



Rewarding Learning

**General Certificate of Secondary Education
2024**

Business and Communication Systems

Unit 2: The Business Environment

[GSY21]

WEDNESDAY 19 JUNE, MORNING

**MARK
SCHEME**

General Marking Instructions

Introduction

Mark schemes are intended to ensure that the GCSE examinations are marked consistently and fairly. The mark schemes provide markers with an indication of the nature and range of candidates' responses likely to be worthy of credit. They also set out the criteria which they should apply in allocating marks to candidates' responses.

Assessment Objectives

Below are the assessment objectives for Business and Communication Systems

Candidates must:

- AO1** recall, select, and communicate their knowledge and understanding of concepts, issues and terminology;
- AO2** apply skills, knowledge and understanding in a variety of contexts and in planning and carrying out investigations and tasks; and
- AO3** analyse and evaluate products, make reasoned judgements and present appropriate conclusions.

Quality of candidate's responses

reflecting the level of maturity which may reasonably be expected of a 16-year-old which is the age at which the majority of candidates sit their GCSE examinations.

Flexibility in marking

Mark schemes are not intended to be totally prescriptive. No mark scheme can cover all the responses which candidates may produce. In the event of unanticipated answers, examiners are expected to use their professional judgement to assess the validity of answers. If an answer is particularly problematic, then examiners should seek the guidance of the Supervising Examiner.

Positive marking

Examiners are encouraged to be positive in their marking, giving appropriate credit for what candidates know, understand and can do rather than penalising candidates for errors or omissions. Examiners should make use of the whole of the available mark range for any particular question and be prepared to award full marks for a response which is as good as might reasonably be expected of a 16-year-old GCSE candidate.

Awarding zero marks

Marks should only be awarded for valid responses and no marks should be awarded for an answer which is completely incorrect or inappropriate.

Marking calculations

In marking answers involving calculations, examiners should apply the 'own figure rule' so that candidates are not penalised more than once for a computational error.

Types of mark schemes

Mark schemes for tasks or questions which require candidates to respond in extended written form are marked on the basis of levels of response which take account of the quality of written communication.

Other questions which require only short answers are marked on a point for point basis with marks awarded for each valid piece of information provided.

Levels of response

Tasks and questions requiring candidates to respond in extended writing are marked in terms of levels of response. In deciding which level of response to award, examiners should look for the 'best fit' bearing in mind that weakness in one area may be compensated for by strength in another. In deciding which mark within a particular level to award to any response, examiners are expected to use their professional judgement. The following guidance is provided to assist examiners.

- **Threshold performance:** Response which just merits inclusion in the level and should be awarded a mark at or near the bottom of the range.
- **Intermediate performance:** Response which clearly merits inclusion in the level and should be awarded a mark at or near the middle of the range.
- **High performance:** Response which fully satisfies the level description and should be awarded a mark at or near the top of the range.

Quality of written communication

Quality of written communication is taken into account in assessing candidates' responses to all tasks and questions that require them to respond in extended written form. These tasks and questions are marked on the basis of levels of response. The description for each level of response includes reference to the quality of written communication.

For conciseness, quality of written communication is distinguished within levels of response as follows:

Level 1: Quality of written communication is limited.

Level 2: Quality of written communication is satisfactory.

Level 3: Quality of written communication is good.

In interpreting these level descriptions, examiners should refer to the more detailed guidance provided below:

Level 1 (Limited): Candidate demonstrates a limited level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear some of the time. The candidate demonstrates a limited level of writing, form and style appropriate to the purpose of the question. The organisation of the work is limited.

Level 2 (Satisfactory): Candidate demonstrates a satisfactory level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The organisation of the work is satisfactory.

Level 3 (High standard): Candidate demonstrates a good level of accuracy in spelling, punctuation and grammar. The meaning of the text is always clear. The candidate demonstrates a good level of writing, form and style appropriate to the purpose of the question. The organisation of the work is good.

1 Jenny set up an online business three years ago called Strawberry Designs, selling handmade cards.

(a) What type of business ownership is Strawberry Designs?

Sole trader

(1 × [1]) (AO1) [1]

(b) A feature of this type of business ownership is unlimited liability. Explain what this means to Strawberry Designs.

Unlimited liability means that if Strawberry Designs does not have enough money in the business to pay debts, they may have to use their private funds to satisfy them. This could have serious consequences because, in extreme circumstances, Jenny's car, house and other private possessions may have to be sold to pay off the business debt.

(1 × [2]) (AO1, AO2) [2]

(c) Apart from unlimited liability, describe **one** advantage and **one** disadvantage of this type of business ownership to Strawberry Designs.

Advantage

Any **one** from:

- The owner Jenny can make all the decisions quickly without having to consult anyone.
- The owner Jenny can keep all the profits made in the business.
- As the business is usually small, Jenny can have very close links with the customers and any employees.
- The financial affairs of the business, Strawberry Designs, do not have to be published, although tax authorities must have access to this information.
- The business, Strawberry Designs, is easily formed without legal procedures.

Disadvantage

Any **one** from:

- Jenny must raise all her own capital.
- Strawberry Designs is very dependent on one person.
- Jenny will have to work long hours and may not get many holidays.
- Jenny frequently does not have anyone with whom to discuss business problems.
- The amount of capital which Jenny has is limited, so her business is likely to be small.
- If Jenny becomes ill or is on holiday, there is often no one to call on to cover for her.
- When Jenny dies the sole trader ends automatically.
- As a small business the bank may not be willing to lend Jenny money.

Any other suitable response

(2 × [2]) (AO2, AO3) [4]

(d) A number of stakeholders have an interest in Strawberry Designs.

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(i) Define the term stakeholder to Jenny.

A stakeholder is an individual, group or organisation that has an interest or concern in the activities and performance of a business such as Strawberry Designs.

[1] simple explanation

[2] detailed explanation

(1 × [2]) (AO1, AO2)

[2]

(ii) Identify and explain **two** stakeholder groups who might have an interest in Strawberry Designs.

Any **two** from:

- Owner – Jenny will be interested in making a profit and for Strawberry Designs to succeed.
- Managers and employees – these are the people who work for Strawberry Designs. They will be rewarded with a salary or wage.
- Competitors – will be interested in Strawberry Design's prices, products/services, quality of the products/services.
- Suppliers – to see that Strawberry Designs are financially stable to pay their suppliers, are paying promptly and continuing the order regularly.
- Consumers – will be seeking competitively priced goods as well as the range of products/services, quality of services and products, customer service and that there is a good reputation for Strawberry Designs.
- Financial institutions – will be looking at the financial stability of Strawberry Designs, so they have the ability to meet repayments and ensure their business plans are sound.
- Trade unions – is an organisation which represents the interests of the employees of Strawberry Designs and negotiates with management on their behalf.
- Local community – corporate social responsibility, noise reduction, traffic congestion, care for the environment, community involvement.

Any other suitable response

[1] stakeholder identified

[2] stakeholder identified and explained

(2 × [2]) (AO1, AO2)

[4]

(e) Jenny's business, Strawberry Designs, trades digitally, selling handmade cards online.

Define the term digital trading to Jenny, giving an example.

Explanation

Buying and selling goods or services over the Internet. Marketing of goods and services over the Internet.

Example

Buying handmade cards online from Strawberry Designs

[1] brief explanation or an example

[2] brief explanation with example or good explanation

[3] good explanation with example

(1 × [2] + 1) (AO1, AO2) [3]

(f) Analyse **two** advantages of digital trading to Jenny's customers.

Any **two** from:

- Strawberry Designs' customers can shop from the comfort of their own home.
- Strawberry Designs' customers can shop at a time convenient to them 24/7/365.
- Strawberry Designs' customers can access important information, e.g. price comparison, online review.
- Strawberry Designs' customers may benefit from lower prices due to reduced costs placed on the business.
- Strawberry Designs' customers can have their products delivered without the inconvenience of visiting a shop.

(2 × [2]) (AO2, AO3) [4]

(g) Jenny creates and designs handmade cards.

(i) Identify the legislation that protects her designs.

Copyright, Designs and Patents Act

(1 × [1]) (AO1) [1]

(ii) Describe **two** things that this legislation covers.

Any **two** from:

- Illegally copying or downloading software.
- Stealing ideas from one company for use in another.
- Using unlicensed software.
- Non-payment of downloaded materials.

(2 × [2]) (AO1, AO2) [4]

AVAILABLE
MARKS

25

2 Anthony plans to open Powerlift Gym, which will cater for all abilities, in October 2024. He plans to carry out market research to find out what type of classes and times he should offer.

(a) Describe the term marketing to Anthony with an example.

Description

The gathering and analysis of data relating to market places or customers; any research which leads to more market knowledge and better informed decision making. Marketing refers to activities undertaken by Powerlift Gym to promote the buying and selling of their product or services. Marketing includes advertising, selling and delivering products to consumers or other businesses of Powerlift Gym.

Example

Market research, marketing mix, television commercials, pop-ups, social media, newspaper advertisements.

[1] brief description or an example

[2] brief description with example or good description

[3] good description with example

(1 × [2] + 1) (AO1, AO2)

[3]

(b) Identify **one** type of primary research that Anthony could use.

Any **one** from:

- Questionnaires
- Face-to-face interviews
- Telephone interviews
- Online surveys
- Focus groups
- Consumer panels

(1 × [1]) (AO1)

[1]

(c) Explain **one** advantage and **one** disadvantage of primary research to Anthony.

Advantage

Any **one** from:

- It is up-to-date and collected specifically for Anthony's purpose.
- Information is obtained directly from Powerlift Gym customers, staff etc.
- Data obtained is more likely to be reliable as Powerlift Gym have designed the market research tool to suit their needs.
- Data collected by Anthony will be confidential and not shared with anyone else.
- Data can be collected very quickly for Anthony if he uses online surveys and telephone interviews.
- Powerlift Gym will collect data which no other business will have access to.

Disadvantage

Any **one** from:

- Powerlift Gym will spend a lot of money and time designing the primary

research, carry it out and analysing the data.

- People may not give accurate answers, e.g. they may say they will buy something at Powerlift Gym when they will not.

Any other suitable response

[1] advantage identified

[2] advantage identified and explained

[1] disadvantage identified

[2] disadvantage identified and explained

(2 × [2]) (AO1, AO2) [4]

(d) Identify **one** type of secondary research that Anthony could use.

Any **one** from:

- Internet
- Government publications
- Statistics
- Public libraries
- Newspaper/magazines
- Data collected by another business

(1 × [1]) (AO1) [1]

(e) Explain **one** advantage and **one** disadvantage of secondary research to Anthony.

Advantage

Any **one** from:

- Information is cheaper for Anthony to obtain as it has already been collected.
- Research can provide Anthony with a perspective on the whole market, giving his business a feel for whether he should spend more money on developing different classes for that market. For example, Anthony could discover that there is not enough potential customers for the class to breakeven.
- Information is available immediately for Anthony, which saves time.
- If the information is taken from a reliable source, it should be accurate for Anthony, to assist in his planning and financial decision-making.
- Data available for Anthony covers a wide range of sources.

Disadvantage

Any **one** from:

- Information may be out-of-date depending on when it was collected.
- The data may not exactly fit the purpose of the research for Anthony.
- Data is available to all other businesses, so it does not provide many advantages to Anthony against his competitors.
- The data is unlikely to have been collected for exactly the same purpose as Anthony requires so it may not meet the business's direct needs.

Any other suitable response

[1] advantage identified

[2] advantage identified and explained

[1] disadvantage identified

[2] disadvantage identified and explained

(2 × [2]) (AO1, AO2) [4]

- (f) Anthony needs to think about different pricing strategies for Powerlift Gym.

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MARKS

Identify and explain **two** pricing strategies that Anthony could use.

Cost-plus pricing

Cost-plus pricing is a method of pricing in which a mark-up is added to the total product/service cost. Cost-plus pricing involves working out Powerlift Gyms' total fixed and variable costs and then adding on a percentage profit.

Competitor-based pricing

Competitor based pricing involves the setting of prices based on what rival gym businesses are charging. If there is strong competition in the gym industry customers are faced with a wider choice of who to buy from. They may buy from the cheapest provider or perhaps from the one which offers the best customer service.

Penetration

Penetration pricing is where a low price is set at the beginning in order to gain entry into an existing gym market, and where the price increases when the place in the market has been secured.

Skimming

Skimming is most often used in the case of new products/services when there is little competition in the market. This strategy sets a relatively high price initially in an attempt to 'skim' the market for example specialist gym classes.

(2 × [2]) (AO1, AO2)

[4]

- (g) Analyse the impact digital technology may have on the market research process for Anthony's business, Powerlift Gym.

The quality of written communication is assessed in this question.

Advantages

- Market research is conducted more easily through Powerlift Gym social media. Powerlift Gym may have many platforms of followers for example, Facebook, Instagram, Twitter etc.
- Feedback and results can be processed quicker, e.g. Google docs or survey monkey.
- There could be less time and cost for Powerlift Gym saving them money. The results will be partially analysed for them.
- No interviewer is required to be appointed by Powerlift Gym. This process is good for sensitive questions if Powerlift Gym felt they needed them.
- Questionnaire is easily accessible using a variety of digital methods with the results more easily gathered by Powerlift Gym.
- Technology gives more choice and options for when, where and how to research different markets that Powerlift Gym may have.
- It's more convenient. People can complete the market research anywhere by using any digital device 24/7.

Disadvantages

- There will be limited sampling and respondent availability. Certain populations are less likely to have internet access and to respond to

- online market research tools created by Powerlift Gym.
- No interviewer provided by Powerlift Gym to clarify and probe, which can possibly lead to less reliable data.
 - Possible co-operation problems. Users today are constantly bombarded by messages and can easily delete Powerlift Gym surveys etc.
 - Online research can give a false impression that it is as statistically reliable as traditional research. All research has an element of uncertainty attached to it but research from digital technologies cannot be certain of a respondent's profile.

Any other suitable response.

Level 0 [0]

Candidate's answer is not worthy of credit.

Level 1 ([1]–[3])

The candidate has made a limited analysis of the impact digital technology has on market research. Candidate makes limited use of specialist terms. Candidate demonstrates a limited level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear some of the time. The candidate demonstrates a limited level of writing, form and style appropriate to the purpose of the question. The organisation of the work is limited.

Level 2 ([4]–[6])

The candidate provides a satisfactory analysis of the impact digital technology has on market research. Candidate makes satisfactory use of specialist terms. Candidate demonstrates a satisfactory level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The organisation of the work is satisfactory.

Level 3 ([7]–[8])

The candidate provides a good analysis of the impact digital technology has on market research. Candidate demonstrates a good use of specialist terms. Candidate demonstrates a good level of accuracy in spelling, punctuation and grammar. The meaning of the text is always clear. The candidate demonstrates a good level of writing, form and style appropriate to the purpose of the question. The organisation of the work is good.

(AO2 [2], AO3 [6])

[8]

25

3 Zara owns McCaul's Shoewear and is currently planning to recruit two part-time sales advisors.

(a) Identify and explain **two** external methods of recruitment that Zara could use to recruit the sales advisors.

Any **two** from:

- Media, e.g. newspapers – these usually contain a job section that sales advisors would be familiar with. It is usually an inexpensive method of advertising.
- Internet – there are different kinds of websites that McCaul's Shoewear can use, including sites that advertise a range of jobs, e.g. social networking sites such as Facebook, Instagram, Twitter. These sites are relatively cheap to use.
- Job centres – these are centres run by the government. Job centres display advertisements as well as informing unemployed people of vacancies in the employment market. It is free for McCaul's Shoewear to advertise using this centre.
- Private recruitment agencies – these businesses will try to find suitable employees for McCaul's Shoewear in return for a fee.

[1] method identified

[2] method identified and explained

(2 × [2]), (AO1, AO2)

[4]

(b) Identify and explain **two** methods of selection that Zara could use to recruit the sales advisors.

Any **two** from:

- Application Form – an application form is used because it has the advantage that the applicant is given exactly the type of information McCaul's Shoewear requires, enabling the comparison of applicants.
- Curriculum Vitae – this is produced by the candidate using their own or a downloaded template, it enables the candidate to tailor the CV to the job and present information to McCaul's Shoewear.
- Testing – this will allow McCaul's Shoewear to measure the candidate's ability to do the job and assess the candidate's personality, attitude, character and skills.
- Interview – an interview will be useful for McCaul's Shoewear as they will be able to assess communication, working independently and personal presentation of applicants.
- Presentation – this will allow McCaul's Shoewear to see the personality of the applicant, communication skills, level of presentation and ideas about the job.

[1] method identified

[2] method identified and explained

(2 × [2]) (AO1, AO2)

[4]

(c) The new sales advisors will need some training.

(i) Explain **two** benefits of staff training to Zara.

Any **two** from:

- To increase productivity for staff – staff at McCaul’s Shoewear should be better able to do their job and work to a higher standard of quality.
- To remain competitive – better trained staff will be more efficient and therefore McCaul’s Shoewear should become more competitive.
- To increase staff motivation – staff may gain a recognised qualification.
- To improve health and safety – reducing the risks of accidents and subsequent issues at McCaul’s Shoewear.

Any other suitable response.

(2 × [2]) (AO1, AO2)

[4]

(ii) Identify **one** type of on-the-job training suitable for the new sales advisors.

Any **one** from:

- Work shadowing
- Apprenticeship
- Job rotation
- Coaching and mentoring
- Role play
- Demonstration/instruction
- Staff handbook/documentation

(1 × [1]) (AO1)

[1]

(iii) Explain **one** advantage and **one** disadvantage of using on-the-job training for the new sales advisors.

Advantages

Any **one** from:

- It is a relatively cheaper method for Zara than off-the-job training.
- The Sales Advisors do not need to take time off McCaul’s Shoewear as the training is happening in the workplace meaning no loss of output.
- Effective if the experienced worker at McCaul’s Shoewear is efficient.
- Training is tailored specifically to Sales Advisors. It gives McCaul’s Shoewear greater control over the content of the training programme and the processes used.
- The employees at McCaul’s Shoewear are trained using the company’s equipment. It will assist in building their competence and confidence.

Disadvantages

Any **one** from:

- Zara will need to select a suitable employee at McCaul’s Shoewear

to carry out the training. The person needs to have the ability and willingness to conduct the training, or they may not be able to teach the proper skills required for McCaul's Shoewear.

- The employee may make mistakes which might be costly for McCaul's Shoewear.
- Training delivered at McCaul's Shoewear may not be consistent.

(2 × [2]) (AO1, AO2)

[4]

Zara knows that communication is very important in her business, McCaul's Shoewear.

(d) Evaluate the impact of digital technology on business communication in McCaul's Shoewear.

Advantages

- McCaul's Shoewear can communicate globally in an instant via VoIP, messenger, email, 24/7 websites etc.
- McCaul's Shoewear can use digital technology to improve the corporate image through the creation of business documents, for example promotional materials, letters to customers, and spreadsheets for accounts. Once created these documents can be amended for future use, which is likely to enhance the business professional appearance.
- McCaul's Shoewear is instantly reachable to their stakeholders via Apps, Social media, websites etc.
- McCaul's Shoewear can enhance their circulation by keeping everyone up-to-date.
- McCaul's Shoewear can make use of social media to enhance customer awareness at minimum cost.

Disadvantages

- McCaul's Shoewear may become too reliant on technology because if the technology breaks down they will not be able to communicate with stakeholders.
- McCaul's Shoewear must ensure that they keep customer details secure. McCaul's Shoewear must comply with all aspects of the Data Protection Act. Any breach could lead to a loss of consumer confidence and will impact on their sales.
- Receiving negative comments on social media, which could damage their corporate image.
- Digital technology will require a significant capital investment in order to buy the latest technology and keep it updated. This may prove difficult for McCaul's Shoewear as they may not have the necessary capital available to set up and maintain the system.
- McCaul's Shoewear will face additional costs in relation to the training of staff in the correct use of the technology and subsequent retraining as technology is continuously updated.

Any other suitable response.

Level 0

Answer not worthy of credit.

Level 1 ([1]–[3])

The candidate has made a limited evaluation of the advantages and disadvantages of the impact digital technology has on business

communication. Candidate makes limited use of specialist terms. Candidate demonstrates a limited level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear some of the time. The candidate demonstrates a limited level of writing, form and style appropriate to the purpose of the question. The organisation of the work is limited.

Level 2 ([4]–[6])

The candidate provides a satisfactory evaluation of the advantages and disadvantages of the impact digital technology has on business communication. Candidate makes satisfactory use of specialist terms. Candidate demonstrates a satisfactory level of accuracy in spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The organisation of the work is satisfactory.

Level 3 ([7]–[8])

The candidate provides a good evaluation of the advantages and disadvantages of the impact digital technology has on business communication. Candidate demonstrates a good use of specialist terms. Candidate demonstrates a good level of accuracy in spelling, punctuation and grammar. The meaning of the text is always clear. The candidate demonstrates a good level of writing, form and style appropriate to the purpose of the question. The organisation of the work is good.

(AO2 [2], AO3 [6])

[8]

25

Total

75

**AVAILABLE
MARKS**