



Mark Scheme (Results)

Summer 2024

Pearson Edexcel International GCSE
In Commerce (4CM1) Paper 02R
Paper 2: 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

Question Number	Which one of the following is a source of short-term finance? Answer	Mark
1 (a)	AO1 = 1 mark The only correct answer is B Factoring A is not correct as debentures are a long-term source of finance C is not correct as company shares are a long-term source of finance D is not correct as venture capital is a long-term source of finance	(1)

Question Number	Which one of the following is a request for payment? Answer	Mark
1 (b)	AO1 = 1 mark The only correct answer is A An invoice B is not correct because an advice note lets buyers know their order has been despatched C is not correct because an enquiry is made before any purchase D is not correct because a receipt is given after payment has been made	(1)

Question Number	Define the term bank giro (credit transfer) . Answer	Mark
1 (c)	AO1 = 1 mark Award 1 mark for a definition of bank giro (credit transfer) A bank giro (credit transfer) is the direct transfer of money from one account to another (1)	(1)

Question Number	Define the term hire purchase . Answer	Mark
1 (d)	AO1 = 1 mark Award 1 mark for a definition of hire purchase Paying for an item in regular monthly instalments while having use of it (1)	(1)

Question Number	State one benefit for <i>Blue Bottle Coffee</i> of having a bank account. Answer	Mark
1 (e) (i)	AO2 - 1 mark Award 1 mark for one valid benefit to <i>Blue Bottle Coffee</i> of having a bank account. <i>Blue Bottle Coffee</i> is able to deposit the revenue received from selling coffee into its bank account (1) NB Do not accept a benefit that is not in the context of <i>Blue Bottle Coffee</i> Accept any other appropriate response.	(1)

Question Number	State one way <i>Blue Bottle Coffee</i> could have benefitted from trade credit. Answer	Mark
1 (e) (ii)	AO2 = 1 mark Award 1 mark for one valid way <i>Blue Bottle Coffee</i> could have benefitted from trade credits When starting up <i>Blue Bottle Coffee</i> would have been able to buy roasted coffee and pay for it later, helping its cash flow. (1) NB Do not accept a way that is not in the context of <i>Blue Bottle Coffee</i> Accept any other appropriate response.	(1)

Question Number	Calculate the interest <i>Blue Bottle Coffee</i> will be charged in 2023. You are advised to show your working. Answer	Additional guidance	Mark
1 (e) (iii)	A02 = 2 mark $7\,500 \times 0.08$ (1) $= 600$ (1)	Award 1 mark for correctly substituting numbers into the formula Award 2 marks for correct numerical answer without working	(2)

Question Number	Explain one benefit to a customer of using a credit sale. Answer	Mark
1 (f)	A01 = 3 marks Award 1 mark for identifying one benefit to a customer of using a credit sale and up to 2 marks for explaining the benefit for a maximum of 3 marks. • A credit sale means that the goods belong to the customer at the point of sale (1) the vendor cannot repossess them (1) even if the customer falls behind with repayments (1) • A customers may not have enough cash to buy an item they like (1) a credit sale allows them to make the purchase (1) and pay for the item later (1) NB No marks are awarded for a definition Answers that list three benefits with no explanation will get 1 mark only Accept any other appropriate response	(3)

Question Number	Explain one benefit to a customer of having a savings account. Answer	Mark
1 (g)	AO1 = 3 marks Award 1 mark for identifying one benefit to a customer of having a savings account and up to 2 marks for explaining the benefit for a maximum of 3 marks. • A customer can make regular deposits (1) as a savings account will earn interest (1) and that interest could be withdrawn for a special purchase (1) • A customer can make plans for their future (1) for which they can save sufficient funds (1) avoiding problems that may arise from unplanned debts (1) NB No marks are awarded for a definition Answers that list three benefits with no explanation will get a maximum of 1 mark Accept any other appropriate response.	(3)

Question Number	Analyse how increasing concern about environmental matters might impact on the way <i>Blue Bottle Coffee</i> advertises its products. Indicative content	Mark
1 (h)	AO2 = 3 marks AO3 = 3 marks <u>AO2</u> • <i>Blue Bottle Coffee</i> has introduced a range of EcoCups for customers to drink their coffee from • <i>Blue Bottle Coffee</i> website could have videos showing areas where the organic coffee beans are grown <u>AO3</u> • It can promote its concern for the environment by advertising on each cup how much waste is reduced • The videos could demonstrate to concerned customers that <i>Blue Bottle Coffee</i> produces coffee in an environmentally friendly way and these customers may share this information with family and friends	(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	Which one of the following is a bulk carrier? Answer	Mark
2 (a)	AO1 =1 mark The only correct answer is C A single deck ship carrying one type of cargo A is not correct as a cruise liner does not carry cargo B is not correct as a container ship carries many different cargos D is not correct as a ferry is used to transport people	(1)

Question Number	Which one of the following products would a warehouse stock in large quantities to meet seasonal demand? Answer	Mark
2 (b)	AO2 = 1 mark The only correct answer is B Sunglasses A is not correct as demand for reading glasses is not linked to the seasons C is not correct as toothpaste is needed in all seasons D is not correct as baby soap is in demand all year	(1)

Question Number	Identify the region with the largest number of posted letters. Answer	Mark
2 (c)(i)	AO2 = 1 mark Asia and Pacific (1)	(1)

Question Number	Identify how many letters were posted in Africa in 2020. Answer	Mark
2 (c)(ii)	AO2 - 1 mark 26.07 (1) Or 26.07 million (1) Or 26,070,000 (1)	(1)

Question Number	Define the term dividend . Answer	Mark
2 (d)	AO1 - 1 mark Award 1 mark for a definition of dividend . Money paid by a business out of profits to its shareholders (1)	(1)

Question Number	Explain one benefit to a business of using crowdfunding to finance a new project. Answer	Mark
2 (e)	AO1 = 3marks Award 1 mark for identifying one benefit to a business of using crowdfunding to finance a new project and up to 2 marks for explaining the benefit for a maximum of 3 marks. • A business may be able to raise a lot of money through crowdfunding (1) without immediate costs such as paying interest for a bank loan (1) this lets the business use all the money for the new project (1) • Crowdfunding may be available for a project that is unusual (1) resulting in too high a risk for other sources of finance (1) but of interest to investors who appreciate the possibility of high financial rewards (1) NB No marks are awarded for a definition Answers that list three benefits with no explanation will get a maximum of 1 mark Accept any other appropriate response	(3)

Question Number	Explain one reason why a business has minutes of its meetings. Answer	Mark
2 (f)	AO1 = 3 marks Award 1 mark for identifying one reason why a business has minutes of its meetings and up to 2 marks for explaining the benefit for a maximum of 3 marks. - Minutes are a record of what has been said (1) and agreed by attendees (1) so it should reduce tension and misunderstanding following the meeting (1) - Minutes can improve employee efficiency (1) as actions that need to be done are assigned to a named person at the meeting (1) who is then reminded of the details when they receive the minutes (1) NB No marks are awarded for a definition Accept any other appropriate response Answers that list three reasons with no explanation will get a maximum of 1 mark	(3)

Question Number	Option 1: launch a <i>TIEC</i> website Option 2: attend international trade fairs. Answer	Mark
2(g)	AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks Arguments for option 1: <u>AO2</u> - The <i>TIEC</i> website could promote its full range of Indian clothing <i>TIEC</i> could use money from the past 2 years of trading to create and develop a website	

	<u>A03</u> • Lekhinee could use her social media skills to link to other social media platforms similar to <i>Facebook</i> thus reaching an international audience who would learn about and buy more traditional Indian clothing • The website would be available to potential customers worldwide and not only to those who use social media <u>A04</u> • However, the competitive nature of the internet could lead to selling prices falling requiring continuous marketing for <i>TIEC</i> to retain customers and sales • However, not all customers may be happy with their purchases and negative reviews of <i>TIEC</i> could damage the brand Arguments for option 2: <u>A02</u> • Attendees at international fashion trade fairs often have an interest in buying new clothing designs in bulk • <i>TIEC</i> can now afford to attend trade fairs dealing with clothing <u>A03</u> • Large orders for the Indian fashion designs could promote the brand globally • International wholesale orders for its clothing may mean <i>TIEC</i> 's clothing will generate sufficient profit for further promotion at other trade fairs to achieve a presence in lots of different retail stores worldwide <u>A04</u> • However, there is a lot of competition at trade fairs and Lekhinee may need different skills as a salesperson • However, there is no guarantee that attendees will buy <i>TIEC</i>'s clothing and the investment may not achieve enough promotion to be worthwhile	(9)
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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	Which one of the following is a consular service? Answer	Mark
3 (a)	AO1 = 1 mark The only correct answer is D A government office assisting people abroad A is not correct as a chamber of commerce represents the interest of businesses B is not correct as a trade organisation helps businesses who want to export C is not correct as a business exporting goods does not offer assistance to people abroad	(1)

Question Number	Which one of the following approaches to advertising would <i>Whole Kids</i> use to say its baby food is better than its rivals? Answer	Mark
3 (b)	AO2 = 1 mark The only correct answer is C Competitive A is not correct as <i>Whole Kids</i> is one business not a group of businesses B is not correct as a persuasive advert tries to be interesting and attractive without directly comparing to a competitor D is not correct as the advert is not just providing information about the food but includes a comparison to a competitor	(1)

Question Number	State one banking service <i>Whole Kids</i> may use when making business trips abroad. Answer	Mark
3 (c)	AO2 = 1 mark <i>Whole Kids</i> could obtain foreign currency to use when on business trips to China/Asia/Middle East (1) NB Do not accept a service that is not in the context of <i>Whole Kids</i> Accept any other appropriate response	(1)

Question Number	Complete the quotation to show the missing amounts. Answer	Additional guidance	Mark
3 (d)(i)	AO2 = 1 mark 240 (1)	Award one mark for correct numerical answer without working	(1)

Question Number	Complete the quotation to show the missing amounts. Answer	Additional guidance	Mark
3 (d)(ii)	AO2 = 1 mark 3 084.00 (1) OR 3 084 (1)	Award one mark for correct numerical answer without working	(1)

Question Number	Analyse how an overseas agent could help <i>Whole Kids</i> successfully export to China. Indicative content	Mark
3 (e)	A02 = 3 marks A03 = 3 marks <u>A02</u> • <i>Whole Kids</i> needs to contact baby food retailers in China • <i>Whole Kids</i> needs to control its upmarket healthy brand image in China <u>A03</u> • An overseas agent will already have contact with Chinese businesses that may be interested in <i>Whole Kids</i> products, which will make it easier to start selling in a new market • <i>Whole Kids</i> can manage selling prices and point of sale promotion through an overseas agent thus making them suitable/appropriate for the new market	(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	Option 1: - increasing its selling prices Option 2: - finding cheaper suppliers Indicative content	Mark
3f	AO2 = 3 AO3 = 3 AO4 = 3 Arguments for option 1: <u>AO2</u> • <i>Whole Kids</i> has achieved an annual sales turnover of 7 million Australian dollars • <i>Whole Kids</i> products do not contain additives <u>AO3</u> • Increasing the selling price of its food may make many customers choose to buy from a competitor thus reducing sales turnover and possibly net profit margins for the year • Customers are likely to be willing to pay a higher price to have healthy food for their children <u>AO4</u> • However, as <i>Whole Kids</i> reaches new customers worldwide, it may be able to increase sales turnover and maintain or improve profit margins • However, this may depend on how much the price is increased and if it is too high, sales turnover will fall and profit margins for the year may reduce if costs do not change Arguments for option 2: <u>AO2</u> • <i>Whole Kids</i> buys high quality ingredients from its suppliers • <i>Whole Kids</i> is exporting to many countries	

	<u>AO3</u> • Suppliers of cheaper ingredients are likely to supply lower quality products making the food less attractive to customers • <i>Whole Kids</i> may be able to find cheaper, high quality ingredients from new suppliers in foreign countries thus achieving increased profit margins <u>AO4</u> • However, <i>Whole Kids</i> may be able to buy in bulk from the existing suppliers and achieve cheaper prices without lowering the quality thus maintaining or increasing profit margins • However, <i>Whole Kids</i> may lose some customers who care where the ingredients are bought and may prefer Australian suppliers thus reducing sales and profit margins	(9)
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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	Outline one benefit to <i>Nike</i> of delivering its products by road in the US.	Mark
	Answer	
4 (a)	AO2 = 2 marks <i>Nike</i> can deliver its orders of sportswear directly from its distribution warehouses to the customer by road wherever they live in the US (1) this means that packages containing products are only loaded and unloaded once (1) NB Do not accept a benefit that is not in the context of <i>Nike</i> Accept any other appropriate response.	(2)

Question Number	Analyse why <i>Nike</i> has increased the number of regional distribution warehouses it operates.	Mark
	Answer	
4 (b)	AO2 = 3 marks AO3 = 3 marks <u>AO2</u> - Demand for <i>Nike's</i> running shoes is high <i>Nike</i> is delivering its sports products such as football kits direct to online customers from its regional distribution warehouses in Europe and the US <u>AO3</u> - Selling directly to customers rather than retailers will increase future profits for <i>Nike</i> but requires more inventory to be held in warehouses around the world - Regional distribution warehouses allow <i>Nike</i> to deliver those products as quickly as possible to satisfy customers and tempt them to make repeat purchases 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	Evaluate how Nikeland helps <i>Nike</i> promote its ecommerce sales. You should use the information provided and your own knowledge of commerce in your answer. Answer	Mark
(c)	AO1= 3 marks AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks <u>AO1</u> • Technology is used to promote ecommerce • Ecommerce is retailing through the internet <u>AO2</u> • <i>Nike</i> has developed Nikeland, an online sports gaming platform to promote its brand • <i>Nike</i> aims to increase awareness and use of its own online shop <u>AO3</u> • This means that players may see the latest designs of <i>Nike</i> sportswear and equipment whilst playing games and can use them on their virtual players thus attracting buyers to the ecommerce site to buy the real items • Using the latest technology to offer sports games will attract potential customers worldwide to communicate with each other and to develop a global <i>Nike</i> community with access to <i>Nike's</i> online shop <u>AO4</u> • However, <i>Nike's</i> customers may be attracted by the sportswear and equipment in Nikeland but may prefer to visit the nearest store where they can try the clothing and footwear on before buying • However, a community of <i>Nike's</i> gaming fans may spread negative feedback quickly to the whole group if anyone has a bad experience in <i>Nike's</i> online shop	(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)

