



Pearson
Edexcel

Mark Scheme (Results)

Summer 2018

Pearson Edexcel GCSE
In Business Studies (5BS05)
Unit 5: Introduction to economic
understanding

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

Section A:

Question Number	Answer	Mark
1(a) AO1=1	<p>B</p> <p>A Unemployment rose between 2011 and 2013 – is incorrect because the graph does not show unemployment</p> <p>B Prices rose between 2011 and 2013 – is correct because prices rose between 2011 and 2013</p> <p>C Economic growth fell between 2011 and 2013– is incorrect because the graph does not show economic growth</p> <p>D Prices fell between 2011 and 2013 - is incorrect because inflation is shown to be above 0. Prices have risen.</p>	(1)

Question Number	Answer	Mark
1(b) AO1=2	<p>1 mark for each factor that could cause economic growth.</p> <p>Factors could include:</p> <ul style="list-style-type: none"> • Increased government spending • Increased demand • Increased consumer confidence • Increased business investment • A fall in unemployment • A fall in interest rates 	(2)

Question Number	Answer	Mark
<p>1(c)</p> <p>AO1=1 AO3=1</p>	<p>1 mark for the identification of a disadvantage for consumers of a monopoly and 1 mark for some kind of appropriate development of the disadvantage.</p> <p>Possible disadvantages include:</p> <ul style="list-style-type: none"> • Limited/no choice • Poor customer service / satisfaction • Increased prices • Poor quality products <p>E.g. Consumers have limited choice of products (1 mark). This is because there is no competition in the market (1 mark).</p> <p>This response would gain 2 marks since a drawback has been identified 'limited choice' and there is some development through 'there is no competition'.</p>	<p>(2)</p>

Question Number	Answer	Mark
<p>1(d)</p> <p>AO1=1 AO3=2</p>	<p>For 3 marks, there will be one benefit identified and two clearly identifiable linked strands of explanation between the statements. These may contain connective words such as, 'this leads to...', 'because...' etc.</p> <p>Possible benefits include:</p> <ul style="list-style-type: none"> • Businesses more willing to borrow money • Consumers having more disposable income to spend • Lower cost of borrowing money • Lower cost of repaying outstanding loans <p>E.g. The cost of borrowing money will fall (1 mark). As a result, the business may be able to afford to borrow money to invest in expansion (1 mark), therefore it will be able to grow (1 mark).</p> <p>This answer would gain 3 marks since there are at least two relevant, linked points made, following the identification of a valid benefit.</p>	<p>(3)</p>

Question Number	Answer	Mark
2(a) AO2=1	<p>D</p> <p>A Human capital - is incorrect because it is not investment in education or skills</p> <p>B Gross domestic product - is incorrect because GDP is a measure of economic growth</p> <p>C International trade - is incorrect because the domestic transport system is not linked to international trade</p> <p>D Infrastructure - is correct because transport is part of a country's infrastructure</p>	(1)

Question Number	Answer	Mark
2(b) AO1=3	<p>1 mark for each method of reducing pollution associated with transport.</p> <p>Methods of reducing pollution could include:</p> <ul style="list-style-type: none"> • Increasing tax on car emissions • Subsidising public transport • Investment in green forms of transport • Encourage (campaign) people to walk to work • Introduce legislation to make cars 'greener' <p>Accept any reasonable response that could conceivably be used to reduce pollution associated with transport.</p>	(3)

Question Number	Answer	Mark
<p>2(c)</p> <p>AO2=2</p> <p>AO3=1</p>	<p>For 3 marks, one benefit will be identified and there will be at least two clearly identifiable linked strands of explanation. These may contain connective words such as, 'this leads to...', 'because...' etc. The explanation <u>must be</u> in the context of <i>TEB/Transport/Beijing</i> if it is to secure all three marks.</p> <p>Possible benefits include:</p> <ul style="list-style-type: none"> • Easier for customers/tourists to access city/local businesses • Easier for employees to get to work • Opportunity to advertise on TEB <p>E.g. The TEB will make it easier for customers to travel into Beijing (1 mark). Therefore, more customers will be willing to visit retailers in the city. As a result, revenues will rise for many Beijing businesses. (1 mark)</p> <p>This answer would gain 3 marks since a benefit has been stated and there are two linked strands, one of which is in context through the use of the word 'travel'.</p>	<p>(3)</p>

Question Number	Answer	Mark
<p>2(d)</p> <p>AO2=2</p> <p>AO3=1</p>	<p>For 3 marks, one factor will be identified and there will be at least two clearly identifiable linked strands of explanation. These may contain connective words such as, 'this leads to...', 'because...' etc. The explanation <u>must be</u> in the context of <i>TEB/Transport/Beijing</i> if it is to secure all 3 marks.</p> <p>Possible factors include:</p> <ul style="list-style-type: none"> • The extent to which public transport is a necessity • The availability of alternative substitutes • The cost of switching to an alternative method • The quality/experience of travelling on the TEB <p>E.g. The availability of an alternative form of transport will affect the price sensitivity of a ticket for the TEB (1 mark). If commuters have the option to travel by train, a TEB ticket will be price sensitive (1 mark). Therefore, fewer commuters may choose to travel on the TEB if ticket prices rise (1 mark).</p> <p>This answer would gain 3 marks since a factor has been stated and there are two linked strands, one of which is in context through the use of the word 'train'.</p>	<p>(3)</p>

Question Number	Answer	Mark
<p>3(a)</p> <p>AO1=1</p>	<p>C</p> <p>A A country that relies on imports - is incorrect because the reliance on imports is not a defining factor of an LEDC</p> <p>B A country with a large population - is incorrect because a country with a large population is not a defining factor of an LEDC</p> <p>C A country with a low standard of living - is correct because the standard of living is a key defining factor of an LEDC</p> <p>D A country that has a low level of taxation - is incorrect because a low level of taxation is not a defining factor of an LEDC</p>	<p>(1)</p>

Question Number	Answer	Mark
<p>3(b)</p> <p>AO1=1</p> <p>AO2=1</p>	<p>1 mark for the identification of an impact that poor literacy rates may have on the Nepalese economy and 1 mark for some kind of appropriate development of the impact in context.</p> <p>Possible impacts include:</p> <ul style="list-style-type: none"> • A poor standard of living • Low level of skills • Few job prospects for people • Unable to escape the poverty cycle. <p>E.g. People in Nepal may find it difficult to get a good job in Terai (1 mark). Therefore, they will have limited income to spend on their families (1 mark).</p> <p>This answer would gain 2 marks <i>since</i> an impact has been identified 'difficult to get a job' and there is some development in context in the second sentence 'limited income'.</p>	<p>(2)</p>

Question Number	Answer	Mark
<p>3(c)</p> <p>AO2=2</p> <p>AO3=1</p>	<p>For 3 marks, there will be one method of solving social problems identified and two clearly identifiable linked strands of explanation between the statements. These may contain connective words such as, 'this leads to...', 'because...' etc. The explanation must be in the <i>Nepal/school</i> context if it is to secure all 3 marks.</p> <p>Possible methods include:</p> <ul style="list-style-type: none"> • Taxation • Direct investment, e.g. in education • Legislation • Subsidies <p>E.g. One way the government of Nepal could solve social problems is by lowering the rate of income tax (1 mark). This will mean that people in Nepal will have more disposable income (1 mark). As a result, spending may increase, which will help reduce poverty in the country. (1 mark)</p> <p>This answer would gain 3 marks since a method to reduce a social problem has been stated (lowering income tax) and there are two linked strands of development. The answer is heavily contextualised as the social problem is associated with LEDCs like Nepal.</p>	<p>(3)</p>

Question Number	Answer	Mark
<p>3(d)</p> <p>AO1=1 AO2=1 AO3=2</p>	<p>For 4 marks, the description will make up to four relevant points (linked or separate) describing how international trade could benefit Nepal. Four marks could also be achieved through a consideration of one or two points plus sufficient development of each. One mark can be awarded for a definition of <i>'international trade'</i>.</p> <p>Without the use of context the response can only be awarded a maximum of 3 marks.</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> • Encourage investment in Nepal's industries • Opportunity for export markets • Develop knowledge and expertise • Improve standard of living • Access to cheaper goods and services <p>E.g. International trade is the exchange of goods between countries (1 mark). This could benefit Nepal by opening up new markets for it to sell to (1 mark) such as the opportunity to export tobacco. Another benefit could be access to cheaper products from abroad (1 mark). If products became cheaper this would result in an increase in the standard of living (1 mark).</p> <p>This answer would gain 4 marks since the candidate has offered an accurate definition for 1 mark and has then offered a method with some development and a second method The answer gains all 4 marks since the answer is in context through reference to 'tobacco'.</p>	<p style="text-align: right;">(4)</p>

Question Number	Answer	Mark
4(a) AO1=1	<p>C</p> <p>A Change their logo and branding– is incorrect because this would increase costs</p> <p>B Sell concert merchandise as well as – is incorrect because this would increase costs</p> <p>C Employ less customer service staff - is correct because this would decrease costs</p> <p>D Send all tickets out via special delivery – is incorrect because this would increase costs</p>	(1)

Question Number	Answer	Mark
4(b) AO1=1 AO2=1	<p>1 mark for the identification of an appropriate stakeholder and 1 mark for some kind of appropriate development linked to an effect.</p> <p>Possible stakeholders include:</p> <ul style="list-style-type: none"> • Customers / fans – prices rise / can't afford tickets • Bands – fewer fans can attend concerts • <i>Ticketmaster</i> – loss of sales • Employees – complaints from customers • UK government – unfair market conditions <p>E.g. Some customers might not be able to afford the inflated ticket prices (1 mark). Therefore, some loyal fans of bands will not be able to attend the concerts (1 mark).</p> <p>This answer would gain 2 marks since a stakeholder group has been identified and there is some development given. The answer is in context by referring to 'fans' and 'concerts'.</p>	(2)

Question Number	Answer	Mark
<p>4(c)</p> <p>AO2=2</p> <p>AO3=1</p>	<p>For 3 marks, there will be one disadvantage identified and two clearly identifiable linked strands of explanation between the statements. These may contain connective words such as, 'this leads to...', 'because...' etc. The explanation <u>must be</u> in <i>the concert and events market context</i> if it is to secure all 3 marks.</p> <p>Possible disadvantages include:</p> <ul style="list-style-type: none"> • Lower demand due to restriction on the websites • Increased costs • Lower profit margins • Bad publicity for the websites • Growth of a 'black market' for secondary ticket sales <p>E.g. <i>Stubhub</i> would have to meet the new regulations (1 mark). Therefore, its costs are likely to rise (1 mark). As a result, the website is likely to make less profit.</p> <p>This answer would gain 2 marks since a disadvantage has been stated, there are two linked strands of development, but there is no context. The business name or words taken from the stem of the question do not count as context.</p>	<p>(3)</p>

Question Number		Indicative content
4(d) AO2=2 AO3=4		<p>The aim here is for candidates to make a judgement as to whether 'launch a national advertising campaign' (option 1) or 'lower ticket prices' (option 2) is more effective in increasing revenue. There is no right or wrong answer and the candidate can argue that either option is better, depending on the circumstances. Candidates might consider the following possible ideas as part of their answer:</p> <p>Option 1: Launch a national advertising campaign:</p> <ul style="list-style-type: none"> • Greater awareness of <i>Stubhub</i> • Encourage people to visit the website • Reinforce brand image • Promote special offers <p>Option 2: Lower ticket prices</p> <ul style="list-style-type: none"> • Increase demand for tickets • Revenue will rise if ticket prices are sensitive • Limits negative press associated with secondary market sellers <p>To be evaluative and support the judgement made, the candidate might suggest that option 1 might be better since it will attract new customers, whereas lowering the price might only make tickets cheaper for those who would already buy from the website.</p> <p>An alternative route to evaluation might come through the candidate suggesting that option 2 is the better option because it will help sell tickets that have low demand.</p>
Level	Mark	Descriptor
No mark	0	Non-rewardable material.
Level 1	1-2	A judgement or point is given as to which method is more likely to increase revenue. If there is just a simple judgement or where the support shows misunderstanding 1 mark should be awarded. If this judgement/point has some simple support, the response should be placed at the top of this level.
Level 2	3-4	A judgement/point is given on one or both issues with some development/support, which includes at least <u>one</u> reason/cause/consequence etc. At the top of this level this analysis will be relevant and linked to the judgement/point made.
Level 3	5-6	<p>A judgement/point is given on one or both issues with some development/support, which includes at least <u>two</u> reasons/causes/consequences etc. <u>and includes some balance.</u></p> <p>At the top of this level there will be a conclusion drawn from the analysis <u>and the answer will be in the concert and events market context.</u></p>

Section B:

Question Number	Answer	Mark
5(a) AO1=2	<p>The term '<i>export</i>' refers to a good sold to another country that leads to payments to the UK.</p> <p>2 marks for an accurate definition. If an accurate definition is not given award 1 mark for an answer that suggests the candidate has some understanding of the term. E.g. Selling to other countries.</p> <p>An imperfect definition can be raised to 2 marks through the use of an example or some kind of accurate elaboration. E.g. Selling goods to another country, e.g. The <i>Snowdonia Cheese Company</i> plans to sell its cheese to buyers in America.</p>	(2)

Question Number	Answer	Mark
5(b) AO2=1	<p>1 mark for identification of an appropriate measure of success.</p> <p>Possible measures include:</p> <ul style="list-style-type: none">• Profit• Revenue• Market share• Social success• Industry awards• Sales <p>Accept any realistic measure of business that would apply to the <i>Snowdonia Cheese Company</i>.</p>	(1)

Question Number	Answer	Mark
<p>5(c)</p> <p>AO2=2</p> <p>AO3=1</p>	<p>For 3 marks, there will be one impact identified and two clearly identifiable linked strands of explanation between the statements. These may contain connective words such as, 'this leads to...', 'because...' etc. The explanation <u>must be</u> in <i>Snowdonia</i>/cheese context if it is to secure all 3 marks.</p> <p>Possible impacts include:</p> <ul style="list-style-type: none"> • Lowers the cost of materials bought from abroad • Lowers demand for cheese sold to America • Lowers the number tourists visiting the UK and potential sales <p>E.g. A strong pound could make it more expensive for foreigners to buy products from the UK. As a result, this could lower the demand for cheese sold to the USA. This means that potential sales of exported cheese could be low for the <i>Snowdonia Cheese Company</i>.</p> <p>This answer would gain 3 marks since an impact has been stated and there are two linked strands of development. Context is provided through the use of the words '<i>USA</i>' and '<i>export</i>'.</p>	<p>(3)</p>

Question Number	Answer	Mark
<p>5(d)</p> <p>AO1=2 AO2=2 AO3=4</p>	<p>This question has a 2 x 4 mark split. There are 2 marks for identifying two elements of the marketing mix. The remaining 6 marks are for two explanations (2X3) that should develop how each element of the marketing mix is used to create a competitive business. Within the answer there should be at least three clearly identifiable strands of explanation. These may contain connective words such as, 'this leads to...', 'because...' etc. The explanation for both the benefit and drawback must be in context if it is to secure all 4 marks.</p> <p>Elements of the marketing mix include Product, Price, Promotion and Place.</p> <p>Possible explanation of each element could include:</p> <ul style="list-style-type: none"> • A premium product is unique and commands a premium price • £4.50 is a premium price, which leads to a high profit margin • Business is effectively promoted and associated with royalty • Only sold in upmarket delicatessens, which supports an image of exclusivity <p>E.g. Element: Promotion (1 mark)</p> <p>Explanation: Through its promotion the <i>Snowdonia Cheese Company</i> has been able to associate their brand with Prince William (1 mark). This could lead to customers associating their brand with royalty (1 mark) which could boost demand and help the company charge a premium price for its cheeses (1 mark).</p> <p>This answer would gain 4 marks since an element of the marketing mix has clearly been identified and there are at least three linked strands that build the explanation, with reference to the context through reference to 'Prince William'. Without the use of context this answer would only be worth 3 marks.</p>	<p>(8)</p>

Question Number	Answer	Mark
<p>6(a)</p> <p>AO1=2</p>	<p>Social responsibility refers to the belief that a business should act ethically in order to benefit society at large.</p> <p>2 marks for an accurate definition. If an accurate definition is not given award 1 mark for an answer that suggests the candidate has some understanding of the term. E.g. caring for the environment.</p>	<p>(2)</p>

Question Number	Answer	Mark
<p>6(b)</p> <p>AO1=1</p> <p>AO2=1</p>	<p>1 mark for the identification of a disadvantage of only using the finest local Welsh ingredients and 1 mark for some kind of appropriate development of the issue in context.</p> <p>Possible disadvantages include:</p> <ul style="list-style-type: none"> • Less choice • Finest quality may be more expensive. • Problem if Welsh ingredients lose popularity • May not be sufficient supply to meet demand from a growing business (e.g. exports to the USA) <p>E.g. High quality Welsh ingredients such as milk may be more expensive than cheaper alternatives from abroad (1 mark). This could lead to an increase in the price of the truckles of cheese. (1 mark).</p> <p>This answer would gain 2 marks since one disadvantage has been identified through the use 'milk may be more expensive' and this is developed through 'increase in price of truckle'. Context is provided through the use of the words 'milk' and 'truckle'.</p>	<p>(2)</p>

Question Number	Answer	Mark
<p>6(c)</p> <p>AO1=1 AO2=1 AO3=2</p>	<p>For 4 marks, the description will make up to four relevant points (linked or separate) describing the drawbacks of internal growth for the <i>Snowdonia Cheese Company</i>. Four marks could also be achieved through a consideration of one or two points plus sufficient development of each. One mark can be awarded for a definition of 'internal growth'. Answers should be accepted that refer to the general drawbacks a business may experience through growth.</p> <p>Without the use of context the response can only be awarded a maximum of 3 marks.</p> <p>Possible answers include:</p> <ul style="list-style-type: none"> • Internal growth can be slow • It may be difficult to expand if the company does not have the skills or resources • Diseconomies of scale • May lose reputation for being an exclusive brand <p>E.g. Internal growth refers to expansion achieved through new capital and profits reinvested by a business (1 mark). One problem of internal growth is that it can be slow compared to external growth (1 mark). Furthermore, by growing the company could experience diseconomies of scale (1 mark) and lose its reputation as an exclusive cheese brand if the company gets too large (1 mark).</p> <p>This answer would gain 4 marks since the candidate has offered an accurate definition for 1 mark and has offered three strands of description. These are not linked strands of development, but this is acceptable for a describe question. Context is provided through reference to the <i>Snowdonia Cheese Company's</i> reputation as an exclusive cheese producer.</p>	<p>(4)</p>

Question Number		Indicative content
<p>*6(d)</p> <p>QWC Strands (i), (ii) and (iii)</p> <p>AO2=4 AO3=4</p>		<p>The aim here is for candidates to consider the impacts on <i>The Snowdonia Cheese Company</i> of a tariff placed on its cheese. The question has the command word 'assess', so the candidate must develop some evidence of balance within their answer. This could take the form of considering size of the impacts. Assessment could also be demonstrated by considering other factors that may also have an impact.</p> <p>Possible impact:</p> <ul style="list-style-type: none"> • A tariff will increase the price of the cheese being sold in a foreign country • The <i>Snowdonia Cheese Company</i> will be less competitive in international markets • Demand for exports may fall • The strategy to export its cheese may fail <p>Possible sources of balance:</p> <ul style="list-style-type: none"> • The company could lower prices to counteract the tariff • Demand may also depend on the exchange rate • Export sales will only be a small proportion of total sales revenue • Other factors such as transport and shipping may be more of an issue when exporting abroad
Level	Mark	Descriptor
No mark	0	Non-rewardable material. No mark is to be awarded if the candidate just re-states the question.
Level 1	1-2	<p>Candidate will consider one factor related to the impact of a tariff <u>with no development</u> - bottom of level.</p> <p>Candidate will consider one factor related to the impact of a tariff <u>with simple development</u> – top of level.</p> <p>Candidate will consider two factors related to the impact of a tariff <u>with no development</u> – top of level.</p> <p>The quality of written communication will be poor with frequent spelling, punctuation, style and grammar errors.</p>
Level 2	3-5	<p>Candidate will consider one factor related to the impact of a tariff <u>with more detailed development</u> – bottom of level.</p> <p>Candidate will further develop their responses with a reason/cause/consequence – middle of level.</p> <p>Candidate will have <u>some evidence of balance</u> – top of level.</p> <p>At the top of the level there will be some evidence of balance to the point/judgement in the form of advantage/disadvantage, cost/benefit, pro/con or some counterbalancing factor. At the top of the level, candidates may attach some value/importance to one of the factors.</p>

		There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter.
Level 3	6-8	<p>Candidate will consider factor(s) related to the impact of a tariff with development, which includes <u>two</u> reasons/causes/consequences, balance with unsupported conclusion/judgement(s) all of which is in the context of the business – bottom of level.</p> <p>Candidate will consider factor(s) related to the impact of a tariff with development, which includes <u>two</u> reasons/causes/consequences, clear balance with supported conclusion/judgement(s) all of which is in the context of the business – middle of level.</p> <p>Candidate will consider factor(s) related to the impact of a tariff with development, which includes <u>two</u> reasons/causes/consequences, clear balance with supported conclusion/judgement(s) all of which is in the context of the business and using the 'it depends' rule or something similar – top of the level.</p> <p>The quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard and there will be clear evidence that the candidate has structured their answer clearly and coherently, using appropriate terminology.</p>

Section C:

Question Number	Answer	Mark
<p>7</p> <p>AO1=2</p>	<p><i>differentiated</i> refers to how unique a product is compared to that of a competitor's brand.</p> <p>2 marks for an accurate definition. If an accurate definition is not given award 1 mark for an answer that suggests the candidate has some understanding of the term. E.g. making a product unique.</p> <p>An imperfect definition can be raised to 2 marks through the use of an example or some kind of accurate elaboration. E.g. <i>Differentiated refers to a product that is unique. For example, Mercedes produces a range of models of car for different types of customer</i>'.</p>	<p>(2)</p>

Question Number	Answer	Mark
<p>8</p> <p>AO1=1</p> <p>AO2=1</p>	<p>1 mark for the identification of a trade-off Mercedes-Benz may experience and 1 mark for some kind of appropriate development in context.</p> <p>Possible trade-offs include:</p> <ul style="list-style-type: none"> • The loss of developing other types of vehicle • The loss of investment in its workforce • The loss of promotion around its existing range of cars • The loss of research in to other technologies <p>E.g. Mercedes-Benz may face a trade-off by losing the opportunity to promote its current models (1 mark) therefore sales of current models may fall (1 mark).</p> <p>This answer would gain 2 marks <i>since</i> an impact has been identified 'opportunity to promote existing range' and there is some development in context in the second sentence, e.g. 'current models'.</p>	<p>(2)</p>

Question Number		Indicative content
<p>*9</p> <p>QWC Strands (i), (ii) and (iii)</p> <p>AO2=3 AO3=3</p>		<p>The aim here is for candidates to consider the possible impacts on the German economy of <i>Mercedes-Benz</i> investing in its car battery production facility. The question asks the candidate to 'discuss', so we should expect to see some balance within the answer. This could come from considering the scale of the impacts on <i>the German economy</i> or through a consideration of the negative and positive impacts of the investment.</p> <p>Positive impacts on <i>the German economy</i>:</p> <ul style="list-style-type: none"> • Increased sales of Mercedes cars leading to tax revenue • More effective car batteries produced. • Creation of new jobs • Environmental improvements/fewer negative externalities <p>Possible sources of balance:</p> <ul style="list-style-type: none"> • May not create any new jobs • Will only be of benefit if the new electric cars are successful • May have limited impact if other areas of the economy are suffering
Level	Mark	Descriptor
No mark	0	Non-rewardable material.
Level 1	1-2	<p>One impact of the investment by Mercedes-Benz on the German economy with some simple development or two impacts are given with no development of either.</p> <p>An alternative route to marks in this level is if just a simple judgement or value is given to a benefit. 1 mark can be awarded for no support and 2 if some simple support is offered.</p> <p>The quality of written communication will be poor with frequent spelling, punctuation, style and grammar errors.</p>
Level 2	3-4	<p>Reference to at least two impacts of the investment by Mercedes-Benz on the German economy with some development of each. A judgement is given at the lower end of the level with some development/support, which includes at least one reason/cause/consequence etc. for each point.</p> <p>At the top of the level this analysis will be relevant and linked to the judgement.</p> <p>There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter.</p>
Level 3	5-6	<p>Reference to at least two impacts of the investment by Mercedes-Benz on the German economy with some development of each. A judgement is given with some development, which includes at least two reasons/causes/consequences etc. for each point and should include some comparison/judgement as to which point is more important/evidence of balance.</p>

		<p>Answers at the top of this level will refer to the <i>Mercedes/car/German context</i>.</p> <p>The quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard and there will be clear evidence that the candidate has structured their answer clearly and coherently, using appropriate terminology.</p>
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Question Number		Indicative content
<p>*10</p> <p>QWC Strands (i), (ii) and (iii)</p> <p>AO2=4</p> <p>AO3=6</p>		<p>The aim here is for candidates to make a judgement as to the impact the German government's policy of giving a subsidy to buyers of new electric cars will have on <i>Mercedes-Benz</i>. To demonstrate the evaluative skill, candidates could consider the size of the possible impacts. For instance, candidates may suggest that <i>its impact may depend on the size of the subsidy offered or that customers will only buy the cars if they are designed and manufactured to a high standard or are as good as competing brands such as BMW or Tesla</i>. There is no right or wrong answer to this question, but candidates should aim to make a judgement that is supported and balanced. Candidates may consider the following ideas as part of their answer:</p> <p>Positive impacts of the subsidy on the success of Mercedes-Benz:</p> <ul style="list-style-type: none"> • Subsidy will make their cars less expensive for buyers • Customers have an incentive to buy the new models • The electric car market will grow even more and this could lead to further sales for Mercedes <p>Possible sources of balance:</p> <ul style="list-style-type: none"> • How big will the subsidy be? • It could just as easily encourage customers to buy cars from BMW or Tesla • The new range of cars will have to be efficient and designed well in order to sell • Other factors may be as important to the success of <i>Mercedes-Benz</i> including cash flow, marketing mix etc.
Level	Mark	Descriptor
No mark	0	Non-rewardable material.
Level 1	1-4	<p>Candidates will consider one point with no statement – bottom of level.</p> <p>Candidate will consider one point with basic statement – middle of level.</p> <p>Candidate statements are supported - top of level.</p> <p>The quality of written communication will be poor with frequent spelling, punctuation, style and grammar errors.</p>
Level 2	5-7	<p>Candidate will consider two reasons/causes/consequences to support point(s) – bottom of level.</p> <p>Candidate will develop their reasons/causes/consequences – middle of level.</p> <p>Candidate will have some evidence of balance – top of level.</p> <p>There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of the language used will be appropriate for the subject matter.</p>

<p>Level 3</p>	<p>8-10</p>	<p>Candidate will consider point(s) with development, which includes two reasons/causes/consequences, balance with an unsupported conclusion or judgement(s) all of which is in the context of <i>Mercedes-Benz/cars</i> – bottom of level.</p> <p>Candidate will consider point(s) with development, which includes two reasons/causes/consequences, clear balance with supported conclusion/judgement(s) all of which is in the context of <i>Mercedes-Benz/cars</i> – middle of level.</p> <p>Candidate will consider point(s) with development, which includes two reasons/causes/consequences, clear balance with supported conclusion/judgement(s) all of which is in the context of <i>Mercedes-Benz/cars</i> and using the 'it depends' rule or something similar – top of the level.</p> <p>The quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard and there will be clear evidence that the candidate has structured their answer clearly and coherently, using appropriate terminology.</p>
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Total for paper = 90 marks

