Cambridge Assessment International Education

Cambridge International AS & A Level

BUSINESS **9609/23**

Paper 2 Data Response **May/June 2022**

MARK SCHEME

Maximum Mark: 60

Published

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the May/June 2022 series for most Cambridge IGCSE, Cambridge International A and AS Level and Cambridge Pre-U components, and some Cambridge O Level components.

This document consists of **17** printed pages.

© UCLES 2022

Generic Marking Principles

These general marking principles must be applied by all examiners when marking candidate answers. They should be applied alongside the specific content of the mark scheme or generic level descriptors for a question. Each question paper and mark scheme will also comply with these marking principles.

GENERIC MARKING PRINCIPLE 1:

Marks must be awarded in line with:

- the specific content of the mark scheme or the generic level descriptors for the question
- the specific skills defined in the mark scheme or in the generic level descriptors for the question
- the standard of response required by a candidate as exemplified by the standardisation scripts.

GENERIC MARKING PRINCIPLE 2:

Marks awarded are always **whole marks** (not half marks, or other fractions).

GENERIC MARKING PRINCIPLE 3:

Marks must be awarded **positively**:

- marks are awarded for correct/valid answers, as defined in the mark scheme. However, credit is given for valid answers which go beyond the scope of the syllabus and mark scheme, referring to your Team Leader as appropriate
- marks are awarded when candidates clearly demonstrate what they know and can do
- marks are not deducted for errors
- marks are not deducted for omissions
- answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.

GENERIC MARKING PRINCIPLE 4:

Rules must be applied consistently, e.g. in situations where candidates have not followed instructions or in the application of generic level descriptors.

GENERIC MARKING PRINCIPLE 5:

Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).

GENERIC MARKING PRINCIPLE 6:

Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

© UCLES 2022

Social Science-Specific Marking Principles (for point-based marking)

1 Components using point-based marking:

- Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

From this it follows that we:

a DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)

b DO credit alternative answers/examples which are not written in the mark scheme if they are correct

c DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require *n* reasons (e.g. State two reasons …).

d DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)

e DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities

f DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e. polluted/not polluted).

g DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g. Corrasion/Corrosion)

2 Presentation of mark scheme:

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points (•) or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

3 Calculation questions:

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

© UCLES 2022

4 Annotation:

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

© UCLES 2022

PREPARATION FOR MARKING

1 Make sure that you have completed the relevant training and have access to the *RM Assessor Guide*.
2 Make sure that you have read and understand the question paper, which you can download from https://support.rm.com/ca
3 Log in to RM Assessor then mark and submit the required number of practice and standardisation scripts. You will need to mark the standardisation scripts to the required accuracy in order to be approved for marking live scripts. You may be asked to re-mark them, or to mark a second sample, if you do not meet the required accuracy on your first attempt.

MARKING PROCESS

1 Mark strictly to the FINAL mark scheme, applying the criteria consistently and the general marking principles outlined on the previous page.
2 If you are in doubt about applying the mark scheme, consult your Team Leader.
3 Mark at a steady rate through the marking period. Do not rush, and do not leave too much until the end. If you anticipate a problem in meeting the deadline, contact your Team Leader immediately and the Examiners' Helpdesk.
4 Examiners will prepare a brief report on the performance of candidates to send to their Team Leader via email by the end of the marking period. The Examiner should note strengths seen in answers and common errors or weaknesses. Constructive comments on the question paper, mark scheme or procedures are also appreciated.

MARKING SPECIFICS

Crossed out work

1 All of a candidate's answers, *crossed out* or not, *optional* or not, must be marked.
2 The only response not to be marked is one that has been crossed out and replaced by another response for that exact same question.
3 Consequently, if a candidate has crossed out their response to an optional question and gone on to answer a different optional question then both attempts must be marked. The higher mark will be awarded by the system according to the rubric.

0 (zero) marks or NR (no response)

1 Award **NR** if there is nothing at all written in answer to that question (often the case for optional questions).
2 Award **NR** if there is a comment which is not an attempt at the question (e.g. 'can't do it' or 'don't know' etc.)
3 Award **NR** if there is a symbol which is not an attempt at the question, such as a dash or question mark.
4 Award **0** (zero) if there is any attempt at the question which does not score marks. This includes copying the question onto an Answer Booklet.

Annotation

1 Every question must have at least one annotation e.g. <NAQ> if it is an NR and <X> or <seen> if 0 marks are awarded.
2 Every page of a script must have at least one annotation e.g. <BP> for a blank page.

© UCLES 2022

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>1(a)(i)</td><td>Define the term ‘supply’ (line 7).

<table>
<tr><th>Knowledge</th><th>Marks</th></tr>
<tr><td>A correct definition</td><td>2</td></tr>
<tr><td>A partial, vague or unfocused definition</td><td>1</td></tr>
<tr><td>No creditable content</td><td>0</td></tr>
</table>

Content:
The ability and willingness for a business to produce products or services to the market at a given price (2).

Award one mark for each partial element of a definition, for example:
• The quantity of products/services produced/able to produce/willing to produce
• At a given price/over a period of time</td><td>2</td></tr>
</table>

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>1(a)(ii)</td><td>
Explain the term ‘product differentiation’ (line 17).

Award one mark for each point of explanation
<table>
<tr><td>C</td><td>Example or some other way of showing good understanding</td><td>1 mark</td></tr>
<tr><td>B</td><td>Understanding of differentiation</td><td>1 mark</td></tr>
<tr><td>A</td><td>Understanding of product</td><td>1 mark</td></tr>
</table>
The process of distinguishing a good or service from others, to make it more attractive to a particular target market. This involves differentiating it from competitors' products as well as a firm's own products.

Note: Can get A+B with a good example.
If already have A+B mark, then example can get the C mark
ARA
<table>
<tr><th>Exemplar</th><th>Rationale</th><th>Marks</th></tr>
<tr><td>When a business service (A) is different from its competitors (B) e.g. Tesla cars can be customised (C)</td><td>All three elements</td><td>3</td></tr>
<tr><td>A shoe (A) that is higher quality than competitors (B)</td><td>A+B</td><td>2</td></tr>
<tr><td>Having a distinct product compared to competitors (B)</td><td>B only</td><td>1</td></tr>
<tr><td>Ability of customer to recognise a product</td><td>No explanation of product or differentiation</td><td>0</td></tr>
<tr><td>Introducing a new product to your portfolio</td><td>NAQ</td><td>0</td></tr>
</table>
</td><td>3</td></tr>
</table>

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>1(b)(i)</td><td>

Calculate the price elasticity of demand if Su increases the price from $10 to $15 an hour.

<table>
<tr><th>Rationale</th><th>Marks</th></tr>
<tr><td>Correct answer with or without correct working or minus sign</td><td>3</td></tr>
<tr><td>Formula and correct calculation of one change percentage or correct calculation of both change percentages</td><td>2</td></tr>
<tr><td>Formula or correct calculation of one change percentage</td><td>1</td></tr>
<tr><td>No creditable content</td><td>0</td></tr>
</table>

Content:

$\frac{\text{Percentage change in quantity demanded}}{\text{Percentage change in price}}$ = PED (1) or

$\frac{-40\%\,(1)}{+50\%\,(1)} = -0.8$

Answer = –0.8 (3) allow 0.8
OFR

<table>
<tr><th>Exemplar</th><th>Rationale</th><th>Marks</th></tr>
<tr><td>0.8</td><td>correct answer</td><td>3</td></tr>
<tr><td>%change in P/%change in QD = 0.5/0.4=1.25</td><td>Inverted formula but percentages correctly calculated</td><td>2</td></tr>
<tr><td>%change in QD=50%</td><td>Calculation of one change only</td><td>1</td></tr>
<tr><td>change in P/Change in D=5/4=1.25</td><td>Incorrect formula, no percentages just change.</td><td>0</td></tr>
<tr><td>1.25</td><td>No workings</td><td>0</td></tr>
</table>

</td><td>3</td></tr>
</table>

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>1(b)(ii)</td><td>
Explain <u>one</u> way in which the size of CP can be measured.
<table>
<tr><th>Level</th><th>Knowledge and Application</th><th>Marks</th></tr>
<tr><td>2b (APP)</td><td>Explanation of one factor in context</td><td>3</td></tr>
<tr><td>2a (K+K)</td><td>Explanation of one factor</td><td>2</td></tr>
<tr><td>1a (K)</td><td>Identification of one factor</td><td>1</td></tr>
<tr><td>0</td><td>No creditable content</td><td>0</td></tr>
</table>
Note: profit is not an appropriate measure of size

Content:
• Number of customers who book CP’s services, or number of customers who use the café – because the more customers, the bigger the business is likely to be.
• Revenue gained from selling CP’s services or goods from the café – because the more revenue, the higher the value of goods and services and therefore the larger the business.
• Size of the building owned (or rented), to compare against similar businesses – for example a café with twice the space of CP would be bigger.
• Capital invested – for example the value of the building where CP is located – this reflects the assets of the business and therefore the size.
• Number of employees – only Su appears to work for CP so must be a small business
• Market share – in comparison to competitors – CP’s is likely to be small as only one store and is a sole trader.
ARA
</td><td>3</td></tr>
</table>

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>1(c)</td><td>
Analyse <u>one</u> advantage and <u>one</u> disadvantage to Su of using working capital as a source of finance for the new café.
<table>
<tr><th>Level</th><th>Knowledge and Application (4 marks)</th><th>Marks</th><th>Analysis (4 marks)</th><th>Marks</th></tr>
<tr><td>2b</td><td>Shows understanding of working capital as a source of finance in context (APP+APP)</td><td>4</td><td>Good analysis of one advantage and one disadvantage in context (DEV+DEV)</td><td>4</td></tr>
<tr><td>2a</td><td>Shows understanding of source(s) of finance in context (APP)</td><td>3</td><td>Good analysis of one advantage or one disadvantage in context (DEV)</td><td>3</td></tr>
<tr><td>1b</td><td>Shows knowledge of working capital as a source of finance (K+K)</td><td>2</td><td>Limited analysis of one advantage and one disadvantage (AN+AN)</td><td>2</td></tr>
<tr><td>1a</td><td>Shows knowledge of source(s) of finance (K)</td><td>1</td><td>Limited analysis one advantage or one disadvantage (AN)</td><td>1</td></tr>
<tr><td>0</td><td colspan="4">No creditable content</td></tr>
</table>
Content:
Working capital = current assets – current liabilities / the amount of internal finance available for day-to-day expenses

Advantages:
• No finance costs – as a sole trader, Su may not be able to afford extra costs in her business.
• Immediately available – would allow Su to benefit from quicker income from the café, especially important as she plans to open it in four weeks.

Disadvantages:
• May leave CP financially unable to face future issues – will Su have any funds left if CP needs extra money? What if the café costs more than she expects, does Su have any other funds to support this?
• May leave Su unable to pay CP’s bills – this might lead to the cafe having to shut down which may lead to the end of the CP. Risking current business to fund new venture.

ARA
</td><td>8</td></tr>
</table>

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>1(d)</td><td>

Evaluate appropriate promotion methods that Su could use for the new café.

<table>
<tr><th>Knowledge and Application (4 marks)</th><th>Marks</th><th>Analysis and Evaluation (7 marks)</th><th>Marks</th></tr>
<tr><td></td><td></td><td>Justified evaluation based on argument in context (EV+EV+EV)</td><td>7</td></tr>
<tr><td></td><td></td><td>Developed evaluation based on argument in context (EV+EV)</td><td>6</td></tr>
<tr><td></td><td></td><td>An evaluative statement/ based on argument in context (EVAL)</td><td>5</td></tr>
<tr><td>Shows understanding of two promotion methods in context (APP+APP)</td><td>4</td><td>Argument based on two promotion methods in context (DEV+DEV)</td><td>4</td></tr>
<tr><td>Shows understanding of one promotion method in context (APP)</td><td>3</td><td>Argument based on one promotion method in context (DEV)</td><td>3</td></tr>
<tr><td>Shows knowledge of two promotion methods (K+K)</td><td>2</td><td>Limited analysis of two promotion methods (AN+AN)</td><td>2</td></tr>
<tr><td>Shows knowledge of one promotion method (K)</td><td>1</td><td>Limited analysis of one promotion method (AN)</td><td>1</td></tr>
<tr><td colspan="4">No creditable content</td></tr>
</table>

Content:
Below the line methods are likely to be more cost effective and suitable than above the line – however, local above the line methods may also be suitable.

- CP's website – already up and running and used by family customers. Low cost (possible zero marginal cost) but may not bring in enough new customers. Would it be enough to just have current customers?
- Local newspapers – likely to be low cost and target the local market – may be able to place advertisement in a part of the newspaper which would appeal to parents.
- Local television – unlikely to be low cost or able to create within four weeks. However, could effectively show where the café is and communicate the USP.

</td><td>11</td></tr>
</table>

Question	Answer	Marks
1(d)	• Social media – could be effective in targeting parents (plenty of social media pages dedicated to this) but will it allow Su to focus on the local market? • Word of mouth – this is what Su uses for the play area, but would this bring in enough customers to make the café a success? – only five children each hour in the play area, would need more than this to generate business for a café. Focused on target market, but can Su control this and rely on it? • Posters in local schools/libraries/toy shops – likely to hit target market – but some of the places might have their own cafes and not be willing to advertise Su's. **ARA**	

Question	Answer	Marks
2(a)(i)	**Define the term 'capital' (line 3).** **Knowledge** / **Marks** A correct definition – 2 A partial, vague or unfocused definition – 1 No creditable content – 0 **Content:** Non-human man-made resources / factor of production needed to produce goods and services. Includes money and equipment that may be required for production. Money to start or run a business. Award one mark for each partial element of a definition, for example: • Non-human/man-made resources/factor of production/money (finance) • Used to produce goods and services/start or run a business. **ARA**	**2**

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>2(a)(ii)</td><td>
Explain what is meant by ‘the business environment is dynamic’ (lines 14–15).

Award one mark for each point of explanation:
<table>
<tr><th></th><th>Rationale</th><th>Marks</th></tr>
<tr><td>C</td><td>Example or some other way of showing good understanding</td><td>1</td></tr>
<tr><td>B</td><td>Understanding of dynamic</td><td>1</td></tr>
<tr><td>A</td><td>Understanding of the business environment</td><td>1</td></tr>
</table>
Content:
The business environment refers to the external elements that a business operates within. For example, social, legal, economic, political, technological, competition, etc. Can also refer to the market in which a business operates.
Dynamic means that the environment is changing, this might be in terms of the competition or changes in any of the external influences / market conditions.

ARA
</td><td>3</td></tr>
<tr><td>2(b)(i)</td><td>
Refer to Table 2.1 and other information. Calculate the total number of televisions sold in country A in 2021.

<table>
<tr><th>Rationale</th><th>Marks</th></tr>
<tr><td>Correct answer with m</td><td>3</td></tr>
<tr><td>Correct calculation of growth for two years</td><td>2</td></tr>
<tr><td>Formula or correct calculation of growth for one year</td><td>1</td></tr>
<tr><td>No creditable content</td><td>0</td></tr>
</table>
Content:
$\frac{\text{Previous sales – current sales}}{\text{Previous sales}} \times 100$ (1)

6 million TVs sold in 2019
6m × 1.02 = 6.12m sold in 2020 (1)
6.12m × 1.01 = 6.1812m sold in 2021

Answer = 6.1812m (3) Accept 6.18m or 6.181m
</td><td>3</td></tr>
</table>

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>2(b)(ii)</td><td>
Explain <u>one</u> implication for CTV of the forecast change in market growth for 2022.
<table>
<tr><th>Level</th><th>Knowledge and Application</th><th>Marks</th></tr>
<tr><td>2b (APP)</td><td>Explanation of one implication of a change in market growth in context</td><td>3</td></tr>
<tr><td>2a (K+K)</td><td>Explanation of one implication of a change in market growth</td><td>2</td></tr>
<tr><td>1a (K)</td><td>Knowledge of one implication of a change in market growth</td><td>1</td></tr>
<tr><td>0</td><td>No creditable content</td><td>0</td></tr>
</table>
OFR based on calculation in 2bi if candidates choose to work out the forecast

Content
• Potentially less customers for CTV buying or replacing televisions in country A in 2022 (5.995764m)
• Could lead to competitors leaving the market
• May lead to CTV having to shut down one of their factories, if the decline is set to continue
• May lead to the market becoming more competitive – lower prices

ARA
</td><td>3</td></tr>
</table>

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>2(c)</td><td>

Analyse <u>two</u> advantages to CTV of introducing automation into one of its factories.

<table>
<tr><th>Level</th><th>Knowledge and Application (4 marks)</th><th>Marks</th><th>Analysis (4 marks)</th><th>Marks</th></tr>
<tr><td>2b</td><td>Shows knowledge of two advantages of automation in context (APP+APP)</td><td>4</td><td>Good analysis of two advantages of automation in context (DEV+DEV)</td><td>4</td></tr>
<tr><td>2a</td><td>Shows knowledge of one advantage of automation in context (APP)</td><td>3</td><td>Good analysis of one advantage of automation in context (DEV)</td><td>3</td></tr>
<tr><td>1b</td><td>Shows knowledge of two advantages of automation (K+K)</td><td>2</td><td>Limited analysis of two advantages of automation (AN+AN)</td><td>2</td></tr>
<tr><td>1a</td><td>Shows knowledge of one advantage of automation (K)</td><td>1</td><td>Limited analysis of one advantage of automation (AN)</td><td>1</td></tr>
<tr><td>0</td><td colspan="4">No creditable content</td></tr>
</table>

Content

Automation – using machinery for the production process, usually instead of human labour.

Advantages may include:

- Reduction in cost of producing TV's – may allow CTV to compete in the mass market
- Mass market may have more opportunities for CTV to expand in this declining market
- Flexibility of an automated factory may allow CTV to launch more products and gain a higher market share
- Less susceptible to human issues, such as sickness and absence
- May be able to produce 24/7 without substantial extra wage cost

ARA

</td><td>8</td></tr>
</table>

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>2(d)</td><td>Recommend ways in which CTV employees can participate in the management and control of the business. Justify your recommendation.
<table>
<tr><th>Knowledge and Application (4 marks)</th><th>Marks</th><th>Analysis and Evaluation (7 marks)</th><th>Marks</th></tr>
<tr><td></td><td></td><td>Justified recommendation based on argument in context (EV+EV+EV)</td><td>7</td></tr>
<tr><td></td><td></td><td>Developed recommendation based on argument in context (EV+EV)</td><td>6</td></tr>
<tr><td></td><td></td><td>An evaluative statement/recommendation based on argument in context (EVAL)</td><td>5</td></tr>
<tr><td>Shows knowledge of two ways in which employees can participate in the management and control of a business in context (APP+APP)</td><td>4</td><td>Argument based on two ways in which CTV employees can participate in the management and control of the business (DEV+DEV)</td><td>4</td></tr>
<tr><td>Shows knowledge of one way in which employees can participate in the management and control of a business in context (APP)</td><td>3</td><td>Argument based on one way in which CTV employees can participate in the management and control of the business (DEV)</td><td>3</td></tr>
<tr><td>Shows knowledge of two ways in which employees can participate in the management and control of a business (K+K)</td><td>2</td><td>Limited analysis of two ways in which employees can participate in the management and control of a business (AN+AN)</td><td>2</td></tr>
<tr><td>Shows knowledge of one way in which employees can participate in the management and control of a business (K)</td><td>1</td><td>Limited analysis of one way in which employees can participate in the management and control of a business (AN)</td><td>1</td></tr>
<tr><td colspan="4">No creditable content</td></tr>
</table></td><td>11</td></tr>
</table>

Question	Answer	Marks
2(d)	**Content:** **Ways of employee participation may include:** • Membership of the board of directors – employees could be given a representative on the board of directors. May be able to be part of any future decisions to automate the other factories. • Profit share/ownership – employees could be given a 'stake' in CTV to allow them to feel that they are (in part) working for themselves. May be happy for future automation as it will increase the value of their profit or share. • Works councils – to be able to have representatives that meet with the employers and present the employees point of view. • Job enlargement and job enrichment – automation may bring new opportunities for employees to develop their skills and feel more secure about their jobs. • Suggestion schemes – may allow employees to put forward ideas to avoid further redundancies • Quality circles – quality is an important part of CTV's main brand – quality circles may allow this brand to continue being successful and keep open the other two factories. • TQM • Empowered teams **Note:** as the business is a plc with autocratic leadership and implementing change, award context as appropriate e.g**.** share ownership, board of directors, autocratic, automation, process innovation etc. **ARA**	