

# Mark Scheme Summer 2008

IGCSE

## IGCSE Commerce (4340)

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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.

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Question Number	Answer	Mark
1(a) (i)	<i>(AO1 Demonstrate = 2)</i>  Trade is buying and selling or exchange of goods (1) With a view to profit (1)	(2)

Question Number	Answer	Mark
1(a) (ii)	<i>(AO1 Demonstrate = 2)</i>  Importers (1) Exporters (1)	(2)

Question Number	Answer	Mark
1(a) (iii)	<i>(AO2 Apply = 2)</i>  e.g. miner farmer forestry worker	(2)

Question Number	Answer	Mark
1(a) (iv)	<i>(AO2 Apply = 2)</i>  e.g. teacher doctor hairdresser	(2)

Question Number	Answer	Mark
1(a) (v)	<i>(AO3 Analyse = 2)</i>  Valid points could include:  direct service workers equally important to industrial workers - they are part of production allows peoples' needs to be satisfied - example such as teacher in educating keeps workers fit for work - example such as doctors	(2)

Question Number	Answer	Mark
1(b) (i)	<p><i>(AO1 Demonstrate = 3)</i></p> <p>Valid points could include:</p> <p>e.g. to provide goods that consumers want  to provide goods in suitable quantity  to provide goods when consumers want them  to provide delivery to homes  ordering goods not in stock  giving advice  repairing goods  providing credit  advertising  parking  long opening hours  special offers / discounts</p>	(3)

Question Number	Answer	Mark
1(b) (ii)	<p><i>(AO1 Demonstrate = 2)</i></p> <p>Valid points could include:</p> <p>e.g. each store has a number of separate departments  luxury facilities offered or examples  number of floors  sells everything  larger stores</p>	(2)

Question Number	Answer	Mark
1(b) (iii)	<p><i>(AO1 Demonstrate = 2)</i></p> <p>Valid points could include:</p> <p>e.g. internet shopping  mail order  automatic vending  direct selling such as home party selling  hawkers and street traders / market traders</p>	(2)

Question Number	Answer	Mark
1(b) (iv)	<p style="text-align: center;"><i>(AO4 Evaluate = 3)</i></p> <p>Valid points could include:</p> <p>e.g. variety of goods - greater choice - use of own brands  competitive prices - as large retailers buy in bulk - cutting costs  emphasis on sales promotions - loss leaders - saves money on weekly bill  car parking is much bigger - makes it easier to park  - more likely to shop there</p>	<b>(3)</b>

Question Number	Answer	Mark
1(c) (i)	<p style="text-align: center;"><i>(AO1 Demonstrate = 3)</i></p> <p>Valid points could include:</p> <p>e.g. prompt or advance payment is made  goods bought in bulk  goods are stored for the manufacturer  information/advice can be communicated to manufacturers  price fluctuations can be evened out  acts as a risk-bearer  provides transport  finishes goods by grading or packing</p>	<b>(3)</b>

Question Number	Answer	Mark
1(c) (ii)	<p style="text-align: center;"><i>(AO3 Apply = 3)</i></p> <p>Valid points could include:</p> <p>e.g. offers choice of goods - from many different manufacturers - saves retailer time looking for finished goods to buy  breaks bulk - sells in convenient quantities - retailer not able to buy in bulk  goods are stored - retailer can quickly obtain supplies - saves retailer from warehousing costs</p>	<b>(3)</b>

Question Number	Answer	Mark
1(c) (iii)	<p><i>(AO4 Evaluate = 4)</i></p> <p>Valid points could include:</p> <p>e.g. large retailers able to buy in bulk - direct from manufacturers - able to afford to carry out the wholesaling functions</p> <p>manufacturers setting up their own retail outlets/internet websites - enables them to have greater control over sales - and costs</p>	(4)

Question Number	Answer	Mark
2(a) (i)	<p><i>(AO1 Demonstrate = 3)</i></p> <p>A = Fire</p> <p>B = Public liability</p> <p>C = Motor vehicle</p>	(3)

Question Number	Answer	Mark
2(a) (ii)	<p><i>(AO1 Demonstrate = 2) (AO2 Apply = 2)</i></p> <p>e.g. product liability (AO1) - consumer being injured by faulty goods (AO2)</p> <p>e.g. fidelity guarantee (AO1) - covers loss against dishonesty of workers (AO2)</p>	(4)

Question Number	Answer	Mark
2(a) (iii)	<p><i>(AO1 Demonstrate = 2)</i></p> <p>Valid points could include:</p> <p>e.g. where there is no insurable interest</p> <p>that the business will not go bankrupt</p> <p>that goods will not sell / will not make profit</p> <p>risks arising during war</p>	(2)

Question Number	Answer	Mark
2(a) (iv)	<p><i>(AO4 Evaluate = 3)</i></p> <p>e.g. where there are no past records - cannot assess the probability of the risk - cannot calculate the premium to be charged</p>	(3)



Question Number	Answer	Mark
2(b)	<p style="text-align: center;"><i>(AO1 Demonstrate = 2)(AO3 Analyse = 4)</i></p> <p>Valid points could include:</p> <p>e.g. proposal form (AO1) - must tell the truth - as this allows the insurer to assess the risk - and charge the correct premium (AO3) policy (AO1) - this is the contract - sets out the terms - used when a claim is made (AO3)</p>	<b>(6)</b>

Question Number	Answer	Mark
2(c) (i)	<p style="text-align: center;"><i>(AO1 Demonstrate = 2)</i></p> <p>Valid points could include:</p> <p>e.g. policyholders pay premiums into a pool - the money created is used to pay compensation those who claim from the pool</p>	<b>(2)</b>

Question Number	Answer	Mark
2(c) (ii)	<p style="text-align: center;"><i>(AO4 Evaluate = 3)</i></p> <p>Valid points could include:</p> <p>e.g. age of driver - statistics show more claims made by younger drivers driver's record - safer drivers with a longer history have lower premiums</p>	<b>(3)</b>

Question Number	Answer	Mark
2(d) (i)	<p style="text-align: center;"><i>(AO2 Apply = 1)</i></p> <p>e.g. insured will only receive the amount of loss ie £5000 or over-insurance</p>	<b>(1)</b>

Question Number	Answer	Mark
2(d) (ii)	<p style="text-align: center;"><i>(AO2 Apply = 1)</i></p> <p>e.g. insured will receive £4000 from each insurance company or contribution</p>	<b>(1)</b>

Question Number	Answer	Mark
3(a) (i)	<p><i>(AO2 Apply = 6)</i></p> <p>£1 120 - 25% of £1 120 (1) = £840 (1)  10% of £840 = £84 (1)  £840 + £84 = £924 (1)  £924/24 (1) = £38.50 (1)</p> <p>alternative method</p> <p>£1 120 - 25% of £1 120 (1) = £840 (1)  10% of £840 = £84 (1)  £840 + £84 = £924 (1) + 10% = £92.40 (1)  £1016.40/24 = £42.35 (1)</p> <p>(5 marks for correct method if answer is incorrect)</p>	(6)

Question Number	Answer	Mark
3(a) (ii)	<p><i>(AO2 Apply = 2)</i></p> <p>Valid points could include:</p> <p>e.g. Betty will save money - £84 savings - Betty will not pay interest - does not worry about paying instalments</p>	(2)

Question Number	Answer	Mark
3(a) (iii)	<p><i>(AO3 Analyse = 4)</i></p> <p>Valid points could include:</p> <p>e.g. can complain to the retailer - ask for replacement or a refund - within a year - goods not of merchantable quality/not fit for purpose - covered by Sales of Goods Act - but cannot withdraw from hire purchase agreement as more than five days old - can report the retailer to a consumer protection agency - if retailer refuses to replace, can take retailer to court</p>	(4)

Question Number	Answer	Mark
3(b)	<p><i>(AO2 Apply = 3)</i></p> <p>Valid points could include:</p> <p>e.g. owns the goods immediately under credit sales - not owned under hire purchase until final instalment paid  can be sued for amounts owing if instalments not paid under credit sales - under hire purchase the goods can be repossessed  cannot cancel the agreement and return the goods under credit values - can cancel at any time and return the goods under hire purchase</p>	(3)

Question Number	Answer	Mark
3(c) (i)	<p><i>(AO1 Demonstrate = 1) (AO2 Apply = 2)</i></p> <p>Valid points could include:</p> <p>e.g. loan (AO1) large amount for some people - can be off in monthly instalments - some protection if car becomes faulty - second-hand value (AO2)</p>	(3)

Question Number	Answer	Mark
3(c) (ii)	<p><i>(AO1 Demonstrate = 1) (AO2 Apply = 2)</i></p> <p>Valid points could include:</p> <p>e.g. mortgage (AO1) - large amount of money - long-term debt - e.g. 25 years - usually given on percentage of property value</p>	(3)

Question Number	Answer	Mark
3(d)	<p><i>(AO2 Apply = 4)</i></p> <p>Valid points could include:</p> <p>e.g. easy to obtain - obtains instant credit - no formalities involved compared to hire purchase - could be paid off without interest - interest-free period - relatively easy to increase credit limit</p>	(4)

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Question Number	Answer	Mark
1(a) (i)	<p><i>(AO2 Apply = 6)</i></p> <p>£1 120 - 25% of £1 120 (1) = £840 (1)            10% of £840 = £84 (1)            £840 + £84 = £924 (1)            £924/24 (1) = £38.50 (1)</p> <p>Alternative method</p> <p>£1 120 - 25% of £1 120 (1) = £840 (1)            10% of £840 = £84 (1)            £840 + £84 = £924 (1) + 10% = £92.40 (1)            £1016.40/24 = £42.35 (1)</p> <p>(5 marks for correct method if answer is incorrect)</p>	(6)

Question Number	Answer	Mark
1(a) (ii)	<p><i>(AO2 Apply = 2)</i></p> <p>Valid points could include:</p> <p>e.g. Betty will save money - £84 savings - Betty will not pay interest - does not worry about paying instalments</p>	(2)

Question Number	Answer	Mark
1(a) (iii)	<p><i>(AO3 Analyse = 4)</i></p> <p>Valid points could include:</p> <p>e.g. can complain to the retailer - ask for replacement - within a year - goods not of merchantable quality/not fit for purpose - covered by Sales of Goods Act - but cannot withdraw from hire purchase agreement as more than five days old - can report the retailer to a consumer protection agency - if retailer refuses to replace, can take retailer to court</p>	(4)

Question Number	Answer	Mark
1(b)	<p><i>(AO2 Apply = 3)</i></p> <p>Valid points could include:</p> <p>e.g. owns the goods immediately under credit sales - not owned under hire purchase until final instalment paid  can be sued for amounts owing if instalments not paid under credit sales - under hire purchase the goods can be repossessed  cannot cancel the agreement and return the goods under credit values - can cancel at any time and return the goods under hire purchase</p>	(3)

Question Number	Answer	Mark
1(c) (i)	<p><i>(AO1 Demonstrate = 1) (AO2 Apply = 2)</i></p> <p>Valid points could include:</p> <p>e.g. loan (AO1) large amount for some people - can be off in monthly instalments - some protection if car becomes faulty - second-hand value (AO2)</p>	(3)

Question Number	Answer	Mark
1(c) (ii)	<p><i>(AO1 Demonstrate = 1) (AO2 Apply = 2)</i></p> <p>Valid points could include:</p> <p>e.g. mortgage (AO1) - large amount of money - long-term debt - e.g. 25 years - usually given on percentage of property value</p>	(3)

Question Number	Answer	Mark
1(d)	<p><i>(AO2 Apply = 4)</i></p> <p>Valid points could include:</p> <p>e.g. easy to obtain - obtains instant credit - no formalities involved compared to hire purchase - could be paid off without interest - interest-free period - relatively easy to increase credit limit</p>	(4)

Question Number	Answer	Mark
2(a) (i)	<p><i>(AO1 - Demonstrate = 2 marks)</i></p> <p>e.g. ordinary shares - part-owners of a company  risk-bearers of a company - paid last in distribution of profits  contribute to capital - helps financing of company</p>	(2)

Question Number	Answer	Mark
2(a) (ii)	<p><i>(AO1 - Demonstrate = 2 marks)</i></p> <p>e.g. share of profits - if profits are low, dividends will be low or nil  distributed to shareholders - ordinary shareholders</p>	(2)

Question Number	Answer	Mark
2(b) (i)	<p><i>(AO2 - Apply = 2 marks)</i></p> <p>Valid points could include:</p> <p>e.g. stockbroker - telephone or visit to obtain best deal  visit bank - will carry out transaction immediately  email or telephone licensed dealer - often cheaper than stockbroker</p>	(2)

Question Number	Answer	Mark
2(b) (ii)	<p><i>(AO2 - Apply = 2 marks)</i></p> <p>£1600 - £1000 (1) = £600 profit (1)</p> <p>(1 mark for correct method but wrong answer)</p>	(2)

Question Number	Answer	Mark
2(b) (iii)	<p><i>(AO2 - Apply = 2 marks)</i></p> <p>e.g. shares at 20 pence - very low rate</p> <p><b>OR</b></p> <p>£1000 - £200 (1) = £800 loss (1)</p> <p>(1 mark for correct method but wrong answer)</p>	(2)

Question Number	Answer	Mark
2(c)	<p><i>(AO3 - Analyse = 8 marks)</i></p> <p>Valid points could include:</p> <p>e.g. performance - if profits are good the price of shares are likely to remain high - if losses are reported or forecast the price of shares will generally fall  mergers - amount of share price change will depend on shareholders' view taken on the merger  development of new products - may lead to optimism and rise in price  government policies - example of new tax - share prices could fall  general economic activity - if there is improved economic growth - shares likely to be in demand and share prices will generally rise</p> <p style="text-align: right;">4 x 2 marks</p>	<b>(8)</b>

Question Number	Answer	Mark
2 (d)	<p><i>(AO4 - Evaluate = 7 marks)</i></p> <p>Valid points could include:</p> <p>e.g. capital raising - companies can gain long-term capital - even though investors do not want to commit their money to a company permanently  investor protection - highest standards of behaviour from stock exchange members  people more likely to invest due to such protection  pension funds/insurance companies - profitable outlet for their funds  government - ready market in gilt-edged securities  valuations for tax purposes indicator of opinion/trends - reflects the underlying economic conditions - low prices reflect pessimism - high prices reflect optimism</p>	<b>(7)</b>

Question Number	Answer	Mark
3(a) (i)	<p><i>(AO1 - Demonstrate = 4 marks)</i></p> <p>e.g. inform - of new goods or prices  persuade - to sell goods  remind - to create brand loyalty</p>	(4)

Question Number	Answer	Mark
3(a) (ii)	<p><i>(AO2 - Apply = 3 marks)</i></p> <p>Valid points could include:</p> <p>e.g. makes a memorable name - distinguishes it from competitors - make consumers buy their goods instead of other brands  establishes brand loyalty - known quality of product - consumers trust the goods to brands such as Superwash rather than others</p>	(3)

Question Number	Answer	Mark
3(a) (iii)	<p><i>(AO1 - Demonstrate = 4 marks)</i></p> <p>Valid points could include:</p> <p>e.g. relatively cheap  number of hits can be monitored  can be targeted  can be easily changed  can use sound and vision  can be seen 24/7  can be seen globally  use of video clips</p>	(4)

Question Number	Answer	Mark
3 (b)	<p><i>(AO4 - Evaluate = 6 marks)</i></p> <p>Valid points could include:</p> <p>e.g. national advertising campaign needs care if is to be effective - few manufacturers have the skills to carry out a campaign - advertising agency has specialists - no need for company to employ specialists - to create the advertisement - employ specialist copywriters to devise the advertisements - production department puts the ideas of copywriter into practice - agency books time or space on appropriate media</p>	(6)



Question Number	Answer	Mark
3 (c)	<p><i>(AO3 - Analyse = 8 marks)</i></p> <p>Valid points could include:</p> <p>e.g. may lead to higher prices - to cover advertising costs may lead to consumers buying goods that they do not want - by the use of subtle advertising techniques may lead to over-spending - buying goods that consumers cannot afford may exploit consumers - use of example misleading advertisements - consumers being 'ripped-off'</p>	(8)

Question Number	Answer	Mark
4(a) (i)	<p><i>(AO1 - Demonstrate = 2 marks)</i></p> <p>Balance of trade = visible exports - visible imports</p>	(2)

Question Number	Answer	Mark
4(a) (ii)	<p><i>(AO2 - Apply = 2 marks)</i></p> <p>Valid points could include:</p> <p>Balance of payments = visible exports + invisible exports - visible imports + invisible imports</p> <p>A record of financial transactions between a country and the rest of the world</p>	(2)

Question Number	Answer	Mark
4(a) (iii)	<p><i>(AO2 - Apply = 2 marks)</i></p> <p>Valid points could include:</p> <p>e.g. less to pay for imports - no need to import them more revenue - surplus can be exported</p>	(2)

Question Number	Answer	Mark
4(b) (i)	<p><i>(AO1 - Demonstrate = 1 mark) (AO2 - Apply = 2 marks)</i></p> <p>Valid points could include:</p> <p>e.g. pipeline (AO1) continuous flow - cheaper when installed - safe means - not affected by weather/congestion (AO2)</p>	(3)

Question Number	Answer	Mark
4(b) (ii)	<p><i>(AO1 - Demonstrate = 1 mark) (AO2 - Apply = 2 marks)</i></p> <p>Valid points could include:</p> <p>e.g. road tanker (AO1) specialist container for inflammable liquids - safe means - ease of loading and unloading - door to door - able to carry bulk loads (AO2)</p>	(3)

Question Number	Answer	Mark
4 (c)	<p><i>(AO3 - Analyse = 6 marks)</i></p> <p>Valid points could include:</p> <p>e.g. need for speed - especially for perishables/valuable goods  growth of global economy - increased demand for foreign goods  increased number of airports - more air routes available  safer than sea/rail transport - less packaging required  transports long distances - reaching inaccessible places  increase in number of low bulk/high value goods - can absorb air costs</p>	(6)

Question Number	Answer	Mark
4 (d) (i)	<p><i>(AO4 - Evaluate = 4 marks)</i></p> <p>Valid points could include:</p> <p>e.g. stores dutiable goods - payment of duty is postponed - saves on working capital  only released from bond - when payment of duty is made - if rules are broken a large fine - controlled by Customs and Excise  goods can be sold in bond - payment will be made by the buyer  goods for re-export can be kept - refund of duty possible - customs drawback  while in bond goods can be processed - bottled/blended/packaged or graded - but cannot be manufactured</p>	(4)

Question Number	Answer	Mark
4(d) (ii)	<p style="text-align: center;"><i>(AO4 - Evaluate = 3 marks)</i></p> <p>Valid points could include:</p> <p>e.g. without goods being kept at the right temperature - they would waste - they would be ruined by frost/damp - particularly over long distances - businesses would not be able to sell over long distances if there was no cold storage example - such as ice cream</p>	(3)

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Question Number	Answer	Mark
1	<p><i>(AO1 Demonstrate = 2)</i></p> <p>Valid points could include:</p> <ul style="list-style-type: none"> <li>• advertising budget</li> <li>• best use of or re 2012 Olympics</li> </ul>	(2)

Question Number	Answer	Mark
2	<p><i>(AO1 Demonstrate = 3; A02 apply = 3)</i></p> <p>Valid points could include:</p> <p>(a) local market</p> <ul style="list-style-type: none"> <li>• small geographical area</li> <li>• own country</li> <li>• suitable example</li> </ul> <p>(b) target consumer</p> <ul style="list-style-type: none"> <li>• main likely buyer of product / specific customer</li> <li>• key characteristics</li> <li>• example such as age or sex</li> </ul> <p>(c) soft sell</p> <ul style="list-style-type: none"> <li>• allow informative rather than performative</li> <li>• suitable example such as email pop-ups</li> <li>• method which is less direct than hard sell</li> </ul>	(6)

Question Number	Answer	Mark
3(a)	<p><i>(AO1 demonstrate = 3)</i></p> <p>Valid points could include:</p> <ul style="list-style-type: none"> <li>• text messages</li> <li>• in-store placement</li> <li>• national press / magazines</li> <li>• radio</li> <li>• internet</li> <li>• outdoor</li> </ul>	(3)

Question Number	Answer	Mark
3(b)	<p data-bbox="384 297 839 331"><i>(AO2 Apply = 3; AO3 analyse = 12)</i></p> <p data-bbox="325 365 679 398">Valid points could include:</p> <p data-bbox="373 432 563 465">text messages</p> <ul data-bbox="424 499 991 958" style="list-style-type: none"> <li data-bbox="424 499 619 533">• advantages <ul data-bbox="472 566 991 712" style="list-style-type: none"> <li data-bbox="472 566 863 600">• cheaper than alternatives</li> <li data-bbox="472 607 991 640">• modern --- get immediate response</li> <li data-bbox="472 647 967 680">• appropriate for younger audience</li> <li data-bbox="472 687 730 721">• target audience</li> </ul> </li> <li data-bbox="424 745 659 779">• disadvantages <ul data-bbox="472 813 959 958" style="list-style-type: none"> <li data-bbox="472 813 639 846">• too brief</li> <li data-bbox="472 853 831 887">• not visually stimulating</li> <li data-bbox="472 893 743 927">• limited audience</li> <li data-bbox="472 934 959 967">• easy to miss/not accept message</li> </ul> </li> </ul> <p data-bbox="373 992 628 1025">in-store placement</p> <ul data-bbox="424 1059 1010 1518" style="list-style-type: none"> <li data-bbox="424 1059 624 1093">• advantages <ul data-bbox="472 1126 1010 1272" style="list-style-type: none"> <li data-bbox="472 1126 999 1160">• consumer can see product in reality</li> <li data-bbox="472 1167 1010 1200">• buy with other products (loss leader)</li> <li data-bbox="472 1207 959 1240">• place with complementary goods</li> <li data-bbox="472 1247 711 1281">• wide coverage</li> </ul> </li> <li data-bbox="424 1305 659 1339">• disadvantages <ul data-bbox="472 1373 916 1518" style="list-style-type: none"> <li data-bbox="472 1373 772 1406">• large stock needed</li> <li data-bbox="472 1413 916 1447">• not as exciting as TV and text</li> <li data-bbox="472 1453 783 1487">• susceptible to theft</li> <li data-bbox="472 1494 938 1527">• small audience (in urban areas)</li> </ul> </li> </ul> <p data-bbox="373 1552 563 1585">national press</p> <ul data-bbox="424 1619 879 1832" style="list-style-type: none"> <li data-bbox="424 1619 624 1653">• advantages <ul data-bbox="472 1686 879 1832" style="list-style-type: none"> <li data-bbox="472 1686 711 1720">• mass audience</li> <li data-bbox="472 1727 831 1760">• cheaper than television</li> <li data-bbox="472 1767 879 1800">• advert can be cut and kept</li> <li data-bbox="472 1807 863 1841">• target-specific readership</li> </ul> </li> </ul>	

	<ul style="list-style-type: none"> <li>• disadvantages <ul style="list-style-type: none"> <li>• less impact than television</li> <li>• easily missed</li> <li>• no movement, little colour</li> <li>• visual only</li> </ul> </li> </ul> <p>internet</p> <ul style="list-style-type: none"> <li>• advantages <ul style="list-style-type: none"> <li>• mass audience</li> <li>• colour / movement</li> <li>• cheaper than some others</li> <li>• order online</li> </ul> </li> <li>• disadvantages <ul style="list-style-type: none"> <li>• some not computer literate</li> <li>• temporary impact</li> <li>• no computers in certain areas</li> </ul> </li> </ul> <p>outdoor</p> <ul style="list-style-type: none"> <li>• advantages <ul style="list-style-type: none"> <li>• passers by see it</li> <li>• relatively cheap compared with others</li> <li>• accessible to different age groups</li> <li>• visual attractiveness - awareness</li> </ul> </li> <li>• disadvantages <ul style="list-style-type: none"> <li>• no sound / motion</li> <li>• damage from weather</li> <li>• very little detail</li> <li>• effectiveness varies with type</li> </ul> </li> </ul> <p>5 marks for each with maximum 3 for advantages (or disadvantages)</p>	<p><b>(15)</b></p>
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Question Number	Answer	Mark
4	<p data-bbox="384 297 858 331"><i>(AO2 Apply = 2; AO4 Evaluate = 12)</i></p> <p data-bbox="360 365 715 398">Valid points could include:</p> <ul data-bbox="376 439 1023 1330" style="list-style-type: none"> <li data-bbox="376 439 1023 472">• £10 m on non TV methods (with example) (2)</li> <li data-bbox="376 472 1023 539">• £30 m budget on TV and candidate gives reasons for choice (4 x 2 = 8)</li> <li data-bbox="376 539 1023 674">• candidate makes comparative statement about this method relative to other ones, eg TV is more expensive than cinema but reaches wider audience (2)</li> <li data-bbox="376 674 1023 786">• candidate justifies allocation of budget to other non TV advertising, giving reasons and possible benefits (2)</li> <li data-bbox="376 786 1023 853">• recognition that one-off decision and previous spending may be significant (2)</li> <li data-bbox="376 853 1023 920">• realisation that soft drinks campaign differs from trainer (Adidas) (2)</li> <li data-bbox="376 920 1023 987">• recognition that behaviours of rivals may be significant (2)</li> <li data-bbox="376 987 1023 1290">• he/she recognises that their choice depends on factors such as <ul data-bbox="472 1066 895 1290" style="list-style-type: none"> <li data-bbox="472 1066 895 1099">- cost</li> <li data-bbox="472 1099 895 1133">- profits</li> <li data-bbox="472 1133 895 1167">- short and long term factors</li> <li data-bbox="472 1167 895 1200">- public image</li> <li data-bbox="472 1200 895 1234">- advantages of specific method</li> <li data-bbox="472 1234 895 1267">- target audience</li> <li data-bbox="472 1267 895 1290">- any other relevant point (2 each)</li> </ul> </li> <li data-bbox="376 1290 1023 1330">• recognition that TV has disadvantages (2)</li> </ul>	(14)





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