



Rewarding Learning

General Certificate of Secondary Education

Business and Communication Systems

Unit 2: The Business Environment

[GSY21]

Assessment

**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 Clare Browne set up a business called Designer Cakes last year. She employs one assistant.

(a) What type of business ownership is Designer Cakes?

Sole Trader

(1 × [1]) (AO1) [1]

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

Unlimited liability means that if Designer Cakes does not have enough money in the business to pay debts, they may have to use their private funds to meet them. This could have serious consequences because, in extreme circumstances, the owners cars, houses and other private possessions might have to be sold to pay off the business debt.

(1 × [2]) (AO1, AO2) [2]

(c) Explain **two** advantages of this type of business ownership.

Any **two** from:

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

(2 × [2]) (AO1, AO2) [4]

(d) Clare knows that marketing is important for her business. Designer Cakes aims to conduct some marketing.

Explain what is meant by marketing.

Marketing is the process responsible for identifying, anticipating and satisfying customer requirements profitable. It is how Designer Cakes can increase their sales, reputation and its profit by making goods more attractive to consumers.

(1 × [2]) (AO2) [2]

- (e) Clare intends to introduce a new extra-large cake for birthdays. She also intends to carry out market research.

Explain **two** advantages of using primary research for Clare's business.

Any **two** from:

- Clare can design the research in the best way to discover the particular information required.
- Clare can be sure that the information gathered is up-to-date.
- Collecting data which no other business will have access to (the results are confidential).

(2 × [2]) (AO3)

[4]

- (f) Clare needs to think about pricing strategies. Define the following pricing strategies Clare could use for her cakes.

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 Designer Cakes total fixed and variable costs and then adding on a percentage profit. Designer Cakes also has to consider the total number of items which it plans to produce and sell.

Competitor-based pricing

Competitor-based pricing involves the setting of prices based on what rival cake businesses are charging. If there is strong competition in the cake 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 cake 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 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 custom design birthday cake.

(4 × [2]) (AO1, AO2)

[8]

(g) Clare is aware that all products have a life cycle. Describe **two** stages of the product life cycle for Designer Cakes.

AVAILABLE
MARKS

Any **two** from:

- Research and development – this takes place before Designer Cakes products are put on the market. During this stage market research would be carried out on the cake designs and it would be tested. This is an expensive stage.
- Introduction or launch – at this stage emphasis is placed on marketing and promotion in order to make the public aware of the Designer Cakes and to create a desire to buy them. The cake products would still not be in a profit-making position at this introductory stage because sales would not yet be great enough to cover costs incurred in the first stages.
- Growth – at this stage sales grow rapidly as most people would be aware of Designer Cakes now. Many businesses can achieve a degree of customer loyalty. Sometimes prices can be reduced, especially if other producers start to provide similar cakes.
- Maturity – at this stage sales levels are maintained and the Designer Cakes have an established place in the market. However, the competition becomes very intense at this stage and is more difficult to increase the volume of the Designer Cakes sales any further. Revenue/profits at highest.
- Saturation – this stage is the highest point in the life of the Designer Cakes. Although competition is intense, there are unlikely to be any new competitors at this stage. Sales have been pushed as far as possible and new customers cannot be found. Some may be attracted to the Designer Cakes because of decreased prices or extra advertising.
- Decline – this is the final stage in the life of a product. Sales have fallen to such an extent that they are not covering the costs. Further advertising or price reductions may not be successful and the Designer Cakes may be withdrawn from the market when this stage is reached.

(2 × [2]) (AO2)

[4]

25

2 North Golf is expanding its shop. It intends creating one full-time and two part-time sales assistant posts.

(a) (i) Identify **one** internal method of recruitment for the full-time sales assistant.

Any **one** from:

- Noticeboard
- Newsletter
- E-mail
- Intranet

([1]) (AO2)

[1]

(ii) Identify and explain **two** external methods of recruitment that North Golf could use.

Any **two** from:

- Media (including social media), e.g. newspapers – these usually contain a job section.
- Internet – there are different kinds of websites that North Golf can use, including sites that advertise a range of jobs or the organisation's own site. These sites are relatively cheap to use.
- Job centres – these are centres run by the government. They display advertisements as well as informing unemployed people of vacancies in the employment market. It is free for North Golf to advertise using this centre.
- Private recruitment agencies – these businesses will try to find suitable employees for North Golf in return for a fee.

[1] method identified

[2] method identified and explained.

(2 × [2]) (AO1, AO2)

[4]

(b) (i) Apart from interview, identify and explain **two** methods of selection that North Golf could use.

Any **two** from:

- Application form/digital application form – this will allow North Golf to ask questions relevant to the position of a sales assistant. It is easier for the management team to compare potential applicant.
- Curriculum Vitae (CV) – North Golf course may ask for a CV because it shows all the applicant details and how well the applicant can organise and display information. A CV makes it easier for the management because the applicant is simply listing all their qualifications, work and achievements to date.
- Testing – is useful in the selection process for manual, practical jobs. In a practical test the applicant may be asked to undertake a skills test reference equipment for golf.
- Presentation – this will allow North Golf to see the personality of the applicant, and whether they have excellent communications skills.

[1] method identified

[2] method identified and explained.

(2 × [2]) (AO1, AO2)

[4]

- (ii) Identify **one** way that an applicant could prepare for a sales assistant interview in North Golf.

Any **one** from:

- Research North Golf thoroughly.
- Rehearse – practice interview questions.
- Think about body language, e.g. eye contact, posture.
- Think about your appearance.
- Be prepared to answer questions clearly and concisely.
- Read job description.
- Read person specification.

([1]) (AO1)

[1]

- (c) The new sales assistants will require training on customer services.

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

Any **one** from:

- Role-play
- Work shadowing
- Job rotation
- Coaching/mentoring

([1]) (AO1)

[1]

- (ii) Explain **one** advantage and **one** disadvantage of using on-the-job training.

Advantages

Any **one** from:

- The content of the training is designed for North Golf.
- It uses the equipment which the sales assistants will be using in his/her work.
- The sales assistant is supervised by their manager throughout their training so minimal errors will occur.
- Sales assistant will feel at home in their own surroundings.
- It is less expensive for North Golf than off-the-job training.
- Does not require the sales assistant time away from work.

Disadvantages

Any **one** from:

- The quality of the training may not be as good as off-the-job training.
- Bad habits might be passed on to the sales assistants.
- Sales assistant is not able to share experiences with workers from other businesses.
- Mistakes could lead to customer dissatisfaction.

(2 × [2]) (AO1, AO2)

[4]

- (d) North Golf uses digital technology daily. Explain the following digital technologies with respect to North Golf.

Radio Frequency Identification (RFID)

North Golf uses electromagnetic fields to identify and track tags attached to objects or people. Each tag is a unique identifier of the object. Radio Frequency Identification device is scanned to retrieve the information. For example, stock tracking.

Global Positioning System (GPS)

North Golf uses a satellite navigation system that determines their position. For example, distribution tracking deliveries.

Contactless Payment

Is a fast way to pay for purchases to North Golf (currently £30 and under). Contactless payments are becoming increasingly common on a range of devices.

(3 × [2]) (AO1, AO2)

[6]

- (e) Evaluate the impact that digital technology is likely to have on the costs of North Golf's business.

- Hardware within North Golf for example, computers, printers, external hard drives.
- Software within North Golf for example security software.
- North Golf would have to pay for example, set-up, maintenance and updating the hardware and software.
- North Golf may have to recruit new staff to use the hardware and software.
- Existing staff of North Golf may need to be retrained.
- Security of North Golf website may need to be encrypted, and the website will need to have https/padlock.
- May reduce costs, e.g. staff, premises.

Any other suitable response.

Level 0

Answer not worthy of credit.

Level 1 ([1]–[3])

The candidate shows limited knowledge and understanding of cost impact that digital technology has on North Golf. Analysis of the costs is limited. Judgement of the overall cost of digital technology to North Golf is limited or missing. 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 demonstrates a satisfactory knowledge and understanding of cost impact that digital technology has on North Golf. Analysis of the costs is satisfactory. Judgement of the overall cost of digital technology to

North Golf is satisfactory. 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 demonstrates a good knowledge and understanding of cost impact that digital technology has on North Golf. Analysis of the costs is good. Judgement of the overall cost of digital technology to North Golf is clear and logical. Candidate makes 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]

29

AVAILABLE
MARKS

3 Bobs Media Ltd creates and designs websites for local and international businesses. Matilda is responsible for the company's business documents.

AVAILABLE
MARKS

(a) Name **three** pieces of information that should be included in an agenda.

Any **three** listed below:

- Date of meeting
- Time of meeting
- Location of meeting
- People to attend
- Minutes of last meeting
- Matters arising
- Topics listed for this meeting
- AOB

(1 × [3]) (AO1)

[3]

(b) Explain a business report to Matilda.

Business Report

A business report is a business document with detailed written information on Bobs Media Ltd activities. It is formal in nature and the format is structured.

(2 × [1]) (AO2)

[2]

(c) Identify and describe **two** stakeholders who would have an interest in Bobs Media Ltd.

AVAILABLE
MARKS

Any **two** from:

- Owners and shareholders – they are looking for a return on their investment, prices of the product/services to increase at Bob's Media Ltd.
- Managers and employees – they are looking for a fair wage/salary, good working conditions, job security, training and development and career progression within Bobs Media Ltd.
- Competitors – they are looking to compare prices, products/services, quality of the product/services available at Bobs Media Ltd.
- Suppliers – to see that Bobs Media Ltd are financially stable to pay their suppliers, are paying promptly and continuing the order regularly.
- Consumers – consumers will be looking for competitive prices, good range of services, quality of services, customer service and that there is a good reputation for Bobs Media Ltd.
- Financial institutions – they will be looking at the financial stability of Bobs Media Ltd, whether they have the ability to meet repayments and if their business plans are sound.
- Trade unions – fair treatment of workers, negotiate a wage/salary at least in line with inflation, good working conditions, job security within Bobs Media Ltd.
- Local community – corporate social responsibility, noise reduction, traffic congestion, opening hours, care for the environment, community involvement, creating jobs/employment within the local community where Bobs Media Ltd. is located.

Any other suitable response

[1] stakeholder identified

[2] stakeholder identified with basic description

[3] stakeholder identified, and fully described

(2 × [3]) (AO1 [2] × [1]) (AO2 [2] × [1]) (AO3 [2] × [1]) [6]

(d) Define the term digital trading.

Digital trading refers to ordering, buying, selling and paying for products and services using the Internet.

(2 × [1]) (AO1) [2]

- (e) Evaluate the impact of digital technology on Bobs Media Ltd business communication.

AVAILABLE
MARKS

Benefits

- Bobs Media Ltd the business 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.
- Bobs Media Ltd can enhance their circulation by keeping everyone up-to-date. They can make use of social media to enhance customer awareness at no cost.
- Bobs Media Ltd can use digital technology to access a vast range of data related to their business, such as competing website designers. This will mean Bobs Media Ltd will be kept up to date and this should enhance their decision making.
- Bobs Media Ltd is instantly reachable to their stakeholders via Apps, Social media, websites etc.
- Bobs Media Ltd can communicate globally in an instant via VoIP, messenger, email, 24/7 websites etc.

Drawbacks

- Digital technology will require a significant capital investment in order to buy the latest technology and keep it updated. This may prove difficult for Bobs Media Ltd as they are a new business and may not have the necessary capital available to set up and maintain the system. Bobs Media Ltd 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.
- Bobs Media Ltd must ensure that they keep customer details secure when paying for products electronically. Bobs Media Ltd must comply with all aspects of the Data Protection and Computer Misuse Acts, and the Copyright Designs and Patent Act. Bobs Media Ltd should not give out customer contact details and must hold data securely in accordance with the General Data Protection Regulation (GDPR). They should not download any software without permission – Copyright Designs and Patents Act. Any breach of these regulations could lead to a loss of consumer confidence and will impact on their sales.
- Bobs Media Ltd may become too reliant on technology because if the technology breaks down or they can not connect to WIFI the technology will not work to communicate with internal and external stakeholders.
- Dealing with negative comments on social media.

Any other suitable response.

Level 0

Answer not worthy of credit.

Level 1 ([1]–[3])

The candidate shows limited knowledge and understanding of the impact that digital technology has on Bobs Media Ltd business communication. Analysis of the benefits and drawbacks is limited. Judgement of the overall value of digital technology to Bobs Media Ltd is limited or missing. 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 demonstrates a satisfactory knowledge and understanding of the impact that digital technology has on Bobs Media Ltd business communication. Analysis of the benefits and drawbacks is satisfactory. Judgement of the overall value of digital technology to Bobs Media Ltd is satisfactory. 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 demonstrates a good knowledge and understanding of the impact that digital technology has on Bobs Media Ltd business communication. Analysis of the benefits and drawbacks is good. Judgement of the overall value of digital technology to Bobs Media Ltd is clear and logical. Candidate makes 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]

21

Total

75

**AVAILABLE
MARKS**