

Cambridge International AS & A Level

BUSINESS
Paper 2 Data Response
MARK SCHEME
Maximum Mark: 60

Published

Students did not sit exam papers in the June 2020 series due to the Covid-19 global pandemic.

This mark scheme is published to support teachers and students and should be read together with the question paper. It shows the requirements of the exam. The answer column of the mark scheme shows the proposed basis on which Examiners would award marks for this exam. Where appropriate, this column also provides the most likely acceptable alternative responses expected from students. Examiners usually review the mark scheme after they have seen student responses and update the mark scheme if appropriate. In the June series, Examiners were unable to consider the acceptability of alternative responses, as there were no student responses to consider.

Mark schemes should usually be read together with the Principal Examiner Report for Teachers. However, because students did not sit exam papers, there is no Principal Examiner Report for Teachers for the June 2020 series.

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

Cambridge International is publishing the mark schemes for the June 2020 series for most Cambridge IGCSE™ and Cambridge International A & AS Level components, and some Cambridge O Level components.

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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.

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Question	Answer				
1(a)(i)	Define the term 'redundant' (line 2).				
		Knowledge	Marks		
	A corre	ct definition	2		
	A partia	ll, vague or unfocused definition	1		
	No cred	litable content	0		
		: ancy is where an employee is made to leave an orga role is no longer required.	nisation because		
1(a)(ii)	Explain the term 'primary market research' (line 4).				
	Award one mark for each point of explanation:				
		Knowledge	Marks		
	A	Example or some other way of showing good understanding	1		
	В	An understanding of primary	1		
	С	An understanding of market research	1		
	to asPrim handExal	ket research is when a business investigates the needsees who may be interested in purchasing its productory involves the business conducting the research the	ct/service. nemselves, first-		

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Question	Answer					
1(b)(i)	Refer to Fig. 1.1. Calculate the number of respondents who think a coffee shop would be most successful on Main Street.					
	Rationale Marks					
	Correct ar	nswer with or without correct working	2			
	Correct id	entification of figures	1			
	No credita	able content	0			
	Answer = 2	4				
	Correct figures 160 shopper Coffee sho	ers in total				
1(b)(ii)	Explain two limitations of the sampling used by Thomas.					
	Level	Knowledge and Application	Marks			
	2b (APP +APP)	Explanation of two limitations of the sampling methods used by Thomas	4			
	2a (APP)	Explanation of one limitation of the sampling methods used by Thomas	3			
	1b (K+K)	Identification of two limitations of sampling	2			
	1a (K)	Identification of one limitation of sampling	1			
	0	No creditable content	0			
	 Only 1 decision At lunction that se Friday year? Friday for sho 	m – is everyone likely to be in the target population 60 shoppers – is this enough on which to base such for Thomas? Thime – is this likely to have weighted the answers Il food? 20 December – is one day likely to be representated. 20 December – just before Christmas/holiday – is appers and would this give a representative sample.	th an important towards shops live of the whole this a peak time			

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Question	Answer						
1(c)	Analyse two qualities that Thomas will need to be a successful entrepreneur.						
	Level	Knowledge and Application (4 marks)	Marks	Analysis (4 marks)	Marks		
	2b	Shows understanding of two (or more) qualities needed to be a successful entrepreneur in context	4	Good analysis of two (or more) qualities needed to be a successful entrepreneur in context	4		
	2a	Shows understanding of one quality needed to be a successful entrepreneur in context	3	Good analysis of one quality needed to be a successful entrepreneur in context	3		
	1b	Shows knowledge of qualities needed to be a successful entrepreneur	2	Limited analysis of two (or more) qualities needed to be a successful entrepreneur	2		
	1a	Shows knowledge of entrepreneurship	1	Limited analysis of one quality needed to be a successful entrepreneur	1		
	0	No creditable content					
	Note: Any relevant quality that an entrepreneur might need can be valid						
	 Content: Risk-taking – Thomas will be taking risks in setting up his own business. Confidence – Thomas needs to have confidence that he will make good decisions when setting up his new shop. Ability to make decisions – about the opening of his business, i.e. the options. Self-starter – Thomas will not have a boss in his new business so needs to motivate himself. Creative – to gain a USP in his new business. Determined – Thomas is likely to have to overcome setbacks in his new shop venture. 						
	ARA						

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Question	Answer					
1(d)	Recommend which of the two options Thomas should choose for his new shop. Justify your recommendation.					
	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 the two options for Thomas's new shop	3–4	Arguments based on the two options for Thomas's new shop	3–4		
	Shows knowledge of business decision making	1–2	Limited analysis of business decision making	1–2		
	No creditable content					
	 Content: Option 1: A coffee shop Hits two of the segments form the research, so could potentially sell to 35% of the market. Synergy between coffee shop and bakery – similar customers etc. Other shops in local area suggest that there are potential customers. Lower profit margin than Option 2. Higher competition than Option 2 – four takeaway shops and five cafes – will Thomas have a USP? Option 2: A sandwich shop Job production – will it be able to keep up with demand – however may give shop a USP over the international franchise. Low competition compared to Option 1 – however competitor spends 					
	 heavily on promotion, so n Higher profit margin comp Hits less of a market than segment of the market. ARA	ared to 0	•	e		

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Question	Answer				
2(a)(i)	Define the term 'tertiary sector' (line 1).				
	Knowledge	Marks			
	A correct definition	2			
	A partial, vague or unfocused definition	1			
	No creditable content	0			
	Content Businesses that sell services (intangible goods) instead of end products.				
2(a)(ii)	Explain the term 'performance related pay' (lines 12–13). Award one mark for each point of explanation:				
	Knowledge	Marks			
	Example or some other way of showing good understanding	1			
	Understanding of performance related	1			
	Understanding of a pay	1			
	 Content: Pay is the reward given to workers for their labour. Performance related means that this is linked to the output that the worker produces, or by meeting a required target. 				
	ARA				

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Question	Answer		Marks		
2(b)(i)	Refer to Table 2.1. Calculate the difference between the labour turnover of the specialist marketing workers and the labour turnover of the administrative support workers.				
	Rationale	Marks			
	Correct answer with or without correct working or %	4			
	Correct calculation of LT for both groups	3			
	Correct calculation of LT for one group	2			
	Formula	1			
	No creditable content	0			
	$\frac{2}{40} \times 100 = 5\%$ Administrative workers $\frac{11}{88} \times 100 = 12.5\%$ Difference $12.5\% - 5\% = 7.5\%$ Formula: $\frac{\text{Number of workers who left}}{\text{Average number of workers}} \times 100$				
	OFR				

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Question	Answer						
2(b)(ii)	Analyse how Hetti could use the ideas of two motivational theorists to reduce the labour turnover of the administrative support workers.						
	Level	Knowledge and Application (4 marks)	Marks	Analysis (4 marks)	Marks		
	2b	Shows understanding of two motivation theories context	4	Good analysis of two motivation theories to improve the labour turnover for the administrative support workers	4		
	2a	Shows understanding one motivation theory in context	3	Good analysis of one motivation theory to improve the labour turnover for the administrative support workers	3		
	1b	Shows knowledge of two motivation theories	2	Limited analysis of two motivation theories	2		
	1a	Shows knowledge of one motivation theory	1	Limited analysis of one motivation theory	1		
	0 No creditable content						
	may etc. Herry moti example example example with the example e	Clelland (Three Needs Theory) is be motivated by social every be motivated by social every) is at (i.e. hygiene factors). It motivation and labour turnover (Expectancy Theory) — is and keep them in the busing be paid more often to relate (Scientific Management) apared to national average. It is to (Hawthorne Effect) — is the intoring but is it effective?	ents, opportunity	ctors in the table are unliked are unliked are unliked are unliked are enough holidays whis could be a reason for the bonus is part of the part of the part argets too high? Shou our turnover? pay high enough to motivate and supervision – PRP supergreats that social needs	eagues ely to and, for their ayment notivate ild the ate – low ggests		
	ARA						

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Question	Answer						
2(c)	Explain one possible advantage to MS of being labour intensive						
	Level	Knowledge and Application	Marks				
	2 (APP)	Explanation of an advantage to MS of being labour intensive	2				
	1 (K)	Explanation of an advantage of being labour intensive	1				
	0	No creditable content	0				
	uniquWorkNo mMay lthe co	be more flexible – particularly important for MS as ene) force can be flexible and respond to times of high plaintenance issues (compared to being capital intensible perceived as being better quality – some busines sustomer service is better employ experts who can adapt to each customer's remploy experts who can adapt to each customer's remploy experts who can adapt to each customer's remaining the same of the	eak need sive) sses may feel that				
	ARA						

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Question	Answer					
2(d)	BO has an objective to increase its revenue by targeting a younger market segment (lines 25–26). Recommend how BO should change its marketing mix to achieve this objective. Justify your recommendation.					
	Knowledge and Application (4 marks)	Marks	Analysis and Evaluation (7 marks)	Marks		
			Justified recommendation based on argument in context	7		
			Developed recommendation based on argument in context	6		
			An evaluative/recommendation statement based on argument in context	5		
	Shows understanding of changing the marketing mix in context	3–4	Argument based on changing BO's marketing mix to achieve their objectives	3–4		
	Shows knowledge of the marketing mix	1–2	Limited analysis of changes to the marketing mix	1–2		
		No cred	ditable content			
	Note: There are many possible changes that could be made and context is likely to come from the combination of the elements of the mix to meet the needs of the new target market. Content: Product – need to stock books aimed at a younger audience (under 30 years) – perhaps books that are not so targeted on specific areas, or make the topics more suitable for younger readers. Could start to sell e-books. Price – younger target market are unlikely to have such high incomes, so skimming is unlikely to be successful. May need to be more competitive in their pricing strategy or use it to penetrate the market as they will be new to this target market. Promotion – the current below the line promotion may still be suitable. However they may need to target social media and methods more suitable for a younger audience. Place – the retail shop may still be appropriate but it may be necessary to develop an online presence or to have distribution that suits the younger audience – postal sales are unlikely to be suitable.					
	ARA					

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