AQA

ASSESSMENT and
QUALIFICATIONS
ALLIANCE

General Certificate of Secondary Education

Business Studies 3133
Specification B

3133/9/1H

Mark Scheme

2006 examination – June series

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.

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 marks for this question: 6 marks**

Describe **three** possible reasons why Rhiann decided to open her own cheese shop.
(6 marks)

Possible points include:

- knowledge of the dairy products industry;
- management experience;
- little competition;
- personal savings to invest;
- own boss – enjoyment of working for herself;
- earn a living;
- personal connections with the cheese trade;
- confident that the bank would lend her the money;
- possible potential partner with capital.

Level 2   Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. Relevant points are made <u>describing</u> the possible reasons for someone like Rhiann starting her business. The points may be either suggested by the data or from the candidates ideas.   (6-4 marks)

Effective and accurate application of sound relevant business knowledge and understanding to give a description of **three** possible reasons.   (6 marks)

Some use and application of relevant business knowledge and understanding to describe **one** of the possible reasons.   (4 marks)

Level 1   Statement of Knowledge

Straight copying of case study material and limited understanding shown. Listed reasons are given, either as suggested by the data or from the candidates ideas, but with <u>no</u> additional description or explanation.   (3 – 1 marks)

Three separate undeveloped possible reasons are stated = (3 marks)

NB   Possible reasons not included in the data may be rewarded. Award at level 2 if the reasons are described. Otherwise award at level 1.

2   **Total marks for this question: 9 marks**

> Before deciding to open her cheese shop, Rhiann completed a business plan. Explain the
> **advantages** to Rhiann of doing this.   *(9 marks)*

Possible advantages are likely to centre around the core reasons for preparing a plan and include:

- to make sure nothing is forgotten;
- to make sure she has planned the business;
- to set targets;
- to obtain finance from a bank;
- to show other potential investors.

Level 3   Selection/Organisation/Analysis/Interpretation

Information has been selected from the case study. Data is correctly interpreted and analysed. The candidate effectively applies business terms/concepts to address the situation of Rhiann and the advantages to her from completing the business plan.
                                                                                      (9-7 marks)

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Rhiann's business. The response clearly identifies and describes in detail <u>at least two</u> possible advantages to Rhiann of completing a business plan.
                                                                                      (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 Rhiann's business. The response identifies and describes in detail <u>at least one</u> possible advantage to Rhiann of completing a business plan.   (7 marks)

Level 2   Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. Relevant points are made describing the possible purposes of a business plan to someone like Rhiann. Responses at this level have <u>not</u> expressed their responses in terms of the advantages to someone like Rhiann.   **(6-4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding to give a description of at least two purposes of a business plan for someone in Rhiann's situation.
                                                                                      (6 marks)

Some use and application of relevant business knowledge and understanding to simply describe at least one purpose of a business plan for someone in Rhiann's situation.   (4 marks)

Level 1   Statement of Knowledge

Straight copying of case study material and limited understanding shown. Listed purposes are given but with no additional description or explanation.   **(3-1 marks)**

Three separate undeveloped possible purposes are stated – (3 marks)

3   **Total marks for this question: 12 marks**

> Rhiann decided to set up as a sole trader but she could have set up in partnership with Angus. Compare the **advantages** and **disadvantages** of each form of business and explain whether you think Rhiann made the right decision.   *(12 marks)*

Possible risks of being a Sole Trader include:	Possible advantages of being a Sole Trader include:
• Unlimited liability • Lack of capital • Limited market • Too much pressure doing all the jobs • Too much workload • Difficulty to take time off	• Quick decision making • All the profits go to Rhiann • Small market will suit a small business • Low overheads at least to start with • Easy to set up • No one to fall out with • Job satisfaction/motivation
Possible problems of forming a partnership:	Possible advantages of forming a partnership:
• Disagreements with partner • Unlimited liability • Responsible for each other's actions	• Additional finance • Sharing workload • New ideas

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.

NB   The context for this question is whether someone like Rhiann should have set up as a Sole Trader or in a partnership.

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. Judgements about the decision made must be based on and justified by a thorough comparison and weighing up of the risks and advantages to someone like Rhiann from operating as a sole proprietor with those of forming a partnership.   (12-9 marks)

Logical judgements are made and justified based on clear evidence of weighing up the advantages and disadvantages of the two business forms for someone like Rhiann.

At least one advantage and one disadvantage of both business forms plus one additional advantage and one additional disadvantage of either business form for someone like Rhiann are used.   (12 marks)

Simple reasoned judgement is made based on some consideration and evaluation of the advantages and disadvantages of the two business forms for someone like Rhiann.

At least one advantage and one disadvantage of both business forms for someone in Rhiann's situation are used.   (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 address the situation of someone like Rhiann. Candidates are comparing the advantages and/or disadvantages of both business forms but either no justified judgement is made on Rhiann's decision or the judgement is based on insufficient discussion and evaluation.

(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 situation faced by someone like Rhiann – that compares the advantages and/or disadvantages of the business forms. No judgement made.

At least one advantage and one disadvantage of each business form plus one additional advantage and one additional disadvantage of either business form are required.   (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 situation facing someone like Rhiann's – that compares the advantages and/or disadvantages of the two business forms. No judgement made.

At least one advantage and one disadvantage of each form of business are required.   (7 marks)

Level 2   Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. Relevant points are made describing the possible reasons for someone like Rhiann either being a sole trader or forming a partnership. No comparison is made at this level.   (6-4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of someone like Rhiann. Describing at least one advantage and one disadvantage of both business forms. But no comparison.   (6 marks)

Some use and application of relevant business knowledge and understanding within the context of someone like Rhiann, to describe one advantage and one disadvantage of one of the forms of business. But no comparison.   (4 marks)

Level 1   Statement of Knowledge

Straight copying of case study material and limited understanding shown. Listed reasons are given, either as suggested by the data or from the candidates' ideas, but with no additional description or explanation.   (3-1 marks)

Three separate undeveloped points are given with no links to someone like Rhiann.   (3 marks)

One point given with no link to someone like Rhiann.   (1 mark)

4   **Total marks for this question: 9 marks**

> Explain why both primary and secondary data will be useful for Rhiann in setting up her business.   *(9 marks)*

Possible points include:

- neither will give her the full picture;
- secondary data may be too general;
- secondary data may be out of date;
- primary data may not be reliable;
- she will need general market information from secondary data;
- she will need socio-economic data on the local area – secondary data;
- secondary data is likely to be reliable;
- primary data will give Rhiann specific information about her possible customers.

Level 3   Selection/Organisation/Analysis/Interpretation

Information has been selected from the case study. Data is correctly interpreted and analysed. The candidate effectively applies business terms/concepts to explain how both sets of data will be useful in helping someone like Rhiann to set up her business. (9-7 marks)

Clear, good analysis based on the selection of appropriate information from the case study and including effective application of business concepts to show how both sets of data will be useful to someone like Rhiann to set up her business.   (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 show how either primary or secondary data will help someone like Rhiann to set up her business.   (7 marks)

Level 2   Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. Relevant points are made describing primary and secondary data for someone like Rhiann setting up a business.
                                                                                  (6-4 marks)

Effective and accurate application of sound relevant business knowledge and understanding with points describing both primary and secondary data.   (6 marks)

Some use and application of relevant business knowledge and understanding with points describing either primary or secondary data.   (4 marks)

Level 1   Statement of Knowledge

Straight copying of case study material and limited understanding shown. Listed points are given, either as suggested by the data or from the candidates' ideas, but with no additional description or explanation.   (3-1 marks)

Three separate undeveloped points about primary and/or secondary data are given with no links to someone in Rhiann's situation.   (3 marks)

One undeveloped point about primary or secondary data is given with no link to someone in Rhiann's situation.   (1 mark)

5   **Total marks for this question: 12 marks**

> Describe and compare **two** methods of field research Rhiann could have used to collect primary data. Advise Rhiann which you consider to be the most suitable.   *(12 marks)*

Possible advantages/disadvantages of four possible methods include:

	Advantages	Disadvantages
Telephone survey	• Can access wide variety of people • Can do it at convenient times	• People may not tell the truth • People may think it is marketing not research
Door to door survey	• Can target people • People more likely to tell truth face to face	• Can be quite time consuming • No guarantee of correct information
Individual interviews	• Can get quite detailed answers • Can get more qualitative answers • Can check responses	• Will be very time consuming • No guarantee that answers can apply to majority of market
Group cheese tasting sessions	• Product specific • Data will come from potential customers • Will also help to advertise her shop	• May be quite costly in terms of cheese and time • Data may not be typical for other customers

We are looking for points centred around time, expense, quantity of data, quality of data, convenience, accuracy and ability to target possible customers. Other field methods could include postal surveys, observation and internet survey.

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. Judgements about the choice of method must be based on and justified by a thorough comparison and weighing up of the advantages and disadvantages of each method as they apply to someone in Rhiann's situation.   (12-9 marks)

Logical judgements are made and justified based on clear evidence of weighing up the advantages and disadvantages of the two methods for someone in Rhiann's situation.

At least one advantage and one disadvantage of both methods plus one additional advantage and one additional disadvantage of either method are required.   (12 marks)

Simple reasoned judgement is made based on some consideration and evaluation of the advantages and disadvantages of the two methods for someone in Rhiann's situation.

At least one advantage and one disadvantage of both methods are required.   (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 of someone like Rhiann. Data is correctly interpreted and analysed. Candidates are comparing the advantages and disadvantages of both methods but either no justified judgement is made on the best method of market research for someone in Rhiann's situation or the judgement is based on insufficient discussion and evaluation.   (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 situation faced by someone like Rhiann – that compares the advantages and/or disadvantages of the two methods. No judgement made.

At least one advantage and one disadvantage of each method plus one additional advantage and one additional disadvantage of either method are required.   (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 situation facing someone like Rhiann – that compares the advantages and/or disadvantages of the two methods. No judgment made.

At least one advantage and one disadvantage of each method are required.   (7 marks)

Level 2   Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study. Relevant points are made describing the possible advantages and disadvantages of the two chosen methods to someone in Rhiann's situation but there is no evidence of a comparison.   (6-4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of someone in Rhiann's situation to describe at least one advantage and one disadvantage of both methods but with no sense of comparison.   (6 marks)

Some use and application of relevant business knowledge and understanding within the context of someone in Rhiann's situation to describe at least one advantage and one disadvantage of one of the research methods but with no sense of comparison.   (4 marks)

Level 1   Statement of Knowledge

Straight copying of case study material and limited understanding shown. Listed points are given, either as suggested by the data or from the candidates' ideas, but with no link to someone in Rhiann's business situation.   (3-1 marks)

Three separate undeveloped advantages or disadvantages are given with no links to someone in Rhiann's situation.   (3 marks)

One advantage or disadvantage given with no link to someone in Rhiann's situation.   (1 mark)

6   **Total marks for this question: 9 marks**

> Using Rhiann's cheese shop business as an example:
>
> (a) Explain the term 'channels of distribution'.   *(5 marks)*

Possible points include:

- the route the goods take from manufacturer to consumer;
- typically from manufacturer to wholesaler to retailer to consumer;
- agents may be involved;
- combination of routes may be used;
- eg cheese producer to wholesaler to retailer to consumer;
- eg direct from cheese farm to retailer to customer.

Level 1/2 combined   **Application of Knowledge and Understanding/Statement of Knowledge.**   **(5-1 marks)**

Mark at (1) per point and/or development to a max of (5).

NB   Max of (2 marks) for use of examples at (1) per example.

> (b) Explain why she uses more than one channel.   (4 marks)

Possible points include:

- helps to get wider product range;
- may be able to get cheese more cheaply through one route compared to another;
- different cheeses can target different customers;
- increases total sales;
- spreads risks.

Level 3/4 combined   **Analysis and Evaluation.**

Information is selected and data correctly interpreted and analysed to allow candidates to make a judgement as to why someone in Rhiann's situation uses more than one channel.
        (4-1 marks)

Candidates make at least two points explaining **and** concluding why someone like Rhiann uses more than one channel.   (4 marks)

Candidates make one simple point explaining why someone like Rhiann uses more than one channel.   (1 mark)

NB   **Channels may be viewed as from her suppliers as well as towards her customers.**

7   **Total marks for this question: 5 marks**

Explain why it was important for Rhiann to maintain quality.   *(5 marks)*

Possible points include:

- she is a specialist cheese retailer and customers will expect quality;
- will enable her to keep prices high;
- will give her a competitive edge over supermarket;
- important for a perishable good;
- maintain customer satisfaction;
- maintains her reputation;
- may help revenue and profits.

Level 3/4 combined   Analysis and Evaluation

Information is selected and data is correctly interpreted and analysed to allow candidates to logically evaluate the importance of maintaining quality to someone in Rhiann's business situation, eg customer satisfaction, reputation, sales revenue.   (5-3 marks)

Candidates make at least **two** points explaining **and** concluding why maintaining quality is important to someone in Rhiann's business situation.   (5 marks)

Candidates make one point simply explaining why maintaining quality is important to someone in Rhiann's business situation.   (3 marks)

eg 'maintaining quality will mean checking the cheese has not gone off and this will help to ensure customer satisfaction' (3 marks)

Level 1/2 combined   Statement of Knowledge/Application

Limited understanding and application of knowledge.   (2-1 marks)

Candidates make simple undeveloped points about the nature of quality methods at (1 mark) each to max of (2 marks).

eg 'maintaining quality will mean checking the cheese has not gone off' (1 mark)

8   **Total marks for this question: 6 marks**

> Explain why it was beneficial for Rhiann to increase her trade with hotels and restaurants.
> *(6 marks)*

Possible points include:

- sales from her shop may be low;
- sales from her shop may be variable;
- there may be larger sales and revenue from hotels/restaurants;
- there may be more potential in the hotel/restaurant trade;
- she is spreading her risks;
- it might increase total revenue;
- it might increase her profit.

Level 3/4 combined   Analysis and Evaluation

Information is selected and data is correctly interpreted and analysed to allow candidates to logically evaluate the usefulness of increased trade with hotels and restaurants and/or the benefits compared with her shop.   (6-4 marks)

Candidates make at least two points explaining **and** concluding why trade with hotels and restaurants will be useful to and/or benefit a business like Rhiann's.   (6 marks)

Candidates make one point simply explaining why trade with hotels and restaurants will be useful to and/or benefit a business like Rhiann's.   (4 marks)

eg 'Sales to hotels may not just bring in extra revenue but may offer Rhiann more potential than existing customers' (4 marks)

Level 1/2 combined   Statement of Knowledge and Application

Limited understanding and application of knowledge.   (3-1 marks)

Simple, undeveloped points are made about the benefits of trade with hotels at (1 mark) each to a max of (3 marks).

eg 'selling to hotels will earn additional revenue. (1) This will also increase her profits (1)'

9   **Total marks for this question: 8 marks**

   (a) What is meant by the break-even point?   *(2 marks)*

For sense of:

"Level of sales (1) at which revenue equals costs (1)".

eg   *''Above this point the business will make a profit'' = (1 mark)*

   (b) Showing your working, calculate the break-even point for Rhiann's business in 2005.
                                                                                 (6 marks)

For correct answer of 9 000 kg of cheese award (6) marks.

Otherwise build up as follows:

  (1)   (1)   (1)

£8.50 - £2.50 = £6   therefore $\dfrac{(1)\ £54\ 000}{(1)\ £6}$ = 9 000kg (1)

eg:

  (1)   (1)   (1)

£8.50 - £2.50 = £6   *therefore* $\dfrac{(0)\ £6}{(1)\ £54\ 000}$ = *0.1kg (0)*

In this case the fourth mark is awarded for selecting the fixed costs figure but no further marks can be awarded since the contribution is used on the wrong way.

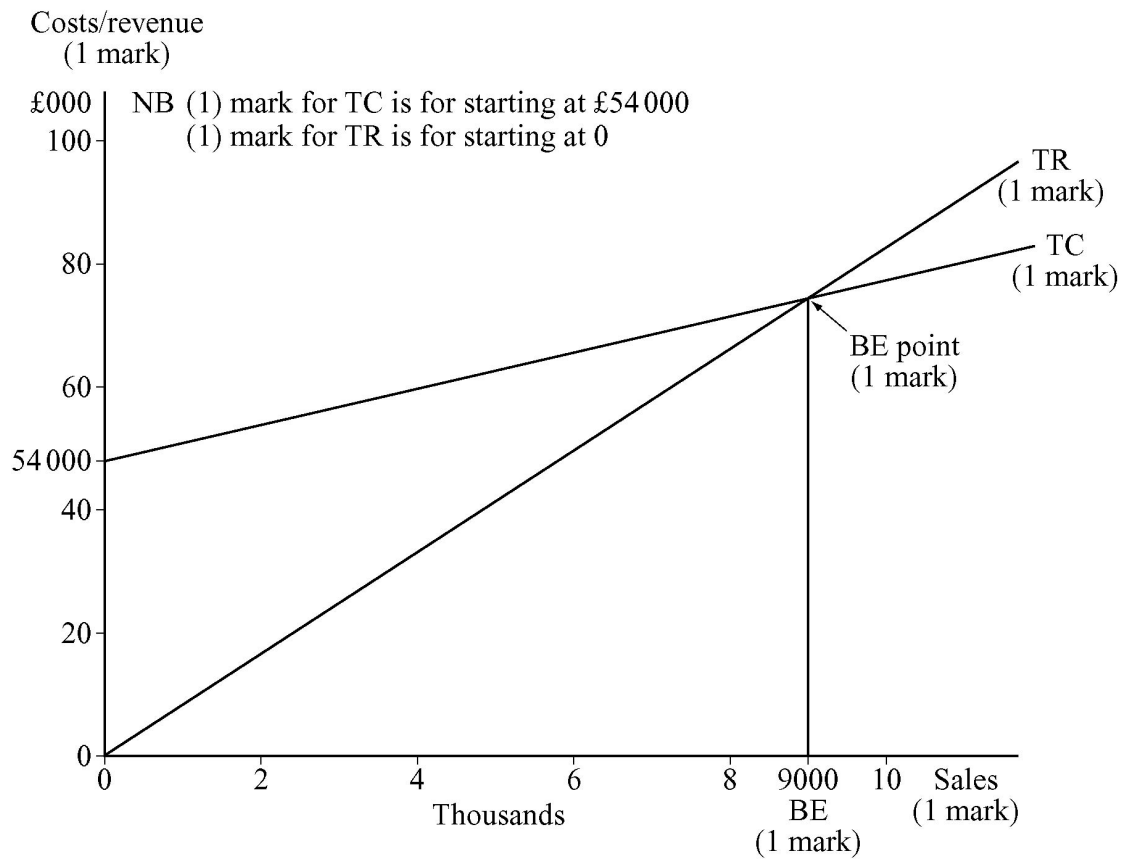*If candidates shorten the calculation, award as follows:*

(1) $\dfrac{(1)\ £54\ 000}{(3)\ £6}$ *=4 000kg (0)*   *(1)* $\dfrac{(1)\ £54\ 000}{(0)\ £2.50}$ *=21 600 (0)* $\dfrac{(3)\ £6}{(1)\ £54\ 000}$ *=0.1 (0)*

NB   If candidates write the formula correctly (full or shortened forms) award (1 mark) if no further marks may be awarded for correct application of the figures.

NB   Do not penalise candidates if they put the £ sign in front of the breakeven point figure of 9 000.

NB   Only reward marks for £8.50 and £2.50 if candidates use them together in a calculation.

Marks if candidates use a break even graph

Costs/revenue
(1 mark)

£000 | NB (1) mark for TC is for starting at £54 000
100 | (1) mark for TR is for starting at 0

TR
(1 mark)

TC
(1 mark)

80

BE point
(1 mark)

60

54 000

40

20

0

0   2   4   6   8   9000   10   Sales
Thousands   BE   (1 mark)
              (1 mark)

NB   Remember, if you see 9 000 shown as the answer, award (6 marks). Otherwise build up as indicated on the graph.

10   **Total marks for this question: 12 marks**

> Using the data, appropriate calculations and ratios, explain whether Rhiann's business has improved its profitability between 2004 and 2005.   *(12 marks)*

Key calculations and ratios not shown in data:

Between 2004 and 2005

Sales Revenue has increased by **£10,000 or 7.1%**
Gross profit has increased by **£800 or 1.1%**
Net profit has increased by **£4,200 or 25%**
Gross profit ratio in 2005 is **50% or 0.5:1**
Net profit ratio in 2005 is **14% or 0.14:1**

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.
                                            (12-9 marks)

Logical judgements are made and justified based on clear use of business studies knowledge and consideration of the evidence including the comparison of two correctly calculated pairs of profitability ratios.   (12 marks)

Simple reasoned judgement is made based on relevant business knowledge and some consideration of the evidence including the comparison of two correctly calculated pairs of profitability ratios.   (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 of Rhiann. Data is correctly interpreted and analysed.   **(8-7 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Rhiann's business. Two ratios are correctly calculated and compared to the ratios in the data but without conclusions on whether Rhiann's profitability has improved.   (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 Rhiann's business. One correctly calculated ratio is compared to the ratios in the data but without conclusions on whether Rhiann's profitability has improved.   (7 marks)

Level 2   **Application of Knowledge and Understanding**

Business studies knowledge is used and applied to the case study.   (6-4 marks)

Either:
Simple comments are made about Rhiann's business using at least two sets of profit figures from each year.   (6 marks)
Or:
Candidates who correctly calculate both ratios but fail to compare or compare incorrectly.
(6 marks)

Candidates who correctly calculate one ratio but fail to compare or compare incorrectly.
(5 marks)

Simple comments are made about Rhiann's business using one set of profit figures from each year.   (4 marks)

Level 1   **Statement of Knowledge**

Straight copying of case study material and limited understanding shown. Points are made without the use of any data.   (3-1 marks)

Three separate undeveloped points are given with no figures from the data or from incorrectly calculated ratios.   (3 marks)

One undeveloped point given with no figures from the data or from incorrectly calculated ratios.
(1 mark)

11 **Total marks for this question: 12 marks**

> Before Rhiann had completed her expansion plans, she became aware that new, stricter EU regulations on the preparation, storage and display of fresh foodstuffs were likely to come into force by the end of 2006. These regulations are being introduced for the benefit of consumers.
>
> Discuss the relative impact of the introduction of these regulations on **both** Rhiann and her customers. *(12 marks)*

Possible effects on Rhiann include:

- extra equipment costs;
- extra building costs;
- extra material costs;
- may take more time to prepare food;
- may need more labour to prepare food;
- possible bad publicity if Rhiann does not meet regulations;
- she may be already meeting regulations and can use this to promote her business.

Possible effects on Rhiann's customers include:

- may push up prices in her shop;
- may help to guarantee quality of cheese;
- may safeguard health of customers.

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. The candidate logically discusses and evaluates the relative impact of the regulations on both Rhiann and her customers. **(12-9 marks)**

Logical judgements are made about the impact of the regulations and justified based on clear evaluation of the likely effects on both someone like Rhiann and her customers. The effects are clearly linked together in the judgements. (12 marks)

Simple reasoned judgement is made about the impact of the regulations based on some evaluation of the likely effects on both Rhiann and her customers. The effects are linked together in some way in the judgements. (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 of Rhiann and her customers. Data is correctly interpreted and analysed.   (8-7 marks)

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts that discusses the effects on a business like Rhiann's and on her customers. The effects are not linked together.   (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts discussing the effects on a business like Rhiann's and her customers. The effects are not linked together.   (7 marks)

Level 2   Application of Knowledge and Understanding

Business studies knowledge is used and applied to the case study.   (6-4 marks)

Effective and accurate application of sound relevant business knowledge and understanding simply describing, but not discussing, the impact of the regulations on **either** a business like Rhiann's or her customers.   (6 marks)

Some use and application of relevant business knowledge and understanding describing, but not discussing, the impact of the regulations on either a business like Rhiann's or her customers.
                                                                                            (4 marks)

Level 1   Statement of Knowledge

Straight copying of case study material and limited understanding shown.   (3-1 marks)

Three simple undeveloped points about the impact of such changes but without application to a business like Rhiann's or her customers.   (3 marks)

Marking Criteria for Quality of Written Communication

High performance	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.	**5 - 4 marks**
Intermediate performance	Candidates spell, punctuate and use the rules of grammar with considerable accuracy. They use a good range of specialist terms with facility.	**3 - 2 marks**
Threshold performance	Candidates spell, punctuate and use the rules of grammar with reasonable accuracy. They use a limited range of specialist terms appropriately.	**1 mark**
Below threshold performance	Candidates do not meet the threshold performance criteria	**0 marks**