CAMBRIDGE INTERNATIONAL EXAMINATIONS

GCE Ordinary Level

MARK SCHEME for the October/November 2012 series

7100 COMMERCE

7100/22 Paper 2 (Written), maximum raw mark 80

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 will not enter into discussions about these mark schemes.

Cambridge is publishing the mark schemes for the October/November 2012 series for most IGCSE, GCE Advanced Level and Advanced Subsidiary Level components and some Ordinary Level components.

CAMBRIDGE
International Examinations

1 (a) Any two benefits explained x 2 marks or any four points x 1 mark each:

- enables each person to concentrate on a particular job
- and be an expert in what they are doing as they become more skilled
- may increase their output (e.g. Imran) leading to mass production
- and be more efficient and produce better quality goods/services
- enables greater use of machinery/technology
- enables some of them to take advantage of economies of scale
- may become known for a particular task e.g. nursing services
- may achieve comparative advantage
- less time wasted
- specially trained leading to higher income/sales/profits.

Any other relevant point. [4]

NB candidates may write about individuals rather than generally.

(b) One mark for each section:

(i) C/Ray

(ii) B/Imran or D/Simone. [2]

(c) One mark for each section:

(i) A/Martha or E/Richard

(ii) F/Lucy. [2]

(d) Any three points x 1 mark each and up to two marks for any well explained point which may include examples:

- direct services are services given directly/personally to the people who receive them
- these services directly assist the people who receive them
- e.g. an architect may design a factory for a manufacturer
- commercial services are services that assist trade/distribution to function
- e.g. banking, advertising, transport (any one example)
- and without which production would find it difficult to take place.

Any other relevant point. [3]

© Cambridge International Examinations 2012

(e) Any three ways x 1 mark each:
(Definition of trade = 1 mark max.)

- Ray will need to sell his coal to various industries/wholesalers/retailers
- he will need to buy materials and machinery for his coal mine to function
- he will trade in order to make a profit
- he may export coal
- he may sell his coal mine.

Any other relevant point. [3]

(f) Level 2 (4–6 marks) [6]

Has discussed whether or not Imran is concerned with Commerce, mentioning trade and some of the aids to trade and has given an opinion.

(If only trade or aids to trade is discussed award 4 marks max.)

Imran is a manufacturer of rugs. He may employ people, he may work on his own. Commerce may be defined as trade and aids to trade. In order to make a living Imran will need to trade. He will need to sell his rugs for profit and he will have to buy some of the materials for his rug making. In order to trade, he will have to store his completed rugs before they are sold.

He may sell to retailers who visit him or directly to consumers. He may need to advertise his rugs for sale. The money he receives will be deposited in a bank for safekeeping and, if he requires finance, he will apply to the bank. He may need to communicate with his suppliers or buyers and he may insure his premises against the risks of fire and theft. If he works on his own, he may not need transport but his buyers will need transport in order to move the rugs to where they are to be used or sold. For these reasons, it is obvious that Imran is heavily involved in Commerce and without commercial services his business would not survive.

Level 1 (1–3 marks)

Has commented on Imran and any links with Commerce with/without an opinion.

Imran makes rugs. He will need to sell them. Any money he makes he may put into a bank. He will need to advertise his rugs for sale. He may need to buy some things to make his rugs.

NB Candidates may talk about Imran as the owner of the business or as an employee. A candidate who argues that Imran is not involved in commerce because his main job is manufacturing should receive some credit. He will still have to trade in order to make a living.

© Cambridge International Examinations 2012

2 (a) Any two functions explained x 2 marks each:

- to provide consumers with conveniently-sited shops such in a town centre
- to provide goods/services to consumers in the quantities they require
- to provide a variety of goods/services so that consumers have choice and do not go elsewhere
- to provide after-sales service e.g. delivery
- to provide advice/information about the goods/services sold e.g. technical advice on computers
- to display goods in order to attract consumers
- to add value to goods such as repacking, assembling goods
- to buy from manufacturers/suppliers/wholesalers and break bulk
- to offer credit/informal credit in order to give competitive edge
- to deal with complaints + example.

Any other relevant function. [4]

(b) (i) Any two advantages x 1 mark each:

- all the jewellery shops are grouped together
- the area is known for this kind of shop
- so consumers wanting jewellery may go there/be attracted to that area
- the right size of shop may be available there
- people within the CBD have sufficient income to buy there
- likely to attract tourists
- greater footfall.

Any other relevant advantage. [2]

(ii) Any two advantages x 1 mark each:

- new area so buildings will be new
- as it is new, it is likely to attract consumers
- consumers visiting other kinds of shops may see the jewellery shop
- may have the benefit of security facilities for the shopping centre
- may have the benefit of advertising of the shopping centre
- has the advantage of large car parking space
- likely to attract tourists
- may be less competition
- allow cheaper rental.

Any other relevant advantage. [2]

© Cambridge International Examinations 2012

(c) (i) Any two points x 1 mark each or one well explained point x 2 marks:

- the number of times (each year) the average stock held is sold (2)
- formula $\frac{\text{cost of goods sold}}{\text{average stock (at cost)}}$
- these businesses sell their average stock held twice a year (2)
- rate of turnover measures how quickly stock is sold
- stock is sold twice during the year
- this rate of turnover is unsatisfactory.

Any other relevant point. [2]

(ii) Any two points explained x 2 marks or four points x 1 mark each:

- try to sell off slow-moving lines by advertising more/selling at a lower price
- look carefully at what is purchased – try to buy only those items that are likely to sell
- hold a special event/promotion that is well advertised
- look at new ways of selling e.g. selling online/create a website
- offer a variety of ways of paying for the jewellery e.g. accepting credit cards
- providing good after-sales service e.g. warranties, repair service
- improve window display
- offer better technical/personal service
- offer other services e.g. setting jewellery
- motivating staff to give a better service.

Any other relevant way of improving the rate of turnover. [4]

Comment on advertising 2 marks max.

(d) Level 2 (4–6 marks)

Has discussed both owning and leasing a shop and has given a reasoned opinion.

(If a candidate has discussed either owning or leasing a shop, award 4 marks max.)

Ali owns the shop he is using. This may have cost him a lot of money and he may still be paying a mortgage or loan for it. He does, however, have an asset which he may be able to sell if he decides to give up the business. Also if the business were to fold, he might be able to sell the premises and with the money raised, pay his debts and have some money left over. Ali will be responsible for his own repairs and maintenance but he can use the premises as he wishes.

Sim leases her shop and so does not own the premises. She has to pay rent for the shop and this rent may be much higher than any repayments might be. It is probable, however, that she would not have been able to buy the premises in the shopping centre as the owner of the shopping centre does not sell shop premises but only offers them for lease. By leasing the shop, Sim is not tied to a particular place for long for her shop. If she is not successful in the shopping centre, she could not renew the lease and move her business somewhere else. She has not had to make one large payment and so this helps to spread risk and also help her cash flow.

On balance it may be better to own a shop rather than lease one. Ownership gives the shop owner an asset that can be sold.

© Cambridge International Examinations 2012

Level 1 (1–3 marks)

Has commented on owning or leasing a shop with/without an opinion.

It may be better to lease the shop premises. You do not know if your shop will be successful. You may not be able to sell the shop if you need to. You only have to pay rent. This may cost quite a lot. [6]

NB Beware of some candidates writing about a franchise instead of a lease.

3 (a) Any three difficulties x 1 mark each:

- finding a market/buyers
- language problems
- conforming to different laws/customs/standards
- distances
- risk of non-payment by importer
- transport problems
- producing in the quantities required
- increased risk of damage/theft
- paying duties
- different currencies
- problems with exchange rates
- lack of experience.

Any other relevant difficulty. [3]

(b) Level 2 (4–6 marks)

Has discussed the advantages and/or disadvantages of moving toys abroad in containers and has shown to what extent the use of containers is a good way of moving toys. (If a candidate has discussed containerisation but has not shown how good a method for moving toys containerisation is, award 4 marks max.)

The use of containers may depend upon the kind of transport used. Small containers of many different kinds are used when moving goods by air freight. Standard sized containers are used when moving goods by sea. Containers have speeded up the movement of goods because they can be packed at the factory and unpacked at the final destination and do not have to unpacked when changing from one form of transport to another. At the same time they can be cleared by customs. Containers provide storage for the toys and protect them from theft, damage and weather. Also mixed cargo can be placed on one container.

Containers are not without their disadvantages. Many containers are lost overboard from ships each year. It may difficult to obtain return loads and many container ships often travel with empty containers. It is also thought that they may assist smuggling e.g. of weapons as they are packed away from the docks.

There has been a great increase in the use of containers for moving goods – the Container Revolution and it is, obviously a very important way of moving goods economically.

© Cambridge International Examinations 2012

Level 1 (1–3 marks)

Has commented on the use of containers for moving goods abroad with/without an opinion.

Many goods are moved using containers. Containers provide protection for goods. Goods are packed at the factory. They are moved from one kind of transport to another without unpacking. Containerisation has speeded up the transport of goods. It is a good way of moving goods. [6]

(c) Any four points x 1 mark each or two well explained points x 2 marks:

- handle the logistics of moving the toys from the exporter to the importer
- organise the transport of the toys
- arrange documentation
- arrange customs clearance leading to less delays
- organise storage
- pack toys into containers
- organise the movement of containers
- arrange insurance of the toys.

Any other relevant point. [4]

(d) (i) Any three risks relating to business and international trading x 1 mark each:

- marine insurance for the cargoes
- allow export credit insurance
- allow aviation insurance
- product liability
- public liability
- premises insurance – fire
- goods in transit
- cash in transit
- employer's liability
- motor vehicle
- fidelity guarantee
- consequential loss
- credit insurance
- damage/theft/natural disaster = 1 mark only.

Ship sinking = 0 marks.
Any other relevant risk relating to business and international trading. [3]

© Cambridge International Examinations 2012

(ii) Any four points x 1 mark each:

- it is a non-insurable risk
- for which there are no statistical/past records
- on which to assess the risk
- and so set a premium
- might deliberately cause the business to fail in order to make a claim
- could be the fault of the company
- may not make a profit from a loss.

Any other relevant point. [4]

4 (a) (i) Statement/statement of account [1]

(ii) Any two points x 1 mark each:

- to show the transactions for a trading period/month (2)
- to enable the buyer to check the transactions/check for mistakes
- to request payment of the balance
- to inform the buyer of what is owed
- to keep as a record.

Any other relevant point. [2]

(iii) $775 [1]

(iv) Any two points x 1 mark each:

- Ruba Enterprises has returned goods/crates/boxes worth $10
- so the account has been credited with $10
- reducing the balance owed by $10
- correcting an overcharge
- goods may have been wrongly ordered.

Any other point. [2]

(v) Any one method of payment x 1 mark + 2 marks for description:

- credit transfer – transfer made through the bank so saving paperwork
- cheque – order to pay, for any amount, can be sent by post
- direct debit – computerised transfer, with permission of debtor, creditor requests payment.

Allow other methods of payment such as cash (but unlikely). [3]
Credit card = 0 marks.

© Cambridge International Examinations 2012

(b) (i) Any two points x 1 mark each:

- amount or percentage added to the cost price of goods
- to give the selling price of the goods
- profit margin on goods offered for sale
- profit margin added to cost price. [2]

(ii) Invoice 648 is for $150 x $\frac{20}{100}$ = $30 (1 mark)

$150 + $30 (1 mark) = $180 (1 mark)

OFR applies. If the correct answer is given without working, award full marks. [3]

(c) Level 2 (4–6 marks)

Has discussed whether or not setting up a cash and carry warehouse service is a good idea and has given a reasoned opinion.

(If a candidate has discussed only side of the argument, award 4 marks max.)

Cash and carry is self-service warehousing. The retail customers would serve themselves and be responsible for taking away their own goods. This would save AD money in the long run but it would need to spend money refitting its warehouse so that goods could be displayed to the retail customers. It would probably save on labour costs but would need check outs to take payments. If AD's customers are small-scale retailers, setting up the cash and carry warehouse might suit them as they need to buy in small quantities, use the cash and carry warehouse as their main storage and visit as often as they like. By cutting costs AD may also be able to lower prices. AD may also issue cards to other types of customer e.g. some consumers, people owning restaurants.

If, however, the wholesaler's customers are medium to large-scale retailers whose shops are at some distance from the cash and carry warehouse, it is possible that AD will lose customers who may be reliant on deliveries of large quantities of goods. It is important that AD offers a wide variety of goods, sufficient car parking, special offers as well as breaking bulk and preparing goods for sale. Then it would be advisable for AD to change its business to a cash and carry warehouse, but it could always do both.

Level 1 (1–3 marks)

Has commented on setting up a cash and carry warehouse with/without an opinion.

A cash and carry warehouse is a warehouse where no credit is given to customers. There is also no delivery of goods. It would save AD some money. It would not have to wait for its money. This would appeal to small-scale retailers. AD would be able to lower its prices. [6]

© Cambridge International Examinations 2012

5 (a) Level 2 (4–6 marks)

Has discussed whether or not Shipra should set up her business as a franchise and has given a reasoned recommendation.

(If a candidate has discussed only one side of the argument, award 4 marks max.)

Shipra may decide to take a franchise, and if there are hairdressing franchises available, she will be joining an already established business and many kinds of assistance will be provided. She will have help setting up the business, supplies of hairdressing materials will be available and she will be part of a well-known brand with plenty of support and national advertising.

She will, however, have to abide by the regulations laid down by the parent company and probably have to invest a lump sum of her own money in order to obtain the franchise. She will have to make royalty payments to the company from the income she makes. She will not be entirely her own boss and must maintain the quality of the brand otherwise the franchise might not be renewed.

If she is keen to open a well-equipped hairdressing salon in a busy shopping area, I would recommend that she takes a franchise with a franchise company. Otherwise she may have to start a business on her own as a sole trader with all the risks this might entail.

Level 1 (1–3 marks)

Has commented on setting up as a franchise with/without a recommendation.

Shipra could set up her business as a franchise. It will cost a lot. She will receive help. She might receive training. She will have the benefit of national advertising. She may succeed.

NB If a candidate considers setting up as a sole trader, give credit. [6]

(b) Any three services explained x 2 marks:

- payment services such as cheques, credit transfer, direct debit, standing order, debit card
- (If a candidate has described methods of payment award 4 marks max.)
- advice – on setting up in business
- finance such as loans and overdrafts
- (If a candidate has described forms of finance award 4 marks max.)
- bank accounts – current account and savings account (4 marks max.)
- savings services – accounts, bonds, interest
- night safe – for banking takings after hours
- bank statements – to provide a detailed record of transactions
- internet/telephone banking – instant access to bank accounts
- insurance services
- credit services such as credit card
- ATM.

Any other banking service. [6]

© Cambridge International Examinations 2012

(c) Any two points related to storage on her premises x 1 mark each:

- to keep all her hairdressing materials e.g. shampoos, lotions, colourings
- so that she has the supplies she works with close to hand
- so that she does not run out of essential supplies
- so that her supplies are protected from damage, being spoiled, theft (1 mark max.)
- so that she can continue her work without having to worry about purchasing supplies daily
- so that she can prepare her treatments
- so she is more organised in her shop
- so she can store hairdressing materials.

Any other relevant reason. [2]

(d) Two advertising media x 1 mark each and two reasons to support the choice in context x 1 mark each:

- local newspapers – cheap, targeted at her likely customers, can show special offer
- posters – cheap, colourful, may last some time, can be positioned where people are likely to see them
- local radio – likely to be listened to by possible customers, advert can be repeated, moderately priced.

any other relevant reason in context (allow negative reasoning in context)
a valid reason in context would be that there is no need to undertake much advertising as the franchise company would undertake much of the advertising.

trade fairs and television = 0 marks as not appropriate. [6]

NB if more than two media are considered without a choice being made, award no marks for the choice and up to four marks for reasons

6 (a) Any two benefits explained x 2 marks:

- limited liability for shareholders – personal assets protected
- access to large amounts of capital – anyone can invest through stock exchange
- no upper limit to number of shareholders so easier to raise capital
- continuity of existence although ownership of shares may change
- controls imposed e.g. by stock exchanges make investors more willing to invest in them
- legal entity so directors could not be sued personally.

Any other relevant benefit explained. [4]

© Cambridge International Examinations 2012

(b) (i) Any two points x 1 mark each or one circumstance described x 2 marks:

- when a discussion is needed
- when decisions need to be made quickly/immediate feedback is required
- when a particular person is required quickly/give urgent message
- when email is not available/not working
- for personal calls.

Any other relevant circumstance/example. [2]

(ii) Any two points x 1 mark each or one circumstance described x 2 marks:

- when a meeting is needed involving people in several different places
- when there is insufficient time for travelling
- when decisions need to be made involving several people in different places
- when costs of travel/accommodation need to be saved
- so that the body language of participants can be observed.

Any other relevant circumstance/example. [2]

(c) Any four points x 1 mark each that shows the differences:

- collective advertising is advertising of a particular product e.g. meat
- by all the producers acting together to promote that particular product
- persuasive advertising is advertising of a particular brand or product + example
- to persuade the consumer to buy that product rather than another product or brand.

Any other relevant point. [4]

NB 2 marks max for each type of advertising.

(d) Level 2 (3–4 marks)

Has shown the level of importance of the protection of the consumer in context and presented a reasoned argument.

(If a candidate has considered consumer protection with no context or not shown the level of importance, award 3 marks max)

The consumer is very important to Viand Associates as the consumer is the person who buys the meat and without which there would be no sales and no profits. Viand Associates needs to make sure that consumers are protected against poor quality meat, mis-description and incorrect weights, otherwise they will complain and will not buy the products. Consumer protection is, therefore, very important, otherwise consumers will buy elsewhere.

Level 1 (1–2 marks)

Has commented on the importance of the consumer and/or consumer protection in/not in context.

Viand Associates needs consumers. They buy the products. These consumers need to be protected. VA is not involved in this. Consumers should look after themselves. [4]

© Cambridge International Examinations 2012

(e) (i) Any two purposes of working capital x 1 mark each:

- definition = 0 marks
- to maintain cash flow
- to pay for daily expenses/day to day running + example (2)
- to meet unexpected payments
- to take account of seasonal fluctuations in VA's sales revenue.

Any other relevant point. [2]

(ii) Any two ways x 1 mark each:

- try not to overstock/holding too much feed
- be more efficient
- have less wastage
- reduce the time given for payments by debtors
- try to extend the time taken to pay creditors
- reduce short-term borrowing/reduce overdraft
- improve sales – more income
- sell off assets.

Any other relevant way. [2]

7 (a) One mark for each section:

(i) A = point of sale terminal/laser scanner/bar code reader/laser counter

Allow any plausible name that includes the word scanner. [1]

(ii) B = credit card machine/credit card reader/chip and pin machine/electronic funds transfer/card reader

Allow any plausible name that includes the words credit card or debit card. [1]

(b) Any four points x 1 mark each and any well explained point up to 2 marks each:

- because they give information about the product such as the manufacturer's name, brand and price
- so that they can be scanned at the checkout giving greater accuracy and the total amount owed quickly calculated so saving time for the consumer and speeding up the time taken for each individual consumer at the checkout
- so that the stock control process can be computerised as bar coded goods are scanned, the stock levels are updated and new supplies ordered
- information provided by the bar code tells the supermarket what kinds of goods are selling and which are the slower lines
- and what kinds of customers are buying what lines so that the goods do not have to be individually priced so that prices can be updated quickly saving on labour costs.

Any other relevant reason. [4]

© Cambridge International Examinations 2012

(c) (i) Any two kinds of packaging shown in Fig. 3 x 1 mark each:

- carton, can, packet, box, tin, cardboard, plastic, Tetrapak, metal container (allow bag).

Container = 0 marks. [2]

(ii) Any two points explained x 2 marks or any four points x 1 mark each:

- to make them attractive to consumers and show the brand/logo
- to enable information to be shown e.g. sell-by date
- to encourage impulse buying of attractive packages
- to group goods together e.g. biscuits
- to help to preserve goods/prolong the shelf life e.g. vegetables
- to protect goods from handling, damage
- to enable self service to take place as packaged goods can be displayed
- to reduce shop lifting
- to increase the value of the product
- for easy storage/display
- for easy identification
- so that they are easy to carry
- some packaging can be recycled.

Any other relevant reason. [4]

(d) Any two reasons explained x 2 marks each or any four points x 1 mark each:

- large variety of goods offered in one place/one stop shopping
- may be lower prices because of bulk buying and discounts
- often special offers e.g. buy two, get one free
- self service – can choose what they want to buy
- car parking – if buying in large quantities
- loyalty cards – can gain rewards
- instore bakery/butchery/fishmonger for fresher produce
- large turnover so fresher goods e.g. fruit
- air conditioning
- long opening hours
- offer credit facilities
- cafeteria.

Any other relevant reason. [4]

© Cambridge International Examinations 2012

(e) Level 2 (3–4 marks)

Has discussed the use of credit cards in supermarkets and has shown whether or not they are beneficial to the consumers who use them.

(A one sided discussion = 3 marks max)
Many consumers use credit cards when shopping in supermarkets. This enables them to postpone payment. They are simple to use and to carry and it saves carrying large amount of cash which may not be safe. If the card holder pays the debt within about a month, free credit can be obtained. By using credit cards it is possible that the shopper may impulse buy and buy more goods than was intended. If the shopper is then unable to pay off the total debt at the end of the month, interest at quite a high rate is charged. There is also the possibility of the credit card being stolen or cloned.
any supermarkets offer online shopping. The use of the credit card makes this possible for many consumers. Credit cards are an easy method of payment for many shoppers and so their use is beneficial for many shoppers.

Level 1 (1–3 marks)

Has commented on the use of credit cards when shopping.

Many consumers use credit cards when shopping. They enable the consumer to postpone payment. They allow the shopper to buy more goods than they intended. They may lead to debt and interest being charged. They should be used carefully. They may be lost. [4]

8 (a) $\frac{45}{100}$ x 50 (1 mark) = $22.5m (1 mark) [2]

OFR applies. If the correct answer is given without working, award full marks.

(b) Any two points explained x 2 marks each or any four points x 1 mark each:

- because of the distances involved
- the agent/Karim will need to communicate with buyers
- he may use email because it provides a written record
- he will need communication methods that are available 24/7 to overcome time zones
- he may use the telephone to discuss a consignment
- he may need to inform the buyer of when food may arrive – cold storage may be needed
- he may set up a teleconference to discuss with the seller and the buyer a particular consignment.

Comment may include payments/ordering/complaints/delivery.

Any other relevant point. [4]

© Cambridge International Examinations 2012

(c) Level 2 (4–6 marks)

Has discussed the use of agents or organising its own export trade by a company wishing to start exporting and has given a reasoned recommendation.

NB A one-sided argument can gain full marks.

A company wishing to start exporting might use agents as they put buyers in contact with sellers, importers in touch with exporters. The company will be saved all the difficulties and costs of setting up an export department. Using the agent removes many of the risks associated with exporting. The agent will already have contacts, well-established markets and local knowledge and so the company can concentrate on the production of goods rather than looking for buyers.

The use of the agent will mean, however, that the company will not receive the full price for the goods. The agent will be paid commission for his services. He may not be able to find a buyer for all the goods the company hopes to export and so the company will have to find a market for them.

It may be that initially the company will be well advised to use an agent but as its trade expands, it should consider exporting itself. It will be able to push its own products and produce what the buyers require. I would recommend the use of an agent to start with and then develop its expertise itself in the export trade.

Level 1 (1–3 marks)

Has commented on the use of agents and/or organising its own export trade with/without a recommendation.

Many companies use agents. It is simple and cheap. The agent finds buyers. The company need not worry about exporting and can concentrate on production. It is a good idea. [6]

(d) (i) Any two ways x 1 mark each:

- accept – use export credit insurance
- use letters of credit/documentary credits
- ask for a bank draft
- do not release the goods until the money/documents have been deposited
- accept bill of exchange
- electronic transfer/telegraphic transfer/remittances/bank transfer/international money transfer = 1 mark only.

Any other relevant way. [2]

(ii) Any two documents x 1 mark each:

- bill of lading/air waybill/indent/consular invoice/certificate of origin/export licence/ shipping note/insurance policy or certificate.

Any other relevant document. [2]

© Cambridge International Examinations 2012

(e) Any two points explained x 2 marks each or any four points x 1 mark each:

- the exporter will need specialised transport for some of the products he sells
- he may need bulk carriers to carry the raw materials
- he may use either space in a container ship or air freight to transport manufactured goods
- he may make use of a freight forwarding agent to arrange the transport for him
- he may use air transport to visit buyers and sellers in Australia and in China
- he may need transport/road transport to/from the port/airport.

Any other relevant point. [4]

NB list of transport methods only = 1 mark max.
Candidates may offer a general discussion of the use of ships/air transport that may not be in context – award up to 4 marks max.

© Cambridge International Examinations 2012