

Mark Scheme (Results)

Summer 2023

Pearson Edexcel GCE A Level in Business (9BS0) Paper 01 Marketing and People and Global Business

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

Question Number	Answer	Mark
1(a)	Knowledge 1, Application 2, Analysis 1	
	Quantitative skills assessed: QS 7 interpret values of price and income elasticity of demand	
	 Knowledge/understanding: up to 1 mark % change in quantity demanded/% change in Income Income Elasticity of Demand (YED) measures the responsiveness of demand to a change in income. 	
	 Application: up to 2 marks for: YED is 99.73/-0.64 (1) = - 155.83 or 155/156 (1) YED is - 155.83 (2)/ YED is - 155/156 (2) Quantity Demanded increases by 99.73% (1) or as income falls -0.64% (1) 	
	 Analysis: 1 mark for: Deliveroo orders are inferior goods as incomes fall demand for the service rises. Income elasticity for Deliveroo orders is highly income elastic (greater than 1). Deliveroo orders rise as consumers substitute/switch restaurant meals for takeaways. 	
	NB: If candidate shows correct Income Elasticity of Demand answer only (- 155.83/ -155 / - 156), award 3 marks for application and implied knowledge and understanding of calculation.	(4)

Question Number	Answer	Mark
1(b)	Knowledge 1, Application 2, Analysis 1	
	 Knowledge/understanding: 1 mark for understanding what is meant by commission A payment to a worker based on a percentage of the value of sales. 	
	 Application: up to 2 marks for e.g. Deliveroo riders deliver food to customers. Customers rate their delivery on the Deliveroo app. Food delivery. 	
	 Analysis: 1 mark for: Workers are possibly incentivised to accept more valuable orders if their payment is calculated on the value of the delivery. Workers are incentivised to deliver more orders to earn more commission in total. Deliveroo benefits from customers receiving food more quickly as workers try to earn more commission. 	(4)

Question Number	Indicative content	Mark
1(c)	 Knowledge 2, Application 2, Analysis 3, Evaluation 3 Emotional branding is the creation of brands that perhaps appeal to customers' emotional nature, rather than their logical side. Deliveroo found, through research, that 'food happiness' was important to customers and their decision to use a particular app. Linking marketing to the happiness emotion could improve Deliveroo's brand image and so increase sales Moving away from the more functional approach to using the app, towards emotional branding helped to increase brand awareness from 3.1% to 6.6%. Potential counterbalance Despite approach 93.4% are not aware of Deliveroo Other factors may be more important in affecting the Deliveroo brand. For example, quality, satisfaction, impression, and reputation Deliveroo customers might be more concerned with other aspects of the marketing mix, such as the price of food and deliveries, or the availability of Deliveroo deliveries. 	
	 Potential judgement As takeaways are seen by some customers as something that brings happiness, and could be consumed socially, using emotional branding can help to build customer loyalty. The food delivery app market is highly competitive, with other businesses, such as Just Eat and Uber Eats offering a very similar service to Deliveroo. In this case it is likely that other considerations, such as delivery prices are more important to customers. 	(10)

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Level 1	1–2	 Isolated elements of knowledge and understanding – recall based. Weak or no relevant application to business examples. Generic assertions may be presented.
Level 2	3-4	 Elements of knowledge and understanding. Which are applied to the business example. Chains of reasoning are presented, but may be assertions or incomplete. A generic or superficial assessment is presented.
Level 3	5-6	 Accurate and thorough knowledge and understanding. Analytical perspectives are presented, with developed chains of reasoning, showing cause(s) and/or effect(s). An attempt at an assessment is presented using quantitative and/or qualitative information Supported throughout by use of the business behaviour/context, though unlikely to show the significance of competing arguments.
Level 4	7-10	 Accurate and thorough knowledge and understanding. A coherent and logical chain of reasoning, showing cause(s) and/or effect(s). Assessment is balanced and well contextualised, using quantitative and/or qualitative information Supported throughout by relevant and effective use of the business behaviour/context, and shows an awareness of competing arguments/factors leading to a supported judgement.

Question Number	Indicative content	Mark
1(d)	 Knowledge 2, Application 2, Analysis 4, Evaluation 4 Secondary market research data is collected by another business or organisation, but used by the business in question. Secondary research data is valuable It is often easily available and relatively inexpensive compared to primary research, such as if Deliveroo collated the views of its own customers YouGov BrandIndex is a specialist market research business, that is likely to possess experience and expertise in data collection, making it more valuable to Deliveroo Other sources of secondary research data, such as through news websites and online sales trend information, are also readily available and accessible. Potential counterbalance Despite YouGov BrandIndex being specialists, it does not guarantee the accuracy of the data it collects; Inaccurate data could lead to Deliveroo making unsuitable marketing decisions Rivals such as Uber Eats and McDelivery can access similar data and services, so no advantage is gained by Deliveroo YouGov BrandIndex may charge high prices, which adds to Deliveroo's marketing costs. Potential judgement The secondary research used by Deliveroo seems to be relating specifically to customers reacting to the change in marketing of Deliveroo. Therefore, it has some of the specific advantages of primary research, with less effort and time needed to complete. If Deliveroo are spending money on a new marketing campaign, it might be more valuable to use primary research, such as a focus group to collect accurate information that can be acted on. 	
		(12)

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Level 4	9–12	 Accurate and thorough knowledge and understanding. A coherent and logical chain of reasoning, showing cause(s) and/or effect(s). Assessment is balanced, wide ranging and well contextualised, using quantitative and/or qualitative information. Supported throughout by relevant and effective use of the business behaviour/context, and shows an awareness of competing arguments/factors leading to a supported judgement.

w	Indicative content	Mark
1(e)	Knowledge 4, Application 4, Analysis 6, Evaluation 6	
	 Option 1 Taylor's scientific management suggested a job could be broken down into constituent parts, so that the most efficient way of working could be calculated. Food delivery is standardised, as it involves a series of tasks, from order, collection from kitchen to delivery, with delivery needing to be quick to satisfy customer needs Taylor also suggested workers are motivated by money, which fits well with Deliveroo's current model of paying drivers per delivery, and also offering them commission based on delivery performance The use of the driver ratings system can also be used to ensure that riders are further motivated to offer good service, as well as simply quick deliveries Taylor's approach to motivation would be appropriate due to the simple nature of the food delivery riders are generally unskilled and have chosen to work for financial reward, rather than wider job satisfaction. An extension of the current approach to financial motivation is likely to be suitable. 	
	 Option 2 Herzberg's motivational theory suggests that money is not the only reward that motivates workers, however, as a Hygiene factor, this is not enough to get the best out of workers If workers were offered training and development opportunities, they are likely to be more motivated as these give riders a sense of recognition, and the opportunity to grow, both of which are Motivators to Herzberg Job security is a Hygiene factor, and this seems to be missing for riders. Offering long-term contracts and guaranteed jobs could help to improve job security for riders The use of ratings systems for riders is demotivating, and this is because the ratings given by customers can be due to a range of factors outside the rider's control. This leads to a feeling of lost status, and lack of personal satisfaction, some of Herzberg's Motivating factors Using Motivators such as job rotation, will improve the variety of work that Deliveroo experience, therefore leading to improved motivation and an increased likelihood of good customer service and repeat orders. 	

 Potential judgement: Food delivery is a low skilled job, undertaken by workers primarily motivated by money. These workers may have other jobs (in the gig economy) and balance this employment with others. Therefore, enhancing their pay based on delivery performance, and encouraging the most efficient means of delivery via the continued development of IT, seems the best approach to take and one that supports Taylor's motivation theories. There may be dissatisfaction with the working conditions in this industry, due to decisions being driven by customer needs, and that is leading to demotivation. Keeping the current payments as satisfaction of Hygiene factors is important, but by adopting what Herzberg called Motivators, such as training, promotion opportunities and responsibility for company equipment, is likely to improve motivation and customer service. 	
Examples of possible MOPS recommendations:	
Market - Deliveroo operates in a competitive market, where 'time is money' and customers want prompt deliveries. Rewarding and motivating riders with financial gains, as supported by Taylor, is the best approach.	
Objectives - Deliveroo wants to grow and market research data suggests that customers are concerned about quality, as well as speed. Riders that feel valued and invested in via satisfaction of some of their Hygiene factors, are more likely to offer this.	
Products/services - The delivery aspect of Deliveroo has little customer engagement, and speed and reliability is the most important aspect of this. Organising and paying staff to achieve optimal speed is the best approach to take.	
Situation - Research suggests that customers of takeaway food find the 'moment of joy' to be important in the transaction. A driver that feels valued due to the promotion and training opportunities, and who is trusted to offer that service, is likely to enhance the customer's service.	(20)

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Level 2	5-8	 Elements of knowledge and understanding Which are applied to the business example. Arguments and chains of reasoning are presented, but connections between cause(s) and/or consequence(s)/ effect(s) are incomplete. Attempts to address the question. A comparison or judgement may be attempted, but it will not successfully show an awareness of the key features of business behaviour or business situation.
Level 3	9-14	 Accurate and thorough knowledge and understanding Supported throughout by use of the business behaviour/context. Uses developed chains of reasoning, so that cause(s) and/or consequence(s)/effect(s) are complete, showing an understanding of the question. Arguments are developed. Quantitative or qualitative information is introduced in an attempt to support judgements, a partial awareness of the validity and/or significance of competing arguments and may lead to a conclusion.
Level 4	15-20	 Accurate and thorough knowledge and understanding Supported throughout by use of relevant and effective use of the business behaviour/context. Uses well-developed and logical, coherent chains of reasoning, showing a range of cause(s) and/or effect(s). Arguments are fully developed. Quantitative and/or qualitative information is/are used well to support judgements. A full awareness of the validity and significance of competing arguments/factors, leading to balanced comparisons, judgements and an effective conclusion that proposes a solution and/or recommendation(s).

W	Answer	Mark
2(a)	Knowledge 1, Application 3 Quantitative skills assessed: QS7: interpret values of price and income elasticity of demand QS9: Interpret, apply and analyse information in written, graphical and numerical forms Knowledge: 1 mark for • PED = Percentage change in Quantity demanded/percentage change in Price	
	 Application: up to 3 marks PlayStation 2 = (-)2.10/0.59 = (-)3.56 Xbox = (-)4.47/1.47 = (-)3.04 Difference = (-)3.56 - (-)3.04 = (-)0.52 	
	NB: if the only answer given is -0.52 or 0.52 award 4 marks. If the answer is not rounded to 2 decimal places or if answer is – 0.52% or 0.52%, award 3 marks.	(4)

Question Number	Answer	Mark
2(b)	Knowledge 1, Application 2, Analysis 1	
	 Knowledge/understanding: 1 mark for Global market niches are smaller, specialised parts of a global market / customers' specific needs in more than one country are not met by the global mass market. 	
	 Application: up to 2 marks for Fans of visual novels around the world. Visual novels can be distributed digitally. Players make decisions and solve puzzles. 	
	 Analysis: up to 1 mark for The niche market for visual novels in one country might be too small for customers to provide Subekan with sufficient revenue. The combined niches of several countries can be satisfied by using online distribution, which reduces Subekan's cost per sale. Subekan can charge a premium price when selling to the global niche customers, increasing revenue. 	(4)

Question Number	Indicative content	Mark
2(c)	Knowledge 2, Application 2, Analysis 3, Evaluation 3	
	 Quantitative skills assessed: QS 9 interpret, apply and analyse information in written, graphical and numerical forms Reasons for locating in Japan Spending \$3506 per person on health could mean workers are more likely to be productive and at work, making their work more reliable Education spending of \$1235 per person, plus the 13th ranking in the 	
	 world innovation table, suggests workers could have strengths in developing new ideas and efficient ways of working \$41352 average wage is less important as a factor because manufacturing is likely to be more capital intensive Sony is a Japanese company, with a history of manufacturing games consoles in Japan. This means it is more likely that they have the skills and expertise to make the PS5 Since 2022 Japan has been a member of the RCEP trading bloc, so there could be reduced costs in trading with consumers in fellow RCEP states such as China. 	
	 Potential counterbalance \$41352 average wage is high and likely to add to Sony's costs of production An unemployment rate of 2.7% is likely to mean fewer workers are available, and increased wages might be needed to attract them from other jobs, again adding to costs of production PlayStation is being launched as a global product, with standardised parts, so it might be better choosing alternative production locations such as Europe or North America, which are closer to the big consumer markets. 	
	 Potential judgement Sony is a Japanese business and has close cultural links to the country in which it was founded. To stay competitive with Microsoft, it is important to use the expertise, and technological skills of an educated workforce in Japan, so that the PS5 is the highest possible quality. Japan has higher labour costs than some countries, and the costs of production are likely to have an impact on Sony's profits. There are likely to be skilled workers in other locations, which could be closer to PS5's markets, therefore reducing transport costs to the major markets. 	
		(10)

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Question Number	Indicative content	
2(d)	Knowledge 2, Application 2, Analysis 4, Evaluation 4	
	 Globalisation is a process by which economies and cultures have been drawn deeper together and have become more interconnected through networks of trade and the rapid spread of technology Reasons for transport and communication Technology and the internet, such as the use of mobile devices, has reduced the costs of businesses distributing games around the world Economic growth in different countries, such as China, has increased market size and led to games companies releasing games in a number of languages at the same time. This is helped by technology and communication links Communication networks, such as the international growth of broadband connections, means players in the US and Japan can play and discuss the same game, increasing the opportunities to sell around the world Containerisation has led to improved transportation of products such as games consoles. 	
	 Potential counterbalance Reduced trade barriers have made it cheaper and easier to distribute physical games to a wide range of world economies, including India and China Economic growth and the increased size of middle classes in developing economies such as India and China has driven the demand for computer games, rather than simply their availability Computer games do not rely on raw materials and manufacturing in the same way that other goods such as car manufacturing, so global interdependence is lower Government controls, such as limits on internet access in China, will limit the impact of improved communication and technology Outside China, the major markets of US, UK, and Germany are concentrated in a limited part of the world, so true globalisation may not have occurred. 	
	 Potential judgement: Before improvements in transport and communications, games targeted small local markets and were distributed on a more national basis. The internet, in particular its low cost to use, made global distribution in the computer games market happen. Although technology and communication changes are important, other factors are more important. Increased disposable income in developing economies, such as China, has created the demand for computer games. Without this, there would be no revenue to be earned, even if the means of delivery were available. 	
		(12)

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Question Number	Indicative content	
2(e)	Knowledge 4, Application 4, Analysis 6, Evaluation 6	
	 In support of standardising the controller Standardising the controllers should help to standardise the marketing for the product, with approaches shared around the world. This is an ethnocentric approach. This reduces Sony's marketing costs and means customers can purchase a single, globalised product Manufacturing/assembly costs should be lower, as the machinery and equipment used can be standardised for all markets Despite Japan being Sony's home market, it is likely to only be a small proportion of Sony's 100 million global users. This means it is less likely to damage overall sales if the product is standardised Brand loyalty to Sony in Japan is likely to be high, therefore any adaptions for that market are less likely to damage sales or encourage customers to switch to competitors such as Microsoft Xbox Other purchasing factors such as price, playability, and the games available are likely to be more important factors in a purchase. In support of adapting the product There are strong cultural factors in Japan, that mean continued adaptations may be needed to ensure sales. Confusion over changes to controls could lead to a damaged reputation and reduced sales for the new PS5. This is a geocentric/polycentric approach. The adapted product has been successful and is part of PlayStation's USP in its home market of Japan. This is likely to have driven sales since the launch of the original product If the target market of younger consumers is used to symbols meaning different things in school, for example, this may have negative impacts on the playability of the new PS5, damaging Sony's brand image and sales There are likely to be exiting systems, such as manufacturing and training, that are set up to adapt PlayStations for Japan. These can be adapted and used for the new product, without much disruption. 	

	(20)
Situation - Sony is considering manufacturing the PS5 in Japan, so links to its home country remain strong. There would not be a need to adapt products as well, to maintain this loyalty.	
Products/services - The PlayStation controller is an iconic part of the overall product. The unique place of these symbols in Japanese society, means that continuing to adapt controllers will support Sony's brand image and close links to its home country.	
Objectives - Sony may be aiming for sales maximisation in sales of the global games console market. Japan is only one market in the world, so adapting the products to this market, is probably not necessary.	
Market - Sony's main rival, Microsoft, is likely to sell a standardised console, and focus on playability and price, so it is time for PlayStation to do the same.	
Examples of possible MOPS recommendations:	
 The adapted approach is part of PlayStation's USP. Strong cultural influences which mean that the X button is understood differently, could mean reduced brand loyalty and sales in Japan. Previous PlayStation games consoles were adapted, and this approach seems to have contributed to Sony's past success. 	

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