Cambridge Assessment International Education

Cambridge International AS & A Level

BUSINESS **9609/21**

Paper 2 Data Response **October/November 2023**

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 October/November 2023 series for most Cambridge IGCSE, Cambridge International A and AS Level components, and some Cambridge O Level components.

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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.

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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.

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)

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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.

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.

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Guidance on using levels-based marking

Marking of work should be positive, rewarding achievement where possible, but clearly differentiating across the whole range of marks, where appropriate.

The examiner should look at the work and then make a judgement about which level statement is the best fit. In practice, work does not always match one level statement precisely so a judgement may need to be made between two or more level statements.

Once a best-fit level statement has been identified, use the following guidance to decide on a specific mark:

- If the candidate's work **convincingly** meets the level statement, award the highest mark.
- If the candidate's work **adequately** meets the level statement, award the most appropriate mark in the middle of the range.
- If the candidate's work **just** meets the level statement, award the lowest mark.
- Eval, E or EE etc. must be clearly annotated on the response at the point where the level is achieved.

Assessment objectives

AO1 Knowledge and understanding
Demonstrate knowledge and understanding of business concepts, terms and theories.

AO2 Application
Apply knowledge and understanding of business concepts, terms and theories to problems and issues in a variety of familiar and unfamiliar business situations and contexts.

AO3 Analysis
Analyse business problems, issues and situations by:
- using appropriate methods and techniques to make sense of qualitative and quantitative business information
- searching for causes, impact and consequences
- distinguishing between factual evidence and opinion or value judgement
- drawing valid inferences and making valid generalisations.

AO4 Evaluation
Evaluate evidence in order to make reasoned judgements, present substantiated conclusions and, where appropriate, make recommendations for action and implementation.

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Annotations

To award	Proposed annotation	Comment
Correct		For objective points that are right or wrong.
Incorrect		For objective points that are wrong.
Unclear		When there is a misunderstanding in a response.
Too Vague		When the candidate has attempted something, but the mark/skill has not been awarded.
Highlight	Highlighter	To highlight a point or section of an answer that justifies the mark / annotation.
Benefit of doubt		When the candidate has attempted something, and the mark / skill has been awarded.
On page comment	On page comment	Rarely used in live marking. Very useful for practice scripts. To communicate with the supervisor.
Not using text		When the context has not been used.
Seen		To show a page / section has been seen / read.
Not answering question		When the response is not focussed on answering the question.

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To award	**Proposed annotation**	**Comment**
Repetition	REP	The repetition of a previous point in a response Or Candidate is copying the case study / data.
Own figure rule	OFR	The own figure rule applies – acts as a mark / tick.
Knowledge (AO1) L1	K	When AO1 has been awarded. Number of Ks should match the mark awarded.
Knowledge (AO1) L2		
Application (AO2) L1	APP	When AO2 has been awarded. Number of APPs should match the mark awarded.
Application (AO2) L2		
Analysis (AO3) L1	AN	When AO3 at Level 1 has been awarded.
Analysis (AO3) L2	DEV	When AO3 at Level 2 has been awarded.
Evaluation (AO4) L1	EVAL	When AO4 at Level 1 has been awarded.
Evaluation (AO4) L2	E	When AO4 at Level 2 has been awarded.
Evaluation (AO4) L3	EE	When AO4 at Level 3 has been awarded.

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Question	Answer	Marks
1(a)(i)	**Identify <u>one</u> non-financial motivator.** **Indicative content:** Identification of an element ✓ may include: • Job rotation / enlargement / enrichment • Job redesign • Training and development • Promotion, status and empowerment • Teamworking • Quality circles Accept all valid responses.	**1**

1(a)(ii) **Explain the term *piece rate*.** **3**

AO1 Knowledge and understanding – 1 mark	AO2 Application – 2 marks
	2 marks Developed application of **one** relevant point to a business context.
1 mark Knowledge of **one** relevant point is used to answer the question.	**1 mark** Limited application of **one** relevant point to a business context.
0 marks No creditable response.	**0 marks** No creditable response.

Indicative content
AO1 Knowledge and understanding.
Knowledge of piece rate K may include:
- Payment for each item produced
- Ensures employees paid for the amount of work they do
- Payment by results

No further marks can be gained without knowledge and understanding.

AO2 Application
Limited application APP
- applies knowledge of piece rate to a product **OR** business.

OR
- Example or some other way of showing good understanding of piece rate.

Developed application APP + APP
- applies knowledge of piece rate to a product **AND** a business.

AND
- Example or some other way of showing good understanding of piece rate.

Application can be made to PS or any other scenario / context / business / product.
Accept all valid responses.

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>1(a)(ii)</td><td>
<table>
<tr><th>Exemplar and annotations</th><th>Mark</th><th>Rationale</th></tr>
<tr><td>Based on how many units produced K used when output can be measured APP and it can then be a financial motivator. APP.</td><td>3</td><td>An answer which starts with the knowledge and then applies it to a type of output and develops the point in a business context.</td></tr>
<tr><td>Paid per unit produced K for example if the employee receives $5 per unit, produces 20 units in a day, they will be paid $100 for the day. APP APP.</td><td>3</td><td>Again, knowledge first, followed by application to a business scenario, with a developed example.</td></tr>
<tr><td>Paid per item manufactured K, in country V employees paid according to the amount of plastic packaging produced APP.</td><td>2</td><td>Clear knowledge. Application to an example of a business from the case study.</td></tr>
<tr><td>Pay depends on their units of output K.</td><td>1</td><td>Not a perfect definition, but enough to award the knowledge mark. No attempt to apply.</td></tr>
<tr><td>Paying and rewarding for hours they complete TV</td><td>0</td><td>This is a time-based payment.</td></tr>
<tr><td>Payment for the numbers sold</td><td>0</td><td>This is commission not piece-rate.</td></tr>
</table>
</td><td></td></tr>
</table>

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Question	Answer	Marks
1(b)(i)	**Refer to Table 1.1 and other information. Calculate the change in forecast profit if the new product is launched.** Profit with new product – profit without new product OR [(TR-TC new) – (TR-TC old)] (1) Profit before new product = 40 – (26 + 6) = $8m Profit after new product introduced: Revenue = 40 + 30% = 52 (1) Direct costs + indirect costs = 32 + 6 + 1 = 39 (1) 52 – 39 = $13 m (1) Change in profit = 13 – 8 (2) = $5 m (accept 5) (3) **Note: may calculate the percentage change which is 62.5% (3) (5 / 8 × 100).**	**3**

Marks	Answer	Rationale
3	Correct answer **5 or 62.5%**	**Working, m and $ sign do not matter but if answer a percentage must have %** **Must be three** ✓ to denote the three marks.
2	**Both** of the following: • Correct / implied formula [Profit with new product-profit without new product] **AND** • Correct calculation of either new revenue (52) • Correct calculation of new costs (39) • Correct calculation of original profit (8) • new profit (13) **OR** An incorrect answer with one mistake allowing OFR for final stage.	To award two marks, there must be • Two ✓ and a ✗ **OR** • One ✓, one ✗ and one OFR

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>1(b)(i)</td><td>
<table>
<tr><th>Marks</th><th>Answer</th><th>Rationale</th></tr>
<tr><td>1</td><td>One of the following:
• Correct / implied formula [Profit with new product-profit without new product]
OR
• Correct calculation of either new revenue (52)
• Correct calculation of new costs (39)
• Correct calculation of new profit (13)
• Correct calculation of original profit (8)</td><td>To award one mark, there must be:
One ✓ and two ✗</td></tr>
<tr><td>0</td><td>No creditable content.</td><td>To award zero marks, there must be ✗</td></tr>
</table>
</td><td></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 PS could use cost information to improve business performance.

<table>
<tr><th>AO1 Knowledge and understanding – 1 mark</th><th>AO2 Application – 2 marks</th></tr>
<tr><td></td><td>2 marks
Developed application of one relevant point to a business context.</td></tr>
<tr><td>1 mark
Knowledge of one relevant point is used to answer the question.</td><td>1 mark
Limited application of one relevant point to a business context.</td></tr>
<tr><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td></tr>
</table>

Indicative content – Responses may include:
AO1 Knowledge and understanding:
Knowledge of a use of cost information to improve business performance K:
- Help make the investment decision / to obtain loans e.g from a bank.
- Identify unnecessary expense.
- Forecast profit.
- To set prices.
- To improve cash flow.
- other factors involved e.g. cost of investment, future market conditions, whether the product will be successful

No further marks can be gained without knowledge and understanding.
AO2 Application
Limited application APP*, applies knowledge to PS once.*
Developed application APP + APP *applies knowledge to PS twice* ***OR*** *applies once to PS* ***AND*** *develops answer to explain how it can help improve business performance.*
- The profit has increased from $8m to $13m.
- Environmentally friendly.
- Added value.
- Expenses do not increase very much so can spread over higher number of units.

Accept all valid responses.

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

Question	Answer	Marks

1(b)(ii)

Exemplar and annotations	Mark	Rationale
To consider where costs can be reduced K, as PS move to becoming more capital intensive APP which will require capital investment APP.	3	A use explained in the specific context of PS by using the information in the case study and develops answer to explain why it is useful.
To determine the impact on profits K, if PS launch the new packaging, APP profits forecast to increase by $5 m (62.5% or OFR) APP	3	A financial use in this one and there is context from the data in Table 1.1., also how the use given is linked to the issue.
To determine if PS can launch the new packaging APP as costs will impact the decision K but the forecast revenue increase is greater than the cost increase APP.	3	Although the APP appears first, it cannot be awarded until the K has been found. However, there is obvious K, so you can go back and award the APP.
To compare labour costs K because PS use different payment methods APP.	2	Relevant use K. The context linked to this is reasonable APP, but is not developed.
To help improve cashflow K as cost information includes fixed and variable costs NAQ	1	Knowledge of a use. The rest of the answer is not applying it to the context so NAQ (Not Answering Question).
To consider where costs can be reduced K, to help improve cashflow K	1	Both are knowledge of a use but there is only 1 mark for knowledge K.

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

Analyse <u>two</u> elements of the marketing mix that PS should consider when launching the new packaging.

<table>
<tr><th>Level</th><th>AO1 Knowledge and understanding
2 marks</th><th>AO2 Application
2 marks</th><th>AO3 Analysis
4 marks</th></tr>
<tr><td>2</td><td></td><td></td><td>3–4 marks
Developed analysis
• Developed analysis that identifies connections between causes, impacts and / or consequences of two points.
• Developed analysis that identifies connections between causes, impacts and / or consequences of one point.</td></tr>
<tr><td>1</td><td>1–2 marks
• Knowledge of two relevant points is used to answer the question.
• Knowledge of one relevant point is used to answer the question.</td><td>1–2 marks
• Application of two relevant points to a business context.
• Application of one relevant point to a business context.</td><td>1–2 marks
Limited analysis
• Limited analysis that identifies connections between causes, impacts and / or consequences of two points.
• Limited analysis that identifies connections between causes, impacts and / or consequences of one point.</td></tr>
<tr><td>0</td><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td></tr>
</table>

Indicative content
Knowledge of elements of the marketing mix (max 2 Ks), may include:
AO1 Knowledge and understanding
- Product
- Price
- Promotion
- Place (distribution channels)

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

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

No further marks can be gained without knowledge and understanding.

AO2 Application

Max one APP *application for the first element and a second* APP*, application for the second element*

- Product environmentally friendly
- Higher cost of production
- Used for packaging food
- Premium product

AO3 Analysis

Limited analysis AN *– candidate shows one link in the chain of analysis.*
Developed analysis DEV *– candidate shows two or more links in the chain.*

- Product is environmentally friendly – could use in marketing and may allow a premium price
- Costlier to produce – likely to be higher priced than competitors
- Quality is an issue particularly as product is used with food
- May have an impact on sales of existing products and therefore their Marketing

Accept all valid responses.

Exemplars and annotations

<table>
<tr><th>AO1 Knowledge</th><th>AO2 Application</th><th>AO3 Analysis</th></tr>
<tr><td>One element of the marketing mix that PS should consider is price K.
Annotations for the first impact should be placed in the left-hand margin.</td><td>When launching the environmentally friendly packaging APP</td><td>Price directly affects the demand from businesses that buy the environmentally friendly packaging AN therefore they could use penetration pricing and set the prices low when they launch DEV.</td></tr>
<tr><td>Another element of the marketing mix could be promotion. K
Annotations for the second impact should be placed in the right-hand margin.</td><td>For example, when a business buys their new environmentally friendly packaging above a certain amount APP</td><td>They can give discounts or some of their other products for free, this will lead to a higher willingness to buy their new product AN and they will be noticed in the market and increase their sales DEV</td></tr>
</table>

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

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>1(d)</td><td>Evaluate whether PS should use the same payment method and employee development in both factories.
<table>
<tr><th>Level</th><th>AO1 Knowledge and understanding – 2 marks</th><th>AO2 Application – 2 marks</th><th>AO3 Analysis – 2 marks</th><th>AO4 Evaluation – 6 marks</th></tr>
<tr><td>3</td><td></td><td></td><td></td><td>5–6 marks
Developed evaluation in context
• A developed judgement / conclusion is made in the business context.
• Developed evaluative comments which balance some key arguments in the business context.</td></tr>
<tr><td>2</td><td>2 marks
Developed knowledge of relevant key term(s) and / or factor(s) is used to answer the question.</td><td>2 marks
Developed application of relevant point(s) to the business context.</td><td>2 marks
Developed analysis that identifies connections between causes, impacts and / or consequences.</td><td>3–4 marks
Developed evaluation
• A developed judgement / conclusion is made.
• Developed evaluative comments which balance some key arguments.</td></tr>
<tr><td>1</td><td>1 mark
Limited knowledge of relevant key term(s) and / or factor(s) is used to answer the question.</td><td>1 mark
Limited application of relevant point(s) to the business context.</td><td>1 mark
Limited analysis that identifies connections between causes, impacts and / or consequences.</td><td>1–2 marks
Limited evaluation
• A judgement / conclusion is made with limited supporting comment / evidence.
• An attempt is made to balance the arguments.</td></tr>
<tr><td>0</td><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td></tr>
</table></td><td>12</td></tr>
</table>

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Question	Answer	Marks
1(d)	**Indicative content** Responses may include: **AO1 Knowledge and understanding** - knowledge of one of the key terms (max 2 K s), including: • Payment methods • Development opportunities • Depends on finances • Financial / non-financial motivators ***No further marks can be gained without knowledge and understanding.*** **AO2 Application** *Limited application* APP *applies knowledge of payment method / employee development of PS once.* *Developed application* APP + APP *applies knowledge of payment method / employee development of PS twice.* • Currently pay and opportunities different in countries • Payments different, time based v piece rates • Fewer opportunities in some countries • Use of non-financial motivators vary • Employees demanding equal treatment **AO3 Analysis** *Limited analysis* AN *– candidate shows one link in the chain of analysis.* *Developed analysis* DEV *– candidate shows two or more links in the chain of analysis.* Analysis marks can be awarded without context. • Could be expensive. • Management of change can be difficult. • Could lead to discontent with those workers who have an advantage. • Might be difficult to get arrangements that suit laws in several countries. • May not recognise local conditions. • May give firm good reputation as fair employer. • Could enable employees to move from country to country easily. • Would act as a motivator in some countries. • Whether or not trades unions are involved and the extent to which they cooperate.	

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

AO4 Evaluation

Limited evaluation EVAL *– unsupported judgement and / or a weak attempt at evaluative comment*

Developed evaluation E *– supported judgement and / or reasonable evaluative comment*

Developed evaluation in context EE *– supported judgement in context and / or reasonable evaluative comment in context.*

- A justified recommendation
- Identifying that the decision will ultimately depend on a number of unknowns (e.g. extent of differences between the regulations, financial state of firm, strength of views of workforce).
- Discussion of costs v benefits

Accept all valid responses.

Exemplars for awarding evaluation

<table>
<tr><th>L1 EVAL (limited supporting evidence)</th><th>L2 E (developed supporting evidence)</th><th>L3 EE (developed supporting evidence with context)</th></tr>
<tr><td>PS should use the same payment method and employee development in both factories</td><td>PS should use the same payment method and employee development in both factories and should use time-based pay, non-financial motivators and employee development</td><td>PS should use the same payment method and employee development in both factories and should use time-based pay, non-financial motivators and employee development in country Z as this will increase motivation and satisfy the employees demanding equal pay and opportunities.</td></tr>
<tr><td>PS shouldn’t use the same payment method in both countries</td><td>PS shouldn’t use the same payment method in both countries because in one country employees might be more motivated by non-financial motivators.</td><td>PS shouldn’t use the same payment method in both countries because in one country employees might be more motivated by non-financial motivators, such as in country Z, whereas in country V employees might like to know they can get higher pay by working faster.</td></tr>
</table>

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

Question	Answer	Marks
2(a)(i)	**Identify <u>one</u> function of a manager.** **Indicative content** Identification of a function ✓ may include: • Planning • Organising • Directing • Controlling • Fayol – Commanding, motivating, co-ordinating and measuring performance / appraisal	**1**

Question	Answer	Marks
2(a)(ii)	**Explain the term *secondary market research*.**	**3**

AO1 Knowledge and understanding – 1 mark	AO2 Application – 2 marks
	2 marks Developed application of **one** relevant point to a business context.
1 mark Knowledge of **one** relevant point is used to answer the question.	**1 mark** Limited application of **one** relevant point to a business context.
0 marks No creditable response.	**0 marks** No creditable response.

Indicative content
AO1 Knowledge and understanding of *secondary* K may include:
- Uses data that already exists
- Collected by someone else
- Can be from another organisation

No further marks can be gained without knowledge and understanding

AO2 Application to *market research*
Limited application APP applies knowledge of secondary market research including:
- Cheaper than primary research / outdated / not tailored to business

OR
- Example or some other way of showing good understanding of secondary market research.

Developed application APP + APP applies knowledge of secondary market research including

- Cheaper than primary research / outdated / not tailored to business

AND
- Example or some other way of showing good understanding of secondary market research.

Application can be made to DN or any other scenario / context / business / product.

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<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>2(a)(ii)</td><td>Accept all valid responses.
<table>
<tr><th>Exemplars and annotations</th><th>Marks</th><th>Rationale</th></tr>
<tr><td>Information that already exists for other purposes K such as in a newspaper or magazine APP It saves on research costs APP.</td><td>3</td><td>An answer which starts with the knowledge of secondary, then applies it to market research and develops the point in a business context.</td></tr>
<tr><td>Second-hand research K such as magazines, online reports etc. APP They are not tailored to a specific business but can establish market trends APP.</td><td>3</td><td>Again, knowledge of secondary, followed by developed application to market research</td></tr>
<tr><td>Market research conducted by others K, can be out of date and incorrect APP.</td><td>2</td><td>Clear knowledge of secondary. Limited application to market research.</td></tr>
<tr><td>Using research someone else has published K. It is second-hand research.</td><td>1</td><td>Both points show knowledge and understanding of secondary but there is no application to market research. Only 1 knowledge mark.</td></tr>
<tr><td>Secondary market research is testing your product with the public ✗</td><td>0</td><td>This is a primary research method.</td></tr>
<tr><td>Research from online sources TV</td><td>0</td><td>No knowledge / understanding of secondary, without K no other marks can be awarded.</td></tr>
</table></td><td></td></tr>
</table>

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

Refer to Table 2.1. Calculate the percentage increase in total revenue of online monthly magazines from 2020 to 2022.

Indicative content – Responses may include:
Revenue 2020 = 50 Revenue 2022 = 150
Change = 150 – 50 = 100 (1)
Formula: Can be implied
Change / original × 100 (1)
(150 – 50) / 50 × 100 (1)
= 100 / 50 × 100 = 200% (3)
Accept all valid responses.
Exemplars and annotations

<table>
<tr><th>Marks</th><th>Answer</th><th>Rationale</th></tr>
<tr><td>3</td><td>Correct answer
200%</td><td>**Working and % sign do not matter**
Must be three ✓ to denote the three marks.</td></tr>
<tr><td>2</td><td>**Both** of the following:
• Correct / implied formula
AND
Correct calculation of the change in total revenue (100)
OR
An incorrect answer with one mistake allowing OFR for final stage. For example, (150 – 50) / 150 × 100 = 100 / 150 × 100 = 66.67% (accept any figure between 66.6 and 67) – 2 marks, (wrong denominator)</td><td>To award two marks, there must be
• Two ✓ and a ✗
OR
• One ✓ , one ✗ and one OFR</td></tr>
<tr><td>1</td><td>**One** of the following:
• Correct / implied formula
OR
• Correct calculation of the change in total revenue (100)</td><td>To award one mark, there must be:
One ✓ and two ✗</td></tr>
<tr><td>0</td><td>No creditable content.</td><td>To award zero marks, there must be ✗</td></tr>
</table>

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

Question	Answer	Marks
2(b)(ii)	**Explain <u>one</u> additional piece of market research data DN would find useful before making the decision to produce QLine.**	**3**

AO1 Knowledge and understanding – 1 mark	AO2 Application – 2 marks
	2 marks Developed application of **one** relevant point to a business context.
1 mark Knowledge of **one** relevant point is used to answer the question.	**1 mark** Limited application of **one** relevant point to a business context.
0 marks No creditable response.	**0 marks** No creditable response.

Indicative content
AO1 Knowledge and understanding
Knowledge of additional market research K may include:
- Customer data
- Customer feedback
- What are forecast trends
- What subscription level are customers prepared to pay
- Information about competitors
- Potential size of the market

No further marks can be gained without knowledge and understanding.

AO2 Application
Limited application APP*, applies knowledge to DN once.*
Developed application APP + APP *applies knowledge to DN twice or develops one point*
- What potential readers want in a magazine
- Aimed at 18-30 market, so characteristics / requirements of this market
- Other online magazines available, do they charge a subscription fee?
- Plans to stop publishing QNews.

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>2(b)(ii)</td><td>Accept all valid responses.
<table>
<tr><th>Exemplars and annotations</th><th>Mark</th><th>Rationale</th></tr>
<tr><td>DN can use primary research to ask people about their reading habits and interests K because DN plans to stop publishing QNews APP it needs to have accurate information about market trends. APP.</td><td>3</td><td>Knowledge of an additional piece of market research in the specific context of DN by using the information in the case study and develops answer to explain why it is useful.</td></tr>
<tr><td>Another piece of useful market research would be approximately how many 18-30 year olds APP have news subscriptions K this will allow them to anticipate the approximate amount of news subscriptions they may get from people in the targeted demographic APP.</td><td>3</td><td>Although the APP appears first, it cannot be awarded until the K has been found. However, there is obvious K, so you can go back and award the APP.</td></tr>
<tr><td>One additional market research data is what topics their targeted group is interested in K this would allow DN to have a high revenue from subscriptions APP.</td><td>2</td><td>Relevant additional data K. The context linked to this is reasonable (subscriptions) APP, but is not developed.</td></tr>
<tr><td>Find out common interests and trends K and identifying their target market | NUT</td><td>1</td><td>Knowledge of additional data, the rest of the answer is not using the context so | NUT (Not Using the Text).</td></tr>
<tr><td>One additional piece of market research DN would find useful is to sell their products in a niche market so they should segment their market to 18-30 age group. NAQ</td><td>0</td><td>This is market segmentation not market research so NAQ (not Answering the Question) even though there is context without knowledge and understanding K no other marks can be awarded.</td></tr>
</table></td><td></td></tr>
</table>

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

Analyse <u>two</u> reasons why Shila and Lucy will have to change DN's objectives.

<table>
<tr><th>Level</th><th>AO1 Knowledge and understanding – 2 marks</th><th>AO2 Application – 2 marks</th><th>AO3 Analysis
4 marks</th></tr>
<tr><td>2</td><td></td><td></td><td>3–4 marks
Developed analysis
• Developed analysis that identifies connections between causes, impacts and / or consequences of two points.
• Developed analysis that identifies connections between causes, impacts and / or consequences of one point.</td></tr>
<tr><td>1</td><td>1–2 marks
• Knowledge of two relevant points is used to answer the question.
• Knowledge of one relevant point is used to answer the question.</td><td>1–2 marks
• Application of two relevant points to a business context.
• Application of one relevant point to a business context.</td><td>1–2 marks
Limited analysis
• Limited analysis that identifies connections between causes, impacts and / or consequences of two points.
• Limited analysis that identifies connections between causes, impacts and / or consequences of one point.</td></tr>
<tr><td>0</td><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td></tr>
</table>

Indicative content

AO1 Knowledge and understanding – Knowledge of two reasons (max 2 s), may include:

- Market conditions
- Importance of objectives
- Relationship between mission statement, aims, objectives and strategy
- SMART objectives
- How change influences objectives
- Relationship of objectives to budget planning

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

Question	Answer	Marks
2(c)	***No further marks can be gained without knowledge and understanding.*** **AO2 Application –** Application of knowledge of a reason for DN to change its objectives (max 2 APP s), including: *Max one APP for application for the first reason and another APP for application for the second reason* • Employees concerned about the change. • Mission statement change • National revenue data • Not all employees have the right skills • Change from daily news reporting to magazine aimed at a young age group • Impact on local community **AO3 Analysis** *Limited analysis AN – candidate shows one link in the chain of analysis.* *Developed analysis DEV – candidate shows two or more links in the chain of analysis or a two-sided analysis.* • Change essential for competition and survival – otherwise firms may make losses / go out of business. • Communicates the direction of the firm to employees – important as a change impacts employees working practices. • Will need to change objectives if want growth – as market conditions change. • Costs of change v benefits Accept all valid responses. **Exemplars and annotations**	

AO1 Knowledge	AO2 Application	AO3 Analysis
One reason why Shila and Lucy will have to change DN's objectives is because of the change from its original mission K. ***Annotations for the first impact should be placed in the left-hand margin.***	to provide a community newspaper for local people APP	This may mean a more national readership as opposed to a niche focus AN DN may become more commercially focused to attract advertisers. DEV.
Another reason to change objectives is to retain loyal customers K ***Annotations for the second impact should be placed in the right-hand margin.***	Who will subscribe to a monthly product. APP	It is important that DN makes sure that customer expectations are met AN and the product maintains quality to ensure they still gain profits DEV

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

Evaluate the importance to DN of effective supply chain management.

<table>
<tr><th>Level</th><th>AO1 Knowledge and understanding – 2 marks</th><th>AO2 Application – 2 marks</th><th>AO3 Analysis – 2 marks</th><th>AO4 Evaluation – 6 marks</th></tr>
<tr><td>3</td><td></td><td></td><td></td><td>5–6 marks
Developed evaluation in context
• A developed judgement / conclusion is made in the business context.
• Developed evaluative comments which balance some key arguments in the business context.</td></tr>
<tr><td>2</td><td>2 marks
Developed knowledge of relevant key term(s) and / or factor(s) is used to answer the question.</td><td>2 marks
Developed application of relevant point(s) to the business context.</td><td>2 marks
Developed analysis that identifies connections between causes, impacts and / or consequences.</td><td>3–4 marks
Developed evaluation
• A developed judgement / conclusion is made.
• Developed evaluative comments which balance some key arguments.</td></tr>
<tr><td>1</td><td>1 mark
Limited knowledge of relevant key term(s) and / or factor(s) is used to answer the question.</td><td>1 mark
Limited application of relevant point(s) to the business context.</td><td>1 mark
Limited analysis that identifies connections between causes, impacts and / or consequences.</td><td>1–2 marks
Limited evaluation
• A judgement / conclusion is made with limited supporting comment / evidence.
• An attempt is made to balance the arguments.</td></tr>
<tr><td>0</td><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td><td>0 marks
No creditable response.</td></tr>
</table>

</td><td>12</td></tr>
</table>

Question	Answer	Marks
2(d)	**Indicative content** Knowledge of supply chain (max 2 K s), may include: **AO1 Knowledge and understanding:** • Supply Chain Management understanding • The process of creating content • Managing content • Delivering content to the consumer • Customer expectations • Employee skills • Suitable content • Quality issues • Cost control ***No further marks can be gained without knowledge and understanding.*** **AO2 Application** *Limited application* APP *applies knowledge of effective supply chain management to DN once.* *Developed application* APP + APP *applies knowledge of effective supply chain management DN twice.* • content accessible on any device at any time / the magazine content should be available on all devices, • Through all internet service providers and easily available to subscribers. • Content suitable for target market (18-30) • Not easily available to non-subscribers • Need to keep costs low • Allow DN to compete in the new market • Difference between local and national market	

Question	Answer	Marks
2(d)	**AO3 Analysis** *Limited analysis* AN *– candidate shows one link in the chain of analysis.* *Developed analysis* DEV *– candidate shows two or more links in the chain of analysis.* • Do current employees have the right skills – to provide appropriate content? • Can the business survive inefficient management of the supply chain – as costs need to be carefully controlled throughout the chain? • Large variation of formats required – will involve many suppliers of different platforms / devices. • Multiple service providers add additional complexity – which can be challenging to manage. • Need to provide a quality product – which requires careful monitoring throughout the supply chain. • Content should be easy to find – how to ensure that this applies to all platforms / devices. • Employees important part of the supply chain – they have concerns / careful workforce planning required. **AO4 Evaluation** *Limited evaluation* EVAL *– unsupported judgement and / or a weak attempt at evaluative comment* *Developed evaluation* E *– supported judgement and / or reasonable evaluative comment.* *Developed evaluation in context* EE *– supported judgement in context and / or reasonable evaluative comment in context.* • A justified recommendation • Assessment of the decision • Identification of factors critical in the supply chain • How to ensure quality – what to compare to / what is quality content • Is there enough information to implement • Will revenue outweigh costs • Require complex negotiations with multiple platforms – do they have the expertise? • Discussion of further information required. • Other factors more important e.g., marketing Accept all valid responses.	

<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>2(d)</td><td>Exemplars for awarding evaluation
<table>
<tr><th>L1 EVAL (limited supporting evidence)</th><th>L2 E (developed supporting evidence)</th><th>L3 EE (developed supporting evidence with context)</th></tr>
<tr><td>Effective supply chain management is important to DN</td><td>Effective supply chain management is important to DN as it needs to deliver content that meets customer expectations.</td><td>Effective supply chain management is important to DN as it needs to deliver content that meets customer expectations. The main premise of their product is to deliver factual, entertaining and informative news.</td></tr>
<tr><td>Supply chain management is not as important as marketing.</td><td>Supply chain management is not as important as marketing because without awareness and advertising there will be a lack of demand.</td><td>Supply chain management is not as important as marketing because without awareness and advertising there will be a lack of demand. Since Qline will be a new online monthly magazine DN will need social media accounts to promote this product.</td></tr>
</table></td><td></td></tr>
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