



Mark Scheme (Results)

November 2021

Pearson Edexcel International GCSE
in Commerce 4CM1

Paper 02: Facilitating Commercial Operations

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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.
- Mark schemes will indicate within the table where, and which strands of QWC, are being assessed. The strands are as follows:
 - i) ensure that text is legible and that spelling, punctuation and grammar are accurate so that meaning is clear*
 - ii) select and use a form and style of writing appropriate to purpose and to complex subject matter*
 - iii) organise information clearly and coherently, using specialist vocabulary when appropriate*

Question Number	Answer	Mark
1 (a)	A01 = 1 mark C Mortgage	(1)

Question Number	Answer	Mark
1 (b)	A01 = 1 mark B A pipeline	(1)

Question Number	Answer	Mark
1 (c)	A01 = 1 mark Award 1 mark for a definition of advice note . A document sent by a supplier to inform a customer that their ordered products have been dispatched (1)	(1)

Question Number	Answer	Mark
1 (d)	A01 = 1 mark Award 1 mark for a definition of leasing . The renting of assets for which regular monthly payments are made (1)	(1)

Question Number	Answer	Mark
1 (e) (i)	A02 - 1 mark Award 1 mark for a valid benefit to <i>H&M</i> of having minutes from a meeting of store managers. To have a record of the discussion and decisions reached on the new fashions to be sold in its stores (1) Accept any other appropriate response.	(1)

Question Number	Answer	Mark
1 (e) (ii)	A02 = 1 mark Award 1 mark for a valid way the <i>H&M</i> website could help promote its products in countries where it does not have a store. <i>H&M</i> can use the website to show its new dresses to potential customers who would not otherwise be able to see them (1) Accept any other appropriate response.	(1)

Question Number	Answer	Additional guidance	Mark
1 (e) (iii)	A02 = 2 mark $= \frac{15\,493}{210\,400} \times 100 \quad \mathbf{(1)}$ $= 7.36 \quad \mathbf{(1)}$	Award 1 mark for substituting numbers into the formula correctly Award full marks for correct numerical answer without working	(2)

Question Number	Answer	Mark
1 (f)	A01 = 3 marks Award 1 mark for identifying one advantage to the customer of paying for products using a credit card and up to 2 marks for explaining the advantage for a maximum of 3 marks. A credit card allows a customer to buy products and pay for them later (1) they can make a large purchase (1) and only have to meet a monthly minimum payment to the credit card company (1) Accept any other appropriate response. Answers that list three advantages with no explanation will get a maximum of 1 mark.	(3)

Question Number	Answer	Mark
1 (g)	A01 = 3 marks Award 1 mark for identifying one reason a business might use informative advertising to increase sales and up to 2 marks for explaining the reason for a maximum of 3 marks. • Informative advertising is a useful way to educate customers about a new or complicated product (1) it shows the customer how the product may be helpful to them (1) so they can be tempted to decide to buy the product if it is suitable (1) Accept any other appropriate response. Answers that list three reasons with no explanation will get a maximum of 1 mark.	(3)

Question Number	Indicative content	Mark
1(h)	AO2 = 3 marks AO3 = 3 marks <u>AO2</u> • <i>WeChat</i> reaches one billion users in China • <i>WeChat</i> can be used by large groups of friends for a mixture of activities such as playing games. <u>AO3</u> • who will enjoy the convenience of <i>WeChat Pay</i> and will be tempted to buy more clothes • So they can buy fashion items on their mobiles and then easily share their likes 24hrs a day encouraging their friends to also buy from <i>H&M</i>.	(6)

Level	Mark	Descriptor
	0	• No rewardable material
Level 1	1–2	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context. (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points. (AO3)
Level 2	3–4	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies. (AO2) • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3)
Level 3	5–6	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout. (AO2) • Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3)

Question Number	Answer	Mark
2 (a)	A01 =1 mark B Central Bank (1)	(1)

Question Number	Answer	Mark
2 (b)	A02 = 1 mark A A cold storage warehouse (1)	(1)

Question Number	Answer	Mark
2 (c)(i)	A02 = 1 mark Road (1)	(1)

Question Number	Answer	Mark
2 (c)(ii)	A02 - 1 mark 4.1% (1) OR 4.1 (1)	(1)

Question Number	Answer	Mark
2 (d)	A01 - 1 mark Inventory turnover is the number of times the stock held by a business is sold over a set period of time (1)	(1)

Question Number	Answer	Mark
2 (e)	A01 = 3 marks Award 1 mark for identifying one reason why a customer may be issued with a credit note and up to 2 marks for explaining the reason for a maximum of 3 marks. • A credit note is issued when the amount on a paid invoice is reduced (1) because some products delivered were faulty (1) the credit is then used by the customer to part pay for future products (1) Accept any other appropriate response. Answers that list three reasons with no explanation will get a maximum of 1 mark.	(3)

Question Number	Answer	Mark
2 (f)	A01 = 3 marks Award 1 mark for identifying one reason why business in different countries might use videoconferencing and up to 2 marks for explaining the reason for a maximum of 3 marks. • Allows businesses from across the world to have discussions (1) with no need to pay for participants to travel to a single meeting venue (1) and this will reduce travel costs such as flights and hotels for the business (1) Accept any other appropriate response. Answers that list three reasons with no explanation will get a maximum of 1 mark.	(3)

Question Number	Answer	Mark
(g)	A02 = 3 marks A03 = 3 marks A04 = 3 marks Arguments for option 1: <u>A02</u> • The rents for the lodges are set at a high price per night to achieve a mark-up of £47.50 • The lodges only have 3% available bookings remaining <u>A03</u> • Holidaymakers may not be prepared to pay more for the same standard of lodge so the increased mark-up may reduce sales and lower profit • As the lodges are so popular guests are likely to be happy to pay a higher price <u>A04</u> • However, if <i>Center Parcs</i> raises the price per lodge by just a small amount, customers may not be concerned and the mark-up and profit will increase • However, <i>Centre Parcs</i> may find that it has fewer bookings at a higher price and bookings drop below 97% causing profits to fall Arguments for option 2: <u>A02</u> • Each village is developed to offer lots of facilities including a swimming pool and a restaurant to attract guests • Guests spend money in some of the facilities such as the restaurant and shops <u>A03</u> • Providing more facilities such as another swimming pool to attract more guests may be too expensive as the increase in the number of guests may not be enough to increase profit • <i>Center Parcs</i> may attract more guests to book a lodge to enjoy the new facilities and all the other guests may also spend more money in the new facilities, such as another restaurant or shops, and thus increase profit <u>A04</u> • However, less expensive luxuries such as more play areas may mean the bookings could be increased to 100% at little cost • However, new facilities may not be as popular as expected so the cost may not be recovered and profits may fall	(9)

Level	Mark	Descriptor
	0	No rewardable material
Level 1	1-3	- Limited application of knowledge and understanding of commercial concepts and issues to the commercial context (AO2) - Attempts to deconstruct commercial information and/or issues, finding limited connections between points (AO3) - Makes a judgement, providing a simple justification based on limited evaluation of commercial information and issues relevant to the choice made (AO4)
Level 2	4-6	- Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies (AO2) - Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3) - Makes a judgement, providing a justification based on sound evaluation of commercial information and issues relevant to the choice made (AO4)
Level 3	7-9	- Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout (AO2) Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3) - Makes a judgement, providing a clear justification based on a thorough evaluation of commercial information and issues relevant to the choice made (AO4)

Question Number	Answer	Mark
3 (a)	A01 = 1 mark D An agenda (1)	(1)

Question Number	Answer	Mark
3 (b)	A02 = 1 mark B To meet seasonal demand as the growing seasons change (1)	(1)

Question Number	Answer	Mark
3 (c)	A02 = 1 mark A bank could help IAC receive and make payments with UK businesses without having to convert rupees to pounds £ every time (1) A bank can exchange the pounds £ for rupees at low cost (1) Accept any other appropriate response.	(1)

Question Number	Answer	Additional guidance	Mark
3 (d) (i)	A02 = 1 mark \$ 600 (1)	Award 1 mark for substituting numbers into the formula correctly Award full marks for correct numerical answer without working	(1)

Question Number	Answer	Additional guidance	Mark
3 (d) (ii)	A02 = 1 mark \$ 1 650 (1)	Award 1 mark for substituting numbers into the formula correctly Award full marks for correct numerical answer without working	(1)

Question Number	Indicative content	Mark
3 (e)	A02 = 3 marks A03 = 3 marks <u>A02</u> • <i>IAC</i> is a member of the <i>PFVA</i> a government supported association helping exporters of Pakistani fruit and vegetables • <i>PFVA</i> gathers information from other fruit and vegetable trade organisations in Europe for the demand for Pakistani produce <u>A03</u> • As a member of a government backed trade association <i>IAC</i> can provide a more secure base for trading with European businesses and attract more customers • <i>PFVA</i> can provide information to <i>IAC</i> on the demand from European businesses for different types of fruit and vegetables and organise attendance at trade fairs to meet them	(6)

Level	Mark	Descriptor
	0	• No rewardable material
Level 1	1-2	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context (A02) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points (A03)
Level 2	3-4	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies (A02) • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (A03)
Level 3	5-6	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout (A02) • Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning (A03)

Question Number	Indicative content	Mark
3(f)	3 x A02 3 x A03 3 x A04 Arguments for option 1: <u>A02</u> - The first <i>Go4Fresh</i> shop for fruit and vegetables is opening in Karachi, the largest city in Pakistan <i>Go4Fresh</i> offers quality and freshness of its fruit and vegetables that distinguishes it from its competitors <u>A03</u> - There is the potential that many customers will enjoy the quality fruit and veg and will tell their neighbours and word of mouth will raise awareness of the new brand - Offering samples of fruit to taste may attract many people to stop and try them, so calling attention to the location of the shop and its products <u>A04</u> - However, customers may just want to try the food because it is free and will forget <i>Go4Fresh</i> when the promotion has finished - However, possibly too few customers will taste the products to raise local awareness enough to justify the costs of the free samples Arguments for option 2: <u>A02</u> - The entire audience will see the advert showing the shop, staff working and fruit displayed - Cinema adverts can be specially designed to appeal to the needs of the people of Karachi <u>A03</u> - It is very difficult to avoid or ignore the advert so awareness is raised with everyone watching - The visual effect of the cinema can make the fruit and veg have an image of high quality to attract the people of Karachi <u>A04</u> - However, the advert may not be watched by its target market and so will be a waste of its promotional budget - However, cinemagoers may not remember the advert because they are more interested in the film so awareness may not last very long and the advert may be ineffective	(9)

Level	Mark	Descriptor
	0	No rewardable material
Level 1	1-3	- Limited application of knowledge and understanding of commercial concepts and issues to the commercial context (AO2) - Attempts to deconstruct commercial information and/or issues, finding limited connections between points (AO3) - Makes a judgement, providing a simple justification based on limited evaluation of commercial information and issues relevant to the choice made (AO4)
Level 2	4-6	- Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies (AO2) - Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3) - Makes a judgement, providing a justification based on sound evaluation of commercial information and issues relevant to the choice made (AO4)
Level 3	7-9	- Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout (AO2) - Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3) - Makes a judgement, providing a clear justification based on a thorough evaluation of commercial information and issues relevant to the choice made. (AO4)

Question Number	Answer	Mark
4 (a)	A02 = 2 marks <i>ADE</i> sells its equestrian clothing in a number of different regions (1) as such the 24/7 email is an important factor for <i>ADE</i> in staying in contact with its international customers (1) Accept any other appropriate response.	(2)

Question Number	Answer	Mark
4 (b)	AO2 = 3 marks AO3 = 3 marks <u>AO2</u> • <i>DHL</i> was established in 1969 and has built up an excellent reputation for the modes of transport it uses for international shipping • <i>ADE</i> does not have the ability to transport its own clothes internationally. <u>AO3</u> • <i>DHL</i> can transport the packages by the most efficient combination of mail and air freight routes, depending on the destination, to deliver on time and keep costs down • <i>ADE</i> can use the time it would spend on deliveries to focus on the design and sale of equestrian clothes Accept any other appropriate response.	(6)

Level	Mark	Descriptor
	0	No rewardable material
Level 1	1-2	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points (AO3)
Level 2	3-4	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies (AO2) • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3)
Level 3	5-6	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout. (AO2) • Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3)

Question Number	Answer	Mark
(c)	A01= 3 marks A02 = 3 marks A03 = 3 marks A04 = 3 marks <u>A01</u> • Owner's capital is a way of financing a business without borrowing any money • Owner's capital means that Jordan does not have to share control of her business <u>A02</u> • She only received a small sum of money from her grandmother but it was enough to start <i>ADE</i> with no need for other investors • Jordan McCabe was an experienced competitor in horse riding events and had developed a dream for her equestrian clothing business <u>A03</u> • This allowed Jordan McCabe to run her business without having to pay any interest to banks as she began to trade and she retained ownership of the business • Jordan was able to use her experience to develop her business without having to consult with other people who had also invested in the business <u>A04</u> • However, Jordan may have been able to grow <i>ADE</i> more quickly if she had gained finance from other sources • However, <i>ADE</i> may have benefitted from more sales if there were some other designers who were also experienced riders to help her be creative	(12)

Level	Mark	Descriptor
	0	No rewardable material
Level 1	1-4	• Demonstrates elements of knowledge and understanding of commercial concepts and issues, with limited commercial terminology used (AO1) • Limited application of knowledge and understanding of commercial concepts and issues to the commercial context (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points (AO3) • Draws a conclusion, supported by generic assertions from limited evaluation of commercial information and issues (AO4)
Level 2	5-8	• Demonstrates mostly accurate knowledge and understanding of commercial concepts and issues, including appropriate use of commercial terminology in places (AO1) • Sound application of knowledge and understanding of commercial concepts and issues to the commercial context, although there may be some inconsistencies (AO2) • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3) • Draws a conclusion based on sound evaluation of commercial information and issues (AO4)
Level 3	9-12	• Demonstrates accurate knowledge and understanding of commercial concepts and issues throughout, including appropriate use of commercial terminology (AO1) • Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout. (AO2) • Deconstructs commercial information and/or issues, finding detailed interconnected points with chains of reasoning (AO3) • Draws a valid and well-reasoned conclusion based on a thorough evaluation of commercial information and issues (AO4)