



Cambridge International AS & A Level

BUSINESS

9609/23

Paper 2 Data Response

May/June 2021

MARK SCHEME

Maximum Mark: 60

Published

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the May/June 2021 series for most Cambridge IGCSE™, Cambridge International A and AS Level components and some Cambridge O Level components.

This document consists of **17** printed pages.

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.

GENERIC MARKING PRINCIPLE 5:

Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).

GENERIC MARKING PRINCIPLE 6:

Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

**Social Science-Specific Marking Principles
(for point-based marking)****1 Components using point-based marking:**

- Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

From this it follows that we:

- a DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)
- b DO credit alternative answers/examples which are not written in the mark scheme if they are correct
- c DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require n reasons (e.g. State two reasons ...).
- d DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)
- e DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities
- f DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e. polluted/not polluted).
- g DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g. Corrasion/Corrosion)

2 Presentation of mark scheme:

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points (•) or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

3 Calculation questions:

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

4 Annotation:

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

Question	Answer	Marks																							
1(a)(i)	<p>Define the term ‘market research’ (line 15).</p> <table border="1" data-bbox="320 315 1310 577"> <thead> <tr> <th data-bbox="320 315 1158 378">Knowledge</th> <th data-bbox="1158 315 1310 378">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 378 1158 443">A correct definition</td> <td data-bbox="1158 378 1310 443">2</td> </tr> <tr> <td data-bbox="320 443 1158 508">A partial, vague or unfocused definition</td> <td data-bbox="1158 443 1310 508">1</td> </tr> <tr> <td data-bbox="320 508 1158 573">No creditable content</td> <td data-bbox="1158 508 1310 573">0</td> </tr> </tbody> </table> <p>Gaining information about the potential customers for a product/service</p> <p>A correct definition should include the following elements:</p> <ul style="list-style-type: none"> • Gaining information / finding out about • about the potential customers for a product/service. <table border="1" data-bbox="320 851 1310 1276"> <thead> <tr> <th data-bbox="320 851 740 913">Exemplar</th> <th data-bbox="740 851 1158 913">Rationale</th> <th data-bbox="1158 851 1310 913">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 913 740 1012">Finding out about potential customers for a food</td> <td data-bbox="740 913 1158 1012">Both elements</td> <td data-bbox="1158 913 1310 1012">2</td> </tr> <tr> <td data-bbox="320 1012 740 1111">Researching about customers for a good</td> <td data-bbox="740 1012 1158 1111">One element</td> <td data-bbox="1158 1012 1310 1111">1</td> </tr> <tr> <td data-bbox="320 1111 740 1209">Finding information about the market</td> <td data-bbox="740 1111 1158 1209">One element and a tautology.</td> <td data-bbox="1158 1111 1310 1209">1</td> </tr> <tr> <td data-bbox="320 1209 740 1276">Researching the market</td> <td data-bbox="740 1209 1158 1276">Tautology</td> <td data-bbox="1158 1209 1310 1276">0</td> </tr> </tbody> </table> <p>ARA</p>	Knowledge	Marks	A correct definition	2	A partial, vague or unfocused definition	1	No creditable content	0	Exemplar	Rationale	Marks	Finding out about potential customers for a food	Both elements	2	Researching about customers for a good	One element	1	Finding information about the market	One element and a tautology.	1	Researching the market	Tautology	0	2
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Question	Answer	Marks																											
1(a)(ii)	<p data-bbox="316 241 943 280">Explain the term ‘social awareness’ (line 29).</p> <table border="1" data-bbox="320 315 1310 674"> <thead> <tr> <th data-bbox="320 315 400 376"></th> <th data-bbox="400 315 1158 376">Knowledge</th> <th data-bbox="1158 315 1310 376">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 376 400 477">C</td> <td data-bbox="400 376 1158 477">Example or some other way of showing good understanding, e.g. one of Goleman’s competencies</td> <td data-bbox="1158 376 1310 477">1</td> </tr> <tr> <td data-bbox="320 477 400 577">B</td> <td data-bbox="400 477 1158 577">Understanding of the issues/problems/have empathy with</td> <td data-bbox="1158 477 1310 577">1</td> </tr> <tr> <td data-bbox="320 577 400 674">A</td> <td data-bbox="400 577 1158 674">Understanding that it is do with society/community/organisations/people</td> <td data-bbox="1158 577 1310 674">1</td> </tr> </tbody> </table> <p data-bbox="316 712 1294 842">Social awareness – an understanding of the problems that different members of society / the community / an organisation face; having empathy/understanding of the issues in a business e.g. is able to negotiate successfully.</p> <table border="1" data-bbox="320 880 1310 1473"> <thead> <tr> <th data-bbox="320 880 740 940">Exemplar</th> <th data-bbox="740 880 1158 940">Rationale</th> <th data-bbox="1158 880 1310 940">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 940 740 1111">According to Goleman’s competencies (C) it means understanding a society’s (A) problems (B).</td> <td data-bbox="740 940 1158 1111">All three elements</td> <td data-bbox="1158 940 1310 1111">3</td> </tr> <tr> <td data-bbox="320 1111 740 1240">Having empathy with the issues (B) facing a community (A)</td> <td data-bbox="740 1111 1158 1240">A and B</td> <td data-bbox="1158 1111 1310 1240">2</td> </tr> <tr> <td data-bbox="320 1240 740 1408">Understanding a society (A)</td> <td data-bbox="740 1240 1158 1408">A only. There must be understanding that it is to do with issues to gain the B mark.</td> <td data-bbox="1158 1240 1310 1408">1</td> </tr> <tr> <td data-bbox="320 1408 740 1473">Being aware of social norms</td> <td data-bbox="740 1408 1158 1473">Tautology</td> <td data-bbox="1158 1408 1310 1473">0</td> </tr> </tbody> </table> <p data-bbox="316 1473 379 1507">ARA</p>		Knowledge	Marks	C	Example or some other way of showing good understanding, e.g. one of Goleman’s competencies	1	B	Understanding of the issues/problems/have empathy with	1	A	Understanding that it is do with society/community/organisations/people	1	Exemplar	Rationale	Marks	According to Goleman’s competencies (C) it means understanding a society’s (A) problems (B).	All three elements	3	Having empathy with the issues (B) facing a community (A)	A and B	2	Understanding a society (A)	A only. There must be understanding that it is to do with issues to gain the B mark.	1	Being aware of social norms	Tautology	0	3
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1(b)(i)	<p>Refer to Table 1.1. Calculate the profit margin Bilal made on the last three apartments that he bought and sold.</p> <table border="1" data-bbox="320 349 1310 739"> <thead> <tr> <th data-bbox="320 349 1158 409">Rationale</th> <th data-bbox="1161 349 1310 409">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 414 1158 474">Correct answer(s) with or without correct working or units</td> <td data-bbox="1161 414 1310 474">4</td> </tr> <tr> <td data-bbox="320 479 1158 539">Correct calculation of total revenue AND total profit(s)</td> <td data-bbox="1161 479 1310 539">3</td> </tr> <tr> <td data-bbox="320 544 1158 604">Correct calculation of total revenue OR total profit(s)</td> <td data-bbox="1161 544 1310 604">2</td> </tr> <tr> <td data-bbox="320 609 1158 669">Formula (can be implied from the correct use of figures)</td> <td data-bbox="1161 609 1310 669">1</td> </tr> <tr> <td data-bbox="320 674 1158 734">No creditable content</td> <td data-bbox="1161 674 1310 734">0</td> </tr> </tbody> </table> <p>Award full marks for a correct answer, with or without working or %</p> <p>Content Formula: $\frac{\text{Total revenue}}{\text{Total profit}} \times 100 \text{ (1)}$</p> <p>Apartment A – \$14 000 profit $\frac{\\$14\,000}{\\$80\,000} \times 100 = 17.5\%$</p> <p>Apartment B – \$20 000 profit $\frac{\\$20\,000}{\\$150\,000} \times 100 = 13.33\%$</p> <p>Apartment C – \$10 000 loss $\frac{\\$-10\,000}{\\$70\,000} \times 100 = -14.29\%$</p> <p>Total = \$24 000 total profit</p> <p>Total revenue = \$80 000 + \$150 000 + \$70 000 = \$300 000 (1)</p> $\frac{\$24\,000}{\$300\,000} \times 100 = 8\% \text{ (4)}$ <p>OFR</p>	Rationale	Marks	Correct answer(s) with or without correct working or units	4	Correct calculation of total revenue AND total profit(s)	3	Correct calculation of total revenue OR total profit(s)	2	Formula (can be implied from the correct use of figures)	1	No creditable content	0	4
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1(b)(ii)	<p>Explain <u>one</u> way in which Bilal may add value to the apartments he buys.</p> <table border="1" data-bbox="320 349 1310 645"> <thead> <tr> <th data-bbox="320 349 512 412">Level</th> <th data-bbox="512 349 1158 412">Knowledge and Application</th> <th data-bbox="1158 349 1310 412">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 412 512 512">2 (APP)</td> <td data-bbox="512 412 1158 512">Explanation of a way in which Bilal may add-value to the houses that he sells</td> <td data-bbox="1158 412 1310 512">2</td> </tr> <tr> <td data-bbox="320 512 512 575">1 (K)</td> <td data-bbox="512 512 1158 575">Identification of a way of adding value</td> <td data-bbox="1158 512 1310 575">1</td> </tr> <tr> <td data-bbox="320 575 512 645">0</td> <td data-bbox="512 575 1158 645">No creditable content</td> <td data-bbox="1158 575 1310 645">0</td> </tr> </tbody> </table> <p>Knowledge may include:</p> <ul style="list-style-type: none"> • Difference between the price of a product and cost of inputs • Increase in value of a product/service created by a business • Created by the production process <p>Application may include:</p> <ul style="list-style-type: none"> • Renovation – Bilal might decorate, alter the layout, renew the bathroom/kitchen (allow any reasonable renovation of an apartment). • Brand name – Bilal has been doing this for two years and house buyers may see his houses as being of a high-quality • Buying at a low price • Increasing the quality of the house <p>ARA</p>	Level	Knowledge and Application	Marks	2 (APP)	Explanation of a way in which Bilal may add-value to the houses that he sells	2	1 (K)	Identification of a way of adding value	1	0	No creditable content	0	2
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Question	Answer				Marks
1(c)	Analyse <u>two</u> factors which could influence the demand for buying apartments in city W.				8
	Level	Knowledge and Application (4 marks)	Marks	Analysis (4 marks)	Marks
	2b	Shows understanding of two factors which could influence demand in context	4	Good analysis of two factors which could influence demand in context	4
	2a	Shows understanding of one factor which could influence demand in context	3	Good analysis of one factor which could influence demand in context	3
	1b	Shows knowledge of two factors which could influence demand	2	Limited analysis of two factors which could influence demand	2
	1a	Shows knowledge of one factor which could influence demand	1	Limited analysis of one factor which could influence demand	1
	0	No creditable content			
	<p>Factors influencing demand could include:</p> <ul style="list-style-type: none"> • Price expectations/substitutes/complements – the price of the apartment will influence demand because it will affect the disposable income for potential customers. • Mortgage rates – people often purchase apartments with a mortgage, so the rate at which the mortgage is repaid will affect their ability to purchase • Tastes and preferences – the area in which the apartment is located may affect the willingness of customers to purchase • Competition – the other apartments in the area for sale/rent will affect people’s willingness to purchase • Income levels • Fashion – how trendy an area is <p>Context could come from relating to:</p> <ul style="list-style-type: none"> • Property market • City e.g. to find jobs, avoid commuting • Value added from renovations • Renting versus buying <p>ARA</p>				

Question	Answer				Marks																												
1(d)	Recommend whether Bilal should enter into a business partnership with Sophie. Justify your recommendation.				11																												
<table border="1"> <thead> <tr> <th data-bbox="320 349 683 479">Knowledge and Application (4 marks)</th> <th data-bbox="691 349 815 479">Marks</th> <th data-bbox="823 349 1177 479">Analysis and Evaluation (7 marks)</th> <th data-bbox="1185 349 1313 479">Marks</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td data-bbox="823 490 1177 611">Justified recommendation based on arguments in context</td> <td data-bbox="1185 490 1313 611">7</td> </tr> <tr> <td></td> <td></td> <td data-bbox="823 622 1177 743">Developed recommendation based on arguments in context</td> <td data-bbox="1185 622 1313 743">6</td> </tr> <tr> <td></td> <td></td> <td data-bbox="823 754 1177 907">An evaluative statement/recommendation based on arguments in context</td> <td data-bbox="1185 754 1313 907">5</td> </tr> <tr> <td data-bbox="320 918 683 1079">Shows understanding of a partnership in context</td> <td data-bbox="691 918 815 1079">3–4</td> <td data-bbox="823 918 1177 1079">Arguments based on Bilal entering into a partnership with Bilal.</td> <td data-bbox="1185 918 1313 1079">3–4</td> </tr> <tr> <td data-bbox="320 1090 683 1184">Shows knowledge of a partnership</td> <td data-bbox="691 1090 815 1184">1–2</td> <td data-bbox="823 1090 1177 1184">Limited analysis of becoming a partnership</td> <td data-bbox="1185 1090 1313 1184">1–2</td> </tr> <tr> <td colspan="4" data-bbox="320 1196 1313 1249" style="text-align: center;">No creditable content</td> </tr> </tbody> </table> <p data-bbox="320 1290 639 1319">Knowledge may include:</p> <ul data-bbox="373 1323 895 1462" style="list-style-type: none"> • Two or more owners of a business • Unlimited liability • Possibility of conflicts • Share decisions/skills/profits/losses <p data-bbox="320 1498 639 1527">Application may include:</p> <ul data-bbox="373 1532 1302 1975" style="list-style-type: none"> • Bilal will have to share his profit with Sophie – however Sophie’s profit margin (11%) is higher than Bilal’s at 8%. • Sophie has managed to buy and sell more houses than Bilal in the past year. • Sophie has a lower success rate (four out of six made profit) compared with Bilal (four out of five made profit, in total). • Sophie has working capital of \$150 000 which may allow Bilal to take advantage of the housing boom. • Sophie has the social skills that Bilal lacks – may help to find buyers / be able to sell at higher prices / negotiate better rates with contractors – so add more value • Bilal does not like working with other people – will this put him outside of his comfort zone. 						Knowledge and Application (4 marks)	Marks	Analysis and Evaluation (7 marks)	Marks			Justified recommendation based on arguments in context	7			Developed recommendation based on arguments in context	6			An evaluative statement/recommendation based on arguments in context	5	Shows understanding of a partnership in context	3–4	Arguments based on Bilal entering into a partnership with Bilal.	3–4	Shows knowledge of a partnership	1–2	Limited analysis of becoming a partnership	1–2	No creditable content			
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1(d)	<p>Arguments may include:</p> <ul style="list-style-type: none"> • Have to share profits • Less control for Bilal • May disagree over direction of the business <p>However:</p> <ul style="list-style-type: none"> • Spreads the risks • Sophie's skills complement Bilal's • She can contribute capital <p>Recommendation based on arguments</p> <p>ARA</p>	

Question	Answer	Marks																				
2(a)(i)	<p>Define the term 'liquidity' (line 15).</p> <table border="1"> <thead> <tr> <th>Knowledge</th> <th>Marks</th> </tr> </thead> <tbody> <tr> <td>A correct definition</td> <td>2</td> </tr> <tr> <td>A partial, vague or unfocused definition</td> <td>1</td> </tr> <tr> <td>No creditable content</td> <td>0</td> </tr> </tbody> </table> <p>The ability (cash) for a business to pay its short-term debts / the ease with which assets can be turned into cash (or are cash) to use immediately.</p> <p>A correct definition should include the following elements:</p> <ul style="list-style-type: none"> • Assets that can be turned into cash • To use immediately if needed or to pay short-term debts <table border="1"> <thead> <tr> <th>Exemplar</th> <th>Rationale</th> <th>Marks</th> </tr> </thead> <tbody> <tr> <td>Liquidity means current assets that can be quickly sold for cash</td> <td>Both elements</td> <td>2</td> </tr> <tr> <td>The ability to sell assets for cash</td> <td>No mention of immediacy</td> <td>1</td> </tr> <tr> <td>Liquidity means an asset that is liquid</td> <td>Tautology</td> <td>0</td> </tr> </tbody> </table> <p>ARA</p>	Knowledge	Marks	A correct definition	2	A partial, vague or unfocused definition	1	No creditable content	0	Exemplar	Rationale	Marks	Liquidity means current assets that can be quickly sold for cash	Both elements	2	The ability to sell assets for cash	No mention of immediacy	1	Liquidity means an asset that is liquid	Tautology	0	2
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2(a)(ii)	<p>Explain the term ‘internal growth’ (line 13).</p> <p>Award one mark for each point of explanation:</p> <table border="1" data-bbox="320 349 1310 645"> <thead> <tr> <th></th> <th>Rationale</th> <th>Marks</th> </tr> </thead> <tbody> <tr> <td>C</td> <td>Example or some other way of showing good understanding</td> <td>1</td> </tr> <tr> <td>B</td> <td>Understanding of the concept of internal</td> <td>1</td> </tr> <tr> <td>A</td> <td>Knowledge of growth</td> <td>1</td> </tr> </tbody> </table> <p>When a business increases in size, by reinvesting money to increase output, for example using retained profit to buy new assets. Often referred to as organic or natural growth. Could come from developing new products, increasing efficiency, successful marketing, diversification, process change etc.</p> <table border="1" data-bbox="320 880 1310 1503"> <thead> <tr> <th>Exemplar</th> <th>Rationale</th> <th>Marks</th> </tr> </thead> <tbody> <tr> <td>When a business increases in size (A) using its own resources (B) generated from increased efficiency (C)</td> <td>A+B+C</td> <td>3</td> </tr> <tr> <td>When a business expands (A) by reinvesting profits (B)</td> <td>A and B</td> <td>2</td> </tr> <tr> <td>Opening new branches (A + B)</td> <td>Expansion and internal both implied</td> <td></td> </tr> <tr> <td>When a business expands (A)</td> <td>A point only</td> <td>1</td> </tr> <tr> <td>When a business grows internally</td> <td>Tautology</td> <td>0</td> </tr> </tbody> </table> <p>ARA</p>		Rationale	Marks	C	Example or some other way of showing good understanding	1	B	Understanding of the concept of internal	1	A	Knowledge of growth	1	Exemplar	Rationale	Marks	When a business increases in size (A) using its own resources (B) generated from increased efficiency (C)	A+B+C	3	When a business expands (A) by reinvesting profits (B)	A and B	2	Opening new branches (A + B)	Expansion and internal both implied		When a business expands (A)	A point only	1	When a business grows internally	Tautology	0	3
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Exemplar	Rationale	Marks																														
When a business increases in size (A) using its own resources (B) generated from increased efficiency (C)	A+B+C	3																														
When a business expands (A) by reinvesting profits (B)	A and B	2																														
Opening new branches (A + B)	Expansion and internal both implied																															
When a business expands (A)	A point only	1																														
When a business grows internally	Tautology	0																														

Question	Answer	Marks								
2(b)(i)	<p data-bbox="316 248 1262 315">Refer to Table 2.1 and any other relevant information. Calculate the total revenue from selling the Classic belt in 2020.</p> <table border="1" data-bbox="316 367 1307 629"> <thead> <tr> <th data-bbox="316 367 1155 432">Rationale</th> <th data-bbox="1155 367 1307 432">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="316 432 1155 497">Correct answer with or without correct working or \$</td> <td data-bbox="1155 432 1307 497">2</td> </tr> <tr> <td data-bbox="316 497 1155 562">Formula or correct calculation of the revenue for one belt</td> <td data-bbox="1155 497 1307 562">1</td> </tr> <tr> <td data-bbox="316 562 1155 629">No creditable content</td> <td data-bbox="1155 562 1307 629">0</td> </tr> </tbody> </table> <p data-bbox="316 667 544 730">Output = 265 000 Price = \$11</p> <p data-bbox="316 768 1267 902">Formula: Output × price = revenue (1) or 10 000 + 60 000 + 40 000 + 15 000 + 80 000 + 60 000 = 265 000 belts (1)</p> <p data-bbox="316 938 823 969">265 000 × \$11 = \$2 915 000 (\$2.915m)</p> <p data-bbox="316 1005 724 1068">Total revenue = \$2.915m (2) 2915 (1) (without \$ and million)</p>	Rationale	Marks	Correct answer with or without correct working or \$	2	Formula or correct calculation of the revenue for one belt	1	No creditable content	0	2
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2(b)(ii)	<p>Explain <u>one</u> advantage and <u>one</u> disadvantage to BU of selling a range of sizes and colours of the Classic belt.</p> <table border="1" data-bbox="320 349 1310 943"> <thead> <tr> <th data-bbox="320 349 475 414">Level</th> <th data-bbox="475 349 1158 414">Knowledge and Application</th> <th data-bbox="1158 349 1310 414">Marks</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 414 475 546">2b (APP+A PP)</td> <td data-bbox="475 414 1158 546">Explanation of one advantage and one disadvantage to BU of selling a range of sizes and colours for the classic belt.</td> <td data-bbox="1158 414 1310 546">4</td> </tr> <tr> <td data-bbox="320 546 475 678">2a (APP)</td> <td data-bbox="475 546 1158 678">Explanation of one advantage or one disadvantage to BU of selling a range of sizes and colours for the classic belt.</td> <td data-bbox="1158 546 1310 678">3</td> </tr> <tr> <td data-bbox="320 678 475 779">1b (K+K)</td> <td data-bbox="475 678 1158 779">Identification of one advantage and one disadvantage of selling a range of products</td> <td data-bbox="1158 678 1310 779">2</td> </tr> <tr> <td data-bbox="320 779 475 880">1a (K)</td> <td data-bbox="475 779 1158 880">Identification of one advantage or one disadvantage of selling a range of products</td> <td data-bbox="1158 779 1310 880">1</td> </tr> <tr> <td data-bbox="320 880 475 943">0</td> <td data-bbox="475 880 1158 943">No creditable content</td> <td data-bbox="1158 880 1310 943">0</td> </tr> </tbody> </table> <p>Advantages may include:</p> <ul style="list-style-type: none"> • To increase sales revenue – each size and colour has a relatively large number of sales • To suit/attract a larger number of market segments • To target a mass market <p>Disadvantages may include:</p> <ul style="list-style-type: none"> • High levels of inventory • Increased training for workers • Different levels of demand <p>Context could include:</p> <ul style="list-style-type: none"> • Reference to data in table 2.1 • Batch production • Non-perishable product <p>ARA</p>	Level	Knowledge and Application	Marks	2b (APP+A PP)	Explanation of one advantage and one disadvantage to BU of selling a range of sizes and colours for the classic belt.	4	2a (APP)	Explanation of one advantage or one disadvantage to BU of selling a range of sizes and colours for the classic belt.	3	1b (K+K)	Identification of one advantage and one disadvantage of selling a range of products	2	1a (K)	Identification of one advantage or one disadvantage of selling a range of products	1	0	No creditable content	0	4
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Question	Answer				Marks
2(c)	Analyse <u>two</u> disadvantages to BU of the proposed process innovation.				8
	Level	Knowledge and Application (4 marks)	Marks	Analysis (4 marks)	Marks
2b	Shows understanding of two elements of process innovation in context	4	Good analysis of two disadvantages of process innovation in context	4	
2a	Shows understanding of one element of process innovation in context	3	Good analysis of one disadvantage of process innovation in context	3	
1b	Shows knowledge of two elements of process innovation	2	Limited analysis of two disadvantages of process innovation	2	
1a	Shows knowledge of one element of process innovation	1	Limited analysis of one disadvantage of process innovation	1	
0	No creditable content				
<p>Knowledge may include:</p> <ul style="list-style-type: none"> • Putting a new approach into action • About adding value • Improving/developing existing goods, services or processes • Need to understand customer needs • Developing imaginative solutions • Can be expensive <p>Analysis may include:</p> <ul style="list-style-type: none"> • May require retraining of the 70 workers in the factory – additional costs for BU • Will require the purchase of machinery for mass production – does BU have the finance available? • May lose their reputation of being hand-made • Could lead to redundancy of the 70 factory workers • No guarantee that the new belt will be successful, so the investment in the new process may be wasted <p>ARA</p>					

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2(d)	Evaluate the usefulness of Mintzberg’s roles of management for BU when recruiting a new factory manager.				11																												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Knowledge and Application (4 marks)</th> <th style="width: 10%;">Marks</th> <th style="width: 33%;">Analysis and Evaluation (7 marks)</th> <th style="width: 14%;">Marks</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td>Justified evaluation based on argument in context</td> <td style="text-align: center;">7</td> </tr> <tr> <td></td> <td></td> <td>Developed evaluation based on argument in context</td> <td style="text-align: center;">6</td> </tr> <tr> <td></td> <td></td> <td>An evaluative statement based on argument in context</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Shows understanding of Mintzberg’s management roles in context</td> <td style="text-align: center;">3–4</td> <td>Argument based on the usefulness of Mintzberg’s management roles in context</td> <td style="text-align: center;">3–4</td> </tr> <tr> <td>Shows knowledge of Mintzberg’s management roles</td> <td style="text-align: center;">1–2</td> <td>Limited analysis of the use of Mintzberg’s management roles</td> <td style="text-align: center;">1–2</td> </tr> <tr> <td colspan="4" style="text-align: center;">No creditable content</td> </tr> </tbody> </table> <p>Knowledge may include:</p> <p>Interpersonal roles</p> <ul style="list-style-type: none"> • Figurehead • Leader • Liaison <p>Informational roles</p> <ul style="list-style-type: none"> • Monitor • Disseminator • Spokesperson <p>Decisional roles</p> <ul style="list-style-type: none"> • Entrepreneur • Disturbance Handler • Resource Allocator • Negotiator 						Knowledge and Application (4 marks)	Marks	Analysis and Evaluation (7 marks)	Marks			Justified evaluation based on argument in context	7			Developed evaluation based on argument in context	6			An evaluative statement based on argument in context	5	Shows understanding of Mintzberg’s management roles in context	3–4	Argument based on the usefulness of Mintzberg’s management roles in context	3–4	Shows knowledge of Mintzberg’s management roles	1–2	Limited analysis of the use of Mintzberg’s management roles	1–2	No creditable content			
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2(d)	<p>Application and Analysis may include Mintzberg's roles are useful because:</p> <ul style="list-style-type: none"> • Figurehead – Factory manager must inspire the 70 workers and 8 supervisors • Leader – Factory manager must lead the 70 workers and 8 supervisors • Liaison – To meet regularly with the worker representatives • Monitor – New process for the mass-produced belts and the inventory in the warehouse • Disseminator – 70 workers and supervisors – need to get information to them quickly and efficiently, especially with the new process • Spokesperson – May need to represent the company to other stakeholders • Entrepreneur – may need to innovate the processes of production further • Disturbance Handler – New process may lead to conflict with the 70 workers, 8 supervisors and worker representatives. • Resource Allocator – Inventory management of the warehouse • Negotiator – May need to negotiate with customers (businesses) as well as the workforce <p>Evaluation may include:</p> <ul style="list-style-type: none"> • Manager has authority and status so interpersonal skills necessary to earn respect • Managers have to communicate to various stakeholders so important to have informational ability • Managers have to make decisions, adapt to situations, allocate resources • Managers ensure operations run efficiently <p>BU can use this in recruitment, job description and interviews to ensure it employs someone who will have the correct impact on the business</p> <p>ARA</p>	