

# GCSE 2004

## *June Series*



## Mark Scheme

### Business Studies Specification B *(Subject Code 3133/3H)*

---

Mark schemes are prepared by the Principal Examiner and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation meeting attended by all examiners and is the scheme which was used by them in this examination. The standardisation meeting ensures that the mark scheme covers the candidates' responses to questions and that every examiner understands and applies it in the same correct way. As preparation for the standardisation meeting each examiner analyses a number of candidates' scripts: alternative answers not already covered by the mark scheme are discussed at the meeting and legislated for. If, after this meeting, examiners encounter unusual answers which have not been discussed at the meeting they are required to refer these to the Principal Examiner.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of candidates' reactions to a particular paper. Assumptions about future mark schemes on the basis of one year's document should be avoided; whilst the guiding principles of assessment remain constant, details will change, depending on the content of a particular examination paper.

Further copies of this Mark Scheme are available from:

Publications Department, Aldon House, 39, Heald Grove, Rusholme, Manchester, M14 4NA  
Tel: 0161 953 1170

or

download from the AQA website: [www.aqa.org.uk](http://www.aqa.org.uk)

Copyright © 2004 AQA and its licensors

#### COPYRIGHT

AQA retains the copyright on all its publications. However, registered centres for AQA are permitted to copy material from this booklet for their own internal use, with the following important exception: AQA cannot give permission to centres to photocopy any material that is acknowledged to a third party even for internal use within the centre.

Set and published by the Assessment and Qualifications Alliance.

The Assessment and Qualifications Alliance (AQA) is a company limited by guarantee registered in England and Wales 3644723 and a registered charity number 1073334. Registered address AQA, Devas Street, Manchester. M15 6EX. *Dr Michael Cresswell Director General*

## Paper 3 Higher Tier

### Broad Principles:

- Most questions have a levels mark scheme, some have up to four levels, some up to three and some up to two.
- In all levels mark schemes, examiners must start at the top level and use the level descriptor to see if the candidate response matches that descriptor. If the response does not match the descriptor, examiners should move down to the next level until the appropriate descriptor is matched by the candidate response.
- Once the correct level has been identified, examiners will also have to decide which mark to award within that level. This will be done by using the level descriptor, any further guidance and where applicable the exemplar responses. At its simplest, this will require the examiner to decide if the candidate is operating at the top, middle or bottom of a level that has three marks available to be awarded.
- Examiners should take great care, when using the range of marks for each level, to award the right number of marks for each response.
- For most questions a list of possible points is included in the mark scheme. This is not intended to be a comprehensive list. Nor is the wording deemed to be the only acceptable form for which marks may be awarded. Examiners will need to use their judgement as to whether a point made by the candidate is relevant to the question. Team leaders may be used for advice where examiners are unable to make such a decision.

**1****Total for this question: 56 marks**

|  |
|--|
| (a) What is meant by the term <i>shift working</i> ? |
|--|

|           |
|-----------|
| (2 marks) |
|-----------|

Possible points include:

- Regular work taking place during non-standard hours i.e. not 9 a.m. – 5 p.m.
- Different workers take over from each other
- Production is kept running over a long time with a change of staff
- A system where production can be continuous
- Changes in staff during the day

**Level 1 Statement of Knowledge**

**(2 - 1 marks)**

A typical example might read as follows:

“A system where different workers operate the same machines (1) so that they can keep running. (1)  
There may be 3 x 8 hour shifts in one day (1)”

Note: 2 marks maximum

(b) Explain how the high turnover of staff increases the costs of running the factory. (9 marks)

Possible points include

- Costs of advertising for staff
- Time spent drawing up the advertisement which costs money
- Time spent interviewing possible candidates which requires staff time and therefore money
- Cost of training staff
- Mistakes made by new workers which could mean wasted milk that has been paid for.

### Level 3 Selection/Organisation/Analysis/Interpretation

**Information has been selected from the case study. Data is correctly interpreted and analysed so that the candidate effectively applies business terms/concepts to show at least 2 ways costs might increase. (9 - 7 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Lower Valley Ltd's situation. (9 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Lower Valley Ltd's situation. (7 marks)

### Level 2 Application of Knowledge and Understanding

**Business studies knowledge is used and applied to the case study. 1 Relevant way costs might increase is linked to Lower Valley Ltd's situation. (6 - 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of to Lower Valley Ltd's situation. (6 marks)

Some use and application of relevant business knowledge and understanding within the context of Lower Valley Ltd's situation. (4 marks)

### Level 1 Statement of Knowledge

**Straight copying of case study material and limited understanding shown. Simple effects on costs are given but not in the context of Lower Valley Ltd's situation. (3 - 1 marks)**

Three separate undeveloped points are given without any link to Lower Valley Ltd's situation. (3 marks)

One point given with no link to Lower Valley Ltd's situation. (1 mark)

**Note: Mention of Lower Valley Ltd's name is not sufficient to put an answer into context**

(c) Nicole Smith believes that the high turnover of staff is caused by:

- The management style of the supervisors
- The lack of opportunities for promotion
- The boring nature of the work

Describe how **each** of these might lead to a high turnover of staff and explain which you think would be the main reason. (12 marks)

Possible points include:

The management style of the supervisors

- Autocratic management style means that the workers are demotivated
- They are not consulted at all.
- They are not allowed to think for themselves
- They do not feel valued

The lack of opportunities for promotion

- This does not allow for the workers to feel that they have any status
- They feel that that it is a dead end job
- They try and find other jobs where they can get on
- If they want to earn more money they have to leave
- If they want more responsibility they have to leave

The boring nature of the work

- Production work can be all the same
- Just standing by a machine gets boring
- There is no variety in the job so the workers become only interested in the money and will leave if they can earn more elsewhere
- Because the work is boring they get no status from it
- There are no opportunities for self actualisation

**NB** *Any conclusions do not have to be at the end of the candidate's answer. Be prepared to reward reasoned judgements made within the body of the response.*

#### **Level 4 Evaluation**

**The candidate makes conclusions or reasoned judgements from logical evaluation of the evidence in the case study and using business studies knowledge and terminology correctly. Candidates should be making justified judgements as to which factor would be the most likely reason for the high turnover of staff. All three possible reasons need to have been discussed clearly in the context of production. (12 - 9 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the likely reasons for high turnover of staff. (12 marks)

Simple reasoned judgements are made based on some consideration of the evidence and relevant business knowledge to the factory situation. (9 marks)

**Level 3 Selection/Organisation/Analysis/Interpretation**

**Information has been selected from the case study. Data is correctly interpreted and analysed so that the candidate effectively applies business terms/concepts to show the importance of the factors. All 3 reasons must be discussed correctly. (8 - 6 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Lower Valley Ltd's situation. (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Lower Valley Ltd's situation. (6 marks)

**Level 2 Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant effects of at least two reasons are linked to Lower Valley Ltd's situation (5 - 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of to Lower Valley Ltd's situation. (5 marks)

Some use and application of relevant business knowledge and understanding within the context of Lower Valley Ltd's situation. (4 marks)

**Level 1 Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Simple effects of one or more reasons are given but not in the context of Lower Valley Ltd's situation. (3 - 1 marks)**

Three separate undeveloped points are given without any link to Lower Valley Ltd's situation. (3 marks)

One point given with no link to Lower Valley Ltd's situation. (1 mark)

**Note: Mention of Lower Valley Ltd's name is not sufficient to put an answer into context**

- (d) Explain how Lower Valley Ltd could use pay to increase the motivation of the production workers. (9 marks)

Possible points include:

- They could be paid by piece rate which would encourage them to produce more.
- They could be offered overtime if they had worked there a certain length of time. Double or time and a half for every hour they worked over the standard working week. This would encourage them to work to earn even more money.
- Bonus payments could be made after they had worked a number of weeks or months or if someone works well and there is no problem with the quality of the yogurt.
- An annual pay increase so that the workers status and loyalty were recognised.

### **Level 3            Selection/Organisation/Analysis/Interpretation**

**Information has been selected from the case study. The candidate effectively applies business terms/concepts to improve motivation at Lower Valley Ltd. Data is correctly interpreted and analysed.** (9 - 7 marks)

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Lower Valley Ltd's situation (9 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Lower Valley Ltd's situation. (7 marks)

### **Level 2            Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant suggestions are made as to how Lower Valley Ltd could use pay to increase motivation.** (6 - 4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of Lower Valley Ltd's situation. (6 marks)

Some use and application of relevant business knowledge and understanding within the context of Lower Valley Ltd's situation. (4 marks)

### **Level 1            Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Listed points may be given and are not in the context of Lower Valley Ltd's business.** (3 - 1 marks)

Three separate undeveloped reasons are given without any link to Lower Valley Ltd's situation. (3 marks)

One reason given with no link to Lower Valley Ltd's situation. (1 mark)

**Note: Mention of Lower Valley Ltd's name is not sufficient to put an answer into context**



- (e) Some of the supervisors are concerned about the introduction of the third shift in the factory. Explain the most important steps that William Shore should take to introduce this change. (12 marks)

Possible points include:

- Consult with the workers
- Explain the need for the change
- Explain how the change would affect the workers
- Ensure that they understood how the pay method would work
- Consult with any unions
- Not rush the change
- Explain how the change would benefit the workers
- Advertising for workers

**NB** *Any conclusions do not have to be at the end of the candidate's answer. Be prepared to reward reasoned judgements made within the body of the response.*

#### **Level 4 Evaluation**

**The candidate makes conclusions or reasoned judgements from logical evaluation of the evidence in the case study and using business studies knowledge and terminology correctly. Candidates should be making justified judgements as to the most important 2 steps William should take. (12 - 9 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the important steps he should take. (12 marks)

Simple reasoned judgements are made based on some consideration of the evidence and relevant business knowledge to the factory situation. (9 marks)

#### **Level 3 Selection/Organisation/Analysis/Interpretation**

**Information has been selected from the case study. The candidate effectively applies business terms/concepts to address the situation. The answer is in the context of the case study. At least 2 steps explained. (8 - 7 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Lower Valley Ltd. (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Lower Valley Ltd. (7 marks)

**Level 2            Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. I step involved in the management of change is discussed correctly. The answer is in the context of the case study.**  
**(6 - 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of Lower Valley Ltd. *(6 marks)*

Some use and application of relevant business knowledge and understanding within the context of Lower Valley Ltd. *(4 marks)*

**Level 1            Statement of Knowledge**

**Limited understanding shown. Listed points may be given and are not in context of the case study.**  
**(3 - 1 marks)**

Three separate undeveloped points are given or two points are described but without any link to Lower Valley Ltd situation. *(3 marks)*

One point given with no link to Lower Valley Ltd situation. *(1 mark)*

***Note: Mention of Lower Valley Ltd's name is not sufficient to put an answer into context***

- (f) Lower Valley Ltd will need to advertise the vacancies for the night shift. Explain, giving reasons, the most effective ways in which to advertise the vacancies. (12 marks)

Possible points include:

- Local newspaper
- Local radio
- Outside the factory
- In the job centre

**NB** Any conclusions do not have to be at the end of the candidate's answer. Be prepared to reward reasoned judgements made within the body of the response.

#### **Level 4 Evaluation**

**The candidate makes conclusions or reasoned judgements from logical evaluation of the evidence in the case study and using business studies knowledge and terminology correctly. Candidates should be making justified judgements as to 2 of the most effective ways to advertise the vacancies. (12 - 9 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the most effective ways to advertise the vacancies. (12 marks)

#### **Level 3 Selection/Organisation/Analysis/Interpretation**

**Information has been selected from the case study. The candidate effectively applies business terms/concepts to discuss 2 ways to advertise the vacancies. The answer is in the context of the case study. (8 - 7 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Lower Valley Ltd. (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Lower Valley Ltd. (7 marks)

#### **Level 2 Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. 1 Way to advertise the posts is discussed correctly. The answer is in the context of the case study. (6 - 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of Lower Valley Ltd. (6 marks)

Some use and application of relevant business knowledge and understanding within the context of Lower Valley Ltd. (4 marks)



**2****Total for this question: 44 marks**

|  |
|--|
| (a) What is meant by the term <i>marketing mix</i> |
|--|

|           |
|-----------|
| (4 marks) |
|-----------|

Possible points include:

The 4 p's

Product, price, place and promotion

**Level 1 Statement of Knowledge**

**(4 - 1 marks)**

A typical example might read as follows:

“The marketing mix is the combination of choosing the appropriate product to sell (1) using a pricing method (1) such as cost plus (1) and using a method of advertising the product.” (1)

**NB** *No more than 2 marks for each element of the marketing mix i.e. the candidate needs to explain at least 2 elements of the mix to obtain the 4 marks.*

- (b) Look at the map showing the centre of Altown. When Felix and Jane were choosing a location for their fish and chip shop, they were able to choose between site **A, B** or **C**.

Discuss the advantages and disadvantages of **each** of these sites and explain why you think they chose Site **A**. *(12 marks)*

Possible points include:

- Location near competitors important so that customers can make a choice
- Near car park so customers can stop and purchase fish and chips to eat at home
- High street so that passers by are tempted by the site and smell
- Close to school
- Close to housing

#### **Level 4 Evaluation**

**The candidate makes a conclusion or reasoned judgement from logical evaluation of the evidence in the case study and using business studies knowledge and terminology correctly. Both an advantage and a disadvantage of each site is given. The answer is in the context of the case study. Judgements made are justified.** **(12 - 9 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the pros and cons of each site. *(12 marks)*

Simple reasoned judgements are made based on some consideration of the evidence and relevant business knowledge to the location of the fish and chip shop. *(9 marks)*

#### **Level 3 Selection/Organisation/Analysis/Interpretation**

**Information has been selected from the case study. The candidate effectively applies business terms/concepts to address the problem situation. All 3 sites discussed correctly. An advantage and a disadvantage is given for each site. The answer is in the context of the case study.** **(8 - 6 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to the chip shop. *(8 marks)*

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to the chip shop. *(6 marks)*

#### **Level 2 Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. An advantage and/or a disadvantage is given for all 3 sites. The answer is in the context of the case study.** **(5 - 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of the chip shop. *(5 marks)*

Some use and application of relevant business knowledge and understanding within the context of the chip shop. *(4 marks)*



(c) Felix and Jane are considering ways to attract more customers. Give detailed advice to Felix and Jane on how they could use the marketing mix to increase their market share. *(12 marks)*

Possible points include:

- Use development of products sold at the fish and chip shop
- Use a suitable pricing method
- Use a suitable method of promotion

#### **Level 4 Evaluation**

**The candidate makes conclusions or reasoned judgements from logical evaluation of three aspects of the marketing mix using business studies knowledge and terminology correctly. Candidates should be making judgements as to how each course of action is likely to increase their market share.** *(12 - 9 marks)*

Logical judgements are made and justified based on clear integration of aspects of the marketing mix *(12 marks)*

Simple reasoned judgements are made based on some consideration of the evidence and relevant business knowledge to the fish and chip shop. *(9 marks)*

#### **Level 3 Selection/Organisation/Analysis/Interpretation**

**The candidate effectively applies business terms/concepts to correctly discuss 3 aspects of the marketing mix. The means by which market share is increased is implied but not stated.** *(8 - 6 marks)*

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to the fish and chip shop. *(8 marks)*

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to the fish and chip shop. *(6 marks)*

#### **Level 2 Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. At least 2 aspects of the marketing mix are applied to the fish and chip shop.** *(5 - 4 marks)*

Effective and accurate application of sound relevant business knowledge and understanding within the context of the fish and chip shop. *(5 marks)*

Some use and application of relevant business knowledge and understanding within the context of the fish and chip shop. *(4 marks)*

#### **Level 1 Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. There is no application to the fish and chip shop** *(3 - 1 marks)*

Three separate undeveloped points are given without any link to the fish and chip shop. *(3 marks)*

One point given with no link to the fish and chip shop. *(1 mark)*



- (d) If Felix and Jane were to buy a mobile fish and chip van, they would need to raise £12 000. Discuss **two** methods of finance which they could use for their purchase. (8 marks)

Possible methods include:

- Long term loan
- Hire purchase
- Leasing
- Take on another partner
- Become a limited company
- Use retained profits
- Use their own savings

The discussions may include points such as :

- Interest rates
- Ownership of the van
- Cash flow
- Losing control of the business
- Availability of money

### **Level 3          Selection/Organisation/Analysis/Interpretation**

**Information has been selected from the case study. The candidate effectively applies business terms/concepts to address the situation of the fish and chip shop. 2 suitable methods of finance are correctly discussed. (8 - 7 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to the fish and chip shop's situation. (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to the fish and chip shop 's situation. (7 marks)

### **Level 2          Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. The candidate effectively applies business terms/concepts to address the situation of the fish and chip shop. 1 suitable method of finance is correctly discussed. (6 - 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of the fish and chip shop's situation. (6 marks)

Some use and application of relevant business knowledge and understanding within the context of the fish and chip shop's situation. (4 marks)



- (e) Felix and Jane also decided to target school children by sponsoring Altown School's football team. Mrs Clarke, a parent, has written to the head teacher complaining about the sponsorship. Explain why you think Mrs Clarke might be concerned. *(8 marks)*

Possible points include:

- Advertising aimed at children
- Encourages unhealthy eating
- The school is seen to be advertising one business

### **Level 3            Selection/Organisation/Analysis/Interpretation**

**Information has been selected from the case study. The candidate effectively applies business terms/concepts to address the situation of the fish and chip shop. Specific reference made to moral or ethical constraints on marketing** **(8 - 7 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to the fish and chip shop's situation. *(8 marks)*

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to the fish and chip shop's situation *(7 marks)*

### **Level 2            Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. The candidate effectively applies business terms/concepts to address the situation of the fish and chip shop. An implied understanding of moral or ethical constraints on marketing** **(6 - 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of the fish and chip shop's situation. *(6 marks)*

Some use and application of relevant business knowledge and understanding within the context of the fish and chip shop's situation. *(4 marks)*

### **Level 1            Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Listed points may be given and are not in the context of the fish and chip shop's business.** **(3 - 1 marks)**

Three separate undeveloped reasons are given without any link to the fish and chip shop's situation *(3 marks)*

One separate undeveloped reason is given without any link to the fish and chip shop's situation. *(1 mark)*

**Marking Criteria for Quality of Written Communication**

|                                    |  |                    |
|------------------------------------|--|--------------------|
| <b>High performance</b>            | Candidates spell, punctuate and use the rules of grammar with almost faultless accuracy, deploying a range of grammatical constructions. They use a wide range of specialist terms adeptly and with precision. | <b>5 - 4 marks</b> |
| <b>Intermediate performance</b>    | Candidates spell, punctuate and use the rules of grammar with considerable accuracy. They use a good range of specialist terms with facility.  | <b>3 - 2 marks</b> |
| <b>Threshold performance</b>       | Candidates spell, punctuate and use the rules of grammar with reasonable accuracy. They use a limited range of specialist terms appropriately.   | <b>1 mark</b>      |
| <b>Below threshold performance</b> | Candidates do not meet the threshold performance criteria  | <b>0 marks</b>     |