



Mark Scheme (Results)

Summer 2024

Pearson Edexcel International GCSE
In Commerce (4CM1)
Paper 02: Facilitating Commercial Operations

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Summer 2024

Question Paper Log Number P75847

Publications Code 4CM1_02_2406_MSs

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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 proof of payment? Answer	Mark
1 (a)	A01 = 1 mark The only correct answer is D A receipt A is not correct as a credit note is an adjustment of money due from errors or omissions B is not correct as an invoice contains details of the amount owed by a buyer C is not correct as an enquiry is a request to a supplier for information about goods	(1)

Question Number	Which one of the following is an advantage for a customer using mobile banking? Answer	Mark
1 (b)	A01 = 1 mark The only correct answer is A The customer can access their bank account at any time B is not correct as needing an internet connection is a disadvantage C is not correct as the risk of fraud is a disadvantage D is not correct as the customer does not immediately receive a paper copy of the transaction	(1)

Question Number	Define the term investor . Answer	Mark
1 (c)	A01 = 1 mark Award 1 mark for a definition of investor A person/organisation that puts money into a business in the hope of profit (1)	(1)

Question Number	Define the term bank draft . Answer	Mark
1 (d)	A01 = 1 mark Award 1 mark for a definition of bank draft A bank draft is a cheque written and guaranteed by a bank (1)	(1)

Question Number	State one benefit to <i>TVG</i> of offering hire purchase to its customers. Answer	Mark
1 (e) (i)	A02 = 1 mark Award 1 mark for one valid benefit to <i>TVG</i> of offering hire purchase to its customers - If any payments are not received from the customer then under the terms of the agreement the Audi car can be repossessed (1) - Hire purchase may attract more customers who feel able to afford to buy a car selling at £33 460 if they can pay for it over a period of time (1) NB Do not accept a benefit that is not in the context of <i>TVG</i> Accept any other appropriate response.	(1)

Question Number	State one reason why <i>TVG</i> requires a customer to sign a written hire purchase agreement. Answer	Mark
1 (e) (ii)	A02 = 1 mark Award 1 mark for one valid reason <i>TVG</i> would require a customer to sign a written hire purchase agreement. • If a buyer does not pay the instalments for an Audi car on time, <i>TVG</i> has a legal document that they could show in court. (1) • <i>TVG</i> will know the customer is more likely to understand the terms and conditions of the 12- 60 month hire purchase agreement (1) NB Do not accept a reason that is not in the context of <i>TVG</i> Accept any other appropriate response	(1)

Question Number	Calculate the profit for the year for 2020. You are advised to show your working. Answer	Additional guidance	Mark
1 (e) (iii)	A02 = 2 mark 10 139 – 3 751 (1) = 6 388 (1)	Award 1 mark for correctly substituting numbers into the formula Award 2 marks for correct numerical answer without any working	(2)

Question Number	Explain one reason why it might be important for a manufacturer to have its raw materials delivered quickly. Answer	Mark
1 (f)	A01 = 3 marks Award 1 mark for identifying one reason why it might be important for a manufacturer to have its raw materials delivered quickly and up to 2 marks for explaining the reason for a maximum of 3 marks. • Delayed delivery of supplies might reduce the number of goods manufactured (1) but costs such as labour may remain the same (1) thus sales and profits may be reduced (1) • A business may need to react to an increase in sales (1) by ordering more raw materials to quickly manufacture more products (1) thus meeting sales and customer needs (1) NB No marks are awarded for a definition Answers that list three reasons with no explanation will get 1 mark only Accept any other appropriate response	(3)

Question Number	Explain one reason a business might display its products at a trade fair. Answer	Mark
1 (g)	A01 = 3 marks Award 1 mark for identifying one reason a business might display its products at a trade fair and up to 2 marks for explaining the reason for a maximum of 3 marks. • A business will meet potential customers at a trade fair (1) who are interested in the type of products for sale (1) it could result in new orders for the business (1) • A business can launch new products at a trade fair (1) which is likely to be attended by lots of newspapers and other media (1) thus promoting its new products to a wide audience (1) NB No marks are awarded for a definition Answers that list three reasons with no explanation will get 1 mark only Accept any other appropriate response	(3)

Question Number	Analyse how <i>Audi</i> benefits from sponsoring the Spiderman films. Indicative content	Mark
1 (h)	AO2 = 3 marks AO3 = 3 marks <u>AO2</u> • The Spiderman film 'No Way Home' was the best-selling film shown in cinemas in 2021 • Spiderman is admired as an adventurous and brave hero <u>AO3</u> • It reached a large audience worldwide and raises awareness of Audi cars globally • Potential buyers will want to be associated with the Spiderman character to match the high status of Audi cars	(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 costs will increase if a business holds too much inventory? Answer	Mark
2 (a)	A01 = 1 mark The only correct answer is D Storage costs A is not correct as surplus inventory will not be distributed B is not correct as training costs will not be affected by too much inventory C is not correct as research costs will not be affected by too much inventory	(1)

Question Number	Which one of the following forms of advertising is used in an advert where <i>Cadbury</i> makes a direct comparison of its chocolate with its rivals? Answer	Mark
2 (b)	A02 = 1 mark The only correct answer is B Competitive A is not correct as persuasive advertising persuades a customer that they will enjoy buying a product C is not correct as informative advertising educates customers about a product D is not correct as collective advertising is done by groups of businesses that sell the same type of product	(1)

Question Number	Identify the biggest fall in the number of ATMs from the previous year. Answer	Mark
2 (c)(i)	A02 = 1 mark -6,100	(1)

Question Number	Identify the year with the most ATMs. Answer	Mark
2 (c)(ii)	AO2 = 1 mark 2017	(1)

Question Number	Define the term advice note . Answer	Mark
2 (d)	AO1 = 1 mark Award 1 mark for a definition of advice note . • A document sent by a supplier to a customer advising that goods ordered have been dispatched (1)	(1)

Question Number	Explain one benefit to a business of selling shares to raise capital. Answer	Mark
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2 (e)	AO1 = 3 marks Award 1 mark for identifying one benefit to a business of selling shares to raise capital and up to 2 marks for explaining the benefit for a maximum of 3 marks. • The sale of shares can raise very large amounts of capital (1) providing money to invest in the business (1) for expansion (1) • The business does not have to pay the money back (1) allowing the business to invest in innovative products (1) thus achieving an advantage over its competitors (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)
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Question Number	Explain one disadvantage to a customer of using a debit card to pay for goods they buy. Answer	Mark
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2 (f)	AO1 = 3 marks Award 1 mark for identifying one disadvantage to a customer of using a debit card to pay for goods they buy and up to 2 marks for explaining the disadvantage for a maximum of 3 marks. • Payment is made straight away out of the customers bank account (1) payment will be refused if the account does not have sufficient funds (1) which may embarrass the customer in public (1) • A debit card may expose the customer to fraud when paying for goods online (1) as the information to their bank account may be gained by a thief (1) who can steal all of the money in that account (1) NB No marks are awarded for a definition Answers that list three disadvantages with no explanation will get a maximum of 1 mark. Accept any other appropriate response	(3)
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Question Number	Option 1: use more trains to deliver perishable foods Option 2: buy more trucks to deliver perishable foods. Justify which one of these two options Tesco should choose. Answer	Mark

(g)	A02 = 3 marks A03 = 3 marks A04 = 3 marks Arguments for option 1: <u>A02</u> • <i>Tesco</i> can deliver from ports and airports to the railway stations near its UK regional distribution warehouses quickly • One freight train can replace 76 container trucks <u>A03</u> • This means there is a supply of perishable fresh fruit and vegetables to supermarkets from its regional distribution centres for sale to its customers • Freight trains carry large amounts of perishable food to the regional distribution warehouses thus the shelves in the supermarkets can be kept well stocked in periods of high demand <u>A04</u> • However, <i>Tesco</i> may need to transport the seasonal and perishable goods by container truck from the railway stations in the UK to the regional distribution warehouses thus increasing costs • However, <i>Tesco</i> may need more freight trains than are available thus the supermarkets may not be stocked and profits may fall Arguments for option 2: <u>A02</u> • <i>Tesco</i> has a fleet of 1,600 trucks • The UK has a well-developed road network <u>A03</u> • The fleet of trucks is not constrained by railway timetables and can adapt to meet changes in demand • If <i>Tesco</i> bought enough trucks, it could deliver all the perishable foods to every regional warehouse	(9)
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	<u>AO4</u> • However, the roads are more likely than rail to be delayed by congestion thus losing perishable goods and leaving the supermarkets with a low inventory • However, a fleet of trucks is expensive to maintain thus reducing profits	
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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 an advantage to a business of using a night safe? Answer	Mark
3 (a)	AO1 = 1 mark The only correct answer is A It provides a secure place for large amounts of cash overnight B is not correct as a business cannot withdraw money from a night safe C is not correct as a night safe does not provide higher rates of interest D is not correct as a business cannot receive foreign currency from a night safe	(1)

Question Number	State which one the following is a reason why <i>soleRebels</i> may make a telephone call to <i>spartoo.com</i> ? Answer	Mark
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3 (b)	AO2 = 1 mark The only correct answer is C To quickly discuss prices of the latest designs A is not correct as emails cost less than telephone calls B is not correct as a contract cannot be signed over a telephone call D is not correct as telephone conversations are not a record of sales	(1)
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Question Number	State one way <i>soleRebels</i> achieves low purchasing costs. Answer	Mark
3 (c)	AO2 = 1 mark <i>soleRebels</i> uses low cost recycled tyres and fabrics to make its shoes (1) NB Do not accept a benefit that is not in the context of <i>soleRebels</i> Accept any other appropriate response	(1)

Question Number	Answer	Mark
3 (d)(i)	A02 = 1 mark \$ 42 (1) OR 42 (1) OR \$ 42.00 (1) OR 42.00 (1)	(1)

Question Number	Answer	Mark
3 (d)(ii)	A02 = 1 mark \$1 536 (1) OR 1 536 (1) OR \$1 536.00 (1) OR 1 536.00 (1)	(1)

Question Number	Analyse why <i>soleRebels</i> only accepts credit cards for online payments. Indicative content	Mark
3 (e)	A02 = 3 marks A03 = 3 marks <u>A02</u> • <i>soleRebels</i> is guaranteed to receive payment before it dispatches the shoes that have been ordered • <i>soleRebels</i> accepts many different types of credit cards <u>A03</u> • <i>soleRebels</i> will reduce the amount of bad debt it suffers • The majority of customers will have at least one of those cards thus making it easier for customers to pay	(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 (AO2) - Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3)
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Question Number	Option 1: advertise on its website Option 2: advertise on television. Justify which one of these two options <i>soleRebels</i> should choose Indicative content	Mark
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3(f)	A02 = 3 marks A03 = 3 marks A04 = 3 marks Arguments for option 1: <u>A02</u> • <i>soleRebels</i>' customers can access its website to view the shoes from a mobile phone or tablet from anywhere in the world • The website is available to view 24/7 to customers wanting to view the range of shoes <u>A03</u> • <i>soleRebels</i> can send targeted advertisements to customers on its website listing where new shops are opening to tempt them to shop at the new store • Customers can learn details of the new store opening on the website such as the address, date of opening and opening times and are therefore more likely to visit the new shop <u>A04</u> • However, <i>soleRebels</i> will not reach potential customers who have not visited its website thus the promotion may not be effective • However, customers who do not have access to the internet will not know about the opening of a new shop Arguments for option 2: <u>A02</u> • TV advertising of the shoes can be local • TV adverts for shoes can reach a large national and international audience <u>A03</u>	(9)
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	• <i>soleRebels</i> can select local television channels in locations where a new store is opening to reach both existing and potential new customers • These adverts can create interest in new <i>soleRebels</i> stores all over the world leading to increased awareness <u>AO4</u> • However, <i>soleRebels</i> would need to advertise on a range of television channels around the world which would increase the costs of promoting the shops • However, television viewers may ignore the adverts thus making them ineffective	
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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 way <i>TLG</i> could use a bank when exporting its products to different countries in Asia.	Mark
	Answer	

4 (a)	AO2 = 2 marks A bank could provide different currencies such as the Chinese yuan or Indian rupee (1) this would aid <i>TLG</i> when exporting its construction toy sets to other countries (1) NB Do not accept a benefit that is not in the context of <i>TLG</i> Accept any other appropriate response.	(2)
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Question Number	Analyse how <i>TLG</i> uses digital technology to promote its new product. Answer	Mark
4 (b)	AO2 = 3 marks AO3 = 3 marks <u>AO2</u> • <i>TLG</i> has created a new website to communicate with fans of Lego about new designs of its construction toys • <i>TLG</i> promotes new designs that have over 10,000 votes on its main website <u>AO3</u> • This website attracts users who may then become more aware of other <i>TLG</i> products • Consumers using the main website may purchase a new design 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 why <i>TLG</i> may choose to finance the building of the new factory using retained profit. You should use the information provided and your own knowledge of commerce in your answer. Answer	Mark
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(c)	A01= 3 marks A02 = 3 marks A03 = 3 marks A04 = 3 marks <u>A01</u> • Retained profit is a source of long-term finance • Retained profit is profit saved from previous years profits <u>A02</u> • The expected growth in demand for <i>TLG</i> construction sets will need to be financed until 2050 • <i>TLG</i>s profits have grown by more than 10% every year over the last 5 years <u>A03</u> • Using retained profits will mean <i>TLG</i> does not have to pay interest thus future profits will be higher than if <i>TLG</i> took out a bank loan for example • This may mean that there is sufficient retained profit to finance the whole of the US \$1 billion required thus <i>TLG</i> can keep control over all decisions made when building the factory <u>A04</u> • However, retained profit is then not available for use on other <i>TLG</i> projects or to provide finance in an emergency • However, <i>TLG</i> could save the money in a bank account and earn interest which may be more money than future profits if demand is not as high as expected	(12)
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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)

