

Mark Scheme (Results) January 2009

GCE O Level

GCE O Level Commerce (7100) Paper 1A

7100/1A Mark Scheme

Question Number	Answer	Mark
1(a)	Customs and Excise or HM Revenue and Customs or Customs	(1)

Question Number	Answer	Mark
1(b)	Dividend	(1)

Question Number	Answer	Mark
1(c)	Mortgage	(1)

Question Number	Answer	Mark
1(d)	Primary / Market / Field	(1)

Question Number	Answer	Mark
2	<p>Value points could include:</p> <p>(Producer goods) - inputs in the production of other goods - such as partly finished goods, components or raw materials - also called intermediate goods</p> <p>(Consumer goods) - final goods - intended to be bought by consumers for consumption.</p> <p>1 mark for each definition.</p>	(2)

Question Number	Answer	Mark
3	<p>Valid points could include:</p> <p>Finance</p> <p>Banking</p> <p>Insurance</p> <p>Warehousing</p> <p>Communications</p> <p>Telecommunications</p> <p>Advertising agencies</p> <p>1 mark for each example.</p>	(2)

Question Number	Answer	Mark
4	Valid points could include: To protect consumers from misleading advertisements To stop manufacturers telling lies in advertisements To regulate the advertisements of alcohol/tobacco/discourage consumption Other suitable reason 1 mark for each reason	(2)

Question Number	Answer	Mark
5	Owned by the government = public corporation Sells shares to the public = public limited company The owners have limited liability = public limited company Usually provides a public service = public corporation 1 mark for each statement correctly matched.	(4)

Question Number	Answer	Mark
6	Valid points could include: Acceptability - others willing to accept it in exchange for goods Stability of value - so that it can carry out its function of measure of value/deferred payment Portability - easy to carry around Divisibility - so that small payments can be made Durability - it should not deteriorate 1 mark for a characteristic plus 1 mark for development	(2)

Question Number	Answer	Mark
7	<p>Valid points could include:</p> <p>Recognised brand name e.g. Nike - confidence to consumer</p> <p>Brand image - reinforced by advertising</p> <p>Emphasises quality - increases sales</p> <p>Distinguishes the shoes from competitors shoes - brand loyalty</p> <p>Used in stadium advertising - seen by large numbers of people</p> <p>Use of famous sports personality - emulating sporting hero</p> <p>Sponsorship - appears in wider settings</p> <p>1 mark for each point of application</p>	(2)

Question Number	Answer	Mark
8	<p>Valid points could include:</p> <p>Identifies the country where a product has been manufactured - usually over 50% defines where the goods were made</p> <p>Document required by importing country - confirmed by official body in exporting country - import duty may need to be applied to the goods.</p> <p>1 mark for a purpose plus 1 mark for development.</p>	(2)

Question Number	Answer	Mark
9(a)(i)	<p>Valid points could include:</p> <p>Rail</p> <p>Inland waterway (accept canal/river)</p> <p>Air</p> <p>Pipeline transport</p> <p>Coastal shipping</p> <p>Ferry</p> <p>Ship</p> <p>1 mark for each way</p>	(2)

Question Number	Answer	Mark
9(a)(ii)	<p>Valid points could include:</p> <p>Rail - when speed is needed - faster than road over long distances transport - no congested roads - specialised facilities required - bulk cargoes of coal/petroleum/cars- long distances to transport goods - cheaper - faster Inland waterway - when speed not important - cheaper Air - speed is needed - faster than road transport Pipeline transport - only suitable for goods such as gas and oil - then its cheaper once pipeline is in place Coastal shipping - when speed not important - bulky cargo - cheaper</p> <p>1 mark for each point plus 1 mark for development</p>	(4)

Question Number	Answer	Mark
9(b)	<p>More control over deliveries - when goods are sent out/increased flexibility Theft less likely as supervised by own staff - known well Advertising - on the sides of the lorry Haulage businesses profits are absorbed - may be cheaper</p> <p>1 mark for each point plus 1 mark for development</p>	(4)

Question Number	Answer	Mark
9(c)	<p>Valid points could include:</p> <p>Freight notes Export/import licenses Health certificates Customs entry Certificate of insurance Certificate of origin</p> <p>1 mark for each document</p>	(2)

Question Number	Answer	Mark
9(d)	<p>Valid points could include: Duties need to be paid - proof of origin Health and safety may be different in other countries - check the goods meet H & S standards Proof of ownership - more risky for importer and exporter Reduce risk of theft - documents checked for ownership Insurance - different risks involved in importing/exporting</p> <p>1 mark for each point plus 1 mark for development</p>	(4)

Question Number	Answer	Mark
9(e)	<p>Valid points could include: Improvements in lorries - size - speed - reliability Improved infrastructure such as motorways - better links with sea, rail and air</p> <p>1 mark for each point plus 1 mark for development</p>	(4)

Question Number	Answer	Mark
10(a)(i)	<p>Valid points could include: Building with interconnecting walkways or several floors - containing a variety of retail units/shops own car park attached - all under one roof - facilities e.g. children's play area</p> <p>1 mark per point - up to maximum of 2 marks</p>	(2)

Question Number	Answer	Mark
10(a)(ii)	<p>Valid points could include: Land is cheaper / reduces costs Easier to reach for customers / attracts more people/near motorway Large area of land available / parking provided</p> <p>1 mark per reason</p>	(2)

Question Number	Answer	Mark
10(b)	<p>Valid points could include: Greater variety of shops - more choice Increased competition - lower prices/better quality goods More convenient - all shops together - one stop shopping Pleasant environment - indoor so protects from rain/heat/cold Parking available - easier to get to shops/carry shopping to car</p> <p>1 mark per point plus 1 mark for development</p>	(4)

Question Number	Answer	Mark
10(c)	<p>Valid points could include: More competition - falling sales - reducing profits/lead to bankruptcy Fewer shoppers - fewer customers - falling revenue/profits Shops close - fewer people come to the town centre - reduced customers</p> <p>1 mark per point plus up to 3 marks for development</p>	(4)

Question Number	Answer	Mark
10(d)	<p>Valid points could include: Middleman or intermediary (1) between producer and retailer (1) - buys in large quantities (1) and breaks them down into smaller quantities (1)</p> <p>1 mark per point.</p>	(2)

Question Number	Answer	Mark
10(e)	<p>Valid points could include: Sells in small quantities - reducing the need for storage Provides credit - delays payment for retailer Delivery - retailer doesn't need own transport cheaper Gives advice - on new trends/products</p> <p>1 mark per example plus up to 1 mark for development</p>	(6)