Cambridge Assessment International Education

Cambridge O Level

COMMERCE **7100/22**

Paper 2 Written **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.

Cambridge International is publishing the mark schemes for the May/June 2023 series for most Cambridge IGCSE, Cambridge International A and AS Level and Cambridge Pre-U 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.

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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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Question	Answer	Mark	Guidance
1(a)(i)	**Define *mobile retailing.*** • Buying/selling goods (1) using a smartphone/mobile phone/computer/website/internet/ecommerce/tablet/app/electronic device/devices (1)	**2**	
1(a)(ii)	**Calculate the increase in the share of mobile retailing sales from 2017 to 2021.** Correct answer = 19.4%	**1**	1 mark for the correct answer
1(b)	**Explain <u>two</u> methods of payment which customers use for online purchases.** • Credit card (1) buy goods now but postpone payment until later/can pay amount up to credit card limit/enters credit card details/can pay using phone/internet banking (1) • Debit card (1) pay for goods with money direct from current account/enter debit card details/immediate payment/instantly from bank account/need to have sufficient funds in account to make payment (1) • Cash on delivery (1) payment for goods when they arrive (1) • Wire/electronic transfer/bank transfer/credit transfer/virtual cards (1) computerised/direct transfer of funds/paying by phone/from one bank account to another bank account (1) • Mobile/digital wallet/mobile banking (1) using payment details of credit or debit card or payment by app (1) • Internet/online banking (1) payment by credit or debit card or payment apps or e.g. such as PayPal (1) • Direct debit (1) give creditor permission to take money from account (1)	**4**	1 mark for each method and 1 mark for each explanation × 2
1(c)	**Circle the correct answer to complete each of the following sentences.** As online sales increase, distribution costs **increase**. Consumers are more likely to be attracted to a website by **free returns.**	**2**	1 mark for each circled answer

Question	Answer	Mark	Guidance
1(d)	**Discuss the importance of warehouses to online retailers. Give reasons for your answer.** Ecommerce warehousing is the process of storing goods before they are sold online. Online retailers sell goods using the internet and require more logistics space than traditional retailers. • Goods are stored – to meet demand/waiting for delivery/transport • Protection/safety – from damage/theft/weather • To help in stockpiling – act as a reservoir ahead of demand • Enables goods to be bought in bulk – at lower prices/needs large space • Place for processing to be carried out – e.g. packaging/branding/labelling – will help with transporting/advertising • To even out supply – so prices are kept stable • Online sales have increased – global demand • To meet unexpected demand – for example, 3D printers – so consumers are not disappointed • Warehouses can be expensive for online retailers – adds to their costs/lower profit margin **Evaluation:** To an online retailer, warehousing is a critical piece of the supply chain. A good e-commerce warehouse can keep their customers happy. Online customers expect to receive their orders delivered to them quickly. This can increase customer loyalty, and makes the online retailer more attractive to potential buyers. Overall, whether a large distribution centre or a small urban warehouse, the warehouse is very important to be able to cope with the demand volatility imposed by online orders, such as the need to deal efficiently with speedy shipping and the increasing number of online returns.	**6**	Up to 2 marks for **describing** warehouses/online retailers Up to a further 2 marks for **analysing** the importance of warehouses to online retailers Up to a final 2 marks for **evaluating** the importance of warehouses to online retailers Note: This question is concerned with warehousing and not comparing online retailers with physical stores

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Question	Answer	Mark	Guidance
2(a)	**Suggest <u>two</u> reasons Adam and Bella had for starting a business as a partnership.** • They will have increased capital/lack capital/share capital/finance • They can share the workload/duties/responsibilities/share skills/lack skills • Cover for each other during holidays/illness • Can share bills/losses/risks • Easy to set up/no legal formalities • Can consult each other/help in making decisions • More ideas	**2**	1 mark for each correct reason
2(b)(i)	**State <u>one</u> item of information usually included in a deed of partnership.** • Name of partnership/partners • Objectives of partnership • Nature of the business • Duties/role of each partner/rules and regulations • Capital contribution of each partner • Amount of salary to be paid to each partner • Duration of partnership • Conditions for ending the partnership • Witnesses • Signatures • Date • Share of profits/losses • Interest on drawings/interest on capital	**1**	

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Question	Answer	Mark	Guidance
2(b)(ii)	**Explain <u>one</u> reason why it is important for Adam and Bella to draw up a deed of partnership.** • Acts as proof/evidence/written record (1) it is legally binding on the partners (1) as they both signed it (1) can be used in court (1) as a legal document (1) to prevent fraud (1) • Prevents misunderstanding/confusion (1) stops conflict/future disputes/arguments (1) able to verify what is in the deed (1) e.g. over share of profits/their duties/business activities (1) as partners must act according to the deed of partnership conditions/what is in the deed (1)	**3**	1 mark for the reason plus up to 2 marks for relevant linked explanation
2(c)	**Do you think it is a good idea for Adam and Bella to specialise their roles within the partnership? Give reasons for your answer.** Yes – Allows them to concentrate on the jobs they are best at (1) increasing their expertise/skills (1) more productive (1) increased output (1) greater economies of scale (1) increasing their efficiency (1) fewer mistakes (1) minimised waste/resources (1) reducing costs (1) save time (1) e.g. delivery times reduced (1) improved quality of food (1) leading to more satisfied customers (1) increased brand image/brand loyalty (1) improved delivery service (1) attracts more customers/increases sales (1) No – Boredom of doing one task (1) could result in less job satisfaction (1) less input by partners (1) may lead to lower quality of standard of meals/delivery service (1) does not allow partners to cover for each other (1) could lead to reduced quality (1)	**3**	Up to 3 marks for justified reasoning of no and/or yes responses.
2(d)	**Each box of ready meals costs $15 and there will be a mark-up of 40%.** **Calculate the selling price of each box of ready meals. Show your working.** Price: $21 (3) Method: $15 × 40/100 = 6 (1) $15 + $6 (1)	**3**	Allow OFR on correct method.

<table>
<tr><th>Question</th><th>Answer</th><th>Mark</th><th>Guidance</th></tr>
<tr><td>2(e)</td><td>Discuss whether Adam and Bella should use local newspapers or the sides of their van to advertise. Which would you recommend? Give reasons for your answer.

Local newspapers serve part of a country.
Adverts can be seen on the side or back of transport vehicles with artwork and branding.

Local newspapers:
Can provide detailed information – e.g. prices of meals, pictures of menus
Has a potential wide circulation/target audience – all the people in Adam and Bella’s area
Relatively cheap – compared to other advertising media
Does not have sound or vision or good colour reproduction – meals might not look very inspiring to eat
Adverts may not be noticed – especially if it a small advert
Less people are reading newspapers – more people reading online

Van:
Can easily be seen by everybody – easily visible
Can be eye-catching – large advertising images or colours that standout and attract the attention of other road users
Cost effective to do advertisement – cheaper than newspaper advertising which must be paid by each word and size, whereas when Bella is driving the van, she will be advertising automatically, without any additional cost
Can provide area coverage – will not be advertising in one place as Bella may deliver outside her immediate area</td><td>8</td><td>
<table>
<tr><th>Level</th><th>Mark</th><th>Description</th></tr>
<tr><td>3</td><td>7–8</td><td>The candidate is able to offer a thorough evaluation, with recommendation, of whether Adam and Bella should be using local newspapers or the sides of their van to advertise their new business</td></tr>
<tr><td>2</td><td>5–6</td><td>Candidate offers a satisfactory analysis of the advantages and/or disadvantages of using local newspapers and/or the sides of their van to advertise their new business without recommendation</td></tr>
</table>
</td></tr>
</table>

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<table>
<tr><th>Question</th><th>Answer</th><th>Mark</th><th>Guidance</th></tr>
<tr><td>2(e)</td><td>Longevity – Unlike other types of advertising, such as newspaper advertising, if the ads campaign finishes, then they will not be shown again whereas van advertising will still be able to do advertising at all times
When a van meals delivery service is parked along a quiet road – the advertising could be seen by less people
If there are changes in the product logo or image – it will cost Adam and Bella to replace the advert

Evaluation:
Much will depend on Adam and Bella’s advertising and whether they own the van to advertise on it. Both local newspapers and van advertising will have good local coverage and be relatively cost effective. As a new business, it is recommended that Adam and Bella use both forms of advertising media in order to develop their brand name in the local area.</td><td></td><td>
<table>
<tr><td>1</td><td>1–4</td><td>Candidate demonstrates some knowledge and understanding, with application to Adam and Bella of using local newspapers or the sides of their van to advertise their new business</td></tr>
<tr><td>0</td><td>0</td><td>No creditable response</td></tr>
</table>
Note: Maximum of 6 marks if only one option discussed
</td></tr>
</table>

Question	Answer	Mark	Guidance
3(a)	**Complete (i) and (ii) in Fig. 3.1.** • **(i)** $12 (1) • **(ii)** $688 (1)	**2**	
3(b)	**Explain how Kelvin will be affected if he does not pay the minimum payment on time.** • Kelvin's account will go into arrears (1) charges/interest will be added for each missed payment (1) increasing the debt owed/amount to pay (1) if Kelvin refuses to pay, the account will be defaulted on (1) store card will be cancelled (1) or reduce the credit limit (1) he will be stopped from using the card/not able to purchase (1) and the store may take Kelvin to court (1) may have to pay a fine (1) the court may employ a debt collection company to collect debt (1) and Kelvin will have a poor credit record (1)	**2**	Up to 2 marks for relevant linked explanation
3(c)	**Is the postal service the best method for Kelvin to receive store card statements from VB Games?** **Give reasons for your answer.** Yes – Can be kept for reference (1) shows written record of transactions (1) if there is a dispute (1) can be used to show proof of address (1) is delivered to your door (1) no need to collect from post office (1) which can be time-consuming (1) cheaper than needing transport to pick statement up/no transport costs involved (1) if sent by registered post/recorded delivery/poste restante (1) it is more secure (1) can be tracked (1) reducing chances of statements being lost/stolen (1) express mail/express delivery (1) will proved a fast/quick service (1) No – better to send them online/email (1) can be seen immediately/faster (1) has proof of sending it (1) post is slow (1) as there are often delays in the post (1) can be lost/stolen/damaged in the post (1) wrongly delivered (1) after the minimum payment is due (1) which can lead to Kelvin paying more/interest (1) there is no tracking (1) Kelvin may forget to check mailbox (1) and also cuts down on the environmental impact (1) of printing millions of sheets of paper every month (1) no need for Kelvin to file paperwork (1)	**3**	Up to 3 marks for justified reasoning of no and/or yes responses. Note: 0 marks for post being fast or safe or tracked unless qualified with a named postal service

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<table>
<tr><th>Question</th><th>Answer</th><th>Mark</th><th>Guidance</th></tr>
<tr><td>3(d)</td><td>Kelvin wants to buy an expensive guitar. He can use a loan or an overdraft to pay for the guitar. Discuss both options.
Which would you recommend? Give reasons for your answer.

A loan is a fixed amount of borrowing from a bank over a set term with regular repayments.
An overdraft allows you to borrow money as and when you need it up to a limit agreed between you and the bank.

Loan:
Would usually be repaid by monthly instalments over a set period of time, with a fixed rate of interest – this will make it easier for Kelvin to budget

He will be able to decide how long he would take to repay the loan – if he chose say, five years, the guitar might have increased in value so interest repayments are covered
It is a medium/long-term source of finance usually for a large amount – so Kelvin will be able to borrow enough money for an expensive guitar

He would be able to borrow more than he currently has with a store card – so could buy a more expensive guitar than the $700 credit that he has on his store card

There is fixed interest to be paid – this will end up costing Kelvin more money than if he had saved up and paid cash for the guitar

If Kelvin misses loan repayments, he could face additional charges or legal action – this could affect his credit history and his ability to obtain finance in the future</td><td>8</td><td>
<table>
<tr><th>Level</th><th>Mark</th><th>Description</th></tr>
<tr><td>3</td><td>7–8</td><td>The candidate is able to offer a thorough evaluation, with recommendation, of whether Kelvin should be using a loan or an overdraft to pay for the guitar</td></tr>
<tr><td>2</td><td>5–6</td><td>Candidate offers a satisfactory analysis of the advantages and/or disadvantages of using a loan and/or overdraft to pay for the guitar without recommendation</td></tr>
<tr><td>1</td><td>1–4</td><td>Candidate demonstrates some knowledge and understanding, with application to Kelvin of using a loan or an overdraft to pay for the guitar</td></tr>
</table>
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Question	Answer	Mark	Guidance
3(d)	**Overdraft:** An overdraft is flexible – would enable Kelvin to spend more than he has in the bank, up to an agreed limit. They are quick to arrange – Kelvin can start using the guitar straight away Interest is charged on the amount overdrawn – this will usually be higher than a loan, costing Kelvin more money Kelvin will usually only be able to get an overdraft from the bank where he holds a current account – so this makes it difficult for him to shop around for the best rates. **Evaluation:** Kelvin will need to look at his current financial situation and his ability to repay the loan. He will have to think carefully about his payment timeline, his payment amounts, and how that relates to his expected income throughout the loan. We are not told how much the guitar costs, but as it is expensive and therefore costing a large amount of money, then loan is the recommended option. Despite loan being the better option, there are alternative options that she might consider instead. For example, a 0% interest rate on a credit card where he can borrow up to the credit limit and pay no interest.		0 | 0 | No creditable response Note: Maximum of 6 marks if only one option discussed

Question	Answer	Mark	Guidance
4(a)	**Define *exports.*** Goods or services or products sold/in exchange for money (1) to other countries/abroad/internationally/outside the country (1)	**2**	
4(b)	**Do you think exporting recycled laptops is a good commercial opportunity for Freya?** **Give reasons for your answer.** Yes – Reach a larger market (1) with many potential customers (1) Freya should be able to purchase the laptops at a good/cheap price (1) especially if bought in bulk (1) consumers will be attracted if she sells cheaply (1) increasing demand (1) increased revenue/increased sales (1) especially if no competition (1) if she sells at a high price/mark-up (1) enable her to have a profit/healthy profit margin (1) consumers prefer to buy recycled goods (1) to help the environment/be sustainable/ethical (1) so there will be less pollution (1) less landfill (1) reducing greenhouse gases (1) No – there will be many costs involved (1) the costs of sourcing and buying laptops (1) the warehouse rented space to keep the laptops (1) need to pay staff to clean/polish the laptops (1) then the transport costs of exporting (1) could leave Freya with not much return on her investment (1) Many risks involved in exporting (1) e.g. transport difficulties/non-payment (1) The recycled laptops may be prone to breakages/not work well/seen as lower quality (1) affect her reputation (1) may not be able to sell/less demand/lose sales (1)	**3**	Up to 3 marks for justified reasoning of no and/or yes responses.

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Question	Answer	Mark	Guidance
4(c)	**Explain <u>two</u> ways that customs authorities can affect Freya's trade.** • The laptops can be inspected by the customs authorities (1) to see if there any illegal material in her consignment (1) • Customs duties/tariffs/taxes have to be paid to the customs authority (1) increasing Freya's costs (1) • Could charge a low/high duty rate (1) with Freya less or more duties (1) • Freya will have to prepare necessary paperwork (1) e.g. bill of lading/export licence (1) this may slow down trade (1) • Customs authorities will check the number/amount of laptops being imported (1) making sure that that it is within quota limits (1) if not, Freya will not be able to export (1) • Customs authorities may impose embargo (1) banning entry of goods (1) • Customs authorities may advise Freya of export risks (1) which may affect whether she decides to export or not (1) • Check export license (1) to see if the laptops are approved into a country (1) • May impose trade restrictions/trade barriers (1) limiting Freya's ability to export (1)	**4**	1 mark for each way and 1 mark for each linked explanation × 2

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Question	Answer	Mark	Guidance
4(d)	**Discuss how important insurance will be for Freya if she exports laptops. Give reasons for your answer.** Insurance is a way of spreading risk among a large number of people who contribute to a common pool or fund. Insurance risks for exporters include loss of or damage to goods in transit, non-payment for your goods or services, the cost of returning to your premises any goods that a buyer abroad refuses to accept, political or economic instability in the buyer's country, a new customer's credit worthiness and currency fluctuations • Exporters, such as Freya, may suffer financial loss - if her laptops are damaged or stolen during transportation from the port of dispatch to the point of destination • Freya's laptops are in danger of being lost/damaged at sea, insurance reduces this risk as it can be covered by marine insurance • To protect from loss, Freya may have to take an insurance policy to protect her from physical damage to the goods – here is the importance of marine Insurance, if she ships her laptops by sea she will be compensated if her goods are damaged or stolen • Banks will also insist for insurance coverage to protect their financial interests • Insurance is required even on commercial considerations as once goods are damaged, importer may not accept the bill of exchange and not make payment. This will result in Freya losing money and also any profits she thought she would gain **Evaluation:** As a new exporter, Freya needs to be aware of the greater difficulties she faces compared to selling in her own country. Recycled laptops can be easily damaged or stolen. One might say that as they are recycled, they are not worth much compared to a new laptop. However, if she wants to survive with this new business venture, it is essential that she takes out appropriate export insurance to cover any losses. It will give her confidence to export the laptops.	**6**	Up to 2 marks for **describing** insurance/insurance risks faced by exporters Up to a further 2 marks for **analysing** the importance to insurance to exporters Up to a final 2 marks for **evaluating** the importance of insurance to exporters

Question	Answer	Mark	Guidance
5(a)	**Explain what is meant by a factory.** A building (1) where raw materials (1) are assembled (1) finished goods/goods are made/produced (1) in secondary production (1) using machines (1)	**2**	
5(b)	**State <u>two</u> services provided by freight forwarders.** • Arrange transport/delivery/moving goods • Prepare/carry/complete documentation • Arrange Insurance • Customs clearance • Unloading of goods • Arrange payment of freight • Inventory management • Packaging/labelling • Warehousing • Security of goods • Logistics/planning the best routes/tracking of goods • Negotiate contracts	**2**	1 mark for each correct service
5(c)	**Explain <u>one</u> reason why shipping companies often use more than one freight forwarder.** • The car factory will require many different/large number of components/parts (1) coming from different places/across the world (1) difficult for one freight forwarder to do all this/may only carry a limited amount (1) • Some freight forwarders will be specialist in certain services (1) providing a better service than others (1) • In case of any disruption/delay/accident in the supply chain (1) the shipping company can continue its work (1) • If one freight forwarder is not available (1) they can use another freight forwarder (1)	**2**	Up to 2 marks for relevant linked explanation

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<table>
<tr><th>Question</th><th>Answer</th><th>Mark</th><th>Guidance</th></tr>
<tr><td>5(d)</td><td>Which of these statements about transport documents are true and which are false?

Tick (✓) true or false in the correct column.

TRUE OR FALSE

<table>
<tr><td>A bill of lading is a receipt for goods shipped.</td><td>✓</td><td></td></tr>
<tr><td>An air waybill is a document of title.</td><td></td><td>✓</td></tr>
<tr><td>A consignment note is a delivery note used by freight forwarders.</td><td>✓</td><td></td></tr>
</table>
</td><td>3</td><td>1 mark for each correct answer</td></tr>
</table>

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Question	Answer	Mark	Guidance
5 (e)	**Evaluate the importance to manufacturers of selling through wholesalers. Give reasons for your answer.** Wholesalers buy goods from manufacturers and then sell them to retailers so a wholesaler acts as distributor in the chain of distribution and may have specialised knowledge about the products in the market, so make it easier and simpler for the manufacturer to sell. Why wholesalers are important to manufacturers: • Aware of the trends in the market, passing on this information to the manufacturer who then knows what is selling well • Carry out marketing activities, helping to promote the goods to retailers which helps to increase manufacturer sales • Store goods in their own warehouses, so reducing inventory costs and freeing up space for manufacturers to store raw materials rather than finished goods/saving manufacturer costs of providing a warehouse • Risk-bearing function – by buying and storing the goods the wholesaler reduces the risks of theft and spoilage to manufacturers • Can provide deliveries to customers which saves manufacturer costs/no need for manufacturers to deal with individual retailers • Buy in bulk which helps manufacturers clear production lines • May break bulk/brand/package so the manufacturer concentrates just on production. **Evaluation:** These functions make wholesalers very important to some manufacturers as they save on the cost of goods and increase sales, while saving time for manufacturers who want to focus on production. However, some wholesaler functions are performed by manufacturers who sell their goods direct to customers, so wholesalers are very important to some manufacturers but not as important to others.	**6**	Up to 2 marks for **describing** wholesaler functions to manufacturers Up to a further 2 marks for **analysing** the importance of wholesalers to manufacturers Up to a final 2 marks for **evaluating** the importance of wholesalers to manufacturers

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