



Examiners' Report

Principal Examiner Feedback

January 2022

Pearson Edexcel International A Level  
In Business (WBS13 01)

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## Introduction

Overall, candidates' performance showed a sound grasp of business concepts. Answers suggested that candidates, on the whole, had been well prepared for this paper in comparison to previous series. There appeared to be good use of business terminology throughout all sections of the paper. The better candidates demonstrated excellent application of their knowledge to the precise question set, compared to candidates who attempted questions from a 'common sense' approach rather than demonstrating any business concepts.

The examination paper required candidates to apply their understanding; better candidates performed strongly, with clear development of points. Examination timing appeared to be very good with the majority of candidates completing the paper in the allocated time.

### Question 1a:

This was reasonably well answered but many candidates did not know the formula for ARR so could only score 1 mark for correct placement of £150 000 as the denominator. Some candidates confused ARR with simple payback and gave a response in years and months. A small number of candidates correctly calculated the ARR but could only be awarded 3 marks for omitting the % sign. It is essential that all working (including the correct formula) is given in the response. Marks can still be awarded despite an incorrect final answer.

### Question 1b:

Many candidates were able to correctly calculate the current ratio. However, some responses were not given to 2dp and some responses had the current assets and current liabilities the wrong way round so could not score any marks for the workings. It is always advisable to show all workings including the formula. Marks can still be awarded even with an incorrect answer.

## Marking Levels – a holistic approach

The IAL specification continues to use marking descriptors for all levels-based questions. It is essential that centres look at these and understand how these are different to the legacy specification. The levels based mark schemes are applied in a **holistic** way rather than looking for individual Assessment Objectives. This means that a candidate who attempts evaluation with some context will not necessarily be placed in the top levels (as would be the case for the legacy specification) and may only achieve a maximum of Level 2 if the evaluation is weak. Far too many candidates are simply copying out large sections of the Extracts with an attempt at limited evaluation; this will only achieve lower levels.

### **Question 1c:**

This was the first levels-based question on the paper and marks were awarded for the discussions of the possible advantages of job production to make the weather clocks. Many candidates suggested benefits such as higher quality resulting in high satisfaction for customers and that job production could result in a USP for Bramwell Brown. For the counter argument, marks were awarded for some understanding that job production did have some disadvantages. Job production can be more time consuming than batch or flow, higher skills are required to make the clocks and the difficulty of making large numbers, resulting in a waiting list. Some candidates did have limited chains of reasoning and focused on JIT rather than job production. As in previous examination papers, many candidates ignored the command word 'Discuss' and only gave a one-sided response. A conclusion is not required for 8 mark questions.

### **Question 1d:**

This is the first 12 mark Assess question on the examination paper and was marked with 4 levels. Marks were awarded for an assessment of the potential difficulties for Bramwell Brown of protecting its intellectual property rights. Extract E did provide many examples which candidates could use to help contextualise their responses. Many candidates showed understanding of IP protection and attempted evaluation in terms of the difficulties weighed against benefits of protecting IP for Bramwell Brown. Few attained the higher levels and many scored low level 3 as chains of reasoning lacked sufficient depth and had limited application. Unfortunately, many candidates simply copied large chunks of the information from the Extracts rather than using it to support their argument. Evaluation was often weak and candidates must provide a balanced assessment and an awareness of competing arguments to access the higher levels. Conclusions are required for 12 mark questions but were often lacking or were a repetition of earlier points.

### **Question 1e:**

The second 12 mark Assess question was focused on the usefulness of Porter's five forces model when analysing the market for weather clocks. Candidates did not have to assess all 5 factors and the question was more about the usefulness of this model. It was very pleasing to see candidates to use the information in the extracts to apply this model to the bargaining power of suppliers and the threat of new entries. Many candidates were able to attain low level 3 as they demonstrated good knowledge of Porter's five forces and could demonstrate how this could be useful to Bramwell Brown. Attempted evaluation tended to centre round alternative models (SWOT and PESTLE) rather than an evaluation of Porter's five forces model. Some candidates also described the model rather than assessing its usefulness which prevented them attaining the higher levels. There was confusion with other models such as Porter's Strategic Model and some managed to link their responses to Porters five forces but again struggled to give a balanced answer. Again, a conclusion was required for this question but was often lacking.

### **Question 2:**

Many candidates attained level 2 marks for demonstrating knowledge of stakeholders with application to Starbucks. However, few attained level 3 and above as the chains of reasoning lacked depth, often because candidates attempted to evaluate too many stakeholders or presented arguments that did not demonstrate accurate and thorough knowledge. Examiners did see some responses that attempted to answer a different question about strategic decisions so marks could not be awarded for responses such as this. There were a few candidates that referenced stakeholders when clearly only writing about shareholders so this resulted in marks being awarded towards the bottom end of the mark scheme. There were some very good responses though, with many candidates choosing to assess the impact on customers, shareholders and employees. Candidates seemed able to use the case study more this time rather than just copying it out but still many tried to answer the question from a common sense approach with little or no business concepts in their responses. A conclusion and judgement was required but often this was just a repetition of earlier points made rather than making a judgement. Overall the performance and the quality of evaluation was significantly weaker compared to Question 3.

### **Question 3:**

Candidates were able to use the extract to present an assessment of Spotify's use of organic growth. Better candidates were able to present arguments with developed chains of reasoning demonstrating accurate business knowledge to attain level 3 and above. Often evaluation centred on the problems associated with growing organically and candidates were able to present a more detailed counter argument. Some candidates are still incorrectly suggesting that organic growth is funded by internal sources of finance which then limited the marks that could be awarded. Examiners felt that responses for this particular question did seem more generic in nature, particularly in the counter argument, which restricted candidates accessing higher marks. However, there were some really excellent responses with some full marks being awarded which is always very pleasing to see. Performance was better on Question 3 compared to Question 2.

## Summary

There are several points which could raise performance in future sittings. Based on their performance on this paper candidates are offered the following advice:

- Read the questions carefully in terms of the command words. It was clear that some candidates were not aware of the demands of the question or how to structure their responses.
- Quantitative Skills will be tested throughout the paper and these may be in the form of calculations, diagrams or using the data from the Extracts.
- For calculation questions, it is essential that the answer has the correct units or is to two decimal places (if specified).
- The 'Explain' questions will always have two Application marks so ensure that there is enough context in the response to gain both marks.
- Do not define the key term in the 'Explain' questions. The Knowledge mark is for the way, the reason, the impact or the aim.
- Discuss – this question requires both sides of an argument and is **not** one-sided. A conclusion is not required.
- The command words 'Assess and 'Evaluate' are evaluative command words so candidates must provide both sides of a business argument in order to achieve full marks with a supported conclusion.
- Use of relevant context is required throughout and this can be from the Extracts provided or using examples provided by the candidate themselves. The Extracts are there for a reason – so use them however do not copy out large sections of the Extracts. For Application to be rewarded, it must be used and integrated into the response rather than separate.
- Use business concepts rather than generic 'common sense' answers.
- Examination timings – make sure there is enough time to answer the 20 mark questions in Section B and Section C.
- Write clear responses. Some of the examiners struggled to read some responses.
- Quality not quantity. There is enough space provided and many candidates wrote on additional sheets which rarely if at all, added anything to the response.