



Cambridge International AS & A Level

BUSINESS

9609/22

Paper 2 Data Response

October/November 2023

MARK SCHEME

Maximum Mark: 60

Published

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the October/November 2023 series for most Cambridge IGCSE, Cambridge International A and AS Level components, and some Cambridge O Level components.

PUBLISHED**Generic Marking Principles**

These general marking principles must be applied by all examiners when marking candidate answers. They should be applied alongside the specific content of the mark scheme or generic level descriptors for a question. Each question paper and mark scheme will also comply with these marking principles.

GENERIC MARKING PRINCIPLE 1:

Marks must be awarded in line with:

- the specific content of the mark scheme or the generic level descriptors for the question
- the specific skills defined in the mark scheme or in the generic level descriptors for the question
- the standard of response required by a candidate as exemplified by the standardisation scripts.

GENERIC MARKING PRINCIPLE 2:

Marks awarded are always **whole marks** (not half marks, or other fractions).

GENERIC MARKING PRINCIPLE 3:

Marks must be awarded **positively**:

- marks are awarded for correct/valid answers, as defined in the mark scheme. However, credit is given for valid answers which go beyond the scope of the syllabus and mark scheme, referring to your Team Leader as appropriate
- marks are awarded when candidates clearly demonstrate what they know and can do
- marks are not deducted for errors
- marks are not deducted for omissions
- answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.

GENERIC MARKING PRINCIPLE 4:

Rules must be applied consistently, e.g. in situations where candidates have not followed instructions or in the application of generic level descriptors.

GENERIC MARKING PRINCIPLE 5:

Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).

GENERIC MARKING PRINCIPLE 6:

Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

PUBLISHED**Social Science-Specific Marking Principles
(for point-based marking)****1 Components using point-based marking:**

- Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

From this it follows that we:

- a** DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)
- b** DO credit alternative answers/examples which are not written in the mark scheme if they are correct
- c** DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require n reasons (e.g. State two reasons ...).
- d** DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)
- e** DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities
- f** DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e. polluted/not polluted).
- g** DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g. Corrasion/Corrosion)

2 Presentation of mark scheme:

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points (•) or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

PUBLISHED**3 Calculation questions:**

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

4 Annotation:

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

Guidance on using levels-based marking

Marking of work should be positive, rewarding achievement where possible, but clearly differentiating across the whole range of marks, where appropriate.

The examiner should look at the work and then make a judgement about which level statement is the best fit. In practice, work does not always match one level statement precisely so a judgement may need to be made between two or more level statements.

Once a best-fit level statement has been identified, use the following guidance to decide on a specific mark:

- If the candidate's work **convincingly** meets the level statement, award the highest mark.
- If the candidate's work **adequately** meets the level statement, award the most appropriate mark in the middle of the range.
- If the candidate's work **just** meets the level statement, award the lowest mark.
- L1, L2 etc. must be clearly annotated on the response at the point where the level is achieved.

Assessment objectives**AO1 Knowledge and understanding**

Demonstrate knowledge and understanding of business concepts, terms and theories.

AO2 Application

Apply knowledge and understanding of business concepts, terms and theories to problems and issues in a variety of familiar and unfamiliar business situations and contexts.

AO3 Analysis









Analyse business problems, issues and situations by:

- using appropriate methods and techniques to make sense of qualitative and quantitative business information
- searching for causes, impact and consequences
- distinguishing between factual evidence and opinion or value judgement
- drawing valid inferences and making valid generalisations.

AO4 Evaluation

Evaluate evidence in order to make reasoned judgements, present substantiated conclusions and, where appropriate, make recommendations for action and implementation.

PUBLISHED**Annotations**

<u>To award</u>	<u>Proposed annotation</u>	<u>Comment</u>
Correct		For objective points that are right or wrong.
Incorrect		For objective points that are wrong.
Unclear		When there is a misunderstanding in a response.
Too Vague		When the candidate has attempted something, but the mark/skill has not been awarded.
Highlight	Highlighter Or Underline	To highlight a point or section of an answer that justifies the mark/annotation.
Benefit of doubt		When the candidate has attempted something, and the mark/skill has been awarded.
On page comment	On page comment	Rarely used in live marking.
Not using text		When the context has not been used.
Seen		To show a page/section has been seen/read.
Not answering question		When the response is not focussed on answering the question.

<u>To award</u>	<u>Proposed annotation</u>	<u>Comment</u>
Repetition	REP	The repetition of a previous point in a response Or Candidate is copying the case study/data.
Own figure rule	OFR	The own figure rule applies – acts as a mark/tick.
Knowledge (AO1) L1	K	When AO1 has been awarded. Number of Ks should match the mark awarded.
Knowledge (AO1) L2		
Application (AO2) L1	APP	When AO2 has been awarded. Number of APPs should match the mark awarded.
Application (AO2) L2		
Analysis (AO3) L1	AN	When AO3 at Level 1 has been awarded.
Analysis (AO3) L2	DEV	When AO3 at Level 2 has been awarded.
Evaluation (AO4) L1	EVAL	When AO4 at Level 1 has been awarded.
Evaluation (AO4) L2	E	When AO4 at Level 2 has been awarded.
Evaluation (AO4) L3	EE	When AO4 at Level 3 has been awarded.

Question	Answer	Marks
1(a)(i)	<p data-bbox="338 217 730 248">Identify <u>one</u> type of training.</p> <p data-bbox="338 285 595 317">Indicative content.</p> <p data-bbox="338 328 824 360">Identification of a type of training: ✓</p> <ul data-bbox="338 400 533 504" style="list-style-type: none">• Induction• On-the-job• Off-the-job <p data-bbox="338 539 719 571">Only accept these responses</p>	1

Question	Answer	Marks								
1(a)(ii)	<p>Explain the term ‘direct costs’.</p> <table border="1" data-bbox="338 280 1921 684"> <thead> <tr> <th data-bbox="338 280 1131 363">AO1 Knowledge and understanding 1 mark</th> <th data-bbox="1131 280 1921 363">AO2 Application 2 marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 363 1131 483"></td> <td data-bbox="1131 363 1921 483"> 2 marks Developed application of one relevant point to a business context. </td> </tr> <tr> <td data-bbox="338 483 1131 603"> 1 mark Knowledge of one relevant point is used to answer the question. </td> <td data-bbox="1131 483 1921 603"> 1 mark Limited application of one relevant point to a business context. </td> </tr> <tr> <td data-bbox="338 603 1131 684"> 0 marks No creditable response. </td> <td data-bbox="1131 603 1921 684"> 0 marks No creditable response. </td> </tr> </tbody> </table> <p>Indicative content</p> <p>AO1 Knowledge and understanding Knowledge of <u>direct</u> cost(s) K may include:</p> <ul style="list-style-type: none"> • Costs that are directly related to the production process. • Costs that are directly attributed to operations/a cost centre. <p><i>No further marks can be gained without knowledge and understanding</i></p> <p>AO2 Application</p> <p>Limited application APP applies knowledge of direct to business costs, including:</p> <ul style="list-style-type: none"> • Amounts/things that are payable by a business / incurred by a business <p>OR</p> <ul style="list-style-type: none"> • Example or some other way of showing good understanding of a direct cost. <p>Developed application APP + APP applies knowledge of direct to business costs, including</p> <ul style="list-style-type: none"> • Amounts/things that are payable by a business / incurred by a business <p>AND</p> <ul style="list-style-type: none"> • Example or some other way of showing good understanding of a direct cost. <p>Accept all valid responses.</p>	AO1 Knowledge and understanding 1 mark	AO2 Application 2 marks		2 marks Developed application of one relevant point to a business context.	1 mark Knowledge of one relevant point is used to answer the question.	1 mark Limited application of one relevant point to a business context.	0 marks No creditable response.	0 marks No creditable response.	
AO1 Knowledge and understanding 1 mark	AO2 Application 2 marks									
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Question	Answer			Marks
1(a)(ii)	Exemplar and annotations	Mark	Rationale	
	Costs which are linked to the operations of a business <input type="checkbox"/> K. For example, a gold mine would need to pay <input type="checkbox"/> APP the miners who extract the gold <input type="checkbox"/> APP.	3	An answer which starts with the knowledge and then applies it to costs with an example.	
	Something a business pays <input type="checkbox"/> APP to make a product or service <input type="checkbox"/> K, such as raw materials <input type="checkbox"/> APP.	3	APP cannot be awarded without K, but once the K has been awarded you can go back and reward the APP. Any example (it does not need to come from the data) can be used.	
	Paid by a business <input type="checkbox"/> APP, to produce a service <input type="checkbox"/> K. The opposite of indirect costs which are not linked to production <input type="checkbox"/> APP.	3	One of the APPs can come from further explanation it does not have to be an example.	
	Costs that are directly related to the production process <input type="checkbox"/> K such as wages <input type="checkbox"/> APP.	2	No application of costs, so max 2 marks.	
	Costs that can be attributed to a specific cost centre <input type="checkbox"/> K unlike indirect costs which cannot <input type="checkbox"/> APP. An example of a direct cost for GT are the wages of the tour guides.	2	Knowledge of the direct element with good understanding. The example is fine, but no understanding of costs.	
	Production costs <input type="checkbox"/> K.	1	Simple knowledge of the direct element.	
	Costs which are directly accountable to a cost object <input type="checkbox"/> K such as the marketing of GT.	1	Knowledge of the direct element – ignore anything that is incorrect. No negative marking.	
	The things a business has to pay <input type="checkbox"/> TV. For example, a business may need to pay wages and advertising <input type="checkbox"/> TV.	0	Although there is some attempt at application, these marks cannot be awarded without knowledge.	
Direct costs are the same as variable costs <input type="checkbox"/> TV.	0	Variable costs share some characteristics with direct costs, but they are not the same.		

Question	Answer	Marks									
1(b)(i)	<p>Refer to Table 1.1. Calculate the change in GT’s total costs between 2020 and 2022.</p> <p>Indicative content.</p> <ul style="list-style-type: none"> • Formula: total costs = total revenue – profit (1) • Calculation of cost in either 2020 or 2022 (1) <ul style="list-style-type: none"> – Costs in 2020: \$3.4m – \$0.9m = \$2.5m – Costs in 2022: \$2.8m – 0.2m = \$2.6m • Change in costs: \$2.6m – \$2.5m = \$0.1m (1 OFR) <p>Answer = \$0.1m (3) Accept answer as a percentage 4% (with % sign) as full marks</p> <p>Exemplar and annotations</p> <table border="1" data-bbox="338 695 1921 1347"> <thead> <tr> <th data-bbox="338 695 869 761">Marks</th> <th data-bbox="869 695 1395 761"></th> <th data-bbox="1395 695 1921 761"></th> </tr> </thead> <tbody> <tr> <td data-bbox="338 761 869 1003">3 marks</td> <td data-bbox="869 761 1395 1003"> Correct answer \$0.1m or 4% allow 0.1 allow $(0.1 / 2.5) \times 100 = 4$ (obviously meant as a percentage) </td> <td data-bbox="1395 761 1921 1003"> Working and \$ do not matter. If presented as a percentage, then % sign must be included for full marks OR clear and correct working shown. Must be three ✓ to denote the three marks. </td> </tr> <tr> <td data-bbox="338 1003 869 1347">2 marks</td> <td data-bbox="869 1003 1395 1347"> Two of the following: <ul style="list-style-type: none"> • Correct formula • Correct calculation of TC for 2020 (2.5) • Correct calculation of TC for 2022 (2.6) OR An incorrect answer with one mistake allowing OFR for final stage. </td> <td data-bbox="1395 1003 1921 1347"> To award two marks, there must be <ul style="list-style-type: none"> • Two ✓ and a ✗ OR <ul style="list-style-type: none"> • One ✓ , one ✗ and one OFR </td> </tr> </tbody> </table>	Marks			3 marks	Correct answer \$0.1m or 4% allow 0.1 allow $(0.1 / 2.5) \times 100 = 4$ (obviously meant as a percentage)	Working and \$ do not matter. If presented as a percentage, then % sign must be included for full marks OR clear and correct working shown. Must be three ✓ to denote the three marks.	2 marks	Two of the following: <ul style="list-style-type: none"> • Correct formula • Correct calculation of TC for 2020 (2.5) • Correct calculation of TC for 2022 (2.6) OR An incorrect answer with one mistake allowing OFR for final stage.	To award two marks, there must be <ul style="list-style-type: none"> • Two ✓ and a ✗ OR <ul style="list-style-type: none"> • One ✓ , one ✗ and one OFR 	3
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Question	Answer			Marks
1(b)(i)	Marks			
	1 mark	One of the following: <ul style="list-style-type: none"> • Correct formula • Correct calculation of TC for 2020 (2.5) • Correct calculation of TC for 2022 (2.6) 	To award one mark, there must be: <ul style="list-style-type: none"> • One ✓ and two ✗ 	
	0 marks	No creditable content.	To award zero marks, there must be <ul style="list-style-type: none"> • One ✗ 	

Question	Answer	Marks								
1(b)(ii)	<p>Explain <u>one</u> way to measure the size of GT.</p> <table border="1" data-bbox="338 284 1921 746"> <thead> <tr> <th data-bbox="338 284 1131 379">AO1 Knowledge and understanding 1 mark</th> <th data-bbox="1131 284 1921 379">AO2 Application 2 marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 379 1131 517"></td> <td data-bbox="1131 379 1921 517"> 2 marks Developed application of one relevant point to a business context. </td> </tr> <tr> <td data-bbox="338 517 1131 647"> 1 mark Knowledge of one relevant point is used to answer the question. </td> <td data-bbox="1131 517 1921 647"> 1 mark Limited application of one relevant point to a business context. </td> </tr> <tr> <td data-bbox="338 647 1131 746"> 0 marks No creditable response. </td> <td data-bbox="1131 647 1921 746"> 0 marks No creditable response. </td> </tr> </tbody> </table> <p>Indicative content</p> <p>AO1 Knowledge and understanding</p> <ul style="list-style-type: none"> Knowledge of an appropriate way to measure the size of a business; revenue, number of outlets, number of employees, market share, number of customers, market capitalisation capital employed, area/space etc. Do not allow profit – which is a measure of success or performance, but not size. <p>No further marks can be gained without knowledge and understanding</p> <p>AO2 Application</p> <p>Limited application APP, applies knowledge to GT once.</p> <p>Developed application APP + APP applies knowledge to GT twice OR through the calculation or comparison of data (eg a percentage change).</p>	AO1 Knowledge and understanding 1 mark	AO2 Application 2 marks		2 marks Developed application of one relevant point to a business context.	1 mark Knowledge of one relevant point is used to answer the question.	1 mark Limited application of one relevant point to a business context.	0 marks No creditable response.	0 marks No creditable response.	3
AO1 Knowledge and understanding 1 mark	AO2 Application 2 marks									
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Question	Answer	Marks																																
1(b)(ii)	<ul style="list-style-type: none"> Use of data related to GT to show the size of the business (this data can be used more than once) <table border="1" data-bbox="398 252 1243 646"> <thead> <tr> <th></th> <th>2020</th> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>Sales revenue (\$m)</td> <td>3.4</td> <td>3.2</td> <td>2.8</td> </tr> <tr> <td>Number of employees</td> <td>54</td> <td>55</td> <td>47</td> </tr> <tr> <td>Profit (\$m)</td> <td>0.9</td> <td>0.3</td> <td>0.2</td> </tr> <tr> <td>Number of visitors (m)</td> <td>0.8</td> <td>0.8</td> <td>0.65</td> </tr> </tbody> </table> GT includes a museum, tours, a roller coaster, restaurant, and gift shop Some employees previously worked in the gold mine Some employees are tour guides and customer service representatives <p>Accept all valid responses.</p> <table border="1" data-bbox="340 858 1921 1359"> <thead> <tr> <th>Exemplar and annotations</th> <th>Mark</th> <th>Rationale</th> </tr> </thead> <tbody> <tr> <td>Number of employees K, in 2020 GT had 54 employees APP but this decreased to 46 in 2022 APP.</td> <td>3</td> <td>Number of employees is a way to measure size and the use of two data points shows developed application.</td> </tr> <tr> <td>The size of GT can be measured by revenue K. GT's revenue decreased by 17.65% APP APP.</td> <td>3</td> <td>Revenue is a way to measure size and the candidate has used two pieces of data (revenue for 2020 and revenue for 2022) to come to a correct calculation. <i>It may be necessary to check calculations and allow for correct rounding.</i></td> </tr> <tr> <td>GT has got smaller APP since its visitors K have decreased to 0.65m APP.</td> <td>3</td> <td>Visitors (customers) is a way to measure size and the use of two data points for developed application.</td> </tr> </tbody> </table>		2020	2021	2022	Sales revenue (\$m)	3.4	3.2	2.8	Number of employees	54	55	47	Profit (\$m)	0.9	0.3	0.2	Number of visitors (m)	0.8	0.8	0.65	Exemplar and annotations	Mark	Rationale	Number of employees K , in 2020 GT had 54 employees APP but this decreased to 46 in 2022 APP .	3	Number of employees is a way to measure size and the use of two data points shows developed application.	The size of GT can be measured by revenue K . GT's revenue decreased by 17.65% APP APP .	3	Revenue is a way to measure size and the candidate has used two pieces of data (revenue for 2020 and revenue for 2022) to come to a correct calculation. <i>It may be necessary to check calculations and allow for correct rounding.</i>	GT has got smaller APP since its visitors K have decreased to 0.65m APP .	3	Visitors (customers) is a way to measure size and the use of two data points for developed application.	
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Question	Answer			Marks
1(b)(ii)	Exemplar and annotations	Mark	Rationale	
	GT has gotten smaller, since their revenue K has fallen to \$2.8m APP and its visitors have also fallen to 0.65m APP .	3	Revenue is a way to measure size and the use of two data points for developed application.	
	As a theme park, visitor numbers K are an important way to measure size, which has fallen APP to 0.65m in 2022 APP .	3	Visitors is a way to measure size. The context of a theme park is limited application (go back and award after the K has been awarded) with a use of the data from Table 1.1 to develop this application.	
	Number of employees K has decreased APP to 46 in 2022 APP .	3	Only limited application through the use of one data point. It is not enough to state that it has 'decreased' – the figures must be used.	
	The number of people that GT employs K , such as the customer service operatives APP .	2	Application does not need to come from the data in Table 1.1.	
	The number of visitors K is really important because the more visitors GT has, the more revenue it is likely to generate and the bigger its profit. This all stems from the visitors who are the customers of GT and therefore the most important way to measure the size of GT NUT .	1	No specific context used in this answer.	
	The size of GT can be measured by the number of factories K it has. The more factories the more it can produce.	1	AO1 knowledge does not need to be in context, so can be awarded, even if the answer does not match the context.	
A big business is likely to have more power in the market and can dominate the competition TV .	0	No valid way to measure the size of the business.		

Question	Answer			Marks
1(c)	Analyse two possible sources of secondary market research that the Marketing Director could use to help improve GT.			8
Level	AO1 Knowledge and understanding 2 marks	AO2 Application 2 marks	AO3 Analysis 4 marks	
2			3–4 marks Developed analysis <ul style="list-style-type: none"> • Developed analysis that identifies connections between causes, impacts and/or consequences of two points. • Developed analysis that identifies connections between causes, impacts and/or consequences of one point. 	
1	1–2 marks <ul style="list-style-type: none"> • Knowledge of two relevant points is used to answer the question. • Knowledge of one relevant point is used to answer the question. 	1–2 marks <ul style="list-style-type: none"> • Application of two relevant points to a business context. • Application of one relevant point to a business context. 	1–2 marks Limited analysis <ul style="list-style-type: none"> • Limited analysis that identifies connections between causes, impacts and/or consequences of two points. • Limited analysis that identifies connections between causes, impacts and/or consequences of one point. 	
0	0 marks No creditable response.	0 marks No creditable response.	0 marks No creditable response.	
<i>Annotate the first source in the left-hand margin and the second source in the right-hand margin.</i>				

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Question	Answer	Marks
1(c)	<p>Indicative content: AO1 Knowledge and understanding Knowledge of sources of secondary market research (max 2 <input type="checkbox"/>s), include;</p> <ul style="list-style-type: none"> • journal articles • textbooks • dictionaries and encyclopaedias • books • newspapers and magazines • accounts and reports • <u>previous</u> sales/internal data • competitor data • Data collected by other businesses • Feedback found on media / other sources – do not accept ‘internet’ unless the source is clear or other named internet source. <p><i>No further marks can be gained without knowledge and understanding</i></p> <p>AO2 Application Max one <input type="checkbox"/> for application in the first source and max one <input type="checkbox"/> for application in the second source, including;</p> <ul style="list-style-type: none"> • Link to leisure markets, such as days out and entertainment. • Link to specific competitors, such as other days out, services, museums. • Link to elements specific to GT, such as: <ul style="list-style-type: none"> – converted mine / gold mine – guided tours – roller coaster rides – entry prices of similar services – need to reduce price – need to make GT more fun. 	

Question	Answer	Marks									
1(c)	<p>AO3 Analysis</p> <p><i>Limited analysis</i> AN – candidate shows one link in the chain of analysis.</p> <p><i>Developed analysis</i> DEV candidate shows two or more links in the chain of analysis or a two-sided analysis.</p> <p>Analysis may be of the cost and/or benefit and/or risk of the source of market research to GT.</p> <p>Costs may include:</p> <ul style="list-style-type: none"> • Monetary cost of research – may affect the profitability of GT. • Time cost of research – opportunity cost of time spent on other activities. <p>Benefits may include:</p> <ul style="list-style-type: none"> • Understanding of the market to increase in visitor numbers – increased sales revenue. • Relatively lower cost than more primary market research – increased profit. <p>Risk may include:</p> <ul style="list-style-type: none"> • Use of secondary research to find out more about the market and potential visitors – to increase sales revenue/profit. <p>Accept all valid responses.</p> <p>Exemplar and annotations</p> <table border="1" data-bbox="338 807 1921 1185"> <thead> <tr> <th data-bbox="338 807 869 873">AO1 Knowledge</th> <th data-bbox="869 807 1395 873">AO2 Application</th> <th data-bbox="1395 807 1921 873">AO3 Analysis</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 873 869 1013">Newspapers K.</td> <td data-bbox="869 873 1395 1013">To spot trends in what people like when visiting roller coasters APP in the theme park.</td> <td data-bbox="1395 873 1921 1013">Which can help GT increase their sales revenue AN by selling more tickets and make a greater profit DEV.</td> </tr> <tr> <td data-bbox="338 1013 869 1185">Competitors websites K</td> <td data-bbox="869 1013 1395 1185">To see what their prices are because some customers think GT’s prices are too high APP.</td> <td data-bbox="1395 1013 1921 1185">So GT can set a better price for their tickets and increase customer satisfaction AN however the data might be outdated DEV.</td> </tr> </tbody> </table>	AO1 Knowledge	AO2 Application	AO3 Analysis	Newspapers K .	To spot trends in what people like when visiting roller coasters APP in the theme park.	Which can help GT increase their sales revenue AN by selling more tickets and make a greater profit DEV .	Competitors websites K	To see what their prices are because some customers think GT’s prices are too high APP .	So GT can set a better price for their tickets and increase customer satisfaction AN however the data might be outdated DEV .	
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Question	Answer				Marks	
1(d)	Evaluate the importance to the ongoing success of GT of developing intrapreneurship.				12	
	Level	AO1 Knowledge and understanding 2 marks	AO2 Application 2 marks	AO3 Analysis 2 marks		AO4 Evaluation 6 marks
	3					5–6 marks Developed evaluation in context <ul style="list-style-type: none"> • A developed judgement/conclusion is made in the business context. • Developed evaluative comments which balance some key arguments in the business context.
	2	2 marks Developed knowledge of relevant key term(s) and/or factor(s) is used to answer the question.	2 marks Developed application of relevant point(s) to the business context.	2 marks Developed analysis that identifies connections between causes, impacts and/or consequences.		3–4 marks Developed evaluation <ul style="list-style-type: none"> • A developed judgement/conclusion is made. • Developed evaluative comments which balance some key arguments.
	1	1 mark Limited knowledge of relevant key term(s) and/or factor(s) is used to answer the question.	1 mark Limited application of relevant point(s) to the business context.	1 mark Limited analysis that identifies connections between causes, impacts and/or consequences.		1–2 marks Limited evaluation <ul style="list-style-type: none"> • A judgement/conclusion is made with limited supporting comment/evidence. • An attempt is made to balance the arguments.
0	0 marks No creditable response.	0 marks No creditable response.	0 marks No creditable response.	0 marks No creditable response.		

Question	Answer	Marks
1(d)	<p>Indicative content</p> <p>AO1 Knowledge and understanding</p> <p>Knowledge of intrapreneurship (max 2 Ks), including:</p> <ul style="list-style-type: none"> • Intrapreneurship is where the workers come up with innovative ideas using enterprise to increase the profitability of the business. The business may reward the intrapreneur for their ideas. • Allows employees to act like entrepreneurs / introduce enterprise within the business (employed). • The qualities of intrapreneurship, including; passion, talent, curiosity, motivation, resourcefulness, networking, confidence, knowledge and experience. • the role of intrapreneurship, including: problem solving, idea generation, identify opportunities, overcome threats, empowerment. <p>No further marks can be gained without knowledge and understanding</p> <p>AO2 Application</p> <p><i>Limited application</i> APP applies knowledge of intrapreneurship to GT once.</p> <p><i>Developed application</i> APP + APP applies knowledge of intrapreneurship to GT twice.</p> <ul style="list-style-type: none"> • Link to leisure markets, such as days out and entertainment. • Link to elements specific to GT's intrapreneurship, such as: <ul style="list-style-type: none"> – some employees used to work in the gold mine – good knowledge about the theme of GT – some employees are younger workers on flexible contracts – falling sales (\$3.4m in 2020 to \$2.8m in 2022 – 17.65% fall) – fewer employees in 2022 than 2021 – loss of intrapreneurship skills – falling profit (\$0.9m in 2020 to \$0.2m in 2022 – 77.78% fall) – link to ability to fund ideas – fall in visitors due to; not fun, too high prices. <p>AO3 Analysis</p> <p><i>Limited analysis</i> AN – candidate shows one link in the chain of analysis.</p> <p><i>Developed analysis</i> DEV – candidate shows two or more links in the chain of analysis.</p> <p>Advantages of intrapreneurship to GT may include:</p> <ul style="list-style-type: none"> • Using GT's own resources to find solutions to their falling visitor numbers may be cheaper than external management consultants – lower GT's cost and increase profit. • GT workers may provide better / more effective solutions to GT's problems – more likely to increase visitor numbers. • Use of the mine's previous employees for their intrapreneurial ideas may be more likely to improve the business – increase visitor numbers. • Asking for employee involvement may increase the motivation of the staff – increased productivity/sales revenue, 	

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Question	Answer	Marks
1(d)	<p>Disadvantages of intrapreneurship to GT may include:</p> <ul style="list-style-type: none"> • GT’s employees (especially the younger workers on flexible contracts) may not have the experience and/or knowledge to help GT increase visitor numbers – opportunity cost of spending time on tasks other than their main function. • GT’s employees may not provide adequate solutions which may not increase visitor numbers – GT may make a loss in the future. • GT needs a quick solution (because profit is likely to become loss in the near future) and intrapreneurship may not provide this – visitor numbers may not increase leading to GT making a loss or not surviving. • GT already has two possible solutions (lower price and increase fun of the park), so a focus on intrapreneurial ideas may waste time – opportunity cost. <p>AO4 Evaluation</p> <p><i>Limited evaluation</i> EVAL – <i>unsupported judgement and/or a weak attempt at evaluative comment</i></p> <p><i>Developed evaluation</i> E – <i>supported judgement and/or reasonable evaluative comment</i></p> <p><i>Developed evaluation in context</i> EE – <i>supported judgement in context and/or reasonable evaluative comment in context.</i></p> <ul style="list-style-type: none"> • A judgement about the likely role of intrapreneurship in the ongoing success of GT. • What the judgement might depend upon; the timeframe that GT must find a solution to their falling visitor numbers, the ability/skill of GT’s workers, the ability/skill of Kayo to utilise the intrapreneurial skills of GT’s employees, the validity of GT’s previous primary market research, the findings of the secondary market research etc. • Weighing up of the arguments for the role of intrapreneurship to the ongoing success of GT. <p>Accept all valid responses.</p>	

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Question	Answer			Marks
1(d)	Exemplars for awarding evaluation			
	L1 EVAL (limited supporting evidence)	L2 E (developed supporting evidence)	L3 EE (developed supporting evidence with context)	
	Intrapreneurship is very important to the success of GT.	Intrapreneurship is very important to the success of GT because it gives the business new innovative ideas.	Intrapreneurship is very important to the success of GT because it gives the business new innovative ideas for roller coasters.	
	Intrapreneurship is not as important as finance.	Intrapreneurship is not as important as finance because without enough money a theme park will not survive.	Intrapreneurship is not as important as finance because without enough money a theme park will not survive against all of the other leisure businesses in the market.	
	It depends on how good the intrapreneurs are.	It depends on how good the intrapreneurs are. If they come up with innovative ideas, then it is important.	It depends on how good the intrapreneurs are. If they come up with innovative ideas about how to better use the gold mine, then it is important.	
	In the short term it is, but in the long term it is not.	In the short term it is to bring in new ideas for the theme park, but in the long term having the right price may be more important.	In the short term it is to bring in new ideas for the theme park, but in the long term reducing the price that is too high may be more important.	

Question	Answer	Marks
2(a)(i)	Identify <u>one</u> method of market segmentation. Indicative content Methods of market segmentation: <ul style="list-style-type: none">• geographic• demographic• psychographic/behavioural Only accept these responses	1

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Question	Answer	Marks								
2(a)(ii)	<p>Explain the term ‘mass customisation’.</p> <table border="1" data-bbox="338 284 1921 746"> <thead> <tr> <th data-bbox="338 284 1128 379">AO1 Knowledge and understanding 1 mark</th> <th data-bbox="1128 284 1921 379">AO2 Application 2 marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 379 1128 517"></td> <td data-bbox="1128 379 1921 517"> 2 marks Developed application of one relevant point to a business context. </td> </tr> <tr> <td data-bbox="338 517 1128 647"> 1 mark Knowledge of one relevant point is used to answer the question. </td> <td data-bbox="1128 517 1921 647"> 1 mark Limited application of one relevant point to a business context. </td> </tr> <tr> <td data-bbox="338 647 1128 746"> 0 marks No creditable response. </td> <td data-bbox="1128 647 1921 746"> 0 marks No creditable response. </td> </tr> </tbody> </table> <p>Indicative content</p> <p>AO1 Knowledge and understanding Knowledge of mass <u>customisation</u> K may include:</p> <ul style="list-style-type: none"> • A production process where some elements can be changed to meet customer needs. <p><i>No further marks can be gained without knowledge and understanding</i></p> <p>AO2 Application Limited application APP applies knowledge of customisation to mass production, including:</p> <ul style="list-style-type: none"> • A process to customise whilst producing large amounts of similar products/flow production. <p>OR</p> <ul style="list-style-type: none"> • Example or some other way of showing good understanding. <p>Developed application APP + APP applies knowledge of customisation to mass production, including:</p> <ul style="list-style-type: none"> • A process to customise whilst producing large amounts of similar products/flow production. <p>AND</p> <ul style="list-style-type: none"> • Example or some other way of showing good understanding. <p>Accept all valid responses.</p>	AO1 Knowledge and understanding 1 mark	AO2 Application 2 marks		2 marks Developed application of one relevant point to a business context.	1 mark Knowledge of one relevant point is used to answer the question.	1 mark Limited application of one relevant point to a business context.	0 marks No creditable response.	0 marks No creditable response.	3
AO1 Knowledge and understanding 1 mark	AO2 Application 2 marks									
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0 marks No creditable response.	0 marks No creditable response.									

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Question	Answer			Marks
2(a)(ii)	Exemplar and annotations	Mark	Rationale	
	Products which are changed based on customer preferences K , but still produced in large numbers APP for example T-Shirts with different designs APP .	3	An answer which starts with the knowledge and then applies it to the mass element with an example.	
	Mass customisation usually capital intensive production APP by using IT systems to make slightly different products K , on a production line APP .	3	APP cannot be awarded without K, but once the K has been awarded you can go back and reward the APP. Production line/assembly line/flow production is all fine for APP.	
	Products can be changed slightly K such as a car with different features APP .	2	Knowledge and an example.	
	Products which can be adapted to meet the differing needs of customers K .	1	Simple knowledge of the direct element.	
	Large scale production with capital intensive operations TV . For example, a T-Shirt with different designs TV .	0	Although there is some attempt at application, these marks cannot be awarded without knowledge.	

Question	Answer		Marks						
2(b)(i)	<p>Calculate BB’s fixed costs last month.</p> <p>Indicative content</p> <ul style="list-style-type: none"> Formula: break even point × contribution = fixed costs (1) OR total costs – (total) variable costs (1) Break even point = 4000 – 120 = 3880 units (1) 3880 × \$6 = \$23 280 (1 OFR applies) <p>Answer = \$23 280 (3)</p> <p>Exemplar and annotations</p> <table border="1" data-bbox="338 767 1921 1251"> <tr> <td data-bbox="338 767 566 874">3 marks</td> <td data-bbox="566 767 1245 874">Correct answer \$23 280</td> <td data-bbox="1245 767 1921 874">Working and \$ do not matter. Must be three ✓ to denote the three marks.</td> </tr> <tr> <td data-bbox="338 874 566 1251">2 marks</td> <td data-bbox="566 874 1245 1251">Both of the following: <ul style="list-style-type: none"> Correct formula Correct calculation of break even point (3880). OR An incorrect answer with one mistake allowing OFR for break even point. OR An answer of \$24 000 (including working of \$6 X 4000 units – or any other appropriate working) </td> <td data-bbox="1245 874 1921 1251">To award two marks, there must be <ul style="list-style-type: none"> Two ✓ and a ✗ OR <ul style="list-style-type: none"> One ✓ , one ✗ and one OFR </td> </tr> </table>		3 marks	Correct answer \$23 280	Working and \$ do not matter. Must be three ✓ to denote the three marks.	2 marks	Both of the following: <ul style="list-style-type: none"> Correct formula Correct calculation of break even point (3880). OR An incorrect answer with one mistake allowing OFR for break even point. OR An answer of \$24 000 (including working of \$6 X 4000 units – or any other appropriate working)	To award two marks, there must be <ul style="list-style-type: none"> Two ✓ and a ✗ OR <ul style="list-style-type: none"> One ✓ , one ✗ and one OFR 	3
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Question	Answer			Marks
2(b)(i)	1 mark	One of the following: <ul style="list-style-type: none"> • Correct formula • Correct calculation of break even point (3880). 	To award one mark, there must be: <ul style="list-style-type: none"> • One ✓ and two ✗ 	
	0 marks	No creditable content.	To award zero marks, there must be <ul style="list-style-type: none"> • One ✗ 	

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Question	Answer	Marks								
2(b)(ii)	<p data-bbox="338 213 1155 245">Explain <u>one</u> limitation for BB of using break-even analysis.</p> <table border="1" data-bbox="338 284 1921 746"> <thead> <tr> <th data-bbox="338 284 1128 379">AO1 Knowledge and understanding 1 mark</th> <th data-bbox="1128 284 1921 379">AO2 Application 2 marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 379 1128 517"></td> <td data-bbox="1128 379 1921 517"> <p data-bbox="1144 405 1895 501">2 marks Developed application of one relevant point to a business context.</p> </td> </tr> <tr> <td data-bbox="338 517 1128 651"> <p data-bbox="353 533 1061 628">1 mark Knowledge of one relevant point is used to answer the question.</p> </td> <td data-bbox="1128 517 1921 651"> <p data-bbox="1144 533 1850 628">1 mark Limited application of one relevant point to a business context.</p> </td> </tr> <tr> <td data-bbox="338 651 1128 746"> <p data-bbox="353 667 663 730">0 marks No creditable response.</p> </td> <td data-bbox="1128 651 1921 746"> <p data-bbox="1144 667 1453 730">0 marks No creditable response.</p> </td> </tr> </tbody> </table> <p data-bbox="338 788 591 820">Indicative content</p> <p data-bbox="338 852 837 884">AO1 Knowledge and understanding</p> <p data-bbox="338 890 1229 922">Knowledge of a limitation of using break-even analysis K, including:</p> <ul data-bbox="338 928 1839 1171" style="list-style-type: none"> • Fixed costs may not be constant – may change in long run • Assumption that output equals sales • Assumption that unit variable costs remain constant at all output levels • Assumption that price will remain constant at all output levels • Only useful for individual (or limited number of) product lines • Does not take into account external changes (social, legal, economic, political, technological) or qualitative data • Only a forecast/estimate. <p data-bbox="338 1209 1323 1241"><i>No further marks can be gained without knowledge and understanding</i></p>	AO1 Knowledge and understanding 1 mark	AO2 Application 2 marks		<p data-bbox="1144 405 1895 501">2 marks Developed application of one relevant point to a business context.</p>	<p data-bbox="353 533 1061 628">1 mark Knowledge of one relevant point is used to answer the question.</p>	<p data-bbox="1144 533 1850 628">1 mark Limited application of one relevant point to a business context.</p>	<p data-bbox="353 667 663 730">0 marks No creditable response.</p>	<p data-bbox="1144 667 1453 730">0 marks No creditable response.</p>	3
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Question	Answer		Marks															
2(b)(ii)	<p>AO2 Application</p> <p><i>Limited application</i> APP, <i>applies knowledge to BB once.</i></p> <p><i>Developed application</i> APP + APP <i>applies knowledge to BB twice.</i></p> <p>Application of a factor may include:</p> <ul style="list-style-type: none"> • Each bear is sold for \$50 with a contribution of \$6 • Margin of safety last month was 120 units • Break-even point last month was 3880 (OFR based on Q2bi) • Personalised products – unlikely to have the same variable costs (although piece rate payment may make this possible) • Proposed JIT may make former break-even analysis irrelevant • Information from Table 2.1, such as the quantity and type of materials used. <p>Accept all valid responses.</p> <table border="1" data-bbox="338 703 1921 1347"> <thead> <tr> <th data-bbox="338 703 1070 767">Exemplar and annotations</th> <th data-bbox="1070 703 1189 767">Mark</th> <th data-bbox="1189 703 1921 767">Rationale</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 767 1070 943">Break-even analysis assumes that fixed costs do not change K. BBs fixed costs were \$23 280 APP last month, however this is likely to change if they introduce JIT APP.</td> <td data-bbox="1070 767 1189 943">3</td> <td data-bbox="1189 767 1921 943">Knowledge of a limitation with two pieces of context applied.</td> </tr> <tr> <td data-bbox="338 943 1070 1114">BB is considering introducing greater equality APP, which may increase the costs and the price may need to increase from \$50 APP which makes the break even calculations irrelevant K.</td> <td data-bbox="1070 943 1189 1114">3</td> <td data-bbox="1189 943 1921 1114">The APP cannot be awarded until there is knowledge, however you can go back and annotate it.</td> </tr> <tr> <td data-bbox="338 1114 1070 1251">The variable costs of BB may not be constant K which could mean that the margin of safety will fall from 120 units APP.</td> <td data-bbox="1070 1114 1189 1251">2</td> <td data-bbox="1189 1114 1921 1251">Knowledge and one piece of context.</td> </tr> <tr> <td data-bbox="338 1251 1070 1347">Break even analysis assumes all output produced is sold K.</td> <td data-bbox="1070 1251 1189 1347">1</td> <td data-bbox="1189 1251 1921 1347">Knowledge and no application to the context.</td> </tr> </tbody> </table>		Exemplar and annotations	Mark	Rationale	Break-even analysis assumes that fixed costs do not change K . BBs fixed costs were \$23 280 APP last month, however this is likely to change if they introduce JIT APP .	3	Knowledge of a limitation with two pieces of context applied.	BB is considering introducing greater equality APP , which may increase the costs and the price may need to increase from \$50 APP which makes the break even calculations irrelevant K .	3	The APP cannot be awarded until there is knowledge, however you can go back and annotate it.	The variable costs of BB may not be constant K which could mean that the margin of safety will fall from 120 units APP .	2	Knowledge and one piece of context.	Break even analysis assumes all output produced is sold K .	1	Knowledge and no application to the context.	
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Question	Answer			Marks
2(b)(ii)	Exemplar and annotations	Mark	Rationale	
	Break even analysis is a way of calculating the quantity needed to stop making a loss and start making a profit. This is useful to BB because they can calculate how many teddy bears need to be sold to cover all of the costs, including the \$6 unit contribution.	0	Although there is some relevant context, there is no knowledge of a limitation, so no marks can be awarded.	

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Question	Answer				Marks
2(c)	Analyse <u>two</u> possible impacts on BB of adopting a just in time (JIT) approach to inventory management.				8
	Level	AO1 Knowledge and understanding 2 marks	AO2 Application 2 marks	AO3 Analysis 4 marks	
	2			3–4 marks Developed analysis <ul style="list-style-type: none"> • Developed analysis that identifies connections between causes, impacts and/or consequences of two points. • Developed analysis that identifies connections between causes, impacts and/or consequences of one point. 	
	1	1–2 marks <ul style="list-style-type: none"> • Knowledge of two relevant points is used to answer the question. • Knowledge of one relevant point is used to answer the question. 	1–2 marks <ul style="list-style-type: none"> • Application of two relevant points to a business context. • Application of one relevant point to a business context. 	1–2 marks Limited analysis <ul style="list-style-type: none"> • Limited analysis that identifies connections between causes, impacts and/or consequences of two points. • Limited analysis that identifies connections between causes, impacts and/or consequences of one point. 	
	0	0 marks No creditable response.	0 marks No creditable response.	0 marks No creditable response.	
Annotate the first impact in the left-hand margin and the second impact in the right-hand margin.					

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Question	Answer	Marks
2(c)	<p>Indicative content</p> <p>AO1 Knowledge and understanding</p> <p>Impacts of just in time (JIT) (max 2 Ks), including:</p> <ul style="list-style-type: none"> • Less space needed • Waste reduction • Shorter lead times • Prevents over-production • Reduces capital tied up in inventory control • May run out of inventory – may require good relationship with supplier • May lead to delays • Requires planning/forecasting • May not be able to respond to changes in demand • May lead to idle resources. <p>No further marks can be gained without knowledge and understanding</p> <p>AO2 Application</p> <p>Max one APP for application in the first impact and max one APP for application in the second impact, including:</p> <ul style="list-style-type: none"> • Personalised product (toys) using mass customisation. • One week lead time to customers. • BB has low margin of safety (120 units last month). • Currently holds a large amount of inventory in raw materials (400kgs) and work in progress (300 un-customised toys). • No finished products being held (probably due to customisation and lead time). • Inventory held in a temperature-controlled warehouse. <p>AO3 Analysis</p> <p>Limited analysis AN – candidate shows one link in the chain of analysis.</p> <p>Developed analysis DEV candidate shows two or more links in the chain of analysis or a two-sided analysis.</p> <ul style="list-style-type: none"> • Less space needed; reduction in storage costs – no need for warehouse which could reduce the fixed costs – improve margin of safety – increased profitability. However, may increase need for deliveries and variable costs of production. • Waste reduction; lower costs – higher profit margin. • Reduces capital tied up in inventory control; may facilitate sale of warehouse which can free-up capital to be used elsewhere in the business – facilitate expansion. However, the increased costs of more deliveries, supplier relations may increase variable/direct costs significantly. 	

Question	Answer	Marks									
2(c)	<p>Less capital tied up in stock which may improve BB’s working capital position. However, costs may increase.</p> <ul style="list-style-type: none"> • May run out of inventory; which may increase the lead time for customer order – increase customer dissatisfaction, reduce sales, profits. May lead to BB making a loss since BB is close to break even. • Requires planning/forecasting; to enable BB to run without a stock of raw materials and work in progress. • May lead to idle resources; employees being idle – increased costs, reduced productivity. <p>Accept all valid responses.</p> <p>Exemplar and annotations</p> <table border="1" data-bbox="338 560 1921 903"> <thead> <tr> <th data-bbox="338 560 869 624">AO1 Knowledge</th> <th data-bbox="869 560 1395 624">AO2 Application</th> <th data-bbox="1395 560 1921 624">AO3 Analysis</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 624 869 764">Reduces the need for inventory to be stored K.</td> <td data-bbox="869 624 1395 764">In the temperature-controlled warehouse APP.</td> <td data-bbox="1395 624 1921 764">Which means that BB can sell the warehouse AN and use the spare capital to expand production DEV.</td> </tr> <tr> <td data-bbox="338 764 869 903">Could lead to delays in fulfilling customer orders K.</td> <td data-bbox="869 764 1395 903">Which might make it difficult to get customers their order within a week APP.</td> <td data-bbox="1395 764 1921 903">Which might lead to a reduction in sales revenue for BB AN and reduce the profitability of the firm DEV.</td> </tr> </tbody> </table>	AO1 Knowledge	AO2 Application	AO3 Analysis	Reduces the need for inventory to be stored K .	In the temperature-controlled warehouse APP .	Which means that BB can sell the warehouse AN and use the spare capital to expand production DEV .	Could lead to delays in fulfilling customer orders K .	Which might make it difficult to get customers their order within a week APP .	Which might lead to a reduction in sales revenue for BB AN and reduce the profitability of the firm DEV .	
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Question	Answer				Marks	
2(d)	Evaluate the most likely impact on BB of increased equality in its stitching department.				12	
	Level	AO1 Knowledge and understanding 2 marks	AO2 Application 2 marks	AO3 Analysis 2 marks		AO4 Evaluation 6 marks
	3					5–6 marks Developed evaluation in context <ul style="list-style-type: none"> • A developed judgement/conclusion is made in the business context. • Developed evaluative comments which balance some key arguments in the business context.
	2	2 marks Developed knowledge of relevant key term(s) and/or factor(s) is used to answer the question.	2 marks Developed application of relevant point(s) to the business context.	2 marks Developed analysis that identifies connections between causes, impacts and/or consequences.		3–4 marks Developed evaluation <ul style="list-style-type: none"> • A developed judgement/conclusion is made. • Developed evaluative comments which balance some key arguments.
	1	1 mark Limited knowledge of relevant key term(s) and/or factor(s) is used to answer the question.	1 mark Limited application of relevant point(s) to the business context.	1 mark Limited analysis that identifies connections between causes, impacts and/or consequences.		1–2 marks Limited evaluation <ul style="list-style-type: none"> • A judgement/conclusion is made with limited supporting comment/evidence. • An attempt is made to balance the arguments.
0	0 marks No creditable response.	0 marks No creditable response.	0 marks No creditable response.	0 marks No creditable response.		

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Question	Answer	Marks
2(d)	<p>Indicative content</p> <p>AO1 Knowledge and understanding Knowledge of equality (max 2 Ks), including:</p> <ul style="list-style-type: none"> • Equality in the workplace means equal job opportunities and fairness for employees and job applicants. • Equality means that a business must not treat people unfairly because of protected characteristics. For example, because of sex, age, race, religion, culture – allow any acceptable protected characteristic. • Equality means having an inclusive and fair working environment. <p>No further marks can be gained without knowledge and understanding</p> <p>AO2 Application <i>Limited application</i> APP applies knowledge of equality to BB once. <i>Developed application</i> APP + APP applies knowledge of equality to BB twice.</p> <ul style="list-style-type: none"> • Personalised products (toys) using mass customisation – stitching (where David works) department does the customisation. • Employees paid using piece rate. • David is only man in stitching department – possible inequality in recruitment process. • Stitching employees • Lack of male washroom facilities on ground floor. • David given tasks which require heavy lifting. • David asked to fix problems with machines – limits his ability to earn (piece rate). <p>AO3 Analysis <i>Limited analysis</i> AN – candidate shows one link in the chain of analysis. <i>Developed analysis</i> DEV – candidate shows two or more links in the chain of analysis.</p> <p>Positive impacts, including:</p> <ul style="list-style-type: none"> • BB may gain a reputation as a better employer which may improve their recruitment – reduce business costs of recruitment and/or lead to better employees. • Owners may avoid being sued for discrimination in the workplace (unlimited liability) by an employee. • May increase motivation of the current workers which could increase productivity – decrease sales, increase profitability. • May improve the quality of the work which could allow BB to increase prices – increased profitability. 	

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Question	Answer	Marks						
2(d)	<p>Negative impacts, including:</p> <ul style="list-style-type: none"> Costs of increasing equality, including: <ul style="list-style-type: none"> cost of recruiting more men to the stitching department cost of building a men’s washroom on the ground floor costs of retraining other employees to fix machines costs of employing someone / training someone to do the heavy lifting and/or capital expense of equipment to do this. If BB admit to inequality in the stitching department (by improving it) then they may be open to allegations of discrimination – legal issues, poor reputation, customer reaction. Possibility that other departments/groups in BB will demand equality. <p>AO4 Evaluation</p> <p><i>Limited evaluation</i> EVAL - unsupported judgement and/or a weak attempt at evaluative comment</p> <p><i>Developed evaluation</i> E – supported judgement and/or reasonable evaluative comment</p> <p><i>Developed evaluation in context</i> EE – supported judgement in context and/or reasonable evaluative comment in context.</p> <ul style="list-style-type: none"> A judgement over the most likely/important impacts of increased equality in the stitching department. What the judgement might depend upon, including; the legal rights/responsibilities of businesses in BB’s home country, the legitimacy/accuracy of David’s claims about inequality in the stitching department, the level of equality in the other departments of BB, other HRM/operational issues facing BB. Weighing up of the relevant impacts of increased equality in the stitching department. <p>Accept all valid responses.</p> <p>Exemplars for awarding evaluation</p> <table border="1" data-bbox="338 1050 1921 1358"> <thead> <tr> <th data-bbox="338 1050 869 1155">L1 EVAL (limited supporting evidence)</th> <th data-bbox="869 1050 1397 1155">L2 E (developed supporting evidence)</th> <th data-bbox="1397 1050 1921 1155">L3 EE (developed supporting evidence with context)</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 1155 869 1358">A decrease to BB’s public image is the most likely impact.</td> <td data-bbox="869 1155 1397 1358">A decrease to BB’s public image is the most likely impact because it needs to maintain its revenue which is essential to survive.</td> <td data-bbox="1397 1155 1921 1358">A decrease to BB’s public image is the most likely impact because they rely on customised customer orders to maintain its revenue which is essential to survive.</td> </tr> </tbody> </table>	L1 EVAL (limited supporting evidence)	L2 E (developed supporting evidence)	L3 EE (developed supporting evidence with context)	A decrease to BB’s public image is the most likely impact.	A decrease to BB’s public image is the most likely impact because it needs to maintain its revenue which is essential to survive.	A decrease to BB’s public image is the most likely impact because they rely on customised customer orders to maintain its revenue which is essential to survive.	
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Question	Answer			Marks
2(d)	L1 EVAL (limited supporting evidence)	L2 E (developed supporting evidence)	L3 EE (developed supporting evidence with context)	
	Motivation will have the biggest impact	Motivation will have the biggest impact because the employees will have a big effect on the amount of products that can be produced, limiting the output.	Motivation will have the biggest impact because BB uses mass customisation so the they will have a big effect on the amount of products produced, limiting the output,	
	The most important impact will be lower labour turnover.	The most important impact will be lower labour turnover because BB's business model relies on employing people, some of whom are not happy at the moment.	The most important impact will be lower labour turnover because BB's business model relies on employing people in the factory, some of whom are not happy at the moment, like David who is the only male in department.	
	All of this may depend upon what the owners want.	All of this may depend upon whether the owners care about happiness of all their employees or just see them as a cost burden on BB.	All of this may depend upon whether the owners care about happiness of all their employees, including David the only male in department, or just see them as a cost burden on BB.	
	It will be different in the short term, compared with the long term.	In the short term, equality will have a negative impact due to the increased costs incurred by BB, but in the long term it will have a beneficial impact because labour turnover will decrease.	In the short term, equality will have a negative impact due to the increased costs incurred by BB of building a new bathroom, but in the long term it will have a beneficial impact because labour turnover will decrease.	
	Some stakeholders will see it as a positive impact.	Employees may see it as a positive impact because they are getting equal rights, which might lead to better pay for some and make them feel more secure in their job.	Employees may see it as a positive impact because they are getting equal rights, which might lead to David getting equal access to a bathroom and not have to do all of the traditionally 'male' job roles.	