

Mark Scheme (Results)

Summer 2014

Pearson Edexcel GCSE
in Business Studies (5BS06)
Paper 01: Introduction To Small
Businesses

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GCSE Business Studies
Unit 1 – 5BS06/01
June 2014

Question	Answer	Mark
1	B	1
2	A, D	2
3.	B, E	2
4.	B	1
5.	A, E	2
6.	C, D	2
7.	B, D	2
8.	B, D	2
9	A, C	2
10	A	1
11	A	1
12	D	1
13	A, D	2
14	A, E	2
15	B	1
16	B	1
17	D, E	2
18	C, D	2
19	(i) = E; (ii) = A; (iii) = I; (iv) = F; (v) = D (vi) = C	5

20	<p>Possible justifications for each:</p> <p>□ Cutting costs</p> <ul style="list-style-type: none"> - Natalie could make one of the stylists redundant - Use cheaper hair products - Not offer tea, coffee magazine etc. - <p>These might all be ways of cutting costs. It would depend on how much cheaper different products would be, how much she would save through not offering magazines etc. The effect on morale of making stylists redundant, reducing staff would mean she wouldn't be able to do as many clients which might cut her revenue.</p> <p>Given her reliance on high quality, cutting costs by changing products could damage her reputation and lose more clients. If cutting costs brought more benefits than disadvantages, profits may be maintained.</p>
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	<p>☐ Increasing prices</p> <ul style="list-style-type: none"> - Each customer pays a higher price - Revenue per customer increases - Might give the impression of even higher quality. <p>Increasing prices is risky in a climate of declining economic activity. If Natalie could maintain high quality with high price it might work, but the existing fall in the number of clients and her location on the edge of the city might not help encourage new business. If as a result of increasing prices revenue increased, profits may be maintained, but given the situation it is a risky strategy.</p> <p>If the prices are increased it is likely that there will be a decrease in the number of customers and this will have a direct impact on profit and success of the business. She may have to consider other ways of maintaining her business.</p>
No mark 0	Non-rewardable material
Level 1 1-2 marks	A choice will be made with some justification, but which may provide limited examples. The quality of written communication will be poor with frequent spelling, punctuation and grammar errors and the style of writing will not be appropriate to the subject matter.
Level 2 3-4 marks	A choice will be made with at least one reason cause consequence factor etc identified and developed There will be some developed justification and supported by some appropriate examples, although development might be a little confused or incoherent. There will be a good level of quality of written communication with few mistakes in spelling, punctuation and grammar. The quality of language used will be appropriate for the subject matter; however its use will not be as confidently used as that in Level 3.
Level 3 5-6 marks	A judgement/point is given on one or both issues with some development/support, which includes at least two reasons/causes/consequences etc. and includes some balance. At the top of this level there will be a conclusion drawn from the analysis and the answer. The quality of written communication will be of a high standard with few, if any, errors in spelling, punctuation and grammar. The style of writing and the structure of the response will be appropriate and of a high standard.

Total marks = 40

Assessment grid

AO1 = 16% (64% of Paper 1 = AO1 = 25 marks)

AO2 = 6% (24% of Paper 1 = AO2 = 10 marks)

AO3 = 3% (12% of Paper 1 = AO3 = 5 marks)

Question	AO1	AO2	AO3	Total
1	1			1
2	2			2
3		3		3
4		3		3
5		1		1
6	3			3
7			3	3
8	2			2
9	2			2
10		3		3
11	2			2
12	2			2
13	1			1
14		1		1
15			1	1
16			1	1
17		1		1
18	1			1
19	2			2
20	5			5
Total	23	12	5	40

