Examiners' Report
Principal Examiner Feedback

Summer 2022

Pearson Edexcel International GCSE
In Commerce (4CM1)
Paper 01R Commercial operation and associated risks

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General

Candidates found the paper accessible and were able to complete it in the given time. For the majority of the questions candidates were well prepared and were able to apply their knowledge, analyse and evaluate to answer the questions. However, a number of candidates struggled with the 'State' questions.

Many candidates had gained a great deal of commercial understanding from studying the course and this was apparent in the answers given. However, there are a number of candidates who are answering the questions detailing their knowledge of the topic without giving any application, analysis or evaluative comments when the question is analyse or justify. This does restrict the candidates' access to the full range of marks. The various scenarios throughout the paper are of real-life commercial operations, which perhaps interested the candidates and meant that they were able to relate their comments more easily to the questions.

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's) are covered throughout the paper and the percentage breakdown of each AO can be seen on page 31 in the Specification. Also on page 44 of the Specification, are examples of the command words used. For example in question 2 (g) and 3 (f) the command word is 'Justify' and candidates are asked to write an extended answer, using information provided in order to recommend one of the two options to a commercial operation.

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.

It is also worth mentioning, 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 or have added additional sheets. Although many candidates did follow this information there were still a number who did not. The examiner may not realise that a candidate has continued writing somewhere else on the paper unless it is made clear. For those candidates that used additional paper, their response to the questions must be clearly identified on the paper. Sufficient lines are given for candidates to answer questions. 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 'continued', 'contd page ....' or 'see separate sheet'.

There are also some candidates who do not follow the instructions of the examination paper, for the multiple choice questions candidates are given the instruction to mark an

'X' in the box. There are some candidates who are using 'ticks' which may not be picked up as the questions are marked by computer.

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.

Reports on individual questions

Section A

Question 1
In part 1 a – nearly four fifths of the candidates gained the mark for identifying the activity which operates in the secondary sector. Candidates should be reminded that if they do make a mistake when answering a multiple choice question, they should put a line through the wrong answer and an 'X' through the correct response. A candidate that marks two answers will not gain any marks.

In part 1 b – again well answered by the majority of candidates clearly indicating that they understood the definition of chain of distribution.

In part 1 c – a define question, candidates had to define the term cash-and-carry. Unfortunately, only a third of the cohort gained the mark for this question which indicates that candidates did not know the term. From the responses seen a number of candidates, referred to one aspect of the term 'cash' stating that they had to pay for the goods but then did not include the 'carry' aspect and therefore could not gain a mark. Candidates should be encouraged to avoid using the term straight from the question when answering as this does not always show a definition.

In part 1 d – again another define question where candidates had to define, compensation. This was quite well answered by candidates with just over half gaining the mark available. From responses seen, many candidates mentioned that money paid for loss.

In part 1 e (i) – a calculation question, where candidates had to work out the cost of the dress after a 27% discount. Over three quarter of the candidates gained the two marks for this question. It is worth reiterating to candidates to show their workings within the box, as they may have the correct formula and figures but did not make the calculation correct. By entering the figures for the calculation, they could have gained a mark. Also, candidates should be encouraged to ensure that the figures written are clear and easily readable, thus avoiding any confusion.

In part 1 e (ii) - this is the first of the 'State' questions where candidates must relate their response to the scenario. As in previous series only a very small amount of the candidates gained the mark available. Although from the responses seen candidates understood the disadvantage for Magonn of discounting the dresses, but they did not put it in context and therefore did not gain the mark. Just by putting Magonn in the response does not guarantee the mark or even dresses – which is in the question, does not gain them the mark, they need to include an example such as jackets or trousers.

In part 1 e (iii) – another state question. Candidates had to give an advantage for Magonn customers of buying clothes that have been discounted. Approximately a tenth of the cohort gained the mark available, again candidates must relate their response to the scenario to gain the mark.

In part 1 f – a question where candidates could have developed their answers more to gain the full 3 marks available. Nearly one third of the candidates did not gain a mark on this question on a topic of why a country might place quotas on the products it imports. A number of candidates may have misread the question and from responses seen and given more than one reason. It is important that candidates read the question carefully before answering. The question asked for one reason as opposed to two, and on this occasion as it is an explain question, the response did not have to be in context and candidates could demonstrate their knowledge of the topic.

In part 1 g – candidates were asked to give one reason why a business might outsource its production. Over half of the cohort were able to gain one or two marks with a third gaining no marks. There were many responses from candidates as to why a business might outsource, some referred to the business cutting costs, not wanting the responsibility of production, but again only one reason was required and candidates then had to develop that reason rather than giving additional reasons.

In part 1 h – this is the first question in the paper which is marked by levels. Candidates were asked to analyse why Pomelo should insure against any fire occurring at the market place. To gain the marks available candidates needed to apply the information and then analyse it. Most candidates understood the importance of taking out insurance with over two thirds gaining a Level 2 or above mark, showing they clearly understood the reasoning and purpose of Pomelo insuring the market place and the consequences if they did not.

Question 2
In part 2 a – a multiple choice question where candidates had to identify which one a sole trade would have. Over four fifth of the cohort gained the mark available.

In part 2 b – a multiple choice question where candidates had to calculate the number of customers that use their mobile phones to order products. This proved to be a well answered question with nearly the whole cohort gaining the mark available. Perhaps because it was a topic they are extremely familiar with.

In part 2 c (i) – candidates had to look at figure 1 and then identify which the lowest euro exchange rate. The majority of candidates were able to choose the correct group with four fifths gaining the mark available.

In part 2 c (ii) – again candidates had to refer to figure 1 and identify the lowest cost for standard delivery. The majority gained the mark available.

In part 2 d – a define question where candidates were asked to define the term voluntary chain. Nearly three quarters of the candidates did not gain the mark for this question. Again, candidates are encouraged not to use the words in the question when giving a definition as it does not always show a true definition of the term. A common response was that retailers buy from wholesalers, which is correct but does not define a voluntary chain.

In part 2 e – this question was an 'explain' hence candidates did not need to put it in context. The majority of candidates were not able to gain marks on this question, with over half of the cohort gaining the full marks available, justifying why own label products are sold by a business.

In part 2 f – nearly three quarters of the cohort did not gain a mark on this question. As it was another 'explain' question candidates did not have to put it in context. From the responses candidates did not understand why insurance companies actually pool the risks of insuring customers. Again, the question asked for one benefit. It is important that candidates do read the question carefully to ensure they know exactly what they are answering.

In part 2 g – again this is a question that is marked by levels. Candidates had to choose between the two options of either taking on additional partners or expanding by opening more franchises. Most candidates understood that they had to justify why they had chosen which option. However, a large number of candidates gave very detailed descriptions of the two options, which was knowledge and therefore they did not gain any marks, this accounted for a tenth of the cohort who gained no marks. This was also a question where a number of candidates continued on an additional sheet. Perhaps if they had not included detailed descriptions of the two options, they would probably have answered the question in the space provided. Some candidates made some very valid comments, but then did not develop them to gain the analyse and evaluate marks available. Three quarters of the cohort gained a Level 2 mark showing sound application of knowledge and understanding.

Section B

Question 3
In part 3 a – another multiple choice question where the majority of the candidates gained the mark for a description of a department store.

In part 3 b – on this multiple choice question, nearly half of the candidates identified the main reason why Sugarfina might buy some ingredients from a wholesaler.

In part 3 c – a state question where candidates had to give an advantage of Sugarfina using a window display. Again, as mentioned earlier, from the responses seen, a number of candidates gave a valid answer but did not relate it back to Sugarfina, and therefore did not gain the mark available. Nearly a fifth of the candidates gained the mark. Again, even if the candidate mentions Sugarfina but did not put the response in context they would not gain the mark. An example where a candidate's response would not gain the mark. 'it allows the customer to know what the shop sells with looking from outside'. The response is correct but not in context, for the candidate to gain the mark they could have added, 'to see the different selection of sweets for sale'.

In part 3 d – candidates were asked to give one possible reason why Sugarfina has a logo. Nearly four fifths of the cohort did not gain a mark on this question. Again, from the responses seen a number of candidates gave more than one reason. An outline question is very similar to a state question where candidates must put their response in the context of the question. A number of candidates gave the correct response but it was not in context, and therefore did not gain the marks available.

In part 3 e – candidates were asked to analyse the impact on Sugarfina if customers receive faulty or damaged products. Most candidates gained either the top of Level 2 or the bottom of Level 1 with just under a tenth of the candidates not gaining a mark. Candidates made reference to the impact of fault or damaged products on the actual business itself and the bad reputation it would get but then did not develop their response to gain the higher level.

In part 3 f – again another option question where candidates had to justify which one of the two options would be more suitable for Sugarfina from either introducing self-scan checkouts or introducing click and collect. As in question 2 many candidates described both methods giving the advantages and disadvantages. Again, there are no knowledge marks available for this type of question. From the responses seen a number of candidates confused the two methods. Over two thirds of the cohort gained a Level 2. Candidates should be encouraged to analyse and evaluate the two options to enable them to gain the higher marks. There is no right or wrong answer on this type of question, the candidates can justify either one. Candidates should also be encouraged

to draw conclusions and make judgements to their comments to gain the higher level marks.

Section C

Question 4
In part 4 a - candidates should be encouraged to show their workings as advised in the question, as they could gain a mark for the formula, even if the actual answer is wrong. Also as mentioned earlier candidates need to take care when writing their figures in the box, for some candidates it is difficult for the examiner to read, for example, if they have written a 4 or 9. However, nearly two thirds of the candidates gained the two marks available. It is worth reiterating that if the question asks for a calculation to two decimal places, if a response only has one decimal place, with the correct answer they would only get one mark, for not following the question. Also, any question that is in the context of monetary value there are normally two figures after the decimal place. Again, if only one is given the only one mark would be awarded.

In part 4 b – nearly half of the cohort gained a Level 2 for this question. As previously mentioned, this is an analyse question, which is looking for application and analysis of why Tryaksh would have to complete a claim form when a product has been stolen. A number of candidates referred to what a claim form is and the purpose of it, which is knowledge. Again, candidates had not fully read the question. It is important to reread the question perhaps three times to ensure that candidates answer what is being asked.

In part 4 c – It is worth pointing out to candidates that this question does carry the most marks and they should allow sufficient time to answer it, with all four of the Assessment Objectives being covered. A number of candidates only completed a few lines and therefore did not gain many of the marks available. Some candidates are using bullet points or numbered format, this will not allow them to gain the higher level marks because they may not have analysed or evaluated the points made.

Candidates were asked to evaluate why Tryaksh follows consumer protection legislation. A variety of valid comments were made by candidates, such as if they do not follow consumer legislation they could be fined, if they did not follow it, they could lose customers. However, they then failed to develop these points and justify their decisions to enable them to gain the higher level marks. Over half of the candidates achieved a Level 2 mark for this question and a tenth of cohort not gaining a mark.

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' or something similar is acceptable.