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Examiners' Report  
Principal Examiner Feedback

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Pearson Edexcel International GCSE  
In Business (4BS1) Paper 01R

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## **PE REPORT ON GCSE INTERNATIONAL BUSINESS 4BS1 01R – November 2020**

### **GENERAL COMMENTS**

This was the second paper to be sat for the new specification for Paper 1. Both paper 1 and 2 allow learners to apply theory to realistic contexts.

This paper is based on Loaf, in the UK, which proved accessible to candidates. Many candidates showcased evidence of their understanding of Business from studying this course. However, providing answers on the given scenario seemed to present some difficulty for some learners which restricted their entry to the higher levels. Centres are encouraged to work closely with their learners to encourage them to revisit the scenario set and encourage them to practice answering questions in the context of the scenario set.

Centres are advised to look at the command words outlined on page 31 of the specification as many learners are losing marks through their lack of understanding of these words, in particular the 'State' questions. For example, 'State in question 1 (d) required learners to 'State one reason why Tom Baker set up his business as a social enterprise'. To achieve full marks the answer must be in context to the given scenario but a lot of learners provided a reason for this type of ownership no context to Tom Baker or Loaf.

To assist centres in their preparation for future examinations it is worth noting that the mark scheme does include the Assessment Objectives (AO) for all questions. The breakdown for each AO can be seen on page 7 of the Getting Started to Teach guide. Questions 2 (f) and 3 (e) in particular were poorly answered. For analysis (AO3) and evaluation (AO4) responses candidates are asked to write an extended answer using the information provided within the paper.

The time provided for the paper was sufficient and the paper differentiated well. Most gaps were found in questions 2 (f) and 3 (e) where learners showed little knowledge of how to answer a 'Justify' question. Learners showed clear knowledge of the two options for Loaf but often were unaware there are no AO1 marks available for these questions and they are being tested on application (AO2), analysis (AO3) and evaluation (AO4) skills to be able to successfully recommend one of the options to Loaf. Learners should practice writing more concise answers to these questions as the lines available are more than adequate for such a question but often learners are using additional papers without gaining additional marks.

Overall, learners responded well to the paper.

## **Comments on individual questions.**

### **Question 1**

Generally, all of the multiple-choice questions were very well answered. Questions 1 (a) (i) through to 1 (a) (vi) saw the majority of candidates gaining the mark for each question.

Question 1 (b) – this question saw about two thirds of candidates correctly define the term capital intensive production. Some candidates did not gain the mark as they confused this with labour intensive production.

Question 1 (c) – not a well answered question as just over half of the candidates were able to correctly define the term quantitative data. Some candidates confused this with qualitative data thus gaining no marks.

Question 1 (d) – this question saw about two thirds of candidates correctly state a reason why Tom Baker set up his business as a social enterprise in the context of his business. Those who did not gain the mark either did not under the term social enterprise or did not answer the question in the context of the business.

Question 1 (e) – a calculation question where over two thirds of candidates gained full marks for the correct calculation of revenue for 2017 with an increase of 3% from 2016. Some candidates worked out the 3% increase but did not go on to add this to the revenue of 2016 thus only gaining one mark. It is good practice for candidates to show working out as they could gain a mark for substituting numbers into the formula even if their final answer is incorrect.

Question 1 (f) – a question where just under half of candidates were able to explain one method a small business might use to increase its profit and then develop this answer to gain full marks. Some candidates listed three methods of increasing profit with no explanation thus limiting themselves to one mark.

Question 1 (g) – a question where candidates showed a lack of knowledge of environmental factors that a business could face. Candidates must be reminded that there are AO2 marks for this level-based question as often candidates would provide an extended answer but not apply this answer to the context of Loaf therefore not allowing themselves to move into the top of level 2. Most marks gained by candidates were within the bottom of the level 2 band for this particular question.

## Question 2

Question 2 (a) – a ‘State’ question which was not well answered by candidates. Candidates were often able to generically offer a method of primary market research but not apply the method of primary market research to Loaf.

Question 2 (b) – again, another ‘State’ question which was not well answered by candidates. Less than one fifth of candidates were able to correctly identify a drawback of poor customer service in the context of Loaf. Centres must remind candidates that ‘State’ questions need to be in the context of the given business, the majority of candidates are currently being disadvantaged by not being taught this skill.

Question 2 (c) – over one third of candidates showed a good understanding of e-newsletters and how they can benefit a business. Some candidates listed three benefits to a business of using e-newsletters with no explanation thus limiting themselves to one mark. A reminder that an ‘explain’ question does not need to be in context.

Question 2 (d) – almost half of candidates gained 2 or more marks for this question as they were able to correctly explain on eresponsibility of the human resources function in a business and go on to develop this answer. Unfortunately, over one third of candidates gained no marks on this question due to a lack of knowledge of the human resources function.

Question 2 (e) – half of the candidates demonstrated a lack of knowledge of just in time method of stock control and therefore gained no marks for this question. One fifth of candidates gained full marks and correctly identified a way in which just in time method of stock control might benefit a business and then developing the answer.

Question 2 (f) – for this question candidates were asked to choose between two different promotional activities: offering free bite-sized pieces of its bread and cakes to people passing its shop or using posters to advertise Loaf in local charity shops. Where candidates gained no marks on this question there was no evidence of application, analysis or evaluation and they have simply shown knowledge of the two promotional activities. Candidates working at level 1 showed good knowledge of both options, making statements on one or both options with some relation to Loaf but this was not always expanded upon in their answer. More able candidates accessed level 3 by considering their chosen option in the context of Loaf and how this would impact on the customer numbers for its bakery and cookery course, linking their points together and concluding their answer with balance and justification.

### Question 3

Question 3 (a) – only one fifth of the candidates were able to correctly define the term job share. Candidates have often confused this term other types of employment.

Question 3 (b) – those candidates who gained full marks on this question were able to outline a reason why higher levels of customer satisfaction might be important to Loaf and develop their answer all in the context of Loaf. Candidates who do not use the context of the given business are not able to access the full marks.

Question 3 (c) – a calculation question which was well answered. Those candidates who calculated the operating profit were then able to successfully calculate the operating profit margin thus gaining the full 2 marks available. Some candidates only calculated the operating profit figure therefore limiting themselves to 1 mark.

Question 3 (d) – a question where one fifth of candidates did not gain any marks due to a lack of knowledge of the operating profit margin and the usefulness of the figures provided. Where candidates showed no application to Loaf or any analytical points did not gain any marks. Those candidates who accessed level 3 carefully considered how the information presented would or would not be useful to Loaf. Candidates were disadvantaged when they did not apply their answer to Loaf as they cannot access the top of level 2 without any application.

Question 3 (e) – for this question candidates were asked to choose between two options that could increase the net cash flow of Loaf: hosting pop-up events across the country or introducing different cookery courses. Some candidates who gained no marks on this response simply showed knowledge of one or both options with no application, analysis or evaluation. Candidates working at level 1 showed good knowledge of both options, making statements on one or both options with some relation to Loaf but this was not always expanded upon in their answer. More able candidates accessed level 3 by considering their chosen option in the context of Loaf and how this would impact the business, they have linked their points together and concluded their answer with balance and justification.

## Question 4

Question 4 (a) – a calculation question which has been well answered by over a third of candidates. As the break-even formula is not given in the paper it is one that candidate need to know. This question showed that not all candidates had an understanding of how to calculate the break-even point for Loaf.

Question 4 (b) – a question which shows some candidates have an understanding of casual staff. Those candidates who analysed the benefits of employing internal staff did not apply it to Loaf therefore could not access the top of level 2. Those candidates who accessed level 3 did so by detailed analysis of the benefits of employing casual staff in relation to Loaf and the day to day running of the business.

Question 4 (c) – centres are reminded that this is the only level-based question in the paper which is equally weighted across all four assessment objectives.

It is pleasing to see that on the whole most candidates made an attempt at this question. Answers were varied and over one third of candidates accessed level 2 on this question. This question asks candidates to evaluate the factors that Loaf would have to consider when deciding where to locate its second bakery.

Candidates at level 1 made some attempt at the question and were able to make basic statements about factors that affect location without any reference to Loaf or any development of their answer.

Those candidates who accessed level 3 carefully considered the various factors that Loaf would have to consider when deciding where to locate its second bakery. Candidates have successfully linked their points together in a logical order and been able to conclude their answer with a well balance and justified argument.

Those who performed less well than expected on this question did so for one of two reasons.

Firstly, candidates provided a generic answer with no application to Loaf or candidates would go into detail outlining a number of factors with no real application to the given situation.

Secondly, candidates did not provide a thorough judgment relating back to any issues that may occur for Loaf when considering the location for its second bakery or they did not balance their conclusion therefore limiting their evaluation.