



## Cambridge International AS & A Level

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**BUSINESS**

**9609/24**

Paper 2 Data Response

**May/June 2021**

MARK SCHEME

Maximum Mark: 60

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**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 May/June 2021 series for most Cambridge IGCSE™, Cambridge International A and AS Level components and some Cambridge O Level components.

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This document consists of **18** printed pages.

**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.

**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).

**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.

Question	Answer	Marks																											
1(a)(i)	<p><b>Define the term ‘fixed costs’ (line 5).</b></p> <table border="1" data-bbox="320 315 1310 577"> <thead> <tr> <th>Level</th> <th>Knowledge and Application</th> <th>Marks</th> </tr> </thead> <tbody> <tr> <td>2</td> <td>A correct definition</td> <td>2</td> </tr> <tr> <td>1</td> <td>A partial, vague or unfocused definition</td> <td>1</td> </tr> <tr> <td>0</td> <td>No creditable content</td> <td>0</td> </tr> </tbody> </table> <p>Costs which do not vary as output changes (in the very short run).</p> <p>A correct definition should include the following elements:</p> <ul style="list-style-type: none"> <li>• costs do not change</li> <li>• as output changes.</li> </ul> <table border="1" data-bbox="320 815 1310 1274"> <thead> <tr> <th>Exemplar</th> <th>Rationale</th> <th>Marks</th> </tr> </thead> <tbody> <tr> <td>Fixed costs stay the same when the business produces more or less.</td> <td>Both elements</td> <td>2</td> </tr> <tr> <td>Fixed costs always stay the same.</td> <td>One element</td> <td>1</td> </tr> <tr> <td>When output changes fixed costs remain fixed.</td> <td>One element and a tautology.</td> <td>1</td> </tr> <tr> <td>Fixed costs stay fixed.</td> <td>Tautology</td> <td>0</td> </tr> </tbody> </table> <p>ARA</p>	Level	Knowledge and Application	Marks	2	A correct definition	2	1	A partial, vague or unfocused definition	1	0	No creditable content	0	Exemplar	Rationale	Marks	Fixed costs stay the same when the business produces more or less.	Both elements	2	Fixed costs always stay the same.	One element	1	When output changes fixed costs remain fixed.	One element and a tautology.	1	Fixed costs stay fixed.	Tautology	0	<b>2</b>
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1(a)(ii)	<p data-bbox="316 241 932 280"><b>Briefly explain the term ‘sole trader’ (line 1).</b></p> <table border="1" data-bbox="320 315 1308 902"> <thead> <tr> <th data-bbox="320 315 1177 376">Knowledge</th> <th data-bbox="1177 315 1308 376">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 376 1177 835">           Understanding of another element of a sole trader, such as:           <ul style="list-style-type: none"> <li>• unlimited liability</li> <li>• shared legal identity with business</li> <li>• no continuity</li> <li>• no requirement to produce or make available accounts</li> <li>• no shares/shareholders</li> <li>• unincorporated</li> <li>• likely to be a small business</li> <li>• the owner keeps all the profits or bears the losses/risk</li> <li>• the owner has full control</li> <li>• makes all decisions themselves</li> <li>• Example of a sole trader.</li> </ul> </td> <td data-bbox="1177 376 1308 835" style="text-align: center; vertical-align: top;">1–2</td> </tr> <tr> <td data-bbox="320 835 1177 902">Understanding of a that a sole trader is owned by one person.</td> <td data-bbox="1177 835 1308 902" style="text-align: center; vertical-align: top;">1</td> </tr> </tbody> </table> <p data-bbox="316 936 1305 1003">A business in which one person has unlimited liability and, in return, has full control of the business and keeps all the profits.</p> <table border="1" data-bbox="320 1037 1308 1697"> <thead> <tr> <th data-bbox="320 1037 759 1097">Exemplar</th> <th data-bbox="759 1037 1177 1097">Rationale</th> <th data-bbox="1177 1037 1308 1097">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 1097 759 1301">A sole trader is owned by one person (A) who has unlimited liability (B) and does not need to publish financial accounts (C).</td> <td data-bbox="759 1097 1177 1301">All three elements</td> <td data-bbox="1177 1097 1308 1301" style="text-align: center;">3</td> </tr> <tr> <td data-bbox="320 1301 759 1435">A sole trader is owned by a single person (A) and does not have shareholders (B)</td> <td data-bbox="759 1301 1177 1435">A and B</td> <td data-bbox="1177 1301 1308 1435" style="text-align: center;">2</td> </tr> <tr> <td data-bbox="320 1435 759 1630">A business where there is unlimited liability (B), no need to produce financial accounts, no continuity and no shareholders.</td> <td data-bbox="759 1435 1177 1630">B only. There must be understanding that there is only one owner to gain the A mark.</td> <td data-bbox="1177 1435 1308 1630" style="text-align: center;">1</td> </tr> <tr> <td data-bbox="320 1630 759 1697">Solely owned business.</td> <td data-bbox="759 1630 1177 1697">Tautology</td> <td data-bbox="1177 1630 1308 1697" style="text-align: center;">0</td> </tr> </tbody> </table> <p data-bbox="316 1731 379 1765">ARA</p>	Knowledge	Marks	Understanding of another element of a sole trader, such as: <ul style="list-style-type: none"> <li>• unlimited liability</li> <li>• shared legal identity with business</li> <li>• no continuity</li> <li>• no requirement to produce or make available accounts</li> <li>• no shares/shareholders</li> <li>• unincorporated</li> <li>• likely to be a small business</li> <li>• the owner keeps all the profits or bears the losses/risk</li> <li>• the owner has full control</li> <li>• makes all decisions themselves</li> <li>• Example of a sole trader.</li> </ul>	1–2	Understanding of a that a sole trader is owned by one person.	1	Exemplar	Rationale	Marks	A sole trader is owned by one person (A) who has unlimited liability (B) and does not need to publish financial accounts (C).	All three elements	3	A sole trader is owned by a single person (A) and does not have shareholders (B)	A and B	2	A business where there is unlimited liability (B), no need to produce financial accounts, no continuity and no shareholders.	B only. There must be understanding that there is only one owner to gain the A mark.	1	Solely owned business.	Tautology	0	3
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1(b)(i)	<p data-bbox="316 241 1212 280"><b>Calculate the break-even output for packs of apples sold by AF.</b></p> <table border="1" data-bbox="320 315 1310 703"> <thead> <tr> <th data-bbox="320 315 1177 383">Rationale</th> <th data-bbox="1177 315 1310 383">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 383 1177 456">Correct answer with or without correct working or units</td> <td data-bbox="1177 383 1310 456">3</td> </tr> <tr> <td data-bbox="320 456 1177 562">Correct calculation of contribution per unit (must be backed up with working)</td> <td data-bbox="1177 456 1310 562">2</td> </tr> <tr> <td data-bbox="320 562 1177 636">Formula</td> <td data-bbox="1177 562 1310 636">1</td> </tr> <tr> <td data-bbox="320 636 1177 703">No creditable content</td> <td data-bbox="1177 636 1310 703">0</td> </tr> </tbody> </table> <p data-bbox="316 772 638 869">Price – \$1 per pack VC – \$0.50 per pack FC – \$5000</p> <p data-bbox="316 907 598 1019">Formula: <math display="block">\frac{\text{Fixed Costs}}{\text{Contribution per unit}}</math></p> <p data-bbox="316 1057 1308 1093">Contribution per unit = Price – Variable costs (per unit) = \$1 – \$0.50 = \$0.50</p> <p data-bbox="316 1131 630 1198"><math display="block">\frac{\\$5000}{\\$0.50} = \mathbf{10\ 000\ packs}</math></p>	Rationale	Marks	Correct answer with or without correct working or units	3	Correct calculation of contribution per unit (must be backed up with working)	2	Formula	1	No creditable content	0	3
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1(b)(ii)	<p data-bbox="316 241 1110 280"><b>Explain <u>one</u> possible use of break-even analysis to Desi.</b></p> <table border="1" data-bbox="320 315 1310 779"> <thead> <tr> <th data-bbox="320 315 456 380">Level</th> <th data-bbox="456 315 1177 380">Knowledge and Application</th> <th data-bbox="1177 315 1310 380">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 380 456 495">2 (APP)</td> <td data-bbox="456 380 1177 495">Explanation of way a business can use break-even analysis/data in context</td> <td data-bbox="1177 380 1310 495">3</td> </tr> <tr> <td data-bbox="320 495 456 609">1b (K+K)</td> <td data-bbox="456 495 1177 609">Explanation of way a business can use break-even analysis/data</td> <td data-bbox="1177 495 1310 609">2</td> </tr> <tr> <td data-bbox="320 609 456 723">1a (K)</td> <td data-bbox="456 609 1177 723">Identification of way a business can use break-even analysis/data</td> <td data-bbox="1177 609 1310 723">1</td> </tr> <tr> <td data-bbox="320 723 456 779">0</td> <td data-bbox="456 723 1177 779">No creditable content</td> <td data-bbox="1177 723 1310 779">0</td> </tr> </tbody> </table> <p data-bbox="316 815 639 848">Knowledge may include:</p> <ul data-bbox="373 851 1145 1025" style="list-style-type: none"> <li>• To plan future production</li> <li>• To model 'what if' scenarios (change in price and cost)</li> <li>• To make business decisions about production</li> <li>• To discover the margin of safety</li> <li>• To target a level of profit</li> </ul> <p data-bbox="316 1061 639 1095">Application may include:</p> <ul data-bbox="373 1097 1283 1339" style="list-style-type: none"> <li>• Only one customer – supermarket (B2B)</li> <li>• Specialises in one type of apple – may make BE analysis more useful</li> <li>• Use of numbers (including OFR from Q1bi)</li> <li>• Decision about future production of apple juice (for example, new machinery cost, modelling costs of organic ingredients, model packaging costs, etc.)</li> </ul> <p data-bbox="316 1375 379 1408">ARA</p>	Level	Knowledge and Application	Marks	2 (APP)	Explanation of way a business can use break-even analysis/data in context	3	1b (K+K)	Explanation of way a business can use break-even analysis/data	2	1a (K)	Identification of way a business can use break-even analysis/data	1	0	No creditable content	0	3
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Question	Answer				Marks
1(c)	<b>Analyse <u>one</u> advantage and <u>one</u> disadvantage to AF of leasing the new machinery for producing apple juice.</b>				<b>8</b>
	<b>Level</b>	<b>Knowledge and Application (4 marks)</b>	<b>Marks</b>	<b>Analysis (4 marks)</b>	<b>Marks</b>
	2	Shows understanding of leasing as source of finance in context	3–4	Good analysis of one advantage <b>and</b> one disadvantage of leasing as a source of finance in context	4
				Good analysis of one advantage <b>or</b> one disadvantage of leasing as a source of finance in context	3
	1	Shows knowledge of leasing as a source of finance	1–2	Limited analysis of one advantage <b>and</b> one disadvantage of leasing as a source of finance	2
				Limited analysis of one advantage <b>or</b> one disadvantage of leasing as a source of finance	1
	0	No creditable content			
	<p>Advantages may include:</p> <ul style="list-style-type: none"> <li>• Cheaper option in the short term – therefore less risk if the apple juice is not successful</li> <li>• Maintenance is likely to be covered by leasing agreement, so lower costs</li> <li>• Desi may be able to update the machine on a regular basis for no extra purchasing cost.</li> </ul> <p>Disadvantages may include:</p> <ul style="list-style-type: none"> <li>• More expensive option in the long run (after 2½ years it will be more expensive)</li> <li>• Machinery would not be an asset to the business – only a cost</li> <li>• No resale value if the apple juice is not successful - Desi might be stuck with a contract to make lease payments for a year or more, whereas if he bought the machinery he might be able to sell it on for a small loss.</li> </ul> <p>ARA</p>				

Question	Answer				Marks
1(d)	<b>Evaluate the importance of appropriate packaging for the new apple juice.</b>				<b>11</b>
	<b>Knowledge and Application (4 marks)</b>	<b>Marks</b>	<b>Analysis and Evaluation (7 marks)</b>	<b>Marks</b>	
			Justified evaluation about the importance of appropriate packaging based on arguments in context	7	
			Developed evaluation about the importance of appropriate packaging based on arguments in context	6	
			An evaluative statement about the importance of appropriate packaging based on arguments in context	5	
	Shows understanding of the role of packaging in context	3–4	Two arguments based on appropriate packaging in context	4	
			One argument based on appropriate packaging in context	3	
	Shows knowledge of the role of packaging	1–2	Two pieces of limited analysis of appropriate packaging	2	
			One piece of limited analysis of appropriate packaging	1	
	No creditable content				
	<p>Knowledge may include:</p> <ul style="list-style-type: none"> <li>• Packaging as a marketing tool; USP, promotion, product description etc.</li> <li>• Packaging as an operations tool (i.e. fit for purpose); quality, reduce damage etc.</li> <li>• Packaging as part of logistics; transportation, storage, etc.</li> </ul>				

Question	Answer	Marks
1(d)	<p>Application may include:</p> <ul style="list-style-type: none"> <li>• Edible product, relatively short shelf-life</li> <li>• Objective to create product differentiation</li> <li>• Organic product with no added chemicals</li> <li>• Supermarket insisting on strength of packaging for transportation</li> <li>• Sold in multiple branches of the supermarket.</li> </ul> <p>Arguments may include:</p> <ul style="list-style-type: none"> <li>• Important to promote the product, especially as it is a new product to the market.</li> <li>• Important to promote the USP of the product as being organic and no added chemicals and preservatives</li> <li>• Important to make sure the product is protected in transport – will Desi be responsible for any wastage?</li> <li>• There may be legal requirements to put certain information on the packaging</li> </ul> <p>However:</p> <ul style="list-style-type: none"> <li>• There may be more important aspects to the product, such as taste and placement in the supermarket – will the packaging matter if the product is not on show enough</li> <li>• Is the packaging more about function than promotion – will consumers care if the outside looks good?</li> </ul> <p>Evaluation may include:</p> <ul style="list-style-type: none"> <li>• A judgement over the level of importance of appropriate packaging (compared to other issues)</li> <li>• A judgement over which argument is most important when considering the appropriate packaging</li> <li>• An evaluation of the level of importance</li> <li>• What the judgement/evaluation might depend upon.</li> </ul> <p>ARA</p>	

Question	Answer	Marks																								
2(a)(i)	<p data-bbox="316 248 957 282"><b>Define the term ‘Unique Selling Point’ (line 8).</b></p> <table border="1" data-bbox="320 315 1310 573"> <thead> <tr> <th data-bbox="320 315 456 376">Level</th> <th data-bbox="456 315 1174 376">Knowledge and Application</th> <th data-bbox="1174 315 1310 376">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 376 456 443">2</td> <td data-bbox="456 376 1174 443">A correct definition</td> <td data-bbox="1174 376 1310 443">2</td> </tr> <tr> <td data-bbox="320 443 456 510">1</td> <td data-bbox="456 443 1174 510">A partial, vague or unfocused definition</td> <td data-bbox="1174 443 1310 510">1</td> </tr> <tr> <td data-bbox="320 510 456 573">0</td> <td data-bbox="456 510 1174 573">No creditable content</td> <td data-bbox="1174 510 1310 573">0</td> </tr> </tbody> </table> <p data-bbox="316 611 1182 678">The special feature of a product/business that differentiates it from competitors’ products, e.g. lower price, extra features, lower fat...</p> <p data-bbox="316 712 1066 745">A correct definition should include the following elements:</p> <ul data-bbox="371 745 1187 846" style="list-style-type: none"> <li>• a special, distinct, different element of a product and/or its marketing</li> <li>• that differentiates it from the competition / other products.</li> </ul> <table border="1" data-bbox="320 882 1310 1312"> <thead> <tr> <th data-bbox="320 882 759 943">Exemplar</th> <th data-bbox="759 882 1174 943">Rationale</th> <th data-bbox="1174 882 1310 943">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 943 759 1077">A USP is something that makes a product different from the competitors.</td> <td data-bbox="759 943 1174 1077">Both elements</td> <td data-bbox="1174 943 1310 1077">2</td> </tr> <tr> <td data-bbox="320 1077 759 1211">Something that makes a product different and stand out.</td> <td data-bbox="759 1077 1174 1211">No mention of what it is different from</td> <td data-bbox="1174 1077 1310 1211">1</td> </tr> <tr> <td data-bbox="320 1211 759 1312">A USP is a unique point of a product.</td> <td data-bbox="759 1211 1174 1312"></td> <td data-bbox="1174 1211 1310 1312">0</td> </tr> </tbody> </table> <p data-bbox="316 1346 379 1379">ARA</p>	Level	Knowledge and Application	Marks	2	A correct definition	2	1	A partial, vague or unfocused definition	1	0	No creditable content	0	Exemplar	Rationale	Marks	A USP is something that makes a product different from the competitors.	Both elements	2	Something that makes a product different and stand out.	No mention of what it is different from	1	A USP is a unique point of a product.		0	2
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C	Example or some other way of showing good understanding, such as that it is the opposite of product orientation.	1												
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A	Knowledge that customer orientation is about the marketing/marketing mix of a business.	1												
2(b)(i)	<p><b>Calculate the labour turnover for the Night Team.</b></p> <table border="1" data-bbox="320 1086 1310 1435"> <thead> <tr> <th>Rationale</th> <th>Marks</th> </tr> </thead> <tbody> <tr> <td>Correct answer with or without correct working or %</td> <td>3</td> </tr> <tr> <td>Use of correct calculation</td> <td>2</td> </tr> <tr> <td>Formula or correct figures</td> <td>1</td> </tr> <tr> <td>No creditable content</td> <td>0</td> </tr> </tbody> </table> <p>Workers who left = 4 Total workers in team = 16</p> <p>Formula:</p> $\frac{\text{Number of workers who left}}{\text{Total number of workers}} \times 100$ $\frac{4}{16} \times 100 = 25 (\%)$	Rationale	Marks	Correct answer with or without correct working or %	3	Use of correct calculation	2	Formula or correct figures	1	No creditable content	0	3		
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2(b)(ii)	<p data-bbox="316 241 1050 280"><b>Explain <u>one</u> problem for DC of high labour turnover.</b></p> <table border="1" data-bbox="320 315 1310 781"> <thead> <tr> <th data-bbox="320 315 456 380">Level</th> <th data-bbox="456 315 1177 380">Knowledge and Application</th> <th data-bbox="1177 315 1310 380">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 380 456 495">2 (APP)</td> <td data-bbox="456 380 1177 495">Explanation of problem of high labour turnover in context</td> <td data-bbox="1177 380 1310 495">3</td> </tr> <tr> <td data-bbox="320 495 456 609">1b (K+K)</td> <td data-bbox="456 495 1177 609">Explanation of problem of high labour turnover</td> <td data-bbox="1177 495 1310 609">2</td> </tr> <tr> <td data-bbox="320 609 456 723">1a (K)</td> <td data-bbox="456 609 1177 723">Identification of problem of high labour turnover</td> <td data-bbox="1177 609 1310 723">1</td> </tr> <tr> <td data-bbox="320 723 456 781">0</td> <td data-bbox="456 723 1177 781">No creditable content</td> <td data-bbox="1177 723 1310 781">0</td> </tr> </tbody> </table> <p data-bbox="316 817 639 851">Knowledge may include:</p> <ul data-bbox="373 853 871 1025" style="list-style-type: none"> <li>• Recruitment costs</li> <li>• Training costs</li> <li>• Loss of skills and expertise</li> <li>• Bad publicity</li> <li>• Poor quality customer experience</li> </ul> <p data-bbox="316 1061 639 1095">Application may include:</p> <ul data-bbox="373 1097 1262 1379" style="list-style-type: none"> <li>• Use of figures from Table 1, including OFR from <b>Q2(b)(i)</b> (Night Team = 25%, Afternoon team = 10%, combined = 19%)</li> <li>• DC has one shop in busy town</li> <li>• High level of competition</li> <li>• Loyal customer base (2-3 times a week)</li> <li>• Customer orientated business</li> <li>• Comparison between teams (night and day)</li> <li>• Autocratic leadership style (may link to increased training costs)</li> </ul> <p data-bbox="316 1415 379 1449">ARA</p>	Level	Knowledge and Application	Marks	2 (APP)	Explanation of problem of high labour turnover in context	3	1b (K+K)	Explanation of problem of high labour turnover	2	1a (K)	Identification of problem of high labour turnover	1	0	No creditable content	0	<b>3</b>
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Question	Answer				Marks
2(c)	<b>Analyse <u>two</u> disadvantages to DC of being a small business.</b>				<b>8</b>
	<b>Level</b>	<b>Knowledge and Application (4 marks)</b>	<b>Marks</b>	<b>Analysis (4 marks)</b>	<b>Marks</b>
	2	Shows understanding of small businesses in context	3–4	Good analysis of two disadvantages of being a small business in context	4
				Good analysis of one disadvantage of being a small business in context	3
	1	Shows knowledge of small businesses	1–2	Limited analysis of two disadvantages of being a small business	2
				Limited analysis of one disadvantage of being a small business	1
	0	No creditable content			
<p>Knowledge may include:</p> <ul style="list-style-type: none"> <li>• Measurements of business size</li> <li>• Family businesses</li> <li>• The role of small businesses in the economy</li> <li>• The role of small businesses as part of the industry structure</li> </ul> <p>Application may include:</p> <ul style="list-style-type: none"> <li>• Restaurant (secondary and tertiary) serving fried chicken (ethically produced) and chips</li> <li>• One shop in a busy town, owned and managed by Kate</li> <li>• Highly competitive market</li> <li>• Loyal repeat customers</li> <li>• Customer orientated</li> <li>• Two teams (Afternoon and Night) – no swapping teams</li> <li>• Use of data from Table 1, linked to size/flexibility</li> <li>• High absenteeism and high labour turnover</li> </ul>					

Question	Answer	Marks
2(c)	<p>Analysis may include:</p> <ul style="list-style-type: none"><li>• Costs may be higher due to not gaining economies of scale (but not diseconomies of scale)</li><li>• May not be able to compete with promotion of bigger chains</li><li>• Prices are likely to have to be higher than competition</li><li>• Very risky – all risk in one market</li><li>• Kate may not have access to enough sources of finance</li><li>• Kate may lack expertise needed in some areas of the business and not be able to employ specialists</li></ul> <p>ARA</p>	



Question	Answer				Marks																																			
2(d)	<b>Discuss ways in which DC could solve the motivation problems in the Night Team.</b>				<b>11</b>																																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%; text-align: center;">Knowledge and Application (4 marks)</th> <th style="width: 10%; text-align: center;">Marks</th> <th style="width: 33%; text-align: center;">Analysis and Evaluation (7 marks)</th> <th style="width: 10%; text-align: center;">Marks</th> </tr> </thead> <tbody> <tr> <td style="background-color: #e0e0e0;"></td> <td style="background-color: #e0e0e0;"></td> <td>Justified evaluation based on argument in context</td> <td style="text-align: center;">7</td> </tr> <tr> <td style="background-color: #e0e0e0;"></td> <td style="background-color: #e0e0e0;"></td> <td>Developed evaluation based on argument in context</td> <td style="text-align: center;">6</td> </tr> <tr> <td style="background-color: #e0e0e0;"></td> <td style="background-color: #e0e0e0;"></td> <td>An evaluative statement based on argument in context</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Shows understanding of two ways in which DC could solve the motivation problems in the Night Team.</td> <td style="text-align: center;">4</td> <td>Argument based on two ways in which DC could solve the motivation problems in the night team</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Shows understanding of one way in which DC could solve the motivation problems in the Night Team.</td> <td style="text-align: center;">3</td> <td>Argument based on one way in which DC could solve the motivation problems in the night team</td> <td style="text-align: center;">3</td> </tr> <tr> <td rowspan="2">Shows knowledge of motivation</td> <td rowspan="2" style="text-align: center;">1–2</td> <td>Limited analysis of two ways to solve motivation problems</td> <td style="text-align: center;">2</td> </tr> <tr> <td>Limited analysis of one way to solve motivation problems</td> <td style="text-align: center;">1</td> </tr> <tr> <td colspan="4" style="text-align: center;">No creditable content</td> <td></td> </tr> </tbody> </table>						Knowledge and Application (4 marks)	Marks	Analysis and Evaluation (7 marks)	Marks			Justified evaluation based on argument in context	7			Developed evaluation based on argument in context	6			An evaluative statement based on argument in context	5	Shows understanding of two ways in which DC could solve the motivation problems in the Night Team.	4	Argument based on two ways in which DC could solve the motivation problems in the night team	4	Shows understanding of one way in which DC could solve the motivation problems in the Night Team.	3	Argument based on one way in which DC could solve the motivation problems in the night team	3	Shows knowledge of motivation	1–2	Limited analysis of two ways to solve motivation problems	2	Limited analysis of one way to solve motivation problems	1	No creditable content				
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<p>Knowledge may include:</p> <ul style="list-style-type: none"> <li>• Motivation as a tool</li> <li>• Human needs</li> <li>• Motivation theories</li> <li>• Motivation methods in practice (financial and non-financial)</li> </ul>																																								

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