



Examiners' Report

Principal Examiner Feedback

November 2021

Pearson Edexcel International GCSE in
Business Studies (4BS1/01)

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General

Both paper 1 and 2 allow learners to apply theory to realistic contexts. This paper is based on Artify Studios, Singapore, which proved accessible to candidates. Many candidates showcased evidence of their understanding of Business from studying this course. However, providing answers on the given scenario still seems to present some difficulty for some learners which restricted their entry to the higher levels. Centres are encouraged to work closely with their learners to encourage them to revisit the scenario set and encourage them to practice answering questions in the context of the scenario set.

Centres are advised to look at the command words outlined on page 31 of the specification as many learners are losing marks through their lack of understanding of these words, in particular the 'State' questions. For example, 'State in question 1 (d) required learners to 'State one financial method of motivation Artify Studios could use to motivate its employees'. To achieve full marks the answer must be in context to the given scenario but a lot of learners provided a financial method of motivational but with no context to Artify Studios.

To assist centres in their preparation for future examinations it is worth noting that the mark scheme does include the Assessment Objectives (AO) for all questions. The breakdown for each AO can be seen on page 7 of the Getting Started to Teach guide. Questions 2 (f) and 3 (e) in particular were poorly answered. For analysis (AO3) and evaluation (AO4) responses candidates are asked to write an extended answer using the information provided within the paper.

The time provided for the paper was sufficient and the paper differentiated well. Most gaps were found in questions 2 (f) and 3 (e) where learners showed little knowledge of how to answer a 'Justify' question. Learners showed clear knowledge of the two options for Artify Studios but often were unaware there are no AO1 marks available for these questions and they are being tested on application (AO2), analysis (AO3) and evaluation (AO4) skills to be able to successful recommend one of the options to Artify Studios.

Overall, learners responded well to the paper.

Reports on individual questions.

Question 1

Generally, the multiple-choice questions were well answered. Questions 1 (a) (i) through to 1 a (iv) saw the majority of candidates gaining the mark for each question. Question 1 (a) (ii) saw around three quarters of candidates gaining a mark with most candidates gaining a mark for question 1 (a) (iv) showing good knowledge of external factors.

Question 1 (a) (v) saw over half of candidates gaining a mark when calculating the markup for Artify Studios with some candidates not making use of the formulas given in the paper for this question. Question 1 (a) (vi) saw around two thirds of candidates gain a mark showing good applications skills of exchange rates.

Question 1 (b) – this question saw around half of candidates correctly define the term diseconomies of scale although some candidates are confused the term with economies of scale.

Question 1 (c) – most candidates were able to correctly define the term quantitative data, although some candidates confused this with qualitative data or market research.

Question 1 (d) – a well answered question with around two thirds of candidates gaining the mark for this question by being able to correctly define the term job production.

Question 1 (e) – a calculation question where around two thirds of candidates gained full marks for the discounted cost of booking both courses at the same time. Some candidates gained a mark for calculating the discount but they did not then go on to apply the discount therefore not gaining the second mark.

Question 1 (f) – a question where around a quarter of candidates were able to identify a measure a business can use to judge its success and then go on to explain this measure to gain the full three marks available. One third of candidates gained a mark for identifying a measure of success but then did not go on to explain this measure therefore only achieving one mark. Candidates who list more than one way of measuring business success can only gain one mark.

Question 1 (g) – a question where candidates have shown a lack in their knowledge of the effect of a decrease in interest rates or where candidates have shown knowledge but not applied the knowledge in the context provided or with any analysis. Candidates must be reminded that there are no AO1 marks for this question, there are AO2 marks for this level-based question as often candidates would provide an extended answer but not apply this answer to the context of Artify Studios therefore not allowing themselves to move into

the top of level 2. Most marks gained by candidates were within the level 2 band for this particular question.

Question 2

Question 2 (a) – a ‘State’ question which was not well answered by candidates. Candidates were sometimes able to generically offer a reason of why high-quality service may be offered but did not apply this reason to Artify Studio. Less than one fifth of candidates were able to correctly identify a reason why Artify Studio would want to offer a high-quality service and put this in context to the business.

Question 2 (b) – again, another ‘State’ question which was not well answered by candidates. Only one tenth of candidates were able to correctly identify an advantage for Artify Studio of using part-time employees. Centres must remind candidates that ‘State’ questions need to be in the context of the given business, a lot of candidates are currently being disadvantaged by not being taught this skill.

Question 2 (c) – this was a well answered question showing good knowledge on the topic of ownership. Candidates were able to identify a benefit to a business to being in a partnership and then go on to explain this reason with almost two thirds of candidates gaining either two or three marks on this question.

Question 2 (d) – almost three quarters of candidates gained 2 or more marks for this question as they were able to correctly identify a way social media can be used by a business and go on to develop this answer. Where those candidates did not gain the higher marks was due to identifying a way social media can be used by a business but not then developing the answer or providing a list of ways of how social media can be used by a business.

Question 2 (e) – a question which showed some gaps in knowledge of total quality management (TQM). Those candidates who understand this quality assurance method were able to identify one benefit for a business from the introduction of TQM and go on to explain this benefit therefore gaining the full available marks. Some candidates found it difficult to extend their answer beyond listing benefits and therefore were unable to gain full marks. Around a third of candidates showed no knowledge of this method whatsoever so gained no marks.

Question 2 (f) – for this question candidates were asked to choose between sponsoring a local art show in the Kampong Glam area or having a stand at a national art exhibition in Singapore’s capital. Those candidates who gained no marks on this response simply showed knowledge of one or both options with no application, analysis or evaluation. Candidates working at level 1 showed good knowledge of both options, making statements on one or both options with some relation to Artify Studios but this was not always

expanded upon in their answer. Around half of candidates accessed level 2 by expanding on their answers but often missing balance and concluding their thoughts. More able candidates accessed level 3 by considering their chosen option in the context of Artify Studio and how this would impact their image, linking their points together and concluding their answer with balance and justification.

Question 3

Question 3 (a) – not a well answered question as only around a third of candidates have been able to show their knowledge of defining the term price skimming. This question showed a gap in knowledge of pricing strategies with some candidates this strategy with other pricing strategies.

Question 3 (b) – a question which has proved a challenge for some candidates. The response to this question must be in the context of Artify Studio to gain the full available marks. Some candidates did well to identify a reason why cash might be important to Artify Studio but only around one fifth of candidates went on to outline the importance of this reason.

Question 3 (c) – a well answered calculation question where the majority of candidates have gained at least one mark with around two thirds gaining all of the marks available. It is pleasing to see candidates are making more use of the formulas given at the start of the paper. Centres must remind candidates that if the question states 'to 2 decimal places' then this is the expectation to gain full marks for the question.

Question 3 (d) – a question where around one quarter of candidates did not gain any marks due to a lack of knowledge of how the information provided can assess performance or because they repeated the figures from Figure 1 with no explanation. Those candidates who accessed level 3 carefully considered how the information provided could be used by Artify Studio to assess the performance of the business or how limiting the information was in assessing their performance. Candidates were disadvantaged when they did not apply their answer to Artify Studio as they cannot access the top of level 2 without any application.

Question 3 (e) – for this question candidates were asked to choose between crowdfunding and retained profit for Artify Studio to gain additional finance. One fifth of the candidates who gained no marks on this response simply showed knowledge of one or both options with no application, analysis or evaluation. Candidates working at level 1 showed good knowledge of both options, making statements on one or both options with some relation to Artify Studio but this was not always expanded upon in their answer. More able candidates accessed level 3 by considering their chosen option in the context of Artify Studio and how this would impact the business when deciding which method of finance to

choose, they have linked their points together and concluded their answer with balance and justification.

Question 4

Question 4 (a) – a calculation question which has been well answered by candidates. Over half of the candidates have been able to successfully calculate the cost to Artify Studio of delivering 1,000 leaflets which will take 3 hours. It is clear to see centres have encouraged candidates to include their working out as often candidates have gained a mark for their calculation despite their final answer being incorrect. Candidates should be encouraged to the requirements of the question as some candidates worked out parts of the question and missed the top marks because they did not complete all of the calculations required from the question.

Question 4 (b) – a question which showed a lack of knowledge of on-the-job training for around one fifth of candidates who did not gain any marks on this question or they did not gain any marks as they misread the question and analysed the benefits for employees rather than the business. Those candidates who analysed the benefits for Artify Studio of on-the-job training for its new employees often did not apply it to Artify Studio therefore could not access the top of level 2. Those candidates who accessed level 3 did so by detailed analysis of the benefits for Artify Studio of on-the-job training in relation to the business and some candidates went on to link it to other information given about the business throughout the paper.

Question 4 (c) – centres are reminded that this is the only level-based question in the paper which is equally weighted across all four assessment objectives.

It is pleasing to see that on the whole most candidates made an attempt at this question.

Candidates at level 1 made some attempt at the question and were able to make basic statements at the main factors that influence location decisions often without any reference to Artify Studio or any development of their answer.

Those candidates who accessed level 3 considered the importance of the factors influencing location decisions in the context of Artify Studio and how the business can make a decision on location. Candidates have successfully linked their points together in a logical order and been able to conclude their answer with a well balance and justified argument.

Those who performed less well than expected on this question did so for one of two reasons.

Firstly, candidates provided a generic answer with no application to Artify Studio or its business activity or candidates would go into detail outlining a number of factors influencing location decisions.

Secondly, candidates did not provide a thorough judgment relating back to any issues that may occur for Artify Studio if it did decide to relocate or they did not balance their conclusion therefore limiting their evaluation.