



# Mark Scheme (Results)

Summer 2013

International GCSE Business Studies  
4BS0 Paper 01

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## General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.



**Section A:**

Question Number	Answer	Mark
1(a) (i) AO1 = 1	C	(1)

Question Number	Answer	Mark
1(a) (ii) AO1 = 1	D	(1)

Question Number	Answer	Mark
1(a) (iii) AO1 =	A	(1)

Question Number	Answer	Mark
1(a) (iv) AO1 = 1	D	(1)

Question Number	Answer	Mark
1(a) (v) AO1 = 1	B	(1)

Question Number	Answer	Mark
1(b) AO1 = 5	2 – F 3 – D 4 – B 5 – C 6 – E	(5)



Question Number	Answer	Mark
1(d) (ii)  AO2 = 2	<p>Valid points include:</p> <ul style="list-style-type: none"> <li>• Azeem will know where he stands (AO2) in terms of control/profit/ending the partnership (AO2)</li> <li>• If no written agreement then a partner could leave and leave the company (AO2) with large debts which would be the responsibility of the remaining partners (AO2)</li> </ul> <p>1 mark for benefit + 1 mark for development</p>	(2)

Question Number	Answer	Mark
2(a)  AO1 = 2	<ul style="list-style-type: none"> <li>• The process whereby a business identifies (AO1) the wants and the needs of the customers (AO1)</li> </ul>	(2)

Question Number	Answer	Mark
2(b)  AO1 = 4	<p>Price Product Place Promotion</p> <p>Accept in any order</p>	(4)

Question Number	Answer	Mark
2 (c) (i)  AO2 = 2	<p>Valid points include:</p> <ul style="list-style-type: none"> <li>• To ensure that his business continues after year on year (AO2) as most companies find it difficult to survive during the first few years. (AO2)</li> <li>• Competitors within the area may try and make Designer Cuts less secure (AO2) and this could be by undercutting his prices to take custom away from him (AO2).</li> </ul> <p>1 mark for why + 1 mark for development</p>	(2)

Question Number	Answer	Mark
2 (c) (ii)  AO2 = 2	to increase sales to increase profits to expand to reduce complaints to reduce staffing to increase the amount of loans to add a franchise to add value	(2)

Question Number	Answer	Mark
2 (d)  AO1 = 4	2 Introduction/Launch 3 Growth 4 Maturity/Saturation 5 Decline	(4)

Question Number	Answer	Mark
<p><b>2 (e)</b></p> <p><b>AO2 = 2</b> <b>AO4 = 4</b></p>	<p>Valid points include:</p> <p>(Premises 1)</p> <ul style="list-style-type: none"> <li>• More likely to get more customers (AO2) this means that more profit can be made (AO4) and customers having received good service will continue to use the salon (AO4)</li> <li>• Local people would prefer not to travel to have their hair styled (AO2) and they would realise that a local salon will be cheaper than a shopping centre salon (AO4) local hairstylists are more likely to look after individual customers than a shopping centre (AO4)</li> </ul> <p>(Premises 2)</p> <ul style="list-style-type: none"> <li>• Competition in shopping centre will be greater (AO2) stylists may be on commission with the products they sell so are anxious that the client buys more (AO4) less likely to have a personal service. (AO4)</li> <li>• Clients shopping in the centre will see the salon and may be encouraged to try it out (AO2) and therefore the salon will generate more clients (AO4) being in a shopping centre then the salon can charge higher rates and increase their profit. (AO4)</li> </ul> <p>1 mark for basic reason + 2 marks for supporting example or development.</p> <p>(1+2) x 2</p>	<p><b>(6)</b></p>

Question Number	Answer	Mark
3 (a) (i)	24 000	
AO1 = 1		(1)

Question Number	Answer	Mark
3 (a) (ii)	Examples might include:  Cost of producing advertisement Cost of method selected for advertising	
AO1 = 2	1 mark for each appropriate example	(2)

Question Number	Answer	Mark
3 (b)	Eg <ul style="list-style-type: none"> <li>• Maya has only one year's set of figures to compare it with (AO3) so therefore it is not possible to make a true comparison, more years trading are needed (AO3). Not all the information is available for her so that she cannot make any decisions e.g. no balance sheet (AO3).</li> <li>• Maya might decide that she does not want to make any judgements yet about the business (AO3) because the business has not been trading long enough (AO3) therefore making it difficult to gauge progress (AO3).</li> </ul>	
AO3 = 3		(3)

Question Number	Answer	Mark
<p><b>3 (c)</b></p> <p><b>AO2 = 2</b> <b>AO4 = 2</b></p>	<p>Valid points include:</p> <ul style="list-style-type: none"> <li>• Can identify when flow is positive/negative (AO2) Can then be used to support request for finance – overdrafts/loans (AO4)</li> <li>• Can be compared to actual flow (AO2) – which enables the monitoring of the business (AO4)</li> <li>• Can identify periods where there maybe problems (AO2) – so that they can be addressed before the problem arises (AO4)</li> <li>• can help set budgets for the future (AO2) which would help him to continue trading in the future (AO4).</li> </ul> <p>1 mark for applying + 1 mark for relating back to cash flow forecast</p>	<p><b>(4)</b></p>

Question Number	Answer	Mark
<p><b>3 (d)</b></p> <p><b>AO4 = 4</b></p>	<p>Valid points include:</p> <ul style="list-style-type: none"> <li>• Azeem needs long term finance (AO4) because of his expansion plans (premises) (AO4). A loan will allow him to plan his finances for the period of the loan (AO4). Interest is lower on a loan than on a similar overdraft thereby reducing costs (AO4)</li> </ul>	<p><b>(4)</b></p>

Question Number	Answer	Mark
3 (e)	<p>Valid points include:</p> <ul style="list-style-type: none"> <li>Designer Cuts cannot be sued for complying with the law (AO3) both sexes can cut and style hair so an advert cannot discriminate (AO3) if they did this people may not want to visit the salon because they discriminate against people (AO3) thus losing the salon valuable customers (AO3) some people prefer having females cut their hair rather than males (AO3) Designer Cuts would be sued for this advertisement which is again bad publicity for the company (AO3).</li> </ul> <p>1 mark for the affect 1 mark for development Up to 4 marks for reference to Designer Cuts</p>	(6)
<b>AO3 = 6</b>		

Question Number	Answer	Mark
4 (a) (i)	<p>Valid points include:</p> <ul style="list-style-type: none"> <li>Identifies the skills that the person should have are applicable to running a hairdressing salon (AO2) helps the applicant know what Designer Cuts is looking with regard to their ability/skills (AO2) and can identify what is essential and what would be desirable in the applicant (AO2).</li> </ul> <p>Up to 2 marks identification 1 mark for development 1 mark for relevance to Designer Cuts (2+1+0 or 2+0+1 or 1+1+1)</p>	(3)
<b>AO2 = 3</b>		



Question Number	Answer	Mark
<p><b>4 (c)</b></p> <p><b>AO2 = 2</b> <b>AO4 = 6</b></p>	<p>Valid points include:</p> <ul style="list-style-type: none"> <li>Using a break-even does allow Azeem to see the numbers of clients he needs (AO2) it is only for that particular moment in time and is really a 'snap shot' of the business (AO2). However there are many reasons for him to use this method. He can see whether the break-even figure is achievable or not (AO4). He can see the effects of making alterations to the price and cost on the break-even point (AO4). He does realise that the figures are not always static and therefore they are liable to change (AO4) there are other influences on the business that he can not predict which could affect the business (AO4) there is no guarantee that he will actually achieve the number of clients using the salon which would mean that he would break-even (AO4). It does give him the opportunity to look in more detail at his figures before making a decision. (AO4)</li> </ul> <p>Up to 3 marks for the relevance of using a break-even graph Up to 3 marks for justification of not using a break-even graph Up to 3 marks for balanced comments Any combination to a maximum of 8 marks</p>	<p><b>(8)</b></p>

Question Number	Answer	Mark
5 (a) (i)  AO1 = 1	Less absenteeism Lower turnover Good working environment Work harder	(1)

Question Number	Answer	Mark
5 (a) (ii)  AO3 = 2 AO4 = 2	Valid points include: <ul style="list-style-type: none"> <li>• If only socialise at work (AO3) then they would not have any friends once unemployed (AO4)</li> <li>• Employees would be very upset (AO3) concerned about paying their bills now they have no job (AO4).</li> <li>• They may find it difficult to get another job (AO3) as they feel that being sacked carries a stigma with it and people might not want to employ them. (AO4)</li> </ul> 2 x 1 for analysis 2 x 1 for identifying the effect on employees	(4)

Question Number	Answer	Mark
5 (b)  AO4 = 5	Valid points include:  Using leaflets is cheap method of advertising (AO4) they are flexible because they can easily be produced and changed (AO4) relevant to the size of the business, larger types of advertising would not be suitable (AO4) leaflets targets local people (AO4) special offers can be introduced and used at any time (AO4) easy to update the leaflets and reproduce (AO4) leaflets can be informative and persuasive (AO4)  Up to 5 marks for importance of using leaflets  Maximum 2 marks for basic evaluation	(5)

Question Number	Answer	Mark
<p>5 (c)</p> <p><b>AO2 = 2</b> <b>AO3 = 4</b> <b>AO4 = 4</b></p>	<p>Valid points include:</p> <p>(Primary research)</p> <ul style="list-style-type: none"> <li>This is collating the information which is totally relevant to the company (AO2) and therefore is going to be more useful than any other method of research (AO3) information is gathered from the people within the area that you may be opening the shop (AO3) so therefore their needs and requirements can be taken into account (AO4) it is expensive but gains all the information needed. (AO4)</li> </ul> <p>(Secondary research)</p> <ul style="list-style-type: none"> <li>This is using data that other people have collected which does not always apply (AO2) it is a much cheaper way of collecting the information because you just purchase what you need (AO3) other people have spent the time collecting and collating the information (AO3). Not all the information is relevant to your particular situation, however it does save a considerable amount of time and effort (AO4) and give much more additional information that is required. However there are occasions when both types of research are needed (AO4)</li> </ul> <p>5 marks maximum for why method is selected 5 marks maximum for why other method is rejected 2 marks maximum for balance comments against selection (ie for disadvantages associated with method selected)</p> <p>Any combination to a maximum of 10 marks</p>	<p>(10)</p>



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