Cambridge Assessment International Education

Cambridge IGCSE™

BUSINESS STUDIES **0450/13**

Paper 1 Short Answer/Data Response **May/June 2023**

MARK SCHEME

Maximum Mark: 80

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.

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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.

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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).

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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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0450/7115/0986 Business Studies - Paper 1 Annotations

Annotation	Description	Use
Tick	Tick	Indicates a point which is relevant and rewardable.
X	Cross	Indicates a point which is inaccurate/irrelevant and not rewardable.
BOD	Benefit of doubt	Used when the benefit of the doubt is given in order to reward a response.
TV	Too vague	Used when parts of the answer are considered to be too vague.
REP	Repetition	Indicates where content has been repeated.
NAQ	Not answered question	Used when the answer or parts of the answer are not answering the question asked.
K	Knowledge	Indicates knowledge and understanding of the concepts and issues relating to the question.
APP	Application	Indicates appropriate reference to the information in the stem.
AN	Analysis	Indicates where the answer has demonstrated analysis.
EVAL	Evaluation	Indicates where the answer has demonstrated evaluation (part (e) questions only).
OFR	Own figure rule	If a mistake is made in a calculation, and the incorrect figure that results from the mistake is used for subsequent calculations.
SEEN	Noted but no credit given	Indicates that content has been recognised but not rewarded.

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Question	Answer	Marks	Notes
1(a)	**Define 'mass market'.** Award 2 marks for a full definition. Award 1 mark for a partial definition. Where there is a very large number of sales of **a** product [2] OR Selling the **same** product to the **whole** market [2] OR A large market containing lots of customers buying **similar** products [2] Partial definition e.g. lots of customers / lots of sales / lots of buyers [1]	**2**	Do not award: Alternative words for mass e.g. big/large market. Lots of sellers, lots of competitors, lots of products as this simply describes a market.
1(b)	**Calculate X and Y.** Award 1 mark for each correct calculation. X: $60 000 or 60 Y: $80 000 or 80 or (80)	**2**	$ sign is not required.

Question	Answer	Marks	Notes
1(c)	**Outline <u>two</u> reasons why managing cash flow might be important for TDG.** Award 1 mark for identification of each relevant reason (max 2). Award 1 mark for each relevant reference to this business (max 2). Points might include: • To be able to pay wages [k] to its 3 employees [app] • Pay suppliers/trade payables [k] for the bikes [app] • Pay expenses/heating/rent/advertising [k] to avoid cash flow problem **in September** [app] • Repay (short-term) debts [k] of the retailer [app] • Predict/plan/prevent cash flow problems [k] such as the $80 000 shortfall [app] • Ensure business survival/continue [k] • Cash available for emergency [k] Other appropriate responses should also be credited.	**4**	To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made. The following words are likely to be appropriate for this question: • Bicycles/bikes • Retailer • ($10 000) closing balance / cashflow problem in September • Customer loyalty • Mass market • 3 employees • $80 000 (cash outflow in September) – OFR • $40 000(cash inflow in September) Other appropriate examples can be credited. Do not award: • Invest/expand • References to profit • Know how to improve on own [tv] • Support request for loan/finance

Question	Answer	Marks	Notes
1(d)	**Explain <u>two</u> ways TDG could overcome its short-term cash-flow problem in September.** Award 1 mark for identification of each relevant way (max 2). Award 1 mark for each relevant reference to this business (max 2). Award 1 mark for each relevant explanation (max 2). Points might include: • Delay payments to suppliers [k] for its bicycles [app] keeping cash in the business for longer [an] • Ask/offer discounts so customers to pay quicker / insist on cash sales [k] so business receives cash sooner [an] but may not help maintain customer loyalty [app] • Overdraft [k] allows the business to have a negative cash balance [an] to cover the – $10 000 [app] • Bank loan [k] to increase cash inflow [an] above $40 000 [app] • Delay/not purchase / buy cheaper equipment [k] which prevents cash outflows [an] • Sell (non-current) assets [k] generates cash inflows [an] Other appropriate examples in context can be credited.	**6**	To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made. The following words are likely to be appropriate for this question: • Bicycles / bikes • Retailer • –$10 000 (closing balance) • Customer loyalty • Mass market • 3 employees • $80 000 (cash outflow – OFR will apply) • $40 000 Other appropriate examples can be credited. • Analysis must show impact on cash flow. Do not award: • Long-term solutions such as 'introduce more capital / sell shares', retained profit • Decrease price / advertise on own • References to raw materials / production

Question	Answer	Marks	Notes
1(e)	**Explain <u>two</u> methods a retailer could use to maintain customer loyalty. Which would be the best method to use? Justify your answer.** Award up to 2 marks for identification of relevant points. Award up to 2 marks for relevant development of points. Award up to 2 marks for justified decision as to which is the best method for a retailer to use to maintain customer loyalty. Points might include: • Offer loyalty cards / offer points for every purchase / discount for regular/loyal customers [k] so incentive / reward to return [an] • Train staff / offer good service/friendly conversations with customer [k] which would make them feel welcome [an] • Communicate with customers or examples such as through newsletters / social media [k] so they remember your business [an] • Ask for feedback / carry out market research [k] so know what is being sold matches customer needs [an] • Introduce new / sell high-quality products [k] • Resolve complaints quickly [k] • Offer extra services or examples e.g. offer delivery / credit facilities [k] Other appropriate responses should also be credited. Justification might include: One method is a loyalty card [k] so there is an incentive to return [an]. It could offer good service [k] so customers feel more welcome [an]. A good service is better because this may not include any costs which a loyalty card would [eval] which could help increase profit margin as well as customer loyalty. [eval]	**6**	This is a general question so there are no marks for application. For evaluation to be awarded justification will usually follow on from relevant analysis of points. Analysis can be awarded for: • Explaining how method works • Negatives of each method Do not award: • Develop / make new products as retailer. • Explanation of customer loyalty for AN. e.g. 'so will keep coming back'. Needs to say why makes customers keep coming back**.** • Ways to increase sales in general e.g. advertise / lower prices. • Customer loyalty as [an] as in question.

Question	Answer	Marks	Notes
2(a)	**Define 'quality control'.** Award 2 marks for a full definition. Award 1 mark for a partial definition. Checking of goods at the end of the production process (whether it is the production of the product or a service) [2] OR Checking the standard of goods through inspection [2] Partial definition e.g. • Checking the work [1] • Making sure goods are up to standard [1]	**2**	At end of production is +1 only. Do not award: Reasons why quality control is carried out. Vague comments such as ensuring quality is good / whether product good enough, meeting customers expectation/standards.
2(b)	**Identify <u>two</u> ways a pressure group might try to influence business decisions.** Award 1 mark per way (max 2). Points might include: • Create negative publicity / publish information about business / write to newspaper • Organise customer boycotts • Organise demonstrations / protests / rally opposition • Lobby/petition / send letters to government • Demand interview with company • Take legal action Other appropriate responses should also be credited.	**2**	Only award the first two responses given. Do not award: Change laws Spread awareness on own – need how.

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Question	Answer	Marks	Notes
2(c)	**State <u>four</u> benefits to a business of increasing efficiency.** Award 1 mark for each relevant benefit (max 4). Points might include: • Reduce average/unit costs • Fewer mistakes/errors • Less waste • Fewer materials needed • Increase output • Quicker/faster production • Reduced inputs needed for the same level of output Other appropriate responses should also be credited.	**4**	Only award the first two responses given. Do not award: Lower labour turnover/less absenteeism More revenue/sales/profit.

Question	Answer	Marks	Notes
2(d)	**Explain <u>one</u> external cost and <u>one</u> external benefit that may be created by KCL's business.** Award 1 mark for identification of each relevant external cost/benefit (max 2). Award 1 mark for each relevant reference to this business (max 2). Award 1 mark for each relevant explanation (max 2). Points might include: External cost: • Pollution/smoke/fumes created [k] from making paper [app] could damage health of people in the community [an] • Congestion [k] caused by deliveries to the factory [app] so longer to move about / slow down deliveries to other businesses [an] • Use up natural resources [k] to obtain the wood [app] meaning fewer resources available <u>for other uses/future generations</u> [an] • Destruction/spoil landscape [k] reducing tourism [an] External benefit: • Provide jobs [k] as it uses local suppliers [app] so low(er) rates of unemployment [an] • Help economic growth [k] which can result in additional taxes [an] • Improved infrastructure/better road links [k] improving access for local community/businesses [an] • New production techniques may be introduced [k] Other appropriate responses should also be credited.	**6**	To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made. The following words are likely to be appropriate for this question: • Paper/newspapers/books • Wood (or other appropriate examples of raw materials) • Factory • Increase efficiency • (Raw materials from) local suppliers • Pressure groups • High level of inventory Other appropriate examples in context can still be credited. Some points can be [k] or [an] but only award once. Do not award: Costs/benefit to business Uses of paper e.g. books/newspapers

Question	Answer	Marks	Notes
2(e)	**Explain <u>two</u> factors a manufacturing business should consider when deciding how much inventory to hold. Which factor is likely to be the most important? Justify your answer.** Award up to 2 marks for identification of relevant points. Award up to 2 marks for relevant development of points. Award up to 2 marks for justified decision as to which is the most important factor for a manufacturing business to consider when deciding how much inventory to hold. Points might include: • Whether product is perishable or not / shelf life [k] to reduce the amount of wastage [an] • Level of demand / sales [k] as if high demand needs to hold high inventory [an] • Seasons / celebrations/festivals/predictability of demand [k] • Storage space available [k] could increase storage costs [an] • Cost of holding inventory [k] as high levels could increase cash outflows [an] • Method of production / level of output [k] as flow production may require high levels of inventory [an] • Amount of finance available (to buy inventory) [k] as this could cause cash flow problems / cannot afford to hold large amount [an] • Delivery / lead time / where products come from / reliability of supplier [k] so production can continue / meet orders on time [an] Other appropriate responses should also be credited.	**6**	This is a general question so there are no marks for application. For evaluation to be awarded justification will usually follow on from relevant analysis of points. Some points can be [k] or [an] but only award once. Watch for repetition e.g. high demand, low demand so high/low inventory.

Question	Answer	Marks	Notes
2(e)	Justification might include: The amount of space available [k] as a larger warehouse may increase storage costs [an]. Another factor is delivery time [k] as may need higher levels of inventory to ensure production can continue [an]. Overall delivery time is more important because if production stops, any costs saved on storage may be lost as the business still have to pay its workers [eval] and the lack of available products could lead to fewer sales. [eval]		

Question	Answer	Marks	Notes
3(a)	**Define 'span of control'.** Award 2 marks for a full definition. Award 1 mark for a partial definition. Number of subordinates reporting to each supervisor / manager [2] OR Number of subordinates / employees working (directly) under a manager [2] Partial definition e.g. whom you are responsible for [1] OR who reports to one manager [1]	**2**	
3(b)	**Identify <u>two</u> leadership styles.** Award 1 mark per leadership style (max 2). Points might include: • Autocratic • Democratic • Laissez-faire Other appropriate responses should also be credited.	**2**	Only award the first two responses. Do not award: Descriptions of styles.

Question	Answer	Marks	Notes
3(c)	**Outline <u>two</u> benefits to PCY of encouraging its managers to use delegation.** Award 1 mark for each relevant benefit (max 2). Award 1 mark for each relevant reference to this business (max 2). Points might include: • Reduce managers' workload / managers have time to focus on other (important) tasks [k] such as how the business is organised/managed [app] • Quality of managers' work improves / managers likely to make fewer mistakes [k] in the 4 offices [app] • Increase employee motivation [k] of its 500 employees [app] • Builds trust / better working relationship between managers and employees [k] which could influence its leadership style [app] • Way to develop employee skills / increase employee flexibility / employees may have better knowledge of issue [k] at the insurance business [app] Other appropriate responses should also be credited.	**4**	To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made. The following words are likely to be appropriate for this question: • (4) offices • 500 (employees) • Insurance (services) • Business customers / farms / factories • Leadership style • Being ethical • Communication barriers • Span of control • Planning to change how business is managed / organised Other appropriate examples can be credited. To access [k] – must indicate who the point refers to e.g. reduce workload of manager. Communication barriers is [app] only. Do not award: Benefits to employees e.g. feel trusted.

Question	Answer	Marks	Notes
3(d)	**Explain <u>two</u> possible reasons why being ethical is important to PCY.** Award 1 mark for identification of each relevant reason (max 2). Award 1 mark for each relevant reference to this business (max 2). Award 1 mark for each relevant explanation (max 2). Points might include: • Increased/retain sales / demand / customers [k] from farms / factories [app] leading to higher revenue [an] • Build / better reputation / brand image [k] leading to better customer loyalty / sales / competitive advantage [an] for its insurance [app] • Help attract / motivate / retain employees [k] improving efficiency / better quality of service / less labour turnover [an] from its 500 employees [an] • Investors may be more likely / willing to invest [k] increasing the amount of capital / funds [an] Other appropriate responses should also be credited.	**6**	To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made. The following words are likely to be appropriate for this question: • 4 offices • 500 employees • Insurance (services) • Business customers / farms / factories • Leadership style • Communication barriers • Span of control • Delegation Other appropriate examples can be credited. Some points can be [k] or [an] but only once e.g. customer loyalty Do not award: Comply with laws/less risk of legal as being ethical is different to legal. Examples of being unethical Ways to be ethical.

Question	Answer	Marks	Notes
3(e)	**Do you think lack of feedback is the main barrier to effective communication in a business? Justify your answer.** Award up to 2 marks for identification of relevant points. Award up to 2 marks for relevant development of points. Award up to 2 marks for justified decision as to whether the lack of feedback is the main barrier to effective communication in a business. Points might include: Lack of feedback: • Do not know whether message has been understood [k] which could lead to errors / wrong actions taken [an] • Do not know whether recipient has received [k] which can lead to delays [an] Other barriers could include: • Technical problems e.g. no signal/equipment breakdown [k] so message cannot be sent / received [an] • Too much information sent in message [k] which can lead to mistakes / slow down decision-making [an] • Jargon used / language [k] so receiver cannot understand [an] • Noise / distractions [k] so not able to hear the message [an] • (Wrong) communication method used [k] so people are unable to access / read message [an] • Message has to pass through too many levels / employees [k] so message gets distorted / lost [an] • Send wrong message / send message to the wrong person [k] so the actual message is never sent / received [an] • Problems with receiver or examples e.g. receiver may not listen [k]	**6**	This is a general question so there are no marks for application. For evaluation to be awarded justification will usually follow on from relevant analysis of points. Knowledge can be awarded for: Problems caused by lack of feedback e.g. mistakes, lower efficiency Identify other communication barriers. Analysis is for: Development / impact of barrier on the business. Points can be written as either advantages / disadvantages of different barrier but only award once e.g. not understood. Some points can be [k] or [an] but only award once e.g. Understood, mistakes Lower quality is [an] only. Do not award: Reasons why communicate. General issues of poor communication e.g. not know what to do / what doing. Focus on why feedback is important or problems of giving feedback e.g. demotivated.

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Question	Answer	Marks	Notes
3(e)	Other appropriate responses should also be credited. Justification might include: Without feedback it is difficult to know whether the message has been understood [k] which could lead to the wrong actions being taken [an]. There may be no internet signal [k] so the message cannot be sent [an]. Overall, the lack of feedback is the most important barrier because they are more likely to know whether a technical problem has happened, whereas with a lack of feedback they may not know until an error is made [eval] damaging the business's reputation. [eval]		

Question	Answer	Marks	Notes
4(a)	**Identify <u>two</u> ways a government might support business start-ups.** Award 1 mark per way (max 2). Points might include: • Offer financial support or examples such as grants / (low-cost) loans • Provide training • Provide information / advice / support/mentors • Provide low-cost / rent-free property / location • Offer lower tax rates / tax breaks / tax relief • Encourage universities to make research facilities available • Organise business fairs. Other appropriate responses should also be credited.	**2**	Only award the first two responses given. Do not award: Vague answers such as cover costs, provide cash / money / invest / sponsor / incentives

Question	Answer	Marks	Notes
4(b)	**Identify <u>two</u> ways a market can be segmented.** Award 1 mark per way (max 2). Points might include: • Age • Gender • Socio-economic group / social status / class • Location / region / geographic • Interests / lifestyle • Family characteristics • Education • Occupation • Use of product • Ethnic group Other appropriate responses should also be credited.	**2**	Only award the first two responses given. Can award: • Demographic if age / gender / socio-economic group / social status/ethnic group not awarded • Psychographic if lifestyle, personality or attitudes not awarded.

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Question	Answer	Marks	Notes
4(c)	**Outline <u>two</u> characteristics Meena will need to become a successful entrepreneur.** Award 1 mark for each relevant characteristic (max 2). Award 1 mark for each relevant reference to this business (max 2). Points might include: • Risk-taking [k] as leaving her job [app] • Self-motivated / determination / resilience / perseverance [k] for her start-up [app] • Hard-working [k] especially if she decides to be a sole trader [app] • Creative [k] as products will be handmade [app] • Effective communicator [k] as may need to discuss matter with partner [app] • Self-confident [k] • Optimistic/positive [k] • Independent [k] • Innovator [k] Other appropriate responses should also be credited.	**4**	To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made. The following words are likely to be appropriate for this question: • Handmade • Jewellery • Leaving her job /teacher • Start-up/new business • Brother • Sole trader • Partner • Government support • Market research • Market segment Other appropriate examples can be credited.

Question	Answer	Marks	Notes
4(d)	**Explain <u>one</u> advantage and <u>one</u> disadvantage to Meena of operating as a sole trader rather than being in a partnership.** Award 1 mark for identification of each relevant advantage/disadvantage (max 2). Award 1 mark for each relevant reference to this business (max 2). Award 1 mark for each relevant explanation (max 2). Points might include: Advantages: • Keep all the profit [k] from the new business [app] so she has an incentive to work harder / so she can decide how to invest it [an] • Can make all/quick decision-making [k] even if it's her brother [app] so may be more responsive to changes in demand [an] • Complete control / own boss [k] less chance for disagreement / no need to consult anyone before making decisions [an] • Has freedom to choose own holidays/work hours [k] to gain a better work/life balance [an] Disadvantages: • No one to share workload/responsibility/control with [k] so less time to specialise on certain activities [an] such as making jewellery [app] • Access to less finance / partner may provide extra finance [k] so as need to borrow more/less money [an] or may need more government support [app] • Fewer ideas/ less knowledge/experience [k] so less able to compete [an] • No one to share any risks / potential loss / costs with [k] Other appropriate responses should also be credited.	**6**	To use words from the stem as application, the reference must be appropriate (i.e. make sense) in relation to the point being made. The following words are likely to be appropriate for this question: • Handmade • Jewellery • Leaving her job /teacher • Entrepreneur • Government support • Market research • Market segment • Brother • Business start-up / new business Other appropriate examples can be credited. • Conflict/disagreements is [an] only. Do not award: • Features of unincorporated businesses such as unlimited liability, no continuity.

Question	Answer	Marks	Notes
4(e)	**Do you think accessing government sources, such as statistics, is the best method of market research for a start-up business to use? Justify your answer.** Award up to 2 marks for identification of relevant points. Award up to 2 marks for relevant development of points. Award up to 2 marks for justified decision as to whether accessing government sources, such as statistics, is the best method of market research for a start-up business to use. Points might include: Government sources: • Free/cheap to collect [k] which can help keep fixed cost low [an] • Readily available [k] so can make decisions more quickly [an] • Provides data on a range of topics/shows trends across whole country/market [k] so can make more informed decisions [an] • May be out-of-date [k] so information may not be relevant to what the business needs to know now [an] • Data may not be relevant /not specific to the business [k] leading to wrong decisions [an] Other methods might include: • Reports from market research agencies [k] but will have to pay for information [an] • Questionnaires/surveys [k] as large amounts of information can be collected [an] • Focus groups [k] as can provide highly detailed responses [an] • Interviews [k] but time consuming to carry out [an] • Online survey [k] • Observation [k] Other appropriate responses should also be credited.	**6**	This is a general question so there are no marks for application. For evaluation to be awarded justification will usually follow on from relevant analysis of points. Some points can be written as either advantage/disadvantage of different methods but only award once. • For other methods, must identify it, and not simply describe it. • Out of date ONLY valid for govt. sources. Do not award: • General comparisons between primary and secondary market research e.g. up-to-date • Reasons for carrying out market research e.g. find out demand/customer needs and wants. • Vague references to more/less accurate.

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Question	Answer	Marks	Notes
4(e)	Justification might include: Government statistics are cheap to collect [k] which can help keep fixed cost low [an]. Another option is questionnaires [k] which would allow the business to collect large amounts of information [an]. However, government statistics are better because a new business may not be able to afford the cost of having the questionnaire designed properly [eval] so it may be better to use government statistics are likely to be accurate enough so can still prove helpful [eval].		

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