



GCSE MARKING SCHEME

AUTUMN 2021

BUSINESS - COMPONENT 2
C510U20-1

INTRODUCTION

This marking scheme was used by WJEC for the 2021 examination. It was finalised after detailed discussion at examiners' conferences by all the examiners involved in the assessment. The conference was held shortly after the paper was taken so that reference could be made to the full range of candidates' responses, with photocopied scripts forming the basis of discussion. The aim of the conference was to ensure that the marking scheme was interpreted and applied in the same way by all examiners.

It is hoped that this information will be of assistance to centres but it is recognised at the same time that, without the benefit of participation in the examiners' conference, teachers may have different views on certain matters of detail or interpretation.

WJEC regrets that it cannot enter into any discussion or correspondence about this marking scheme.

GCSE BUSINESS - COMPONENT 2

AUTUMN 2021 MARK SCHEME

Question	Answer	Mark
1 (a)	Explain the financial and non-financial rewards Jakub may experience as an entrepreneur AO1: 2 marks AO2: 2 marks AO3: 2 marks For each reward (one financial and one non-financial) Award 1 mark for identifying a correct reward (up to 2 marks) Award 1 mark for the relevant application to Jakub (up to 2 marks) Award 1 mark for each developed point (up to 2 marks) Indicative content One of the financial rewards Jakub may experience as an entrepreneur is profit, he will receive money for the various grooming services he provides, Jakub is able to do with this profit whatever he wishes as the owner of the business. One of the non-financial rewards Jakub receives as an entrepreneur is personal satisfaction. Jakub risked his own savings to start the business so he must feel very passionate about the services he offers and feels a sense of pride from seeing happy customers. Credit other valid answers	6
1 (b)	Using Figure 1, calculate the average profit for Cool Cutz over the 5-year period. (Show your workings.) AO2: 2 marks Award 1 mark for selection of all the correct data Award 1 mark for the correct answer Total sum of all the numbers/number of items in the set $19\,100 + 21\,000 + 22\,300 + 24\,000 + 26\,400 = 112\,800 / 5$ £22 560 Award 2 marks if just the correct answer Award 1 mark for correct answer with no £	2

Question	Answer	Mark
1 (c) (i)	Identify one method of secondary market research Jakub could have used when carrying out his secondary market research. AO1: 1 mark Award 1 mark for correctly identify a secondary market research type Indicative content Newspaper Website/Internet Government sources Reports Credit other valid responses	1
1 (c) (ii)	Identify one method of primary market research Jakub could have used when carrying out his primary market research. AO1: 1 mark Award 1 mark for correctly identify a primary market research type Indicative content Surveys e.g. questionnaires Focus groups Observation Consumer panels Credit other valid responses	1

1. (d) Analyse the market research data shown in Figures 2 and 3 and explain its usefulness to Jakub. [8]

Band	AO1: 2 marks	AO2: 4 marks	AO3: 2 marks
3	No Band 3 marks for this Assessment Objective 2 marks are awarded for Band 2	4 marks Excellent application Data from Figure 2 and 3 are used accurately and consistently throughout the answer	No Band 3 marks for this Assessment Objective 2 marks are awarded for Band 2
2	2 marks Good knowledge and understanding of market research data Good attempt to use specialist vocabulary	2-3 marks Good application Data from Figure 2 and 3 are used with some accuracy There may be unbalanced reference to Figure 2 or 3	2 marks Good analysis of the data and explanation of the usefulness of the market research data to Jakub
1	1 mark Limited knowledge and/or understanding of market research data Some attempt to use specialist vocabulary	1 mark Limited application An attempt is made to use the data from Figure 2 and/or 3 The data is used inaccurately	1 mark Limited analysis of the data and/or explanation of the usefulness of the market research data to Jakub
0	0 marks No relevant knowledge or understanding	0 marks No use of the data	0 marks No valid analysis

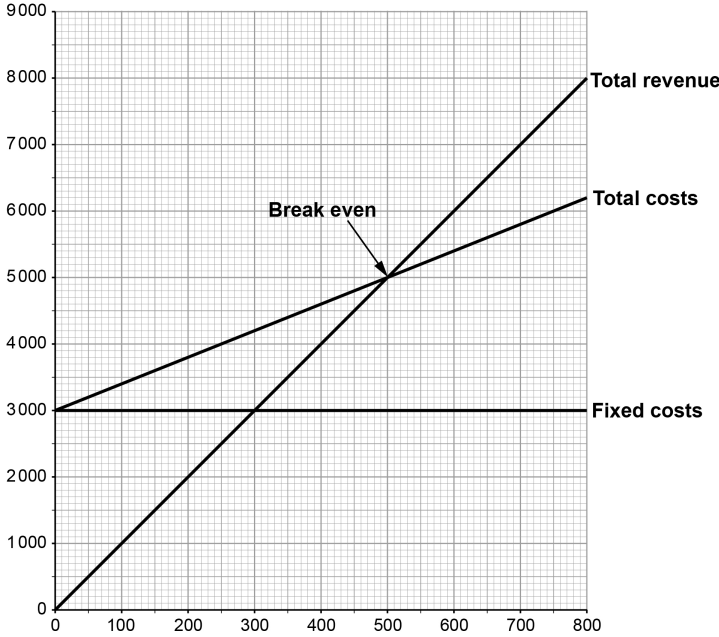
Indicative content

The amount Cool Cutz customers are willing to pay for a haircut gives useful data for Jakub when deciding how to expand. 40% of Jakub's customers are willing to pay between £11 and £13 for a cut and 7% are willing to pay £14 or more. At the moment Jakub charges £10 for his haircuts, yet nearly half of his customers are willing to pay more than that. Jakub could be charging more for expanding his growing business by charging more for his services, therefore increasing profit margins. However, it must also be considered that Jakub may lose customers by charging a higher price, we know that on average there are competing barber shops on each main high street in the UK, charging a higher price could send the customers elsewhere. It must be noted that the data shows that more customers are happy to pay £10 and under.

The frequency of visits to Cool Cutz for different services is valuable in helping Jakub decide how he should grow his business. The data shows how regularly the customers use the services Jakub offers. It seems that Jakub's customers use the services he offers regularly, customers have a beard trim and a clipper cut every 2.8 weeks, this suggests there's a good demand for the services he offers so this information is helpful when thinking about opening the bigger shop, this will allow him to offer more of these services to more people.

However, the data could be a little misleading, the data does not show how many people were questioned and who he questioned. The data may not be up-to-date and it could be biased.

Credit other valid responses

Question	Answer	Mark
1 (e)	On the break-even chart below plot and label the: AO2: 4 marks Award 1 mark for plotting the correct: i) Fixed costs line ii) Total costs line iii) Total revenue line  iv) Identify the number of visits per month needed to break-even in Jakub's current premises. AO2: 1 mark Award 1 mark for the correct answer 500 visits (do not accept £), allow 500. OFR applies	4

1. (f) Advise Jakub on whether to stay in his current premises or move to new premises sited on the main high street of the local town. [8]

Band	AO1: 2 marks	AO2: 2 marks	AO3: 4 marks
3	No Band 3 marks for this Assessment Objective 2 marks are awarded for Band 2	No Band 3 marks for this Assessment Objective 2 marks are awarded for Band 2	4 marks Excellent analysis and evaluation of whether Jakub should stay in his current premises or move to a high street location The advantages and disadvantages of staying and moving are considered Clear advice is given in conclusion, with supporting statements
2	2 marks Good knowledge and understanding of siting factors Good attempt to use specialist vocabulary	2 marks Good application The answer makes good use of the data in the case study	2-3 marks Good analysis and evaluation of whether Jakub should stay in his current premises or move to a high street location The advantage(s) and disadvantage(s) of staying and moving are considered but this may be unbalanced with a focus either on the current premises or the new one. Advice is given in conclusion, with supporting statements
1	1 mark Limited knowledge and understanding of siting factors Some attempt to use specialist vocabulary	1 mark Limited application The answer makes some use of the data in the case study The answer is mainly theoretical	1 mark Limited analysis and/or evaluation of whether Jakub should stay in his current premises or move to a high street location The advantage(s) and disadvantage(s) of staying or moving are included but is brief and unsupported. Unsupported advice is given
0	0 marks No relevant knowledge or understanding	0 marks No application	0 marks No valid analysis or evaluation is given

Indicative content

One of the factors influencing where a business sites is footfall, with this in mind the high street where Jakub is considering siting his new shop would be a good location. There are lots of shops which would mean there would be lots of potential customers passing by who could potentially visit the shop, this would mean greater revenue for Jakub as there will surely be lots of people calling in for a haircut. On the other hand, there is actually lots of competition, there are other barbers on the high street, so despite having a good footfall in this area, he may find that people passing by are likely to go to other more established businesses. He could find himself with less than expected customers and not be able to cover his rent which is likely to increase. There is also the cost of refurbishment which is likely to be high.

Another factors influencing where his business locates is accessibility, the business is by a bus station and has a multi storey car-park close by, this is excellent and great accessibility for customers, whether they travel by bus or car, there are options. This could bring more customers in to the area as accessibility to business and convenience is often very important to customers.

Despite the challenges Jakub is facing, I think this is a good location for Jakub to expand, it is a busy location with good footfall, although there are other barbers shops, this type of service is something that is greatly in demand, with more and more money being spent per month by males, according to a recent survey, this shows how popular these services are. From his own market research Jakub has found nearly half of customers are willing to pay more for his services and they request these services often, therefore opening a new shop would further increase his profit.

Credit other valid responses

Question	Answer	Mark
2 (a)	Identify Admiral's business ownership. AO1: 1 mark Award 1 mark for answer Public limited company	1
2 (b) (i)	Define what is meant by discrimination. AO1: 1 mark Award 1 mark for a suitable definition Indicative content Where someone is treated differently from others with regards to race, gender, marital status, sexual orientation. Credit other valid responses	1
2 (b) (ii)	Explain why businesses do not discriminate in the workplace. AO3: 2 marks Award 1 mark for each valid point explained. Indicative content Businesses do not discriminate in the workplace because it is illegal, leaving a business subject to legal proceedings Businesses do not discriminate in the workplace as it would demotivate their workforce, a demotivated workforce would not be productive	2

Question	Answer	Mark
2 (c)	Explain two benefits to a business of using on-the-job training to train staff. AO1: 2 marks AO3: 4 marks Award 1 mark for identifying a benefit of on-the-job training (max 2 marks) Award 1 mark for explaining each benefit (up to 2 per benefit) Indicative content One of the benefits to business of providing on-the-job training is the staff do not leave the workplace, this can save a lot of time as no one needs to travel to a different location, which saves on travel expenses and reduces costs for a business One of the benefits to business of providing on-the-job training is the staff learn from experience, businesses can use their own staff with particular skills to train others, this allows the businesses to focus on specific skills that they need in the business One of the benefits to business of providing on-the-job training is it is cheaper, it is very expensive to get external providers, so by training in house the training can be more specific and cost effective. One of the benefits to business of providing on-the-job training is the training meets the needs of the business, this means that the training can be specific to the organisation and meets specific aims of the business, this is can lead to major improvement in productivity for the business. Credit other valid responses	6

2. (d) With reference to Figure 4, analyse the recruitment process used by Admiral. **[8]**

Band	AO1: 2 marks	AO2: 2 marks	AO3: 4 marks
3	There are no Band 3 marks for this Assessment Objective 2 marks are awarded for Band 2	There are no Band 3 marks for this Assessment Objective 2 marks are awarded for Band 2	4 marks Excellent analysis of Admiral's recruitment process All 5 stages are included in the analysis
2	2 marks Good knowledge and understanding of the recruitment process Some attempt to use specialist vocabulary	2 marks Good application of Admiral's recruitment process Accurate use of the information in Figure 4 Reference is made to Admiral's context	2-3 marks Good analysis of Admiral's recruitment process At least 3 stages are included in the analysis
1	1 mark Limited knowledge and/or understanding of the recruitment process Limited or no use of specialist vocabulary	1 mark Limited application of Admiral's recruitment process Some of the data in Figure 4 is used Limited reference is made to Admiral's context	1 mark Limited analysis of Admiral's recruitment process 1 or 2 stages are included in the analysis The analysis is superficial
0	0 marks No knowledge of the recruitment process	0 marks No application	0 marks No analysis

Indicative content

Admiral request that people send in a CV.

Next, the human resource staff review the CVs, the HR staff are specialists in recruitment, they will surely be the people, after the recruitment stage, organising the induction programs and further training. Using these experts at this stage is therefore a great idea. Alternatively, it may be a valid idea to include the managers at this stage too, they will be the experts in the job that is being advertised, they would bring an important perspective ensuring key people are not paper-sifted.

One of the main advantages of Admiral's recruitment purpose is that they use an interview process. They don't just use one interview but two, a telephone and meet and greet, this eliminates the unsuitable candidates over the phone, leading to a more effective process as they don't invite unsuitable candidates who perhaps do not have a good telephone manner (a vital skill as Admiral staff can be spoken to over the telephone) this saves time and money. Despite this, people don't always perform well at a telephone interview, they could be the best person for the job but they may not make it through.

They then have a second interview, where they use a meet and greet interview, this is good as it allows the interviewer to establish if the person would fit in to the organisation, if they are a fun person, allowing the best people to be employed allowing Admiral to work more effectively to achieve its aims. On the other hand, interviews can often be difficult for some people, nerves can take over, they may not end up getting the best people for the job. Aptitude tests can often be an effective way of assessing if someone is suitable for a job and could be considered.

Credit other valid responses

2. (e) Evaluate how the methods used by Admiral to motivate its workforce help to ensure an effective sales process and good customer service. [12]

Band	AO1: 2 marks	AO2: 4 marks	AO3: 6 marks
3	There are no Band 3 marks for this Assessment Objective 2 marks are awarded for Band 2	4 marks Excellent application to Admiral Relevant data extracted from the case study There is clear, correct and direct reference to Admiral throughout the answer	5-6 marks Excellent evaluation of the methods used by Admiral to motivate its workforce The evaluation focuses on how the motivation methods ensure an effective sales process and good customer service Writing is generally well-structured using accurate grammar, punctuation and spelling Well-reasoned and balanced discussion with clear line of argument that is backed up using data from the text Information from the data is clearly used to support the discussion An overall conclusion may be offered
2	2 marks Good knowledge and understanding of the methods of motivation Good use of specialist vocabulary	2-3 marks Good application to Admiral Data from the case study is used There is good reference to Admiral throughout most of the answer	3-4 marks Good evaluation of the methods used by Admiral to motivate its workforce The evaluation includes how the motivation methods ensure an effective sales process and good customer service Writing is generally well-structured and uses mostly accurate grammar, punctuation and spelling A mostly well-reasoned and balanced discussion with a line of argument that is backed up using qualitative or quantitative data from the text An overall conclusion may be offered

1	1 mark Limited knowledge and/or understanding of the methods of motivation Attempt to use specialist vocabulary	1 mark Limited application to Admiral Data from the case study is used briefly The answer is mainly theoretical with limited reference to Admiral	1-2 marks Limited evaluation of the methods used by Admiral to motivate its workforce The evaluation includes some limited discussion on how motivation methods ensure an effective sales process and/or good customer service Writing may lack structure and there will be some errors in spelling, punctuation and grammar Unsupported assumptions are made with little reference to data
0	0 marks No knowledge or understanding of motivation	0 marks No reference made to Admiral	0 marks No evaluation

Indicative content

Admiral is known as one of the best companies to work for. One of the ways they motivate their workers is by making the place a nice place to work by focusing on equality and fun. These are non-financial methods of motivation. Admiral are really focusing on the staff needs, particularly their social needs, allowing them to feel safe whatever their background but also have the opportunity to socialise with colleagues. It seems Admiral have been successful in these areas with 86% of people stating it is a fun place to work and 97% of staff said they were treated fairly, regardless of race or ethnic origin, showing Admiral are clearly motivating the staff. Motivated staff are more likely to be able to deliver good customer service, allowing them to be helpful and respond in a friendly way, if they were demotivated it could be difficult to do this.

Another way Admiral motivate its staff is through financial methods. Admiral operate a share scheme where staff are eligible for a share of the company profits. This profit style incentive can motivate colleagues to work hard to achieve goals so they can receive the benefits. This can make staff more productive and increase sales of insurance for Admiral, leading to greater profits. They even offer free gym membership, healthier staff will take less time off work, this would be an expensive incentive to offer staff, but can be very motivating. These incentives can motivate staff to ensure they have good product knowledge about the insurance they sell through the on-the-job training they offer, so they are able to sell more and benefit from the financial incentives. From this staff will be able to identify sales opportunities and engage customers more.

Admiral also offer workers flexible hours and job share. Flexible hours allow people to work around other commitments such as children, staff can start earlier and finish earlier or whatever suits them and can be very motivating for staff, lack of flexibility can be very demotivating. This can benefit business as they will have staff there at different times, this works well with an insurance company that customers call as people will often want to call them late or early and they have different staff available at different times thus further enhancing the customer experience.

Credit other valid responses