>	A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.

**10**

**Total 16**



**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(d)</b>	<p><i>Explain why firms use large amounts of resources in packaging their products.</i></p> <p>Improve the quality. To give an image. To comply with Health and Safety requirements. To ensure something stays fresh. To prevent damage.</p> <p><b>Level 3</b> A recognition that packaging is an element of the marketing mix and as such provides a source of competitive advantage should be rewarded. Candidate analyses and evaluates in their explanation. <b>(4 marks)</b></p> <p><b>Level 2</b> Expands on the simple response to show the business angle behind packaging and/or the legal requirements faced by business. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Simple response which gives little or no understanding of the business reasons behind the use of packaging. <b>(1 mark)</b></p>	<b>4</b>
<b>(e)</b>	<p><i>What are the costs to society of using resources for packaging?</i></p> <p>Increased waste disposal problems. Greater potential for pollution. Use of scarce resources, including non-renewable resources.</p> <p><b>Level 3</b> Provides a breadth of points with thorough application. <b>(4marks)</b></p> <p><b>Level 2</b> May give two or more points with some development to offer some explanation of the costs. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Gives points but with no development. <b>(1 mark)</b></p>	<b>4</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**(f)**      *Why might the Government and the European Union pass laws to protect the consumer?*

The reasons could include: protection of the consumer; providing accurate and more detailed information; creation of level playing-field for all firms; ensuring firms are honest.

<p><b>Level 3</b></p> <p>Assess thoroughly the reasons why laws are passed to protect the consumer and shows a breadth of points eg to stop exploitation and to ensure a level playing field for firms.</p> <p align="right"><b>(7–10 marks)</b></p>	<p><b>QWC</b></p> <p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
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<p><b>Level 2</b></p> <p>Gives reasons for passing laws with limited analysis.</p> <p align="right"><b>(4–6 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
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<p><b>Level 1</b></p> <p>Gives points with limited explanation.      <b>(1–3 marks)</b></p>	<p><b>QWC</b></p> <p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>
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	<b>10</b>
<b>Total for Question 2</b>	<b>50</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>Q.3</b>		
<b>(a) (i)</b>	<p><i>If Dr Pepper/7-up and Cadbury Schweppes should merge, what would be the size of their combined market share?</i></p> <p>11.4 + 5.5 = 16.9%</p> <p><b>4 marks</b> for correct answer</p>	<b>4</b>
<b>(ii)</b>	<p><i>Discuss why a firm needs to know the size of its market share.</i></p> <p>Quantity sold by a company as a proportion of total sales for the product in a given period. Firms need to know market share to identify whether it is falling behind competitors.</p> <p><b>Level 3</b> Gives a thorough definition which is rooted in the technical terminology of the subject giving a clear analysis of the need to know its market share. Reasoned judgement used. <b>(4 marks)</b></p> <p><b>Level 2</b> Gives a detailed definition and shows some understanding of the need for what its market share is. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Shows either a limited understanding of market share <u>or</u> a limited understanding of the need to know its market share. <b>(1 mark)</b></p>	<b>4</b>
		<b>Total 8</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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<b>b) (i)</b>	<i>Show how companies like Coca-Cola and Pepsi try to improve their cash flow.</i>	
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If the business shows a cash shortage they can try and get their customers (such as shops) to pay their bills more quickly. They could delay paying bills. They could try and increase sales of unsold stock or they could find ways of funding a cash shortage such as an overdraft or a loan.

**Level 3**

Provides a thorough explanation of the strategies to improve cash flow, eg. delaying payment of bills. **(4 marks)**

**Level 2**

Provides a detailed explanation which might lack technical terminology but does understand how companies can improve their cash flow. **(2–3 marks)**

**Level 1**

Has limited understanding and is more likely to interpret question as increasing sales through advertising. **(1 mark)**

**4**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(ii)</b>	<p><i>Using examples, explain the importance of cash flow to a company.</i></p> <p>Cash flow is the flow of money into and out of a business in a given period of time. Managing cash flow is crucial because without cash available from day to day even profitable firms could fail. Firms must ensure that they have enough money to pay their supplies and workers. Cash flow problems are the most common reasons for business failure.</p> <p><b>Level 3</b> Gives a clear definition of cash flow in terms of flow of money and uses examples. Provides a clear analysis and evaluation of why it is important. <span style="float: right;"><b>(4 marks)</b></span></p> <p><b>Level 2</b> Has some understanding of cash flow, giving an example, but analysis as to its importance is more limited. <span style="float: right;"><b>(2–3 marks)</b></span></p> <p><b>Level 1</b> Has a simplistic understanding of the term cash flow. <span style="float: right;"><b>(1 mark)</b></span></p>	<p><b>4</b></p> <p><b>Total 8</b></p>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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<b>(c) (i)</b>	<i>Dr Pepper is the brand name of a soft drink.</i> <i>Discuss why brand names are viewed as important by a company such as Cadbury Schweppes.</i>	
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Creates an identity.  
Highlights differences.  
Adds value.  
Increases sales.  
Buying loyalty.  
Acquiring or creating an image.  
Makes it difficult for other firms to break into the market.

**Level 3**

Identifies clearly why branding is important and analyses their importance with a clear evaluative statement. **(5–6 marks)**

**Level 2**

Correctly identifies factors that show the importance of branding but the level of analysis is weak and gives unsupported statements. **(3–4 marks)**

**Level 1**

Identifies factors but with little supporting comment. **(1–2 marks)**

**6**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**(ii)**     *Explain the advantages of the merger between the two companies for Cadbury Schweppes.*

Cost savings.  
Acquires the image of the merged brands.  
Strengthens its ability to compete.  
Increases its market share.

<p><b>Level 3</b></p> <p>Provides a well rounded discussion of the advantages of the merger making it relevant to Cadbury Schweppes.</p> <p align="right"><b>(8–10 marks)</b></p>	<p><b>QWC</b></p> <p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
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<p><b>Level 2</b></p> <p>There is some effort at supporting the statements made and an effort made to make it relevant to the question.</p> <p align="right"><b>(4–7 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
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<p><b>Level 1</b></p> <p>Simple statements are made which might not be relevant to the merger of Cadbury Schweppes.</p> <p align="right"><b>(1–3 marks)</b></p>	<p><b>QWC</b></p> <p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>
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**10  
Total 16**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(d) (i)</b>	<p><i>State what is meant by the term 'break even' and at what output level this occurs for the firm.</i></p> <p>Where <math>TC = TR</math> Output 350 units.</p> <p><b>Level 2</b> Gives a clear definition which is rooted in the the technical terminology of the subject. Accurately identifies output level. <b>(3–4 marks)</b></p> <p><b>Level 1</b> Candidates have an understanding of break even. Identifies output level with a margin of 20 units. <b>(1–2 marks)</b></p>	<b>4</b>
<b>(ii)</b>	<p><i>If variable costs increased per unit of output, what effect would this have on the break even output?</i></p> <p>The output needed to break even would increase.</p> <p><b>Level 3</b> Shows understanding of the concept and can apply it in this context. A mention must be made of output or production. <b>(4 marks)</b></p> <p><b>Level 2</b> Has an understanding but response is unclear and does not respond to output. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Has a vague idea but does not make reference to output. <b>(1 mark)</b></p>	<b>4</b>
		<b>Total 8</b>



**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 2F Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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(e) *Discuss what the Competition Commission might consider when deciding whether to approve a merger.*

The effect on prices charged to consumers. The impact of less competition – this could be seen in a positive light through the benefits of economies and scale. The potential effect on costs and efficiency (x inefficiency) (it is unlikely any candidate will use that term but the principle should be rewarded if you come across it!). The ability of the firm to compete globally.

The potential for new product development through R&D and the ploughing back of profits. Most candidates will probably look at the ‘downside’.

<p><b>Level 3</b></p> <p>Provides thorough analysis of what the Competition Commission would consider. Provides a breadth of points such as impact on consumer costs and efficiency and ability to compete. <b>(8–10 marks)</b></p>	<p><b>QWC</b></p> <p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
<p><b>Level 2</b></p> <p>Provides a detailed analysis of what the Competition Commission would consider. Provides points such as higher prices or impact on employment. <b>(4–7 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
<p><b>Level 1</b></p> <p>Provides a simple analysis of what Competition Commission would consider with limited explanation. Maximum <b>2 marks</b> for identifying the problems. <b>(1–3 marks)</b></p>	<p><b>QWC</b></p> <p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>

<b>Total for Question 3</b>	<b>10</b>
	<b>50</b>

### Assessment Objectives Grid – Paper 2F

Question	Knowledge Marks	Application Marks	Analysis Marks	Evaluation Marks	TOTAL
1 (a) (i)	2	2			4
1 (a) (ii)			2	2	4
1 (b) (i)	2	2			4
1 (b) (ii)			2	2	4
1 (c) (i)	2	2	2		6
1 (c) (ii)	2	2	4	2	10
1 (d)	1	1	1	1	4
1 (e)	2	2			4
1 (f)	2	2	2	4	10
<b>TOTAL</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>11</b>	<b>50</b>
2 (a) (i)	2	2			4
2 (a) (ii)			2	2	4
2 (b) (i)	2	2			4
2 (b) (ii)			2	2	4
2 (c) (i)	2	2	2		6
2 (c) (ii)	2	2	4	2	10
2 (d)	1	1	1	1	4
2 (e)	2	2			4
2 (f)	2	2	2	4	10
<b>TOTAL</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>11</b>	<b>50</b>
3 (a) (i)	2	2			4
3 (a) (ii)			2	2	4
3 (b) (i)	2	2			4
3 (b) (ii)			2	2	4
3 (c) (i)	2	2	1	1	6
3 (c) (ii)	2	2	4	2	10
3 (d) (i)	2	2			4
3 (d) (ii)	1	1	2		4
3 (e)	2	2	2	4	10
<b>TOTAL</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>11</b>	<b>50</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

**PAPER 3**

**(HIGHER)**

**GENERAL INSTRUCTIONS FOR MARKING**

- 1 The paper is to be marked to GCSE standard, including Quality of Written Communication.
- 2 The mark **must** be indicated in the right hand margin of the candidate's answer to the extended questions.
- 3 In numerical responses, the 'own figure rule' **must** be applied. Candidates can only be penalised (that is not rewarded) once for an error.
- 4 Mark in red.
- 5 Sub-totals must be carried forward to the top of the next page and question totals must be circled and transferred to the front of the answer book.
- 6 All Edexcel procedures must be followed because any script may be used in the awarding process or may be the subject of an enquiry or may be returned to the candidate.
- 7 Marking **must** be positive. Negative marking is not allowed.

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>Q.1</b>	<i>(See Evidence A)</i>	
<b>(a)</b>	<p><i>Using the evidence, explain what is meant by the term 'pressure group' and outline what the objectives of the IMTA (International Meat Traders' Association) might be.</i></p> <p>A pressure group is an organisation that has been set up so that groups of people with a particular interest may persuade members of the public, business or the government of the importance of making changes. The objectives of IMTA are to highlight the plight of the beef export industry and to seek government aid.</p> <p><b>Level 2</b> Gives a clear definition which is rooted in the technical terminology of the subject. Provides a clear explanation as to the objectives of IMTA using the evidence. <b>(3–4 marks)</b></p> <p><b>Level 1</b> Candidates recognise and have an understanding of “pressure group”. Attempts to explain the objectives of IMTA using the evidence. <b>(1–2 marks)</b></p>	<b>4</b>
<b>(b)</b>	<p><i>Analyse why the International Meat Traders' Association chose the location of the Houses of Parliament to give away beef?</i></p> <p>Candidates may mention the needs of pressure groups to obtain media attention or stunts to attract attention. The Houses of Parliament is a high profile venue.</p> <p><b>Level 2</b> Candidates show a clear understanding for the need to obtain publicity and the ability to analyse the reasons for the importance of The Houses of Parliament. <b>(3–4 marks)</b></p> <p><b>Level 1</b> Candidates identify the importance of the Houses of Parliament to IMTA. <b>(1–2 marks)</b></p>	<b>4</b>
		<b>Total 8</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 3H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>Q.2</b>	<p><b>(See Evidence B)</b> <i>Assess how the decline in beef consumption might affect price and quantity using demand and supply analysis.</i></p> <p>Candidates need to show a demand and supply diagram with a shift in demand showing the fall in price and quantity bought and sold. Some understanding of how the price mechanism works might be shown by candidates.</p> <p><b>Level 3</b> Candidates provide a demand and supply diagram correctly labelled with a shift in the demand curve shown as well as an explanation. Candidates need to provide an analytical explanation in particular showing the process of how prices fall. An attempt will be made to explain how other factors might mitigate this fall, e.g. a reduction in supply.</p> <p style="text-align: right;"><b>(8–10 marks)</b></p> <p><b>Level 2</b> Candidates provide a detailed analysis of how price and quantity might change. Candidates provide a demand and supply diagram correctly labelled but a shift might not be shown or the explanation is limited.</p> <p style="text-align: right;"><b>(4–7 marks)</b></p> <p><b>Level 1</b> The diagram, if provided, might have some errors, and the explanation is simplistic and does not show an understanding of the workings of the price mechanism.</p> <p style="text-align: right;"><b>(1–3 marks)</b></p>	<b>10</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**Q.3**      *Assess how TWO other groups of people have been affected by the BSE scare.*

Candidates could refer to workers, associated industries, taxpayers, government, rural towns/shops.

Valid points should be rewarded. Candidates may choose to discuss loss of income, loss of trade, jobs lost, knock-on effects.

<b>Level 3</b>	<b>QWC</b>
A thorough analysis and evaluation of the effect of BSE on two groups, including the knock-on effects.  <p align="center"><b>(10–14 marks)</b></p>	Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.
<b>Level 2</b>	<b>QWC</b>
Analyses the impact of the BSE scare on groups clearly. Begins to explore knock on effects, such as the impact on government finances, rural towns and the rural economy.  <p align="center"><b>(5–9 marks)</b></p>	Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.
<b>Level 1</b>	<b>QWC</b>
Identifies 2 valid groups. Assesses the effects at a limited level. <b>(1–4 marks)</b>	A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>Q.4</b>	<i>(See Evidence D)</i>	
<b>(a)</b>	<p><i>Calculate the total cost of running the butcher's shop in April 1996. Show your workings.</i></p> <p>Total cost = Rent/rates+Electricity+Wages+Cost of meat            = 200+300+480+900            = £1,880</p> <p><b>4 marks</b> for correct figure of £1,880  <b>3 marks</b> for correct selection but arithmetical errors  <b>1–2 marks</b> for incomplete selection of terms</p>	<b>4</b>
<b>(b)</b>	<p><i>Compare the Gross Profit Margin in January with July.</i></p> <p>GP in January £2500 Sales of meat            (£1500) Cost of meat            £1000 Gross Profit</p> <p>Gross Profit Margin = <math>\frac{GP}{Sales} = \frac{1000}{2500} \times 100 = 40\%</math></p> <p>GP in July £2000 Sales of meat            (£1200) Cost of meat            800 Gross Profit</p> <p>Gross Profit Margin = <math>\frac{800}{2000} = 40\%</math></p> <p>The Gross Profit Margin is the same.</p> <p>To gain full marks the candidates need to have shown workings.</p> <p>Gross Profit in January identified: <b>1 mark</b>            Gross Profit Margin in January identified: <b>1 mark</b>            Gross Profit in July identified: <b>1 mark</b>            Gross Profit Margin in July identified: <b>1 mark</b>            Conclusion reached that GP Margins are the same: <b>2 marks</b></p>	<b>6</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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(c) *Consider the reasons for the changes in sales of meat shown in the evidence.*

They could bring out from the evidence: people stopping buying meat at first; sales start to recover perhaps as butcher markets non-beef products such as poultry, or as public is assured of safety and meat is imported.

<b>Level 3</b>	<b>QWC</b>
Shows ability to come to a reasoned judgement backed by evidence. Assesses the reasons thoroughly and shows awareness that people might have switched to non-beef (meat) products. <b>(6–8 marks)</b>	Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.

<b>Level 2</b>	<b>QWC</b>
Develops points made but lacks evaluative skills or makes unsubstantiated judgements. Identifies that sales have started to recover and attempts to provide a reason for this. <b>(3–5 marks)</b>	Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.

<b>Level 1</b>	<b>QWC</b>
Assesses the reasons at a simple level with little development. <b>(1–2 marks)</b>	A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.

**8**

**Total 18**



**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**Q.5**

*(See Evidence E)*

*Assess the options open to Mr Abbott if consumers prefer shopping at large supermarkets such as Sainsbury's.*

The answer should focus on competitiveness. He could try and keep his costs down, offer value for money, attractive presentation, personal service, individual needs met, friendly and unhurried atmosphere, study special wishes of customers. Note that the evidence states that he is already selling high quality products and cannot lower price. Give credit to candidates who suggest he should close down.

**Level 3**

**QWC**

Shows an ability to come to a reasoned judgement backed up by evidence. <b>(9–12 marks)</b>	Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.
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**Level 2**

**QWC**

Analyses the options open to Mr Abbott and attempts to come to a judgement as to their appropriateness. Correct terminology is in evidence. <b>(5–8 marks)</b>	Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.
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**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

**Question** **Scheme** **Marks**

<b>Level 1</b>	<b>QWC</b>	
<p>Analyses the options at a simple level but might not always be appropriate to Mr Abbott. <b>(1–4 marks)</b></p>	<p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>	<b>12</b>

**Q.6**

**(a)** *Using TWO examples, explain clearly what is meant by the term 'opportunity cost'.*

Opportunity cost is what a person or business might have had if the next best course of action had been chosen.

**Level 3**

Gives a clear definition which is rooted in the technical terminology of the subject and gives two relevant examples. **(4 marks)**

**Level 2**

Candidates recognise and have an understanding of opportunity cost and gives one clear example. **(2–3 marks)**

**Level 1**

Candidates answer by giving examples but do not give a clear understanding of the term. **(1 mark)** **4**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(b)</b>	<p><i>Farmers are paid £865 for every cow that has to be killed (see Evidence C). What might be the opportunity cost of this?</i></p> <p>Look for candidates to list and explain what the money could have been spent on.</p> <p><b>Level 2</b> Candidates understand that it is the government that is paying the £865 and so can explain clearly the opportunity cost to the government. <span style="float: right;"><b>(2–4 marks)</b></span></p> <p><b>Level 1</b> Explanation and analysis is at a simple level but shows some understanding of the concept. <span style="float: right;"><b>(1–2 marks)</b></span></p>	<b>4</b>
<b>Q.7</b>	<p><i>Unemployment and loss of sales have resulted from the BSE scare.</i></p> <p><b>(a)</b> <i>Assess the costs of unemployment to individuals and to the community in which they live.</i></p>	<b>Total 8</b>

This is a chance for good candidates to give a developed answer.

Candidates might write that everyone is worse off, that it deprives the family of livelihood with pressure on the family; it reduces people's self-esteem; reduces GDP; regional knock-on effects; government pays benefits; links of unemployment to ill-health, crime, waste of resources.

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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<p><b>Level 3</b></p> <p>Demonstrates a wide ranging understanding of the costs of unemployment with a high degree of evaluative skills. Must have considered costs to both individuals and the community. <b>(11–15 marks)</b></p>	<p><b>QWC</b></p> <p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
<p><b>Level 2</b></p> <p>Shows a good understanding of the costs of unemployment but answers from either the costs to the individual or cost to the community rather than both. <b>(6–10 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
<p><b>Level 1</b></p> <p>The response is likely to be undeveloped but is attempting to reflect on points made. <b>(1–5 marks)</b></p>	<p><b>QWC</b></p> <p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>

**15**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**(b)**      *Consider how firms might use market research to discover why consumers are not buying their products, giving examples of the types of research that could be carried out.*

The points that are expected include:

Market research; want to plan future strategy; identifying needs for product development; new market niches; find out customer needs; new products tested by asking potential customers what they think.

**Level 3**

**QWC**

<p>Demonstrates a wide-ranging understanding of the types of research. Able to judge which forms of research might be most appropriate.</p> <p>Desk research: uses information that has been collected by other organisations such as government, trade or specialist market research organisations.</p> <p>Primary research: first-hand information about the market.</p> <p>Qualitative research: involves interviewing small numbers of people to find out views and opinions in depth.</p> <p>Quantitative research: involves carrying out surveys to give numerical information.</p> <p>Candidates could discuss the use of questionnaires and what makes a good questionnaire – short straightforward questions, right order, sensitive to issues of gender, income, health, and pilot the survey to show if the questionnaire works.</p> <p align="center"><b>(11–15 marks)</b></p>	<p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
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**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 3H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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<b>Level 2</b>	<b>QWC</b>
A good understanding of research and examples. Knows the main types of research as listed above but answer lacks depth. <p align="right"><b>(6–10 marks)</b></p>	Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.

<b>Level 1</b>	<b>QWC</b>
One or more undeveloped types and examples. Will probably concentrate on questionnaire, and might write one. <p align="right"><b>(1–5 marks)</b></p>	A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.

**15**

**Total 30**

### Assessment Objectives Grid – Paper 3H

<b>Question</b>	<b>Knowledge Marks</b>	<b>Application Marks</b>	<b>Analysis Marks</b>	<b>Evaluation Marks</b>	<b>TOTAL</b>
1 (a)	2	1	1		<b>4</b>
1 (b)	2		2		<b>4</b>
2	3	3	2	2	<b>10</b>
3	4	3	4	3	<b>14</b>
4 (a)	2	2			<b>4</b>
4 (b)	2	1	3		<b>6</b>
4 (c)	1	2	2	3	<b>8</b>
5	3	3	3	3	<b>12</b>
6 (a)	2	2			<b>4</b>
6 (b)		2	2		<b>4</b>
7 (a)	3	4	2	6	<b>15</b>
7 (b)	2	2	4	7	<b>15</b>
<b>TOTAL</b>	<b>26</b>	<b>25</b>	<b>25</b>	<b>24</b>	<b>100</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

**PAPER 4**

**(HIGHER)**

**GENERAL INSTRUCTIONS FOR MARKING**

- 1 The paper is to be marked to GCSE standard, including Quality of Written Communication.
- 2 The mark **must** be indicated in the right hand margin of the candidate's answer to the extended questions.
- 3 In numerical responses, the 'own figure rule' **must** be applied. Candidates can only be penalised (that is not rewarded) once for an error.
- 4 Mark in red.
- 5 Sub-totals must be carried forward to the top of the next page and question totals must be circled and transferred to the front of the answer book.
- 6 All Edexcel procedures must be followed because any script may be used in the awarding process or may be the subject of an enquiry or may be returned to the candidate.
- 7 Marking **must** be positive. Negative marking is not allowed.



**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>Q.1</b>		
<b>(a) (i)</b>	<p><i>Explain how the market for theme parks differs from the market for cars.</i></p> <p>Candidates need to point out that cars are a very expensive product and that they are a good, whilst theme parks are relatively cheap and widely available. Cars are targeted at older adults and fleet buyers whilst theme parks are targeted at families and young adults.</p> <p><b>Level 3</b> Develops ideas and recognises clearly how the market for theme parks differs. <b>(4 marks)</b></p> <p><b>Level 2</b> Provides a detailed answer but explanation is more limited. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Explanation is simplistic and is at a limited level. <b>(1 mark)</b></p>	<b>4</b>
<b>(ii)</b>	<p><i>Discuss TWO factors that could cause a rise in the demand for theme parks.</i></p> <p>Income, fashions, advertising, other leisure activities, increase in the younger age in the distribution of the population. A change in price should not be accepted as a cause of a rise in demand. Short term reasons for a rise in demand should be accepted <i>if</i> accompanied by a developed explanation.</p> <p><b>Level 3</b> Provides a good analysis of the factors that could cause a rise in demand eg rise in income, marketing by theme parks with use of judgement throughout <b>(4 marks)</b></p> <p><b>Level 2</b> Provides a fair analysis but lacking judgement. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Limited explanation. <b>(1 mark)</b></p>	<b>4</b>
		<b>Total 8</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(b)</b>	<p><i>Show how the success of a large theme park could be expected to affect the leisure market in general.</i></p> <p>Increased awareness of the leisure market in general. Encourages expansion elsewhere eg Legoland in Windsor. Increased competition. Development of more rides etc. Shifts demand for related leisure products (complements).</p> <p><b>Level 3</b> One point well explained could gain maximum marks but expect to see at least two valid points with relevant evaluation. <b>(4–6 marks)</b></p> <p><b>Level 2</b> Mentions at least two points but analysis could have been more developed. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Simplistic response which shows lack of understanding of the inter-relatedness of markets. <b>(1–2 marks)</b></p>	<b>6</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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(c) *Explain TWO factors that a business would consider in locating a theme park.*

Reserve full marks for the quality of the analysis and evaluation. A simple response with little support will be unlikely to gain more than half marks. Factors could include market, labour, infrastructure, climate and space.

<p><b>Level 3</b></p> <p>A thorough assessment of the factors giving clear reasons which are rooted in appropriate technical terminology. <b>(8–10 marks)</b></p>	<p><b>QWC</b></p> <p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
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<p><b>Level 2</b></p> <p>A good assessment with reasons, using some appropriate terminology. <b>(4–7 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
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<p><b>Level 1</b></p> <p>A simple assessment which identifies factors rather than explains them. <b>(1–3 marks)</b></p>	<p><b>QWC</b></p> <p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>
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**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(d) (i)</b>	<p><i>Why would theme parks like those mentioned above provide additional facilities?</i></p> <p>Increase sales/market share. Encourage more people to visit and stay for longer. To increase choice and therefore attract more people. To compete with rivals. To improve its image for marketing/advertising purposes. Add value.</p> <p><b>Level 3</b> Provides a full explanation that forms a reasoned judgement with evidence of an opinion being supported. <b>(4 marks)</b></p> <p><b>Level 2</b> Provides a range of points but does not support fully. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Lists points but does not provide an explanation. <b>(1 mark)</b></p>	<b>4</b>
<b>(ii)</b>	<p><i>Describe the types of job that might be created following the expansion of a theme park as above.</i></p> <p>Any two acceptable job types suggested by the passage eg chef, waiter/waitress, receptionist, porter, cleaner etc.</p>	<b>4</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**(iii)** *With reference to ONE of the jobs named in (ii), what sort of skills would the employer be looking for in recruiting staff for that post?*

Candidate must give clear indication that they understand the skills required of the job they have chosen. Look for key skills such as flexibility, the ability to deal with people, good communication skills, good presentation skills, etc.

The above are particularly important in such service industries and candidates who recognise this should be rewarded.

**Level 3**

Will recognise skills relevant to the job they have chosen. Award maximum marks for identifying relevant skills in context.

**(4 marks)**

**Level 2**

Recognises skills relevant to the job but answer needs developing.

**(2–3 marks)**

**Level 1**

Will ignore the service industry aspect and merely list skills which may not be relevant, or will dwell only on characteristics or personal qualities (or qualifications).

**(1 mark)**

**4**

**Total 12**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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(e) *The location of a theme park clearly has a major impact on the local population. Using your knowledge of economics and business, assess the case for the setting up of a new theme park from the point of view of local people.*

<p><b>Level 3</b></p> <p>Candidates show clear understanding of their argument and use concepts and terms freely in the course of their answer, eg make reference to a ‘multiplier’ effect (that term is not expected!), recognition of investment in infrastructure and the park as a means of creating wealth and economic growth for the area.</p> <p align="right"><b>(10–14 marks)</b></p>	<p><b>QWC</b></p> <p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
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<p><b>Level 2</b></p> <p>Makes the case with reference to concepts involved, eg inward investment to the area, improves job prospects and brings in wealth. <b>(5–9 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
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<p><b>Level 1</b></p> <p>Offers a simple view, use of terminology is limited and candidate shows evidence of a lack of depth, eg creates jobs, good for the area!</p> <p align="right"><b>(1–4 marks)</b></p>	<p><b>QWC</b></p> <p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>
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**14**

<b>Total for Question 1</b>	<b>50</b>
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**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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<b>Q.2</b> <b>(a) (i)</b>	<i>Using TWO examples, explain what is meant by the term 'brand'.</i>	
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A name given to a product to make it appear different in some way from its rivals.

**Level 3**

Identifies the naming with two appropriate examples and recognises the purpose of the name. **(4 marks)**

**Level 2**

Candidate identifies the naming with an appropriate example. **(2–3 marks)**

**Level 1**

Candidates answer by giving examples but do not give a clear understanding of the term. **(1 mark)**

**4**

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(ii)</b>	<p><i>Assess why a supermarket like Sainsbury's might want to sell own label products as well as branded goods.</i></p> <p>Capture market share. Improve the image of the firm. As a means of competition. Increase profit.</p> <p><b>Level 3</b> Provides a full explanation with evidence of judgement, e.g. reasons may depend on firm's objectives. <b>(4 marks)</b></p> <p><b>Level 2</b> Provides reasons with some supported explanation. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Provides reasons with no supporting explanation. <b>(1 mark)</b></p>	<p><b>4</b></p> <p><b>Total 8</b></p>
<b>(b)</b>	<p><i>Examine TWO policies that a firm could adopt to try to be more environmentally friendly.</i></p> <p>–They can add environmentally friendly products to their ranges such as cleaning materials which cause less damage, pump action sprays on hair products rather than aerosols. –They can agree not to test cosmetic products on animals. –They could recycle paper products.</p> <p>Companies realise that environmental concerns and green issues are important to their customers. Businesses are able to use these concerns to develop new products. Those concerned customers provide a market for business and green issues have become an important element in the marketing mix.</p>	



**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

**Question** **Scheme** **Marks**

<b>Level 3</b>	<b>QWC</b>
Examines thoroughly, using reasoned judgement, policies that firms can adopt. Policies are distinct, such as recycling, not testing on animals etc.  <b>(8–10 marks)</b>	Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.

<b>Level 2</b>	<b>QWC</b>
Examines policies firms can adopt, giving a detailed explanation. Reasons might lack technical understanding of the subject. <b>(4–7 marks)</b>	Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.

<b>Level 1</b>	<b>QWC</b>
Provides simple examination with limited development.  <b>(1–3 marks)</b>	A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(c)</b>	<p><i>Assess a strategy that Sainsbury's might use to compete with their main rivals.</i></p> <p>Candidates could use the evidence and discuss stocking environmentally friendly topics. It is likely that answers will refer to issues of pricing, promotion, quality and trying to obtain customer loyalty, use of e-commerce.</p> <p><b>Level 3</b> Assesses the strategy thoroughly, identifying an area of competition such as price and promotion. <b>(5–6 marks)</b></p> <p><b>Level 2</b> Identifies an area of competition but explanation and analysis is more limited. <b>(3–4 marks)</b></p> <p><b>Level 1</b> Points made with limited explanation. <b>(1–2 marks)</b></p>	<b>6</b>
<b>(d) (i)</b>	<p><i>What items might come under the heading of 'waste' in the production of goods?</i></p> <p>Packaging, by-products, resources used in production, obsolete machinery. Any answer reflecting the use of scarce resources and an awareness of such use should be rewarded.</p> <p><b>Level 1</b> Answers will not have the awareness of the scarce resources implication and will tend to list such as packaging, containers etc. <b>1 mark</b> per item is acceptable. <b>(1 mark)</b></p>	<b>4</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER**  
**Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(ii)</b>	<p><i>What benefits might businesses gain by the efficient management of their waste products?</i></p> <p>Answers should show an awareness that effective waste management can reduce costs and increase possible profits, as well as improving the image that the company can project. Some may refer to an environmental audit.</p> <p><b>Level 3</b> Shows awareness of the cost implications of resource management and of the image angle. Give maximum reward for those who show awareness of the economic and business understanding behind the idea. <b>(4 marks)</b></p> <p><b>Level 2</b> Beginning to show awareness of cost implications but response lacks development. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Mentions increase in profit only without specifying the means by which profit could rise. <b>(1 mark)</b></p>	<p><b>4</b></p> <p><b>Total 8</b></p>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(e)</b>	<p><i>When firms produce goods they are said to have a responsibility to stakeholders. Consider what these responsibilities might be for a company like J Sainsbury.</i></p> <p>Profit for shareholders. Caring for their workforce. Good quality products for consumers. Demonstration of an awareness of its role in society towards both customers and workers. Responsibility to their suppliers. Responsibility of management.</p> <p><b>Level 3</b> Gives a clear consideration of the responsibilities in at least two cases. <b>(4 marks)</b></p> <p><b>Level 2</b> Identifies at least two stakeholders and makes some attempt to consider J Sainsbury's responsibility to them. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Mentions one or more stakeholders without any supporting explanation of the responsibility. <b>(1 mark)</b></p>	<b>4</b>

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Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**(f)** *Assess the strength of the case for regulation by the government, or the European Union, of the claims made by producers about the environmental friendliness of their products.*

<b>Level 3</b>	<b>QWC</b>
Candidate assesses the case thoroughly and gives accurate and wide-ranging evidence to support their argument eg For: reduces the negative externalities. <b>(11–14 marks)</b>	Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.

<b>Level 2</b>	<b>QWC</b>
Shows an awareness of the issues involved and gives supporting evidence to bolster the argument. Candidates will attempt to use economic and business theory/terminology but may show some signs of confusion, eg For: prevention of exploitation of the consumer; to give the consumer more information; reduce the possibility of false or misleading claims. <b>(5–10 marks)</b>	Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.

<b>Level 1</b>	<b>QWC</b>
Assess the case on a simple level using the information given eg protect the consumer, prevent pollution. <b>(1–4 marks)</b>	A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.

**14**

<b>Total for question 2</b>	<b>50</b>
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**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>Q.3</b>		
<b>(a) (i)</b>	<p><i>If Dr Pepper/7-up and Cadbury Schweppes should merge, what would be the size of their combined market share?</i></p> <p>11.4 + 5.5 = 16.9%</p> <p><b>4 marks</b> for correct answer</p>	<b>4</b>
<b>(ii)</b>	<p><i>Discuss the consequences of a falling market share to PepsiCo.</i></p> <p>Might lead to redundancies, closing of factories. Candidates might refer to the need for Pepsico to do something about the situation such as promotions and advertising. The emphasis however, is that as a consequence of falling market share, action has to be taken rather than just stating advertise. Same might refer to changing product range.</p> <p><b>Level 3</b> Clear analysis of consequences, mentions potential fall in revenue. Candidates mention that it depends if total market is still rising. <b>(4 marks)</b></p> <p><b>Level 2</b> Identifies at least two consequences with a clear explanation. <b>(2–3 marks)</b></p> <p><b>Level 1</b> A limited understanding shown. <b>(1 mark)</b></p>	<b>4</b>
		<b>Total 8</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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**(b)**      *Discuss the advantages to Cadbury Schweppes of increasing its market share.*

Recognition that an increase in market share will enable it to increase sales, compete with its rivals, and possibly improve its profits and image can all be possible responses which should have some explanation in support to gain maximum reward.

**Level 3**

Clear discussion of the advantages with good level of analytical and evaluative skills. **(5–6 marks)**

**Level 2**

Two points with limited analysis. **(3–4 marks)**

**Level 1**

Lists the points. **(1–2 marks)**

**6**

**(c)**      *Explain the advantages of the merger between the two companies for Cadbury Schweppes.*

Cost savings.  
Acquires the image of the merged brands.  
Strengthens its ability to compete.  
Increases its market share.

**Level 3**

**QWC**

Provides a well rounded discussion of the advantages of the merger making it relevant to Cadbury Schweppes. <span style="float: right;"><b>(8–10 marks)</b></span>	Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.
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**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

**Question** **Scheme** **Marks**

<b>Level 2</b>	<b>QWC</b>
There is some effort at supporting the statements made and an effort made to make it relevant to the question. <b>(4–7 marks)</b>	Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.

<b>Level 1</b>	<b>QWC</b>
Simple statements are made which might not be relevant to the merger of Cadbury Schweppes. <b>(1–3 marks)</b>	A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.

**10**

**(d) (i)** *State what is meant by the term ‘break even’ and at what output level this occurs for the above firm.*

Where  $TC = TR$   
Output 350 units.

**Level 2**  
Gives a clear definition which is rooted in the technical terminology of the subject. Accurately identifies output level.  
**(3–4 marks)**

**Level 1**  
Candidates have an understanding of break even. Identifies output level with a margin of 20 units.  
**(1–2 marks)**

**4**



**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(ii)</b>	<p><i>If Cadbury had been able to sell its products in Poland at a higher price, explain what effect this would have had on the break even output.</i></p> <p>Higher price would increase the slope of the TR curve and reduce the amount needed to be sold to break even. Reward any candidate who appreciates the basic principle even if they do not explain it in such technical terms. Some may point out that increasing the price would reduce sales, but this is not really the point of the question and should not be rewarded.</p> <p><b>Level 2</b> Clearly assesses the impact of the higher prices concluding that it reduces the amount to break even. <b>(3–4 marks)</b></p> <p><b>Level 1</b> Appreciates the basic principal but does not explain in technical terms. <b>(1–2 marks)</b></p>	<b>4</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
<b>(iii)</b>	<p><i>What factors might the Cadbury marketing team have considered when deciding to set the price of its products in Poland?</i></p> <p>What the break even point might be. What the level of expected sales might be. The amount of competition. As a result of the market research that they have carried out. The amount of mark-up they think is appropriate. The cost of production.</p> <p>Four good points mentioned can gain full marks.</p> <p><b>Level 3</b> Shows a clear understanding of at least two points and gives good support to these points. <b>(4 marks)</b></p> <p><b>Level 2</b> Offers one or more of the above points with some supporting explanation. <b>(2–3 marks)</b></p> <p><b>Level 1</b> Offers some suggestion but understanding is weak and there is little or no explanation. <b>(1 mark)</b></p>	<b>4</b> <b>Total 12</b>

**GCSE BUSINESS STUDIES AND ECONOMICS (NUFFIELD-BP) SPECIMEN PAPER  
Paper 4H Mark Scheme**

<b>Question</b>	<b>Scheme</b>	<b>Marks</b>
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(e) *The merger will reduce competition in the soft drinks market. Governments are often concerned to ensure that mergers are in the public interest. Using your knowledge of business and economics, assess the strength of the case against such a merger.*

<p><b>Level 3</b></p> <p>Assesses the case thoroughly and shows awareness of several different aspects of the case they are arguing, eg increase in advertising is a waste of resources, benefits of economies of scale may not be passed on to the consumer in the form of lower prices. In a further attempt to increase competitiveness, jobs are lost as the two businesses are rationalised. <b>(11–14 marks)</b></p>	<p><b>QWC</b></p> <p>Very good to excellent written communication. Candidates will present relevant information legibly and in a form that is completely suitable for purpose. It will feature almost faultless spelling, punctuation and grammar and an excellent style and structure of writing.</p>
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<p><b>Level 2</b></p> <p>Assesses the case giving a detailed view against the proposal in relation to the public interest eg reduction in competition could lead to inefficiency; less choice for consumers in the long run. <b>(5–10 marks)</b></p>	<p><b>QWC</b></p> <p>Fair to good quality of written communication. Candidates will present information in a form reasonably suitable for purpose. It will include occasional errors in spelling, punctuation and grammar and a fair style and structure of writing.</p>
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<p><b>Level 1</b></p> <p>Assesses the case at a simple level using the evidence available to support the argument, eg reduces competition, risk of higher prices. <b>(1–4 marks)</b></p>	<p><b>QWC</b></p> <p>A poor quality of written communication. Candidates present information indifferently, with a number of errors in spelling, punctuation and grammar. The style and structure of writing will not be entirely appropriate.</p>
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**14**

<b>Total for Question 3</b>	<b>50</b>
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### Assessment Objectives Grid – Paper 4H

Question	Knowledge Marks	Application Marks	Analysis Marks	Evaluation Marks	TOTAL
1 (a) (i)	2	2			4
1 (a) (ii)			2	2	4
1 (b)	2	1	1	2	6
1 (c)	2	2	4	2	10
1 (d) (i)	1	1	1	1	4
1 (d) (ii)	2	2			4
1 (d) (iii)	1	1	1	1	4
1 (e)	3	3	4	4	14
<b>TOTAL</b>	<b>13</b>	<b>12</b>	<b>13</b>	<b>12</b>	<b>50</b>
2 (a) (i)	2	2			4
2 (a) (ii)			2	2	4
2 (b)	2	2	4	2	10
2 (c)	2	1	1	2	6
2 (d) (i)	2	2			4
2 (d) (ii)	1	1	1	1	4
2 (e)	1	1	1	1	4
2 (f)	3	3	4	4	14
<b>TOTAL</b>	<b>13</b>	<b>12</b>	<b>13</b>	<b>12</b>	<b>50</b>
3 (a) (i)	2	2			4
3 (a) (ii)			2	2	4
3 (b)	2	1	1	2	6
3 (c)	2	2	4	2	10
3 (d) (i)	2	2			4
3 (d) (ii)	1	1	1	1	4
3 (d) (iii)	1	1	1	1	4
3 (e)	3	3	4	4	14
<b>TOTAL</b>	<b>13</b>	<b>12</b>	<b>13</b>	<b>12</b>	<b>50</b>



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