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# Examiner's Report Principal Examiner Feedback

Summer 2018

Pearson Edexcel International GCSE  
Business 4BS0 Paper 01

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## **INTERNATIONAL GCSE BUSINESS STUDIES 4BSO 01 –SUMMER 2018**

### **GENERAL COMMENTS**

Candidates appeared to find this paper more accessible than the previous years. However, there was limited evidence of candidates being unable to complete the examination paper and it is pleasing to note that centres are taking heed of the advice given to prepare their candidates for the following year's examination. As a result candidates are applying their knowledge, analysing and evaluating to answer the questions.

As reported previously many candidates had gained a great deal of business understanding from studying the course and this was apparent in the answers given. However, there are still a number of candidates who are answering the questions detailing their knowledge of the topic without giving any application, analysis or evaluative comments. This does restrict the candidates' access to the full range of marks. The scenario of a business Maximillians Music Emporium (MME) involved in the selling of rare records, perhaps interested the candidates more, which meant that they were able to relate their comments to the business.

As mentioned in previous years, the mark scheme includes the Assessment Objectives to help in the preparation of candidates for future examinations. Just to reiterate, that all four of the Assessment Objectives (AO) are covered throughout the paper and the percentage breakdown of each AO can be seen on page 15 of the Teacher's Guide. Also on page 21 of the Teacher's Guide, are examples of the command words used that indicate which of the AO's are being tested. In a question where more than one AO being tested the command word will always refer to the highest AO e.g. question 3 (c) the command word of Evaluate. Evaluate is an AO4 command word as the marks allocated were AO2 = 2, and AO3 = 3 AO4 = 3, therefore more marks were allocated to Analyse/Evaluate.

It is also worth repeating, that the examination paper is marked using the online 'ePEN' system, therefore candidates must indicate if they have continued their answer somewhere else on the paper. Although many candidates did heed the advice given in previous years, there were still a number who did not.

It is also important that candidates clearly label the additional pages to show which question they are continuing with. Examiners are unable to guess if a candidate has continued the answer somewhere else. Candidates must clearly indicate by using the 'continued' or 'see separate sheet'.

Questions can be taken from any part of the specification, therefore centres should ensure that all sections are covered so that they do not disadvantage any candidates. From the work seen it appeared that some candidates had not covered the full specification.

## **COMMENTS ON INDIVIDUAL QUESTIONS**

### **Section A**

#### **Question 1**

The multiple choice questions were answered quite well by the majority of the candidates, with perhaps question 1a (iii) where only a third of the candidates gained the correct mark of reinvesting the profit, and is an example of long-term source of finance. For 1a (iv) perhaps it was confusion over which form of discrimination workers are protected by legislation as only a third of the cohort gained the mark.

Q1b – two thirds of the cohort gained the mark available, perhaps some candidates confused the sector with types of organisation. Sector would be either primary, secondary or tertiary whereas types of organisation, would be sole traders, partnerships etc as detailed in the specification 1.2.

Q1c – candidates understood what labour-intensive meant but did not always develop their comments to gain the full 3 marks available. Over half of the candidates gained two marks. It is important that candidates take into account the marks allocated for each question, giving them guidance on the amount of detail they need to answer the question.

Q1d – candidates had to match the definition on the left with the term given on the right. Most candidates were about to complete this task, gaining the marks available.

Q1e (i) – candidates were asked to list three written forms of communication, other than letter. A number of candidates included letter as one of the three. It is important that candidates read the whole question through carefully before answering. This question did prove challenging for all candidates with only a third of the candidates gaining the three marks. Often candidates confused what was written with electronic methods of communication, email, is an electronic form of communication.

Q1e (ii) – Most candidates were able to gain at least one mark for this question, realising why a letter would be used to communication with an employee. Candidates tended to give the reason that it is personal, while some gave the reason as confidential. Again a question where candidates could have developed their answers more to gain the full 3 marks available. The majority of candidates gained either 1 or 2 marks.

## **Question 2**

Q2a (i) – most candidates were able to access the question and most were able to gain at least one mark for a reason a business should have objectives. Nearly half of the candidates were able to gain the full two marks.

Q2a (ii) – candidates were asked to analyse two effects on MME of achieving the objective wealth creation. Over half of the candidates did not gain a mark on this part of the question. It is in the specification under 1.1 as the first example. As mentioned earlier all sections of the specification are aimed to be tested during the lifetime of the qualification, so it is important that all sections are covered in detail.

Q2b (i) – candidates were able to identify advantages of having a large quantity of stock, and most were able to gain at least one mark.

In part 2 b (ii) – candidates seemed to answer this part of the question in more detail and gaining the marks available compared to part (i), understanding the disadvantages to a business of having a large quantity of stock. Over half gained the 2 marks.

Q2c – candidates were asked to discuss two ways that MME could measure its success, most were able to identify the two ways but then did not develop their answers or justify them to gain the additional marks available.

Q2d (i) – candidates were asked what is EPOS? Very few if any of the candidates gained the marks available for this question. Most tended to confuse it with EFTPOS as a means of payment. The question was taken from section 5 – Production, 5.3 Productivity – technology.

Q2d (ii) – if candidates did not understand what EPOS was then they were unable to answer how it could benefit MME. To this extent two thirds of the candidates gained no marks for this part of the question.

## **Question 3**

Q3a for this question candidates had to choose between option A or option B as to which method Max would use to promote his business. Candidate understood that they had to analyse their chosen option. A variety of answers were given, however candidates seemed to be drawn to the colour advertisements in a local paper and did not comment that the leaflets could also be in colour. Most candidates were able to gain a mark. There was a spread of marks with over half of the candidates gaining more than 3 marks.

Q3 b (i) – this question seemed to challenge candidates with over half not gaining a mark. Candidates had to state two methods other than sponsorship that Max could have used. Most tended to put 'donate' which is justifiable but they did not specify donate to what, therefore they were unable to gain a mark. Donate to a charity would have gained them the mark. Candidates need to be clear on what they are answering to ensure they gain the marks available.

Q3 b (ii) – it appears that public relations – which comes under the marketing mix of promotion is not fully understood by most candidates. For those that answered this question most were able to gain up to 2 marks for the ways but did not develop their answer to gain the additional marks.

Q3c – most candidates were able to gain marks on this question, provided they had answered from the customers' perspective. The question asked candidates to evaluate the advantages and disadvantages to MME's customers as opposed to MME's business. This meant that they either gained nothing for their answer or very few marks. For those candidates who had read the question correctly, answered in detail and were able to gain the marks available, most gaining full marks understanding the advantages and disadvantages of only selling online.

## **Section B**

### **Question 4**

Q4a candidates were asked to give the ways in which a break-even could be stated. This proved challenging for a number of candidates and over two thirds did not gain a mark for this section.

Q4b (i) – As in previous' years, candidates do find the financial questions more difficult to answer and gain the marks available. If candidates had referred to the front of the paper they would have used the formula given to calculate the acid test ratio. A number of candidates used stock which did not give them the correct answer. Over a quarter of the cohort gain no marks for the whole of section b.

Q4b (ii) – candidates struggled with analysing the changes in the acid test ratio. The majority realised that the figure had gone down from one year to another. Most candidates tended to given reasons for the changes in the figures for debtors, creditors and cash, this was not asked for.

Q4c (i) – candidates were asked to give the meaning of exchange rate. Candidates tended to give examples of exchange rates rather than what it actually meant. For those that fully understood what the term meant gained the marks available.

Q4c (ii) – quite a number of candidates were confused with the question and answered it the 'wrong way round' stating that the goods would be cheaper for other countries when it would not. For those that fully understood the question they were able to state the effect on imports for MME and the costs of exporting.

### **Question 5**

Q5a – candidates had to make a decision as to whether closing the high street was a good one for MME or not. Whichever choice the candidates made they had to justify it. Most were able to some of the marks available. In some cases candidates used the same arguments from question 3c.

Q5b – candidates had to justify the success of the new website. Most were able to give sound reasons, such as feedback on the website, increase in sales, as example. To gain the analysis marks they needed to develop their answers.

Q5c – Again as mentioned before in previous reports, it is worth pointing out to candidates that this question does carry the most marks and they should allow sufficient time to answer it. A number of candidates only completed a few lines and therefore did not gain many of the marks available. Some candidates are still using bullet points or numbered format yet again, this will not allow them to gain the higher level marks because they may not have analysed or evaluated the points made. This type of answer does not gain them any marks.

Some candidates continued on additional paper, which is acceptable, but if there is no indication on the examination paper that they have done so, valuable marks could be lost. Candidates must let the examiner know that they have continued their answer, simply by adding the word 'continued', or 'contd' is acceptable.

As in previous year's for this particular question there were no knowledge marks available so to give a description of what an overdraft is or what borrowing from family or friends is, does not gain them any marks. Very few candidates related their comments back to MME this often meant that they did not get the applied marks available. Where candidates did justify why they had chosen one method, they often tended to use the reverse argument for the other method, this did not gain them additional marks. However, there were a number of candidates that were able to justify why they had chosen one method as opposed to another, and gave valid and relevant reasoning.

#### Grade Boundaries

Grade boundaries for this, and all other papers, can be found on the website on this link:

<http://qualifications.pearson.com/en/support/support-topics/results-certification/grade-boundaries.html>