COMMERCE

Paper 7100/12
Multiple Choice

Question Number	Key	Question Number	Key	Question Number	Key	Question Number	Key
1	A	11	B	21	D	31	A
2	C	12	A	22	A	32	B
3	A	13	A	23	B	33	C
4	B	14	C	24	D	34	D
5	D	15	C	25	D	35	C
6	C	16	B	26	B	36	A
7	B	17	D	27	A	37	D
8	B	18	B	28	B	38	C
9	A	19	D	29	C	39	D
10	B	20	C	30	A	40	D

General comments

The multiple-choice paper consists of 40 4-option questions, of which 6 questions presented diagrammatic data. These included **Questions 4**, **8**, **9**, **15**, **31** and **40**. In addition, **Questions 8**, **10**, **11** and **28** presented numerical data and required calculations. The mean mark was slightly more than 25.

A number of questions were answered correctly by over 80 per cent of candidates. These included **Questions 1**, **4**, **20**, **34** and **40**. From these, candidates seemed to find **Questions 34** and **40** relatively easy, based on the fact that more than 90 per cent of candidates answered these questions correctly.

Candidates did not appear find any question too difficult. However, there were 3 questions – **Questions 3**, **23** and **36** – which candidates found to be relatively more challenging than other questions. None of them involved calculations. However, of these, **Question 23** was a negative (NOT) question.

These questions are discussed in greater detail below.

Comments on specific questions

Question 3

This was a fair and accessible question. However, only 35 per cent of candidates chose the **key** which was **A** *assisting the health of people*. Candidates who answered this question incorrectly got confused between the terms 'Aid to Trade' and 'Direct Services'.

Cambridge Assessment International Education

Question 23

This question was a negative question. However, it was still accessible. The fact that over 60 per cent chose distractor **D** *reducing price fluctuations* instead of the **key B** *preventing damage by fire* perhaps indicates that the top of mind recall for the majority of candidates was that warehouses protect goods. However, candidates didn't recognise that warehouses still suffer from the risk of fire. One of the functions of warehouses is to reduce price fluctuation, which is not the correct answer for this negative question.

Question 36

This matching question saw less than one-third of candidates choosing the correct answer. The percentage of candidates who chose the incorrect distractor **C** was **almost equal** to those who got this correct. The reason could have been the confusion caused by the mix up of two formulas for the rate of inventory turnover. The question was challenging but very fair. Attentive candidates answered the question correctly.

COMMERCE

Paper 7100/13
Multiple Choice

Question Number	Key	Question Number	Key	Question Number	Key	Question Number	Key
1	C	11	D	21	A	31	D
2	C	12	D	22	D	32	A
3	A	13	C	23	D	33	D
4	C	14	A	24	B	34	A
5	B	15	C	25	A	35	D
6	C	16	A	26	D	36	D
7	B	17	C	27	B	37	B
8	C	18	C	28	A	38	C
9	B	19	B	29	A	39	A
10	C	20	D	30	A	40	A

General comments

The multiple-choice paper consists of 40 4-option questions, of which 6 questions presented diagrammatic data. These included **Questions 1**, **4**, **9**, **32**, **36** and **40**. In addition, **Questions 10**, **12** and **28** presented numerical data and required calculations. The mean mark was 20.

Three questions were answered correctly by over 80 per cent of candidates. These included **Questions 1**, **5** and **39**. From these, **Question 1** received the correct response from over 90 per cent candidates.

Questions 2, **8**, **9**, **24**, **30** and **34** proved challenging for a majority of candidates. These questions received 25 per cent or less correct responses. **Question 11** was found to be the most difficult of all with 11 per cent of candidates answering this correctly. None of the questions involved calculations, but some of these questions required a higher cognitive skill, which was either analysis or evaluation.

These questions are discussed in greater detail below.

Comments on specific questions

Question 2

This question achieved the lowest percentage of correct answers. 11 per cent identified the correct answer which was option **C** – *There are economies of scale and less waste*. Over 65 per cent chose distractor **D** *Work spaces are organised into different production areas*. However, this was a fair question. Distractor **D**, chosen by the majority of candidates, is not an advantage, it is simply a characteristic of division of labour. The real advantage **to the business** was stated in option **C,** which was the correct answer.

Cambridge Assessment
International Education

© 2023

Question 8

20 per cent of candidates got the answer correct. The correct answer was option **C** *to obtain trade discount*. However, 46 per cent chose distractor **D** *to receive discount for bulk purchase*. The question specifically refers to small-scale retailers who rarely buy goods in bulk. Candidates should be reminded to read each question carefully before attempting a response.

Question 9

The answers to this diagram question were almost equally split between 4 distractors. 23 per cent of candidates got the correct answer which was option **B** *factor*.

Question 24

This question was fair and accessible. Despite this, just 22 per cent of candidates identified the correct answer, which suggests limited knowledge in this area. Candidates should be encouraged to work on distinguishing the many terms in the documents of trade.

Question 30

For this evaluative question, the ability to distinguish the many terms in the means of payment in the process of banking was essential. There is certainly only a very fine difference between the terms *bank giro credit* (chosen by 18 per cent candidates) and *direct debit* (chosen by 43 per cent candidates), but this is an evaluative question. The most adopted means of transferring salaries to their employees by businesses is bank giro credit.

Question 34

The requirement for this question was to demonstrate an understanding of the advantage for one legal form of business over the other. Well-prepared candidates were able able to quickly eliminate distractors **B**, **C** and **D** as wrong answers. A private limited company has limited liability, and this form of business requires an elaborate legal compliance at the time of setting up and reporting of financial results. For these reasons, both, distractors **C** and **D** are incorrect. There is no information provided on share of capital contributed by John and Ali, therefore, distractor **B** cannot be the correct answer. Therefore, the correct answer was **A** *continuity of existence*.

COMMERCE

Paper 7100/22
Written

Key messages

Below are some general suggestions to help candidates do well in this examination.

- Candidates should be reminded that for this GCE O Level Commerce syllabus, it is the quality of the response that determines the level an answer achieves for the three 6-mark questions and the two 8-mark questions, rather than the quantity of correct statements contained within an answer. Quality is determined by progression through the hierarchy of the four assessment objectives set out in the syllabus.
- Note the number of marks awarded on each question.
- Use time effectively. Time spent on answering questions should be directly related to the number of marks allocated.
- Read and re-read questions before answering. Weaker answers were often characterised by not taking enough time to fully register both the general focus of questions, and also the level of detail required.
- Look for the important words in each question, e.g. command words such as 'explain' or 'describe' and key words such as 'suitable' or 'best'.
- Show working out in any calculation questions.
- Revise all areas of the syllabus.
- Candidates should learn succinct and accurate commercial definitions.

Answers to 6 – 8 mark questions should always be developed with examples and/or application. Unqualified single words, such as 'easier', 'quicker' and 'cheaper' do not score marks – these should be explained to receive the marks.

General comments

The paper proved to be accessible to candidates, with all questions providing opportunities for candidates to demonstrate their knowledge, understanding and analytical and evaluative skills to meet the demands of the five questions. There was no evidence of time pressure. The examination showed the importance of a consistent performance across the questions. The paper provides a broad coverage of the specification and therefore a clear understanding of the entire specification is essential for success.

All candidates had difficulty in answering **Questions 4(d)** and **5(c)** where many candidates found it difficult to gain high marks on the topics of insurance and freight forwarding. Apart from this, it was evident to examiners that all centres had prepared their candidates well by providing wide coverage of the syllabus content, with candidates possessing generally sound knowledge and understanding of commercial vocabulary.

The command words used in the examination paper indicate the Assessment Objective (AO) targeted:

AO1 (Knowledge and understanding) tests candidates on their ability to demonstrate their knowledge and understanding of commercial terms, ideas or principles mentioned in the question. For example, **Question 5(b)** asked candidates 'State **two** services provided by freight forwarders.' Command words such as 'State', 'Name', 'Describe', 'Give' and 'List' confirm the question is at this level and requires a straightforward response.

AO2 (Application) tests candidates' ability to relate their answer to the given context. In this examination, the context to **Question 3** was about store cards. For example, **Question 3(a)** asked candidates to complete question **parts '(i) – (ii)** on the store card statement.' Command words such as 'How', 'Complete', 'Why',

Cambridge Assessment
International Education

'Give an example' and 'Calculate' confirm the question is at this level and requires a candidate to make themselves familiar with the context provided.

AO3 (Analysis) requires candidates to select, interpret or otherwise analyse some point presented in the question. For example, **Question 2(b)(ii)** asked candidates to 'Explain **one** reason why it is important for Adam and Belle to draw up a deed of partnership.' Command words such as 'Identify', 'Compare', 'Explain' and 'Analyse' confirm that the question is at this level.

AO4 (Evaluation) tests candidates' ability to formulate judgements. For example, **Question 1(d)** asked candidates 'Discuss the importance of warehouses to online retailers.' Command words such as 'Explain why', 'Do you think', 'Discuss', 'Assess' and 'Evaluate' confirm the question is at this level.

Candidates should be reminded to make sure they give the number of responses required by the question. For example, in **Question 1(b)** candidates were asked to 'Explain **two** methods of payment which customers use for online purchases.' Some candidates gave either one or three methods. It should be emphasised to candidates that including less than the question asks for will reduce the maximum marks that a candidate can score; likewise, including more than the prescribed number does not gain any more marks and may waste valuable examination time that could be used elsewhere.

Comments on specific questions

Question 1

(a) (i) Candidates generally demonstrated very good knowledge of the term 'mobile retailing' by defining it as 'someone who sells goods using a smartphone.'

(ii) Many candidates gave 19.4 per cent as the correct answer.

(b) The best answers identified two methods of payment used for online purchases and explained them. Weaker answers simply identified one or two methods without explaining them. A good example is below:

    1. Customers can use mobile banking. Payment can be made by debit card or by a mobile app.
    2. Customers can use cash on delivery. Payment is made when goods arrive at the buyer's home.

(c) The majority of candidates were able to circle at least one correct conclusion to each sentence: one circle for each sentence.

(d) Stronger answers explained some of the important reasons of warehousing to online retailers, with supporting analysis that with the changing demand in consumer buying habits, online store warehouses are essential to pick, pack and ship goods directly to customers. Many of these higher-level answers evaluated that these warehouses were also important to cope with the increasing number of online returns. Some candidates misdirected their answers by comparing online retailers with physical stores. Weaker answers described one or two warehousing functions without analysis or subsequent evaluation.

Question 2

(a) Very well answered by many candidates who gave two valid reasons that Adam and Belle had for starting their business as a partnership. The need for increased capital and being able to share the workload were frequently supplied correct answers.

(b) (i) Many candidates stated a valid item of information usually included in a deed of partnership.

(ii) Proved challenging for some candidates. The command was 'explain' but although candidates often explained that a deed could be used by partners as evidence to solve disputes they found it difficult to sufficiently develop their answers.

(c) The best answers demonstrated good knowledge of specialisation applied to a partnership. Many answers balanced positive and negative points which generally worked well. A good example is below:

Cambridge Assessment
International Education

On the one hand, it would be good idea for Adam and Belle to specialise in different parts of the partnership. It will allow the business to more efficient as Adam will become more skilled in making tastier meals and Belle will provide a better delivery service. However, there is the danger of the partnership being disrupted if Adam or Belle are ill as this could lead to delays in meeting customer demands.

(d) There was a good proportion of correctly calculated answers. Weaker answers obtained the correct mark-up of 40 per cent but forgot to then calculate the selling price. This emphasises the importance of reading the question carefully.

(e) It was clear that many candidates had sound knowledge and understanding of both local newspaper advertising and using the sides of vans to promote the partnership. Many candidates suggested local newspaper advertising would be best as it would contain lots of detail, such as menu prices, that an interested consumer could review before buying a meal. Other candidates explained the merits of using van advertising in targeting customers with more visual images than facts. The strongest answers explained and analysed advantages and disadvantages of both types of advertising with a supported recommendation based on the context and arguments presented. Weaker answers described the two types of advertising without analysing or evaluating them.

Question 3

(a) A minority of candidates were able to complete the two parts to the store card statement in Fig. 3.1 correctly. A common error was to deduct the payment figure from the credit limit instead of deducting it from the purchases.

(b) Many candidates recognised that if Kelvin did not pay the minimum store card payment on time that this would result in more interest being added which would increase the debt that he owed.

(c) Centres should note that a question beginning with the command words 'Is this the best method', 'Should this', 'Do you think' or 'Do you agree' means that the reasoning can be on either side, as long as it is justified. The best answers recognised that there would be pros and cons to Kelvin receiving his store card statements in the post. Weaker answers did not apply their answers to the context of the question.

(d) The strongest answers explained and analysed both options, namely loans and overdrafts, to buy an expensive guitar with a justified recommendation based on the context and arguments presented. Weaker answers described one or two of the options without analysis or a justified recommendation. A good example is below:

A bank loan provides long-term finance which would means that Kelvin could spread his monthly repayments, making it easier for him to pay. He would be able to obtain a large amount of money which, as we are told, should be enough to buy an expensive guitar. However, there are interest rates to be paid over the fixed period lent, so he will end up paying more for the guitar. On the other hand, an overdraft is a fast way of obtaining funds if he has a current account. This means that it will be easier to access than a loan so Kelvin could start using and playing his guitar straight away. However, the interest charged is usually higher than a loan. In conclusion, a loan is recommended as he will be able to access the total cost of the guitar and can pay it back over a longer period of time at a fixed interest rate.

Question 4

(a) The majority of candidates defined the term 'exports' accurately.

(b) Creditworthy answers included the reason that some consumers would prefer to buy recycled laptops at a cheaper price as they care for the environment. Some candidates lost marks by not focussing on the opportunity to sell the laptops and make a profit. For example, candidates sometimes discussed advertising without linking it to increasing sales. A good example is below:

It will be a good commercial opportunity for Freya as she would be able to buy the recycled laptops cheaply, especially if she buys in bulk. She could then export them at a higher price to consumers in least developed countries where less expensive laptops would be in high demand. Of course, all

this depends on whether the costs of buying the laptops and the costs of exporting are lower than the profit to be made.

(c) This question required knowledge and understanding of two ways that a customs authority might affect Freya's trade. Many candidates could identify relevant ways, such as the imposition of tariffs and quotas. Good answers developed these ways by explaining them, while weaker answers tended to write a list of one or two ways without related explanation.

(d) This proved to be a challenging question for most candidates. The best answers described and analysed the insurance risks in exporting and then made a judgement on its importance in Freya's context. They explained and analysed relevant insurance risks, such as the laptops being damaged at sea, so that she could recover any losses if insured. Weaker answers had limited knowledge and understanding of insurance risks.

Question 5

(a) Although this question was generally well answered, some attempted definitions of the term 'factory' lacked precision.

(b) Most candidates gave 'arranging transport' as one valid freight forwarding service but often had difficulty in supplying another correct service.

(c) This question proved challenging for many candidates. A minority of candidates recognised that by having more than one freight forwarder risks would be reduced in the supply chain. A good example is below:

A shipping company would use more than one freight forwarder to reduce the risk of delays in the supply chain. For example, if there was a major fire affecting a freight forwarder's distribution, the shipping company could continue its work through using another freight forwarder.

(d) This True and False question on transport documents produced a range of marks from zero to three with the third statement being the least well answered.

(e) The best answers described and analysed various wholesaler functions, with a final conclusion stating how important they are to manufacturers. Weaker answers simply described wholesale functions but did not analyse them.

COMMERCE

Key messages

Below are some general suggestions to help candidates do well in this examination.

- Candidates should be reminded that for this GCE O Level Commerce syllabus, it is the quality of the response that determines the level an answer achieves for the three 6-mark questions and the two 8-mark questions, rather than the quantity of correct statements contained within an answer. Quality is determined by progression through the hierarchy of the four assessment objectives set out in the syllabus.
- Note the number of marks awarded on each question.
- Use time effectively. Time spent on answering questions should be directly related to the number of marks allocated.
- Read and re-read questions before answering. Weaker responses were often characterised by not taking enough time to fully register both the general focus of questions, and also the level of detail required.
- Look for the important words in each question, e.g. command words such as 'explain' or 'describe' and key words such as 'suitable' or 'best'.
- Show working out in any calculation questions.
- Revise all areas of the syllabus.
- Candidates should learn succinct and accurate commercial definitions.

Answers to 6 – 8 mark questions should always be developed with examples and/or application. Unqualified single words, such as 'easier', 'quicker' and 'cheaper' do not score marks – these should be explained to receive the marks.

General comments

The paper appeared to be accessible to most candidates who coped well with the demands of the five questions. There was no evidence of time pressure. The examination showed the importance of a consistent performance across the questions. The paper provides a broad coverage of the specification and therefore a clear understanding of the entire specification is essential for success.

All candidates had difficulty in answering parts of **Question 1** and **5**, where many candidates found it challenging to gain good marks on the topics of insurance and large-scale retailing. Apart from this, it was evident to examiners that all centres had prepared their candidates well by providing wide coverage of the syllabus content, with candidates possessing generally sound knowledge and understanding of commercial vocabulary.

The command words used in the examination paper indicate the Assessment Objective (AO) targeted:

AO1 (Knowledge and understanding) tests candidates on their ability to demonstrate their knowledge and understanding of commercial terms, ideas or principles mentioned in the question. For example, **Question 1(d)** asked candidates 'State **two** reasons why companies ask customers to pay by direct debit.' Command words such as 'State', 'Name', 'Describe', 'Give' and 'List' confirm the question is at this level and requires a straightforward response.

AO2 (Application) tests candidates' ability to relate their answer to the context. In this examination, the context to **Question 3** was about WW Wholesalers, who sell fresh fish to retailers. For example, **Question 3(b)(i)** asked candidates to calculate 'the gross profit for 2022.' Command words such as 'How', 'Draw',

'Why', 'Give an example' and 'Calculate' confirm the question is at this level and requires a candidate to make themselves familiar with the context provided.

AO3 (Analysis) requires candidates to select, interpret or otherwise analyse some point presented in the question. For example, **Question 5(a)(i)** asked candidates to 'Identify the type of retail store shown in Fig. 5.1.' Command words such as 'Identify', 'Compare', 'Explain' and 'Analyse' confirm that the question is at this level.

AO4 (Evaluation) tests candidates' ability to formulate judgements. For example, **Question 2(e)** asked candidates 'Evaluate the advantages and disadvantages to the new host country of BB's activities'. Command words such as 'Explain why', 'Do you think', 'Discuss', 'Assess' and 'Evaluate' confirm the question is at this level.

Candidates should be reminded to make sure they give the number of responses required by the question. For example, in **Question 4(a)** candidates were asked to 'Explain **one** way a catalogue helps customers to choose which goods to buy.' Some candidates gave two benefits. It should be emphasised to candidates that including less than the question asks for will reduce the maximum marks that a candidate can score; likewise, including more than the prescribed number does not gain any more marks and may waste valuable examination time that could be used elsewhere.

Comments on specific questions

Question 1

(a) (i) The term 'method of appeal' was not well understood by candidates. Candidates were expected to study Fig. 1.1 and then apply a suitable method of appeal, such as emotions or love of animals.

(ii) The term 'insurance quotation' was not well known by many candidates. There were some vague answers relating to the quotation forming part of an insurance claim or a demand for compensation.

(b) Many candidates were able to circle the correct conclusion to each sentence: one circle for each sentence.

(c) This proved to be a well-answered question. Most candidates gave a relevant reason why a customer would prefer to make an insurance enquiry by text than by telephone, such as it was less time-consuming than waiting for someone to answer the phone call. Marks were sometimes lost by candidates who did not explain their reason.

(d) There were many acceptable reasons given why insurance companies ask customers to pay by direct debit. Please refer to the published mark scheme for the range of acceptable answers.

(e) Centres should note that a question beginning with the command word 'Are', 'Should', 'Would' or 'Do you think' means that the reasoning can be on either side as long as it is justified. Many answers balanced positive and negative points which generally worked well. The best answers demonstrated good knowledge of digital billboards applied to their location on highways. One good example is below:

A digital billboard is large enough to be seen over a long distance to attract the attention of car drivers. They would have even more time to look at it and take a photo of it, especially if they were stuck in a traffic jam. However, if there are no delays the digital billboard can be easily missed if the car is travelling at a high speed, and the driver might not even be interested at present in taking out a new motor insurance policy.

(f) The best answers analysed the two insurance principles – insurable interest and utmost good faith – and then made a judgement on which was the most important in context. Good answers explained that with insurable interest the insured must have a direct financial interest to receive any compensation. This meant that the person taking out motor insurance could not insure the car if they did not own it. The stronger answers concerning utmost good faith explained that if the insured had not told the truth on the proposal form about the car, such as how much it cost, then they would not receive any compensation after an accident because the contract would be void due to lying. Weaker answers lacked knowledge and understanding of both insurance principles.

Question 2

(a) The majority of candidates knew that the type of industry that extracts oil is classified as a primary industry.

(b) Many attempted definitions of the term 'global market' lacked precision.

(c) (i) The vast majority of candidates gave export as the correct answer.

   (ii) The correct answer of import scored highly.

(d) The best answers explained either the benefits and/or drawbacks of using pipelines to transport liquids such as oil. Weaker answers often gave limited reasoning or did not justify their reasoning.

(e) The best answers described and analysed the possible advantages and disadvantages of allowing a MNC to extract oil in their country with a judgement made on whether it had more advantages than disadvantages. Most candidates saw MNCs as having more positive advantages to the country due to the creation of wealth and jobs, although some candidates did mention their disadvantages on their use of non-renewable resources and greater competition for local businesses. Weaker answers lacked application to a country and described points, without analysis. Some answers incorrectly gave advantages and disadvantages to the MNC rather than to the country. A good example is below:

On the positive side, BB would be able to access new supplies of oil from BB, the MNC. This new source of oil would not only help the country's consumers and businesses to have their cheaper oil but it would also help economic growth. There would many employment opportunities which would help to reduce unemployment and increase people's standard of living. This would lead to an increase in the country's GDP.

However, on the negative side, the MNC may leave the country when the oil runs out and take all the profits back to their own country. In addition, there might be pollution from increased oil extraction resulting to health risks for local people. Also, the new jobs will often be lower paid ones with the MNC bringing their own managers from other countries.

In conclusion, from an economic point of view, the advantages of extra government revenue and more jobs would seem to override any disadvantages. However, the environmentalists would suggest that the disadvantages of environmental pollution are greater. I recommend that the country allows the MNC to begin drilling for oil but under strict government controls.

Question 3

(a) A minority of candidates gave a valid chain of distribution that WW Wholesalers could use to distribute fresh fish to retailers.

(b)(i – iii) There was a high proportion of correctly calculated answers to **parts (i)** and **(iii)**. The calculation for the cost of goods sold in **part (ii)** was often incorrectly answered. Some candidates only gave final answers without showing their workings. It should be noted that showing workings for every calculation is important in case the final answer is incorrect.

(c) In answering this question, candidates had to decide whether increasing selling prices would increase WW Wholesaler's sales revenue. The best answers justified their reasoning with developed explanation. Weaker answers identified one or two points without applying, or developing, their answers. A good example is below:

Increasing the selling price might decrease WW Wholesaler's sales revenue. This is because some retailers would not want to pay higher prices and will look at alternative cheaper fish supplies elsewhere. This will lead to less demand for WW Wholesaler's fish resulting in less sales revenue. Of course, if retailers do value the quality of fish and service from the wholesaler they might continue buying their fish from them with little affect on WW Wholesaler's sales revenue.

(d) Generally, candidates could describe transport used in the chain of distribution, such as use of air transport to deliver valuable goods but found difficulty in demonstrating skills in analysing and evaluating transport's importance in the logistics process.

Question 4

(a)   Good answers identified and explained one way a catalogue helps customers to choose which goods to buy. Marks were often lost by candidates who repeated the wording of the question as their explanation. A good example is below:

Good answers identified and explained one way a catalogue helps customers to choose which goods to buy. Marks were often lost by candidates who repeated the wording of the question as their explanation. A good example is below:

A catalogue lists all the available items that a business has for sale, including their prices. This helps customer in their decision making as they can order the items that they think are the best value for money.

(b)   The best answers demonstrated good knowledge of the purpose of an invoice, whereas weaker answers often confused an invoice with an order form.

(c)   This question proved difficult for the majority of candidates. Many candidates mistakenly thought a credit note was a type of credit.

(d)   There was generally good knowledge shown of two disadvantages of buying plants and seeds by mail order, including points such as having to wait for delivery to the problem of receiving plants that looked different to the pictures shown in the catalogue. The best answers demonstrated analysis and evaluation of these points, whereas weaker answers simply provided descriptions.

Question 5

(a) (i)   Although some candidates knew that the correct answer of the retail store shown in Fig. 5.1 was a department store, there were many other candidates who incorrectly thought it was a shopping mall or a supermarket.

(ii)   There were a range of interesting suggestions regarding why gifts and cosmetics were located on floor 1 of the retail store. Some of the valid suggestions identified lacked clear explanation of why the retail store located the goods there. Some weaker answers did not apply their answers to the context or gave general answers that could apply to any of the shop floors.

(b)   Many candidates struggled to recognise what was meant by the word 'effects' in the question. These candidates simply identified two features of large-scale retailers without giving the effects on small-scale retailers. A good example is below:

1.   Many small-scale retail shops have had to close as they lacked the buying power of large-scale retailers who could afford to buy in bulk and offer more competitive prices.
2.   Large-scale retailers can afford the rents paid to locate in busy shopping areas whereas small shops have to locate in rural areas where there is less customer footfall. This leads to less sales turnover as people are attracted to the large-scale retail stores for most of their shopping.

(c)   This True and False question on types of credit produced a range of marks from zero to three with the third statement being the most well-answered.

(d)   This proved to be a challenging question for most candidates. There seemed to be a general lack of knowledge on the topic of regional distribution warehouses. A minority of candidates demonstrated knowledge of RDC features and their importance to large-scale retailers.