

## Specimen Paper Answers – Paper 2

### Cambridge International AS & A Level Business 9609

For examination from 2023



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## Introduction

These specimen answers have been produced by Cambridge ahead of the examination in 2023 to exemplify standards (high) for those teaching Cambridge International AS & A Level Business 9609. We have selected questions from Specimen Paper 2, Questions 1(c) and 1(d).

The marks given are for guidance only and are accompanied by a brief commentary explaining the strengths and weaknesses of the answers. Comments are given to indicate where and why marks were awarded, and how additional marks could be obtained. There is also a list of common mistakes and guidance for candidates for each question.

The specimen materials are available to download from the [School Support Hub](#).

**2023 Specimen Paper 02**

**2023 Specimen Paper Mark Scheme 02**

Past exam resources and other teaching and learning resources are available from the [School Support Hub](#).

## Details of the assessment

### Paper 2 Business Concepts 2

Written paper, 1 hour 30 minutes, 60 marks

Two data response questions. There are six parts to each question.

Questions are based on the AS Level subject content.

Externally assessed

60% of the AS Level

30% of the A Level

### Assessment objectives

#### AO1 Knowledge and understanding

Demonstrate knowledge and understanding of business concepts, terms and theories.

#### AO2 Application

Apply knowledge and understanding of business concepts, terms and theories to problems and issues in a variety of familiar and unfamiliar business situations and contexts.

#### AO3 Analysis

Analyse business problems, issues and situations by:

- using appropriate methods and techniques to make sense of qualitative and quantitative business information
- searching for causes, impact and consequences
- distinguishing between factual evidence and opinion or value judgement
- drawing valid inferences and making valid generalisations.

#### AO4 Evaluation

Evaluate evidence in order to make reasoned judgements, present substantiated conclusions and, where appropriate, make recommendations for action and implementation.

### Assessment objectives as a percentage of Paper 2

|                                 |     |
|---------------------------------|-----|
| AO1 Knowledge and understanding | 30% |
| AO2 Application                 | 30% |
| AO3 Analysis                    | 20% |
| AO4 Evaluation                  | 20% |

## Question 1(c)

Analyse one advantage and one disadvantage, to Amir, of BH becoming a private limited company.

### Specimen answer

*If BH were to become a private limited company, Amir would gain limited liability. This means that his own assets would not be at risk if the business has debts. Since BH is in a very competitive market with only 15% share of the market, there is a great risk and Amir would not want to risk his family's happiness.*

*However, becoming a private limited company would take time and money. Amir would need to complete paperwork to produce the article of association and memorandum of association as well as pay to have BH convert into a private limited company. This would increase the costs of the business and mean that Amir would make less profit for himself and his family.*

**Total marks awarded = 6 out of 8**

### Examiner comment

This candidate's answer is well set out and does not waste time explaining what a private limited company is. The candidate goes straight into answering the question which is always the best approach.

This answer gains 2 out of 2 AO1 knowledge and understanding marks, for knowledge of aspects of becoming a private limited company. In the advantage, there is knowledge that a private limited company has unlimited liability. In the disadvantage, there is knowledge that a memorandum of association and articles of association are required to become a private limited company.

The answer only gains 1 of the 2 AO2 application marks, for applying knowledge of the advantage to Amir and BH. The mark is gained for using the market share figure, calculated in Question 1(b)i. By using this figure, which was gained from Fig. 1.1, the candidate has made their answer specific to BH. If the candidate uses relevant data from the text, then the answer becomes explicitly about the given business and not about a business in general.

In the disadvantage there is no specific data related to Amir or BH. Therefore, the second application mark cannot be awarded.

For AO3 analysis, the answer shows developed analysis in only the disadvantage, not the advantage. Developed analysis is about a chain of analysis being built up, showing how something effects a stakeholder or a business. In this response the disadvantage does this by showing the chain of analysis from more time being taken to convert the business, through to increased costs for BH and less profit for Amir. However, the advantage shows only limited analysis because there is no chain, only one impact on Amir, the risk to Amir and his family's happiness, therefore only 3 out of 4 marks are awarded for AO3.

### Common errors and general guidance for candidates

One of the most common mistakes that candidates make when answering this type of question, is that they start with an introductory paragraph showing everything they know about the topic. This type of introduction does often gain the AO1 knowledge and understanding marks, but wastes time, since these marks can easily be gained through answering the question.

AO2 application marks are often missed because the candidate gives an answer that does not contain any of the data given about the specific business. If an answer is generic (it could apply to any similar business)

then application marks can not be awarded. If the candidate had given something specific to BH or Amir in their disadvantage, both AO2 marks would have been awarded. For example, if the candidate had mentioned that Amir can not afford the costs as he has already mortgaged his house, then this would have gained the application marks.

Analysis marks require a chain of analysis of at least two links. For this specimen answer, in the advantage, the candidate could have added that the competitive market might have led to Amir having to reduce prices to be competitive, lowering BH's sales revenue, reducing Amir's profit and risking his happiness then this would have been a chain of analysis, not just a limited analytical point.

Many candidates think that developed analysis is about jumping straight to the impact on profit. This is often the end of the analytical chain and the skill of developed analysis is about linking the initial effect to the end possible outcome.

## Question 1(d)

Evaluate whether BH should sell Asian food.

### Specimen answer

*By selling Asian food, BH would be able to expand their product portfolio. There are six competitors who also sell Asian food, so it is reasonable to assume that there is a big market for this food. This could lead to an increase in BH's sales revenue as they will appeal to a bigger share of the market and this could increase their profit and market share. This is likely to be the most important argument as to why BH should start selling Asian food.*

*However, the competitors who sell Asian food have more experience in the market and, unlike BH, their employees are likely to have experience cooking and selling Asian food. This is likely to mean that BH would not be able to compete with these other businesses and it may damage BH's reputation in selling burgers, kebabs, pizzas and side orders. This could lead to a reduction in BH's sales of their traditional products, a loss of sales revenue and a reduction in profit. BH's market share might even reduce.*

*BH should sell Asian food so that Amir can increase BH's market share, but it depends on whether Amir can maintain the standard of the products that he sells. If BH can keep its current customer base, then expansion is likely to benefit the business. However, if Amir thinks that expanding the product portfolio might damage BH's reputation then it is unlikely to be worth the risk. Since BH does not have any employees experienced in cooking or selling Asian food then it might be better to target a less competitive market.*

**Total marks awarded = 11 out of 12**

### Examiner comment

Evaluative questions usually require a judgement to be made and the whole response should build up to this judgement. This response makes a valid, contextual argument about why BH should sell Asian food. This argument has developed analysis (AO3) using a chain of analysis about the increased sales revenue, profit, and market share. This is not the only argument, but it is likely to be the most important argument since it is what Amir wants to achieve. Good responses do not attempt to cover all of the arguments but focus on the most important.

The argument against is also in context and has a developed chain of analysis; damage to BH's reputation, loss of sales, profit, and market share. (2 out of 2 marks awarded for AO3)

Knowledge and understanding (AO1) in this question is not simply about showing what you know about the key terms and concepts. It must be developed. This means that it is about using terms and concepts as part of the answer, not about writing definitions. In the first paragraph, the candidate uses the term product portfolio and then links this to an understanding of what a market is and market share. This shows developed knowledge. (2 out of 2 marks awarded for AO1)

Likewise, application (AO2) needs to be developed, not just used. This means that the argument should be placed firmly in the context of the business. In the first paragraph there is some limited use of the context by

acknowledging that the market is competitive. If the candidate had specifically mentioned the quantitative data, then this would have been developed.

However, in the second paragraph BH's actual products are mentioned, and this shows developed application that is specifically important to the argument being made. (2 out of 2 marks awarded for AO2)

These questions have half of the marks (6 out of 12) awarded for evaluation (AO4). Therefore, there needs to be a significant amount of evaluation throughout an answer. Often candidates try to leave all of their evaluation until the end of the answer. Whilst this is possible, it is often a better strategy to evaluate each argument as it arises as well as an overall evaluation at the end.

In this response, the candidate has made an evaluative comment at the end of the first paragraph, making a judgement as to the most important reason why BH should start to sell Asian food. However, the second paragraph does not have evaluation. The candidate has missed the opportunity to weigh up the importance of this argument.

There is an overall judgement, which is usually required for a good evaluative response. It does not matter whether the candidate makes the judgement for or against, as long as it follows on from the arguments given. The judgement is then followed by an attempt to weigh up the arguments in context. This context is important in the conclusion as it is the key to gaining Level 3 in AO4. (5 out of 6 marks awarded for AO4)

### Common errors and general guidance for candidates

Evaluation does not have to occur only at the end of a response. A really good response evaluates each argument as it is made and also evaluates at the end of the response.

When the command word asks candidates to 'evaluate' or 'recommend' then there must be a judgement made, preferably at the end of the response. The command word 'discuss' does not require a judgement, however if one is given then it will be rewarded as evaluation. Candidates often spend too much time analysing arguments and do not spend enough evaluating and coming to a judgement.

There is also a temptation for candidates to try and argue every point that could be made, instead of focusing on the most important or relevant arguments. The quality of the arguments is more important than the quantity of arguments.