



Rewarding Learning

**General Certificate of Secondary Education
2024**

Business Studies

Unit 1

Starting a Business

[GBU11]

TUESDAY 14 MAY, AFTERNOON

**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 Studies.

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 evidence, make reasoned judgements and present appropriate conclusions.

Quality of candidates' responses

In marking the examination papers, examiners should be looking for a quality of response 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 basic.

Level 2: Quality of written communication is good.

Level 3: Quality of written communication is excellent.

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

Level 1 (Basic): The candidate makes only a limited selection and use of an appropriate form and style of writing. The organisation of material may lack clarity and coherence. There is little use of specialist vocabulary. Presentation, spelling, punctuation and grammar may be such that intended meaning is not clear.

Level 2 (Good): The candidate makes a reasonable selection and use of an appropriate form and style of writing. Relevant material is organised with some clarity and coherence. There is some use of appropriate specialist vocabulary. Presentation, spelling, punctuation and grammar are sufficiently competent to make meaning clear.

Level 3 (Excellent): The candidate successfully selects and uses the most appropriate form and style of writing. Relevant material is organised with a high degree of clarity and coherence. There is widespread and accurate use of appropriate specialist vocabulary. Presentation, spelling, punctuation and grammar are of a sufficiently high standard to make meaning clear.

- 1 (a) (i) (AO1)**
Describe what it means to be enterprising.
- To be enterprising means to be able to spot a good business opportunity and to have the vision and drive to make that business succeed.
- Valid alternative responses will be credited.
[1] for a brief description
[2] for a detailed description [2]
- (ii) (AO1, AO2)**
Explain **two** reasons why Marcus and Matthew may have started their business, Taste Sensation.
- The reasons may include:
- They had a good idea for a product which they think will sell. This may have started as a hobby or a personal interest
 - They wished to be independent and be their own boss rather than work for someone else
 - They wanted to make money and keep the profits of the business for themselves
 - They needed a job and starting their own business keeps them in employment
 - They needed the buzz and sense of satisfaction which the venture gives them
 - They wished to provide a service to the community
- Valid alternative responses will be credited.
[1] for identifying one reason
[2] for identifying one reason explained in detail or for identifying two reasons
[3] for identifying two reasons with one reason explained in detail
[4] for identifying and fully explaining two reasons [4]
- (b) (i) (AO2)**
What type of business ownership is Taste Sensation?
- Partnership
- [1] for correct identification of business ownership [1]
- (ii) (AO1, AO2)**
Explain **two** advantages of this type of business ownership to Marcus and Matthew.
- The advantages may include:
- There is more capital in the business which allows it to expand
 - It is easy to set up with few legal requirements
 - Specialisation is possible as the partners may bring different skills to the business
 - The owners can share responsibility for decision making and discuss the problems which occur in the business
 - If one partner is ill or on holiday the business can carry on
 - The financial affairs of a partnership do not have to be published, although tax authorities must have access to them
- Valid alternative responses will be credited.
[1] for identifying one advantage of a partnership
[2] for identifying two advantages of a partnership or identifying one advantage and fully explaining the advantage
[3] for identifying one advantage and fully explaining it and identifying one other advantage

[4] for identifying and fully explaining two advantages

[4]

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(c) (AO2, AO3)

Analyse **one** reason why the government is keen to encourage Marcus and Matthew in their enterprise.

The reasons may include:

- It reduces unemployment
- New ideas may succeed and provide fresh opportunities for employment
- They are motivated and have a 'feel good' attitude
- Competition ensures a healthier business environment
- Leads to economic development which generates wealth in the economy

Valid alternative responses will be credited.

[1] for correct identification of a reason

[2] for correct identification of a reason with a brief analysis

[3] for correct identification of a reason with a detailed analysis

[3]

(d) (i) (AO1)

Explain the term social enterprise.

- An organisation that marries the social mission of a non-profit programme with the market-driven approach of a business
- A social enterprise is a business which has social aims and reinvests a large proportion of its profits into the community or back into the enterprise
- It is set up to address social problems, improve communities or the environment
- Its main aim is to improve human and environmental well-being

Valid alternative responses will be credited.

[1] for a brief explanation

[2] for a detailed explanation

[2]

(ii) (AO1, AO2, AO3)

Analyse how a social enterprise business could deliver an economic output.

The analysis may include:

- To meet social needs in their area by providing employment
- To help those who are in need, permanent or voluntary basis

Valid alternative responses will be credited.

[1] for identifying how a social enterprise business could deliver an economic output

[2] for identifying how a social enterprise business could deliver an economic output with a basic analysis

[3] for identifying how a social enterprise business could deliver an economic output with a detailed analysis

[3]

(e) (i) (AO1, AO2)

Explain **two** factors that may influence the location of the new franchise in Belfast.

- Proximity of the market/demand/busy place
- Availability and price of land/premises
- Government influence
- Transport infrastructure
- Communication

- Parking
- Competition

Valid alternative responses will be credited.

[1] for identifying one factor that may influence the location of the new franchise in Belfast

[2] for identifying two factors that may influence the location of the new franchise in Belfast or identifying and fully explaining one factor that may have influenced the location of the new premises in Belfast

[3] for identifying and fully explaining one factor that may influence the location of the new franchise in Belfast and identifying one other factor that may influence the location of the new franchise in Belfast

[4] for identifying and fully explaining two factors that may influence the location of the new franchise in Belfast [4]

(ii) (AO3)

Evaluate franchising as a type of business ownership for the franchisee.

Advantages for the franchisee:

- Having reduced risks and capital investment
- The sole right to sell a well-known set of products and brand in their particular area
- Increased sales as consumers know the quality of that particular established brand
- Training provided by the franchisor
- The right to be his/her own boss
- The benefits of national advertising and promotions
- Continuous support from the franchisor
- Increased borrowing power from the bank because franchised businesses are usually profitable and seems as a lower risk

Valid alternative responses will be credited.

Disadvantages for the franchisee:

- Loss of individuality. All restaurants will be decorated and organised in the same way in order to be instantly recognisable by the public
- Loss of independence as he/she must organise the business according to the rules given by the franchisor. In many ways the franchisee could be seen more as a manager than the owner
- Do not have the right to sell the business without approval from the franchisor
- Cannot purchase stock from other sources/suppliers which may be cheaper
- Royalties be paid annually to the franchisor

Valid alternative responses will be credited

Level 1 ([1]–[2] marks)

Candidate demonstrates basic knowledge and understanding of this type of business ownership for the franchisee. Candidate gives a limited evaluation either a positive or negative point and fails to make a final judgement.

Level 2 ([3]–[5] marks)

Candidate demonstrates good knowledge and understanding of this type of business ownership for the franchisee. Candidate gives a detailed evaluation either a positive or negative point and makes a limited final judgement.

Level 3 ([6]–[7] marks)

Candidate demonstrates excellent knowledge and understanding of this type of business ownership for the franchisee. Candidate gives a detailed evaluation of both a positive and negative point and makes a valid final judgement.

[7]

**AVAILABLE
MARKS**

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- 2 (a) (AO1)
Explain the term marketing mix.
- All the key elements which are used in the marketing of a business's goods or services
 - The key elements are price, place, product and promotion
 - The marketing mix will also vary at different times throughout the life of the product or service
- Valid alternative responses will be credited.
[1] for brief explanation of the term
[2] for detailed explanation of the term [2]
- (b) (AO2)
Identify **two** pricing policies that Taste Sensation could use to price the food in their restaurants.
- Skimming
 - Competitor-based
 - Penetration pricing
- [1] for one correct pricing policy identified for Taste Sensation
[2] for two correct pricing policies identified for Taste Sensation [2]
- (c) (AO1, AO2)
Explain the legal constraints on promotion by the Office of Communications (Ofcom).
- The explanation of the legal constraints on promotion by Ofcom may include:
- It is to protect consumers from harmful or offensive material on television, radio and the airwaves over which wireless devices operate
 - To make sure that all communication adheres to rules on taste and decency/legal/honest
 - That all communication is impartial
 - To ensure that communication does not cause offence or harm
 - To ensure communication supports market growth and competition
 - To make sure that all communication sets high technical standards
- Valid alternative responses will be credited.
[1] for identifying one legal constraint of Ofcom
[2] for identifying and fully explaining one legal constraint of Ofcom or identifying two legal constraints of Ofcom
[3] for identifying two legal constraints of Ofcom and fully explaining one legal constraint of Ofcom
[4] for identifying and fully explaining two legal constraints of Ofcom or fully explaining one legal constraint of Ofcom [4]
- (d) (i) (AO1)
Explain the term e-business.
- E-business (electronic business) is the online transaction of goods and services, and the transfer of funds through digital communications
 - E-business involves carrying out business over the internet and operate by linking computer systems between the buyer and seller
- Valid alternative responses will be credited.
[1] for a brief explanation of the term
[2] for a detailed explanation of the term [2]

(ii) (AO1, AO2)

Analyse **two** advantages for Taste Sensation of using e-business.

The advantages of using e-business may include:

- Business can be conducted at any time – even when the business is closed (place orders in advance, book a table)
- E-business provides opportunities to customers or suppliers for increased sales revenue for the business by expanding the local market, e.g. delivery
- It increases turnover and profits
- It allows the business to become better known
- Payment for the goods is made immediately
- Payment is more secure
- Orders can be processed very quickly
- E-business allows the business to access a greater range of customers
- Marketing costs are reduced
- Processing errors are less likely to occur
- It is easy to repeat orders as all details are stored on computer
- Direct communication with customers can be made via email
- It saves having to print menus and updating them regularly

Valid alternative responses will be credited.

[1] for identifying an advantage of using e-business

[2] for identifying two advantages of using e-business or briefly analysing one advantage of using e-business

[3] for identifying and fully analysing one advantage of using e-business or for identifying two advantages of using e-business and briefly analysing one advantage of using e-business

[4] for identifying two advantages of using e-business and fully analysing one advantage of using e-business or for briefly analysing two advantages of using e-business

[5] for identifying and fully analysing one advantage of using e-business and briefly analysing the second advantage of using e-business

[6] for identifying and fully analysing two advantages of using e-business

[6]

(e) (AO1, AO3)

Analyse **two** ways in which Taste Sensation can provide good customer service.

- They make the customer feel valued, be aware of their needs and try to meet those needs
- They listen seriously to customers' views and act on them
- They rectify situations where complaints have been made and offer a replacement
- They have high quality food being served in their restaurants
- They provide information and advice (food contents for various allergies) about the food so that customers can make informed decisions
- They provide a delivery service for their customers
- Their employees are well trained, skilled and helpful
- They can offer assistance and facilities for disabled customers are convenient
- The restaurants are clean and welcoming, and signage is clear

Valid alternative responses will be credited.

[1] for identifying one way in which Taste Sensation can provide good

customer service

[2] for identifying two ways in which Taste Sensation can provide good customer service or briefly analysing one way in which Taste Sensation can provide good customer service

[3] for identifying and fully analysing one way in which Taste Sensation can provide good customer service or for identifying two ways in which Taste Sensation can provide good customer service and briefly analysing one way in which Taste Sensation can provide good customer service

[4] for identifying two ways in which Taste Sensation can provide good customer service and fully analysing one way in which Taste Sensation can provide good customer service or for briefly analysing two ways in which Taste Sensation can provide good customer service

[5] for identifying and fully analysing one way in which Taste Sensation can provide good customer service and briefly analysing the second way in which Taste Sensation can provide good customer service

[6] for identifying and fully analysing two ways in which Taste Sensation can provide good customer service [6]

(f) (AO3)

Analyse the impact that competition has on the marketing mix for Taste Sensation.

Analysis of the impact that competition has on the marketing mix may include:

Element of the marketing mix	Impact of competition
Product	<ul style="list-style-type: none"> Quality of the food will be kept high to attract customers away from the competitors Range of food on offer has to be greater than that of the competitors
Price	<ul style="list-style-type: none"> Competitive pricing policy may be used Prices could be reduced to encourage sales Food dishes must be priced appropriately for the market
Promotion	<ul style="list-style-type: none"> Constant advertising is required to attract and retain customers Special offers will be introduced to attract customers Promotional offers such as 'specials' and a delivery service should be used by the business Good customer service is very important to retain existing customers and attract new customers Attractive presentation will be used
Place	<ul style="list-style-type: none"> The food dishes must be available in the restaurant when required, otherwise the customer will go to the competitor for them The restaurant/food dishes have to be available in a convenient place for customers, e.g. delivery service available

Valid alternative responses will be credited.

Level 1 ([1]–[3] marks)

Candidate demonstrates basic knowledge and understanding of the impact that competition has on the marketing mix for Trade Sensation. Candidate partially analyses the impact that competition has on the marketing mix for Taste Sensation. Quality of written communication is basic.

Level 2 ([4]–[6] marks)

Candidate demonstrates good knowledge and understanding of the impact that competition has on the marketing mix for Trade Sensation. Candidate appropriately analyses the impact that competition has on the marketing mix for Taste Sensation. Quality of written communication is good.

Level 3 ([7]–[8] marks)

Candidate demonstrates excellent knowledge and understanding of the impact that competition has on the marketing mix for Trade Sensation. Candidate fully analyses the impact that competition has on the marketing mix for Taste Sensation. Quality of written communication is excellent. [8]

**AVAILABLE
MARKS**

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3 (a) (AO1)

Explain the following terms:

(i) Secondary Production

- Secondary production takes the raw material produced by the primary industries and works on them in order to produce finished products

Valid alternative responses will be credited.

[1] for brief explanation of the term

[2] for detailed explanation of the term [2]

(ii) Division of Labour

- In division of labour, the manufacture of a product is divided into a number of small stages and each employee is given a single task which may be very narrow

Valid alternative responses will be credited.

[1] for brief explanation of the term

[2] for detailed explanation of the term [2]

(iii) Job Manufacturing

- A method of production in which one single item is made at a time – often to a customer’s individual specification

Valid alternative responses will be credited.

[1] for brief explanation of the term

[2] for detailed explanation of the term [2]

(iv) Customer Service Excellence Standard

- This standard has been developed by the government for public service organisations so they can improve their effectiveness and efficiency
- The Standard places importance on members of the public and ensures that they are top-priority in public service provision

Valid alternative responses will be credited.

[1] for brief explanation of the term

[2] for detailed explanation of the term [2]

(b) (AO2)

Identify the most appropriate method of manufacturing for making the following food items at Taste Sensation:

Food items to be made in Taste Sensation	Method of manufacturing
A number of apple and cinnamon tarts for Sunday’s dessert menu	Batch [1]
A white sauce for a specific fish dish	Process [1]
A special meal for a customer who has a variety of food intolerances	Job [1]

[1] for correctly identifying one appropriate method of manufacturing

[2] for correctly identifying two appropriate methods of manufacturing

[3] for correctly identifying three appropriate methods of manufacturing [3]

- (c) (i) (AO2)
Identify the quality standard which Taste Sensation is aiming to achieve.
- Investors In People (IIP)
- [1] for correct identification of the quality standard [1]

- (ii) (AO2, AO3)
Analyse **one** reason why Taste Sensation would undertake the process of obtaining a quality standard.

The reasons for having an award may include:

- It is good for the image of the business
- It assures the public that the business's food, restaurant, services are good
- It gives the business an advantage over its competitors
- It should improve the profitability of the business
- It motivates the employees as they feel they are part of a good business
- Working for an award encourages team spirit in the business

Valid alternative responses will be credited.

[1] for correct identification of a reason

[2] for correct identification of a reason with a brief analysis

[3] for correct identification of a reason with a detailed analysis [3]

- (d) (AO1, AO2, AO3)
Evaluate this method of inventory control for Taste Sensation.

The advantages and disadvantages of just in time inventory control may include:

Advantages

- Capital is used very effectively
- Huge space is not required for the storage of ingredients or food items
- There is minimal waste of ingredients or food items

Disadvantages

- The business is very dependent on having a very efficient ordering system
- The preparation of certain food dishes could be halted if the wrong produce was delivered at the last minute
- It puts severe pressure on suppliers
- The business and its suppliers must work closely together

Valid alternative responses will be credited.

[1] for identifying either one advantage or disadvantage of just in time inventory control

[2] for fully discussing one advantage or disadvantage of just in time inventory control or for identifying one advantage and one disadvantage of just in time inventory control

[3] for identifying one advantage and one disadvantage of just in time inventory control and giving a final judgement or for fully discussing one advantage or disadvantage of just in time inventory control with a final judgement

[4] for fully discussing one advantage and one disadvantage of just in time inventory control or for fully discussing one advantage or disadvantage of just in time inventory control and identifying one advantage or disadvantage of just in time inventory control and giving a final judgement

[5] for fully discussing one advantage and one disadvantage of just in time inventory control with a final judgement [5]

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(e) (i) (AO1)

Identify **two** Health and Safety rights and responsibilities of the employees at Taste Sensation.

Rights and responsibilities of the employees for health and safety may include:

- Take care of their own health and safety
- Co-operate with the health and safety policy of the business
- Report any accidents
- Wear the protective clothing provided
- Use all equipment carefully to keep it in good working order
- Attend any training sessions provided
- Use equipment safely
- Report any faults or dangers

Valid alternative responses will be credited.

[1] for correct identification of one right and responsibility of the employee

[2] for correct identification of two rights and responsibilities of the employee [2]

(ii) (AO1, AO2, AO3)

Discuss the rights and responsibilities of Marcus and Matthew for Health and Safety at Taste Sensation.

- Ensure the safe use of articles and substances
- Provide health and safety training
- Appoint a health and safety officer
- Carryout regular fire drills
- Provide protective clothing, e.g. gloves, hats, hairnets, aprons, shoes, where necessary
- Maintain all equipment/machinery and computer systems in efficient working order
- Provide clear signs and enough space for customers to move around with ease
- Ensure safe practices
- Ensure workplace is well ventilated and well lit
- Maintain indoor temperature of at least 16 degrees Celsius or 13 degrees Celsius if the work involves physical activity
- Carry out cleaning and the removal of waste regularly
- Equip the premises with drinking water, clean washing facilities and toilets
- Provide storage space for employees' clothing
- Provide facilities for rest periods and to eat meals

Valid alternative responses will be credited.

Level 1 ([1]–[3] marks)

Candidate demonstrates basic knowledge and understanding of the rights and responsibilities of Marcus and Matthew for health and safety at Taste Sensation. Candidate partially discusses the rights and responsibilities of Marcus and Matthew for health and safety at Taste Sensation. Quality of written communication is basic.

Level 2 ([4]–[6] marks)

Candidate demonstrates good knowledge and understanding of the rights and responsibilities of Marcus and Matthew for health and safety at Taste Sensation. Candidate appropriately discusses the rights and responsibilities of Marcus and Matthew for health and safety at Taste Sensation. Quality of written communication is good.

Level 3 ([7]–[8] marks)

Candidate demonstrates excellent knowledge and understanding of the rights and responsibilities of Marcus and Matthew for health and safety at Taste Sensation. Candidate fully discusses the rights and responsibilities of Marcus and Matthew for health and safety at Taste Sensation. Quality of written communication is excellent.

[8]

Total

**AVAILABLE
MARKS**

30

90