



Examiners' Report Principal Examiner Feedback

Summer 2019

Pearson Edexcel International GCSE
In Commerce (4CM1) Paper 01

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PE REPORT ON GCSE INTERNATIONAL COMMERCE 4CM1 01 – 2019

GENERAL COMMENTS

Candidates appeared to have found this new style of paper accessible and were able to complete the paper in the given time. For the majority of the questions candidates were well prepared and were able to apply their knowledge, analyse and evaluate to answer the questions. However, a number of candidates struggled with the 'State' questions.

Many candidates had gained a great deal of commercial understanding from studying the course and this was apparent in the answers given. However, there are a number of candidates who are answering the questions detailing their knowledge of the topic without giving any application, analysis or evaluative comments. This does restrict the candidates' access to the full range of marks. The various scenarios throughout the paper of real life commercial operations, perhaps interested the candidates which meant that they were able to relate their comments more easily to the questions.

The mark scheme includes the Assessment Objectives to help in the preparation of candidates for future examinations. Just to reiterate, that all four of the Assessment Objectives (AO's) are covered throughout the paper and the percentage breakdown of each AO can be seen on page 31 in the Specification. Also on page 44 of the Specification, are examples of the command words used. For example in question 2 (g) and 3 (f) the command word is 'Justify' and candidates are asked to write an extended answer, using information provided in order to recommend one of the two options to a commercial operation.

It is important that candidates take into account the marks allocated for each question, giving them guidance on the amount of detail they need to answer the question.

It is also worth mentioning, that the examination paper is marked using the online 'ePEN' system, therefore candidates must indicate if they have continued their answer somewhere else on the paper or have added additional sheets. Although many candidates did follow this information there were still a number who did not. For those candidates that used additional paper, their response to the questions must be clearly identified on the paper. Sufficient lines are given for candidates to answer questions. It is also important that candidates clearly label the additional pages to show their details and which question they are continuing to answer.

Questions can be taken from any part of the specification, therefore centres should ensure that all sections are covered so that they do not disadvantage any candidates. From the work seen it appeared that some candidates had not covered the full specification.

COMMENTS ON INDIVIDUAL QUESTIONS

SECTION A - Question 1

Q01a – nearly three quarters of the candidates gained the mark for identifying retailing as part of the tertiary sector. Candidates should be reminded that if they do make a mistake when answering a multiple choice question they should put a line through the wrong answer and an 'x' through the correct response. A candidate that marks two answers will not gain a mark.

Q01b – again well answered by the majority of candidates clearly indicating that division of labour would be found in the manufacturing process.

Q01c – a define question, candidates had to define the term branding. This was also a well answered question where nearly two thirds of the candidates gained the mark available, as they clearly understood the term. There were however, a number of responses seen where candidates answered the question by using the word branding i.e. by giving a product a brand, which did not gain them the mark available. Candidates should be encouraged to avoid using the term straight from the question when answering.

Q01d – another define question where candidates had to define, hypermarkets. This was not as well answered by candidates with less than half gaining the mark available. From responses seen, candidates mentioned that they were situated out of town with easy access to roads. This is quite correct but it does not define what a hypermarket actually is. Some candidates confused hypermarket with a shopping centre.

Q01ei – a calculation question, where candidates had to work out the cost for purchasing goods from a German supplier. Again, the question was well answered by candidates, with over four fifths of the cohort, gaining the marks available. It is worth reiterating to candidates to get them to show their workings within the box, as they may have the correct formula, which would gain them a mark but then make a calculation error.

Q01eii - this is the first of the 'State' questions where candidates must relate their response to the scenario. Only a fifth of the candidates gained the mark available. Although from the responses seen candidates understood the effect of the change in the exchange rate on Sweet Inspiration, but did not put it in context and therefore did not gain the mark. Just by putting Sweet Inspirations in the response does not guarantee the mark.

Q01eiii – another state question. Candidates had to give an advantage for Sweet Inspirations buying supplies from other countries. Approximately a fifth of the cohort gained the mark available, possibly because they had not applied their response to Sweet Inspirations.

Q01f – a explain question where candidates could have developed their answers more to gain the full 3 marks available. The majority of candidates gained either 1 or 2 marks, having an understanding of why a business prefers to buy its supplies from its own country. Although a fifth of the candidates did not gain a mark. The question asked for one reason as opposed to two and on this occasion as it is an explain question, the response did not have to be in context.

Q01g – candidates were asked to give one disadvantage for a business of damaged inventory. Over half of the cohort was able to gain one or two marks with a fifth gaining no marks. Most understood that it would be a loss to the business and could affect sales if there was a quantity of damaged goods.

Q01h – this is the first question in the paper which is marked by levels. Candidates were asked to analyse the impact on Hyperstar’s customers of introducing self-can checkouts. To gain the marks available candidates needed to apply the information and then analyse it. Unfortunately a large number of candidates responded with comments relating to Hyperstar and not their customers. Some candidates repeated the information from the stem which is also not worthy of a mark. Over a third of the cohort did not gain any marks on this question.

Question 2

Q02a – a multiple choice question where candidates had to work out a discount on a price. Most candidates were able to work out the correct figure with two thirds gaining the mark available.

Q02b – a multiple choice question where candidates had to identify the customers of a cash and carry, again a large percentage of the cohort gained the mark available.

Q02ci – candidates had to look at figure 1 and then identify which age group had the largest difference in life expectancy. The majority of candidates were able to choose the correct group.

Q02cii – again candidates had to refer to figure 1 and identify the difference of life expectancy for males in a given age group. This was not as well answered as part (i) but just under two thirds of the cohort gained the mark.

Q02d – a define question where candidates were asked to define indemnity. Well over half of the candidates failed to gain the mark for this question. From some of the responses seen candidates made comments about not making a profit, which is partly correct but does not give a definition of what the term means.

Q02e– this question was ‘explain’ hence candidates did not need to put it in context. The majority of candidates were not able to gain marks on this question, actuaries do come under ‘Insurance Principles’ perhaps this is an area of the specification that candidates need to develop their understanding more.

Q02f– nearly half of the cohort did not gain any marks on this question. As it was another ‘explain’ question candidates did not have to put it in context. From the responses seen some candidates understood why a proposal form is used by an insurance company to gain information; however they then did not develop their comments by giving a reason as to why insurance companies would use and value the completion of this form.

Q02g – again this is a question that is marked by levels. Candidates had to choose between the two strategies that Eight O’Clock could use when trading with Asian countries. Most candidates understood that they had to justify why they had chosen which option. However a large number of candidates gave very detailed descriptions of the two options, which was knowledge and therefore they did not gain any marks, this accounted for less than a third of cohort who gained no marks. This was also a question where a number of candidates continued on an additional sheet. Perhaps if they had not included details descriptions of retailers and wholesalers they would probably have answered the question in the space provided. Some candidates made some very valid comments, but then did not develop their answer to gain the analyse and evaluate marks available.

SECTION B - Question 3

Q03a – the majority of the candidates gained the mark for understanding why loss leader are used by retailers.

Q03b – less than half of the candidates identified that a policy is the document that forms the contract of insurance.

Q03c – a state question where candidates had to give a reason for outsourcing some of its production. Again as mentioned earlier, from the responses seen, a number of candidates gave a valid answer but did not related it back to Tripple Ess Toys, and therefore did not gain the mark available. Approximately a tenth of the candidates gained the mark. Even if the candidate mentions Tripple Ess Toys but did not put the response in context they would not gain the mark. An example where a candidate's response would not gain the mark. 'Tripple Ess Toys would outsource some of its production because it is cheaper'. The response is probably correct but not in context, for the candidate to gain the mark they could have added, 'it is cheaper because the business only produces that type of toy so production costs are lower'.

Q03d – candidates were asked to outline one way that Tripple Ess Toys could prevent goods from being stolen. Again from the responses seen a number of candidates gave more than one reason. If candidates gave the reason improve the security cameras in the factory and then adding more security guards is actually another reason. Security cameras should have been developed further to gain the development marks.

Q03e– candidates were asked to analyse the likely reasons why Tripple Ess Toys do not sell to independent retailers. On this particular question some candidates seemed to confuse what an independent retailer actually is. Comments seen mentioned about not trusting this type of retailer as they change the toys. Others referred to the independent retailer as a wholesaler. Less than half of the candidates did not gain a mark on this question.

Q03f – again another option question where candidates had to justify which one of the two options would be more suitable for Tripple Ess Toys, either remaining as a private limited company or becoming a public limited company. As in question 2 many candidates described both methods of ownership giving the advantages and disadvantages. Again there are no knowledge marks available for this type of question. From the responses seen a number of candidates confused the two methods of ownership, which was a great pity. Nearly two fifths of the cohort did not gain a mark on this question. Candidates should be encouraged to analyse and evaluate the two options to enable them to gain the higher marks. There is no right or wrong answer on this type of question, the candidates can justify either one.

SECTION C - Question 4

Q04a - candidates should be encouraged to show their workings as advised in the question, as they could gain a mark for the formula, even if the actual answer is wrong. However, two thirds of the candidates gained the two marks available.

Q04b– most candidates were able to gain some marks on this question, with less than a fifth of the cohort gaining no marks at all. As previously mentioned an analyse question, is looking for application and analysis of why Waterside Bentota would use the holiday website Trivago. Most candidates realised that using the website meant that it was easier for customers to find the hotel and also to be able to book the holiday no matter in which part of the world they lived in. A number of candidates commented about going to the hotel to book their holiday, so using the website would save time. Many candidates realised that using the website would save the hotel time in booking customers.

Q04c– It is worth pointing out to candidates that this question does carry the most marks and they should allow sufficient time to answer it with all four of the Assessment Objectives being covered. A number of candidates only completed a few lines and therefore did not gain many of the marks available. Some candidates are using bullet points or numbered format, this will not allow them to gain the higher level marks because they may not have analysed or evaluated the points made.

Candidates were asked to evaluate why Waterside Bentota would obey consumer protection legislation. A variety of valid comments were made by candidates, such as complying with the legislation would encourage customers to make repeat visits, however if they did not comply with the legislation regarding food hygiene then customers could sue or take them to court. However they then failed to develop these points and justify their decisions to enable them to gain the higher level marks.

Some candidates continued on additional paper, which is perfectly acceptable, please ensure that all candidates do included the centres details and their name and candidates number on these additional sheets.