

Past-paper walk-through

Location decisions ■ 4.4

eXercise

Questions in this set

- 0450/11 N25 Q1 ■ 20 marks
- 0450/12 N25 Q3 ■ 20 marks
- 0450/13 J25 Q3 ■ 20 marks
- 0450/11 N24 Q1 ■ 20 marks

Reading the mark scheme

- **B1** a mark that stands on its own – the point is either made or not.
- **M1** a *method* mark: the right approach, even if the number is wrong.
- **A1** an *answer* mark, and it usually needs its M mark first.
- **C1** a working mark on the way to the answer.
- **//** separates answers the examiner accepts equally.
- **ecf** = error carried forward: a later part is marked on your own earlier answer.
- **owtte** = “or words to that effect” – the wording need not match.

Question 1

0450/11 N25 ■ Q1 ■ 20 marks

- 1 WMH is a business which operates in the secondary sector. It makes furniture including tables and chairs. WMH's employees are all members of a trade union. The Managing Director knows the business is likely to remain small. She is considering introducing new technology into WMH's factory. She also knows it is important for a manufacturing business to choose a suitable location for a factory.

(a) Define 'trade union'.

Question 1

(b) Define 'secondary sector'.

Question 1

(c) Identify **four** reasons why a business might remain small.

Question 1

Question 1

Question 1

Question 1

Question 1

Question 1

Question 1

Question 1

(d) Explain **two** possible effects of WMH introducing new technology.

Question 1

Question 1

Question 1

Question 1

Question 1

- (e) Explain **two** factors a manufacturing business should consider when deciding on a suitable location for a factory. Which factor is likely to be the most important? Justify your answer.

Solution 1

(a) Mark scheme

- Define 'trade union'.
- Award 2 marks for a full definition. Award 1 mark for a partial
- definition.
- ■
- Group of workers who join together to ensure their
- interests are protected [2]
- ■
- An organisation of employees aimed at improving pay

Solution 1

- and working conditions [2]
- ■
- An organisation that exists to provide workplace support
- for its members [2]
- Partial definition e.g.
- ■
- Group of workers/employees (who join together) [1]
- ■
- People/organisation who fight for employee/worker
- rights [1]

Solution 1

- ■
- Stand for worker's rights/protect workers [1]
- ■
- Group of people who protect workers [1]
- ■
- An organisation that ensures workers' rights are not
- violated [1]
- 2 For two marks needs the idea of who is involved (a
- group/organisation of workers) and why it exists (protect
- their rights/ interests).

Solution 1

- 0450/11
- October/November 2025
- Guidance

Solution 1

(b) Mark scheme

- Define 'secondary sector'.
- Award 2 marks for a full definition. Award 1 mark for a partial definition.
- Businesses that:
 - ■
 - Process/manufacture goods from natural resources [2]
 - ■
- Manufacture goods using the raw materials provided by

Solution 1

- the primary sector [2]
 - ■
- Use manufacturing to transform the raw materials
- generated in the primary sector into a product [2]
 - ■
- Converts raw materials into manufactured goods [2]
- Partial definition e.g.
 - ■
- Makes products [1]
 - ■

Solution 1

- Manufactures goods [1]
- ■
- Refines/processes raw materials [1]
- 2 Do not award examples of manufactured goods
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- October/November 2025
- Guidance

Solution 1

(c) Mark scheme

- Identify four reasons why a business might remain small.
- Award 1 mark per reason (max 4).
- Points might include:
 - ■
 - Limited access to/lack of capital (to expand)
 - ■
 - Limited access to/lack of suitable labour

Solution 1

- ■
- Limited access to/lack of suitable land
- ■
- Limited access to/lack of suitable resources/raw
- materials
- ■
- Personal preference / owners' choice / owner does not
- want the responsibility / wants to keep control
- ■
- Lack of skills/knowledge/experience (to expand)

Solution 1

- ■
- Size of the market / amount of customers / level of
- demand / small market
- ■
- To maintain close customers relationships / provide a
- personal service / type of industry
- ■
- Some large firms dominate the market / low market
- share / too much competition
- ■

Solution 1

- Can be flexible / respond quickly to changes in
- customer tastes
- ■
- No economies of scale / to avoid diseconomies of scale
- ■
- Operating at maximum possible output
- Other appropriate responses should be credited.
- 4 Only award the first four responses given.
- Do not award vague statements such as less stressful/have
- more free time/less likely to have communication issues.

Solution 1

- 0450/11
- October/November 2025
- Guidance

Solution 1

(d) Mark scheme

- Explain two possible effects of WMH introducing new
- technology.
- Award 1 mark for identification of each relevant effect (max
- 2).
- Award 1 mark for each relevant reference to this business
- (max 2).
- Award 1 mark for each relevant explanation (max 2).
- Points might include:

Solution 1

- Positive effects:
 - ■
 - Improve quality / less waste / fewer mistakes [k] leading
 - to a better reputation [an] for its furniture [app]
 - ■
 - Increases productivity / efficiency / quicker production
 - leading to lower (average) costs [an] for this small
 - business [app]
 - ■
 - Improved communication [k] leading to fewer mistakes /

Solution 1

- better efficiency [an] in the factory [app]
- ■
- Can design new products [k] which may increase sales /
- access new markets [an]
- ■
- Greater job satisfaction/motivation [k] reducing
- absenteeism/lowering labour turnover [an]
- ■
- Employees may gain new skills [k] leading to higher
- pay/chances of promotion [an]

Solution 1

- ■
- Reduces time/costs to design new products [k]
- ■
- Increase output [k]
- ■
- Safer workplace [k]
- 6 To use words from the stem as application, the reference
- must be appropriate (i.e. make sense) in relation to the point
- being made.
- The following words are likely to be appropriate for this

Solution 1

- question:
- ■
- Furniture or related words such as tables/chairs
- ■
- Trade union
- ■
- Factory
- ■
- Small business
- ■

Solution 1

- Secondary sector/manufacturing
- ■
- Location is important
- Other appropriate examples can be credited.
- Some points can be [k] or [an] but do not award the same
- point twice.
- Some analysis can be used for more than one point, but
- only award once.
- 0450/11
- October/November 2025

Solution 1

- Guidance
- Negative effects:
 - ■
 - Purchasing new equipment / expensive to buy/set up [k]
 - increasing cash outflows/debt [an]
 - ■
 - Need to train workers [k] which can increase costs [an]
 - ■
 - If technology is rapidly changing it will need to change
 - often to remain competitive [k] which will increase costs

Solution 1

an

- ■

- Some employees may lose their jobs/made redundant

k

- ■

- May demotivate employees [k]

- Other appropriate responses should be credited.

Solution 1

(e) Mark scheme

- Explain two factors a manufacturing business should
- consider when deciding on a suitable location for a
- factory. Which factor is likely to be the most important?
- Justify your answer.
- Award up to 2 marks for identification of relevant points.
- Award up to 2 marks for relevant development of points.
- Award up to 2 marks for justified decision as to which
- location factor is likely to be the most important for a

Solution 1

- manufacturing business.
- This is a general question so there are no marks for
- application
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- Guidance
- Points might include:
 - ■
- Access to skilled labour [k] as may be difficult to
- find/recruit / could increase recruitment/labour costs [an]

Solution 1

- ■
- Access to raw materials/components [k] so production is
- not delayed [an]
- ■
- Availability / rent of suitable land [k] which could restrict
- size of factory / increase fixed costs [an]
- ■
- Good transport links [k] to ensure materials arrive /
- products sent when needed [an]
- ■

Solution 1

- Proximity to market [k] to ensure sales/revenue can be
- made [an]
- ■
- Type of product [k] a fragile/heavy product may need to
- be closer to customers to reduce risk of damage/cost

an

- ■
- Government grants [k] which could help reduce costs

an

- ■

Solution 1

- Legal controls [k] which may prevent the business from
- locating in certain areas [an]
- ■
- Access to utilities/power/water [k] as needed for
- production [an]
- ■
- Trade barriers [k]
- ■
- Security of the area/level of crime [k]
- Other appropriate responses should be credited.

Solution 1

- Justification might include:
- Skilled labour [k] if difficult to find could increase recruitment
- costs [an]. Another factor is availability of suitable land [k]
- which could restrict the size of the factory [an]. Having
- suitable land is more important because this might limit
- output which could reduce its ability to meet demand [eval]
- whereas a business can train employees, and the extra cost
- might be covered by the additional revenue gained [eval].
- 6 .
- 0450/11

Solution 1

- October/November 2025
- Guidance

Question 3

0450/12 N25 ■ Q3 ■ 20 marks

-
- 3** Miguel plans to start up a gym (sports club). It will offer a range of fitness classes including yoga. The business will be a partnership with his sister. Miguel thinks the size of the business will remain small. Secondary market research will be used to help make decisions including which pricing method to use. Miguel knows it is important for a new business to select a suitable location.
- (a)** Define 'partnership'.

Question 3

(b) Identify **two** ways to measure the size of a business.

Question 3

- (c) Outline **two** pricing methods Miguel could use.

Question 3

(d) Explain **one** advantage and **one** disadvantage to Miguel of using secondary market research.

Question 3

Question 3

Question 3

Question 3

Question 3

Question 3

- (e) Do you think access to employees is the most important factor for a new business to consider when deciding on a suitable location? Justify your answer.

Question 3

Solution 3

(a) Mark scheme

- Define 'partnership'.
- Award 2 marks for a full definition. Award 1 mark for a partial definition.
- ■
- Two (or more) people agree to jointly own a business (together) [2]
- ■
- A business formed by two or more people [2]
- Partial definition e.g.
- ■

Solution 3

- A business run/operated/managed/controlled/lead by two (or more)
- people [1]
- 2 For two marks need the idea of
- owned/formed and it involves at least two
- people.

Solution 3

(b) Mark scheme

- Identify two ways to measure the size of a business.
- Award 1 mark per way (max 2).
- Points might include:
 - ■
 - (Number of) employees / size of workforce / (amount of) labour
 - ■
 - Value of sales/revenue
 - ■

Solution 3

- Number/amount of customers / volume of output / number of sales
- ■
- Value of output
- ■
- (Value of) capital employed
- Other appropriate responses should be credited.
- 2 Only award the first two responses given.
- Do not award:
 - ■
- Profit

Solution 3

- ■
- Capital on its own
- 0450/12
- October/November 2025
- Guidance

Solution 3

(c) Mark scheme

- Outline two pricing methods Miguel could use.
- Award 1 mark for each relevant method (max 2).
- Award 1 mark for each relevant reference to this business (max 2).
- Points might include:
 - ■
 - Cost-plus pricing [k] to cover the costs of the gym [app]
 - ■
 - Penetration pricing [k] as it is a new business [app]

Solution 3

- ■
- Competitive / competition pricing [k] based on the location [app]
- ■
- (Price) skimming [k] for some of the classes [app]
- ■
- Promotional pricing [k] based on its market research results [app]
- Other appropriate responses should be credited.
- 4 To use words from the stem as application,
- the reference must be appropriate (i.e.
- make sense) in relation to the point being

Solution 3

- made.
- The following words are likely to be
- appropriate for this question:
- ■
- Gym / sports club / club
- ■
- Fitness / classes / yoga or related
- words e.g. instructors
- ■
- (Business) partnership / sister

Solution 3

- ■
- (Remain) small
- ■
- New/start-up business
- ■
- Secondary/market research
- ■
- (Suitable) location
- Other appropriate examples can be
- credited.

Solution 3

- 0450/12
- October/November 2025
- Guidance

Solution 3

(d) Mark scheme

- Explain one advantage and one disadvantage to Miguel of using
- secondary market research.
- Award 1 mark for identification of each relevant advantage/disadvantage (max
- 2).
- Award 1 mark for each relevant reference to this business (max 2).
- Award 1 mark for each relevant explanation (max 2).
- Points might include:
- Advantages:

Solution 3

- ■
- Low cost/free [k] which is important for a new business [app] so has funds
- for other activities [an]
- ■
- Readily available [k] so saves time / has time to focus on other issues
- an such as deciding a pricing method [app]
- ■
- More/wide(r) range of information [k] about classes/yoga [app] which
- could help increase demand/sales [an]
- Disadvantages:

Solution 3

- ■
- Out-of-date information [k] for the gym [app] leading to wrong decisions
- being taken [an]
- ■
- Data is available for all businesses [k] so may not help create competitive
- advantage [an] so may not help the partnership [app]
- ■
- May not be relevant/specific to business needs [k] for this small business
- app which could result in customer needs not being met reducing
- customer loyalty [an]

Solution 3

- ■
- May not be reliable [k] as not up to date [an]
- Other appropriate responses should be credited.
- 6 To use words from the stem as application,
- the reference must be appropriate (i.e.
- make sense) in relation to the point being
- made.
- The following words are likely to be
- appropriate for this question:
- ■

Solution 3

- Gym / sports club / club
- ■
- Fitness / classes / yoga or related
- words e.g. instructors
- ■
- (Business) partnership / sister
- ■
- (Remain) small
- ■
- Method of pricing

Solution 3

- ■
- (Suitable) location
- ■
- New/start-up business
- Other appropriate examples can be
- credited.
- Some points can be [k] or [an] but only
- award once e.g. lower cost, saves time.
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- October/November 2025

Solution 3

- Guidance

Solution 3

(e) Mark scheme

- Do you think access to employees is the most important factor for a new business to consider when deciding on a suitable location? Justify your answer.
- Award up to 2 marks for identification of relevant points.
- Award up to 2 marks for relevant development of points.
- Award up to 2 marks for a justified decision as to whether access to employees is the most important factor for a new business to consider when deciding on a suitable location.

Solution 3

- Points might include:
- Access to employees:
- ■
- Availability/number of employees [k] as if high employment may be
- difficult to find enough employees / if many available could pay lower
- wages [an] helping to lower costs [an]
- ■
- Distance/proximity from workers/workplace [k] as if far may increase
- transport costs / if many close it may be easier to recruit [an]
- ■

Solution 3

- May need skilled/trained workers [k] to provide a good level of
- service/high(er) output / may not be suitable workers nearby [an]
- ■
- Level of wages/salary (in local area) [k] if high wages need to be paid it
- could increase costs [an]
- Other factors might include:
- ■
- Access to customers/demand / proximity to market [k] to increase sales
- an AND/OR revenue [an]
- ■

Solution 3

- Availability of suitable premises/rent [k] as high rent will increase fixed
- costs [an]
- ■
- Number of competitors [k] may lead to high/low footfall [an]
- ■
- Distance to/from suppliers/transport links [k] which could increase
- transport costs [an]
- ■
- Access to raw materials [k]
- ■

Solution 3

- Legal controls [k]
- ■
- Government grants [k]
- ■
- Local infrastructure e.g. internet/water/electricity [k]
- ■
- Personal preference [k]
- 6 This is a general question so there are no
- marks for application.
- Evaluation can only be awarded if

Solution 3

- candidates discuss access to employees.
- For evaluation to be awarded justification
- will usually follow on from relevant analysis
- of points.
- Some points could be [k] or [an] but only
- award once.
- Some [an] could be used for different
- points but only award once.
- Answers must be from the business
- viewpoint, not the employee.

Solution 3

- 0450/12
- October/November 2025
- Guidance
- Other appropriate responses should be credited.
- Justification might include:
 - Availability of employees as if high employment may be difficult to find enough
 - employees [k] reducing level of output [an]. Another factor is government
 - grants [k] which could help pay the start-up costs [an].
 - The grant is likely to be the most important factor for a new business because
 - without enough finance, there may be no business [eval] and there would be

Solution 3

- no need to worry about recruiting employees [eval].
- Guidance

Question 3

0450/13 J25 ■ Q3 ■ 20 marks

- 3** GAE is a multinational company. It manufactures steel. GAE has 2400 employees and has factories in 4 countries. The business regularly introduces new technology. Holding inventory is important. GAE's directors are planning to build a new factory and want to know how legal controls over location might affect this decision. The Managing Director said, 'The new factory will create many external benefits.'

(a) Define 'external benefits'.

Question 3

(b) Identify **two** ways legal controls over location might affect a business.

Question 3

(c) Outline **two** advantages to GAE of introducing new technology.

Question 3

(d) Explain **two** reasons why holding inventory might be important for GAE.

Question 3

Question 3

Question 3

Question 3

Question 3

Question 3

- (e) Explain **two** benefits to a business of being a multinational company. Which benefit is likely to be the most important? Justify your answer.

Question 3

Solution 3

(a) Mark scheme

- Define 'external benefits'.
- Award 2 marks for a full definition. Award 1 mark for a partial
- definition.
- ■
- Gains to the rest of society other than the business as a
- result of business activity [2]
- Partial definition e.g.
- ■

Solution 3

- Gains to the rest of society / third party [1]
- 2 References to business activity is [+1] only.

Solution 3

(b) Mark scheme

- Identify two ways legal controls over location might
- affect a business.
- Award 1 mark per way (max 2).
- Points might include:
 - ■
 - Affect where they can/cannot locate
 - ■
 - Affect how they produce or examples e.g. change

Solution 3

- production methods, change / restrict (raw) materials
- used
- ■
- Affect when / hours can operate
- ■
- Increased costs
- Other appropriate responses should be credited.
- 2 Only award the first two responses given.
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- May/June 2025

Solution 3

- Guidance

Solution 3

(c) Mark scheme

- Outline two advantages to GAE of introducing new
- technology.
- Award 1 mark for each relevant advantage (max 2).
- Award 1 mark for each relevant reference to this business
- (max 2).
- Points might include:
 - ■
- Motivate employees [k] as have 2400 workers [app]

Solution 3

- ■
- Fewer employees needed [k] in the 4 countries [app]
- ■
- Increases productivity / efficiency / quicker (rate of)
- production [k] in its factories [app]
- ■
- Improved quality / consistent quality / less waste / fewer
- mistakes [k] when making steel [app]
- ■
- Increase output [k] for this multinational company [app]

Solution 3

- ■
- Can work 24/7 / no need to have breaks in production
- k
- ■
- Help design / make new products [k]
- ■
- Improved communication [k]
- Other appropriate responses should be credited.
- To use words from the stem as application, the reference
- must be appropriate (i.e. make sense) in relation to the point

Solution 3

- being made.
- The following words are likely to be appropriate for this
- question:
 - ■
 - Steel
 - ■
 - Multinational company
 - ■
 - Factory/factories
 - ■

Solution 3

- 4 countries
- ■
- 2400 employees
- ■
- Inventory is important
- ■
- External benefits
- Other appropriate examples can be credited.
- Allow 'lower cost' once, unless two clearly specific different
- costs.

Solution 3

- 0450/13
- May/June 2025
- Guidance

Solution 3

(d) Mark scheme

- Explain two reasons why holding inventory might be
- important for GAE.
- Award 1 mark for identification of each relevant reason (max
- 2).
- Award 1 mark for each relevant reference to this business
- (max 2).
- Award 1 mark for each relevant explanation (max 2).
- Points might include:

Solution 3

- ■

- To benefit from economies of scale / discounts for bulk

- buying / to benefit from special offers / *gain supplier

- discounts [k] reducing average / unit cost [an] for this

- multinational company [app]

- ■

- To maintain / not delay production / provide backup

- materials in case of breakdowns [k] at the factories

app so can meet orders / demand (on time) [an]

- ■

Solution 3

- To protect against delays from suppliers / shortage of
- materials [k] which otherwise could delay production

an in the 4 countries [app]

- ■

- To meet / satisfy demand / customer orders [k] of steel

app which can increase revenue [an]

- ■

- To meet sudden order / unexpected changes in demand

k helping maintain its reputation [an]

- ■

Solution 3

- To meet seasonal changes in demand [k]
- Other appropriate responses should be credited.
- 6 To use words from the stem as application, the reference
- must be appropriate (i.e. make sense) in relation to the point
- being made.
- The following words are likely to be appropriate for this
- question:
- ■
- Steel
- ■

Solution 3

- Multinational company
 - ■
- Factory/factories
 - ■
- 4 countries
 - ■
- 2400 employees
 - ■
- New technology
 - ■

Solution 3

- External benefits
- ■
- Legal controls over location
- Other appropriate examples can be credited.
- Some points can be [k] or [an] but only award once.
- Some [an] can be used for different points but only award once.
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- May/June 2025
- Guidance

Solution 3

(e) Mark scheme

- Explain two benefits to a business of being a
- multinational company. Which benefit is likely to be the
- most important? Justify your answer.
- Award up to 2 marks for identification of relevant points.
- Award up to 2 marks for relevant development of points.
- Award up to 2 marks for a justified decision as to which
- benefit of being a multinational company is likely to be the
- most important.

Solution 3

- Points might include:
 - ■
 - Spreading risk [k] so a fall in sales / revenue in one
 - country can be offset by an increase in sales / revenue
 - in another country [an]
 - ■
 - Access new / wider markets / sales / customers [k]
 - increasing revenue / (global) market share [an]
 - ■
 - Improve brand image / reputation [k] to help increase /

Solution 3

- maintain customers AND/OR could allow them to set
- higher prices / provide competitive advantage [an]
- ■
- Economies of scale [k] lowering average/unit costs [an]
- ■
- Cheaper / access (better quality) raw materials [k]
- reducing transport costs [an] OR access better quality /
- wider range of raw materials [k] allowing the business to
- produce new products [an]
- ■

Solution 3

- Access to cheap labour [k] which can lower costs /
- increase profit margin [an] OR Access to skilled labour
- k which could increase efficiency [an]
- ■
- Avoid import quotas [k] so no/fewer limits on the number
- of products the business can import into a country [an]
- 6 This is a general question so there are no marks for
- application.
- Some points can be [k] or [an] but only award once.
- The following are [an] only:

Solution 3

- ■
- Increase market share
- ■
- Provide competitive advantage
- 0450/13
- May/June 2025
- Guidance
- ■
- Avoid import tariffs [k] so does not make products more
- expensive [an]

Solution 3

- ■
- Reduced tax liability / benefit from favourable / lower tax
- rates [k]
- ■
- Access government support/grants [k]
- Other appropriate responses should also be credited.
- Justification might include:
- One benefit is spreading risk [k] so a fall in sales in one
- country can be offset by sales in another country [an]. It also
- allows for easier access to raw materials [k] reducing

Solution 3

- transport costs [an]. Access to raw materials is likely to be
- the most important benefit because this could reduce
- production costs leading to lower prices helping the
- business remain competitive [eval] and ensuring the extra
- sales are achievable [eval].
- 6
- 0450/13
- May/June 2025
- Guidance

Question 1

0450/11 N24 ■ Q1 ■ 20 marks

- 1 RSL manufactures paint using flow production. Last year it produced 10 million litres of paint. RSL has 6 managers and 80 employees working in its factory. The managers use different leadership styles. RSL uses email and telephone calls as its methods of internal communication. The Operations Manager wants to understand why some manufacturing businesses are relocating their operations to other countries.
 - (a) Identify **two** benefits to a business of using flow production.

Question 1

Question 1

Question 1

Question 1

(b) Identify **two** reasons why people work.

Question 1

Question 1

Question 1

Question 1

- (c) Outline **one** advantage of RSL using each of the following methods of internal communication.

Question 1

Question 1

(d) Explain **two** leadership styles RSL's managers might use.

Question 1

Question 1

Question 1

Question 1

Question 1

- (e) Explain **two** factors a manufacturing business should consider when relocating its operations to another country. Which factor is likely to be the most important? Justify your answer.

Solution 1

(a) Mark scheme

- Identify two benefits to a business of using flow
- production.
- Award 1 mark per benefit (max 2).
- Points might include:
 - ■
 - High output / large number of products made
 - ■
 - (Purchasing) economies of scale / discounts for bulk

Solution 1

- buying / low average/unit costs
- ■
- Lower labour cost / less workers needed
- ■
- Increased efficiency/productivity / goods are produced
- quickly
- ■
- No need to move goods from one part of the factory to
- another
- ■

Solution 1

- Consistent/standardised quality.
- Other appropriate responses should be credited.
- 2 Only award the first two responses given.
- Do not award:
 - Vague comments such as saves time, cheaper, quicker,
 - faster on their own.

Solution 1

(b) Mark scheme

- Identify two reasons why people work.
- Award 1 mark per reason (max 2).
- Points might include:
 - ■
 - (Earn) money/wage/salary/improve standard of living
 - ■
 - Job satisfaction / feel as if you have done a good job
 - ■

Solution 1

- Safety/security for example job security
- ■
- Social or examples such as feel part of a
- group/company
- ■
- Esteem/recognition/status/feel important/valued
- ■
- Opportunity to reach potential / challenge self to do new
- things
- ■

Solution 1

- Help people/provide a service to community/others.
- Other appropriate responses should be credited.
- 2 Only award the first two responses given.
- Do not award:
- Vague answers such as relieve boredom, something to do,
- like what they do.
- 0450/11
- October/November 2024
- Notes

Solution 1

(c) Mark scheme

- Outline one advantage of RSL using each of the
- following methods of internal communication.
- Award 1 mark for identification of each relevant advantage
- (max 2).
- Award 1 mark for each relevant reference made to this
- business (max 2).
- Points might include:
- Email:

Solution 1

- ■
- A lot of information/detail/documents can be shared [k]
- with the 80 employees [app]
- ■
- Can send information/message to multiple people at the
- same time [k] about the paint [app]
- ■
- Keep a copy (to refer to) [k]
- ■
- Can communicate with people in a different location [k]

Solution 1

- ■
- Low cost/cheap [k]
- ■
- Can check if the message has been read [k]
- Telephone calls:
- ■
- Quick [k] if there is a problem using flow production

app

- ■
- Opportunity for (instant) questions/discussion/decisions

Solution 1

k with one of the 6 managers [app]

-

- Feedback (straightaway) [k]

- Other appropriate responses should also be credited.

- 4 To use words from the stem as application, the reference

- must be appropriate (i.e. make sense) in relation to the point

- being made.

- The following words are likely to be appropriate for this

- question:

-

Solution 1

- Paint
- ■
- 10 million litres
- ■
- Flow production
- ■
- Relocate (to another country)
- ■
- 80/86 employees
- ■

Solution 1

- 6 managers
 - ■
- Factory
 - ■
- Manufacturer
 - ■
- Different leadership styles.
- Other appropriate examples can be credited.
- Award only once in the answer:
- Low cost/cheap [k]

Solution 1

- Fast/quick [k]
- 0450/11
- October/November 2024
- Notes

Solution 1

(d) Mark scheme

- Explain two leadership styles RSL's managers might
- use.
- Award 1 mark for each relevant leadership style (max 2).
- Award 1 mark for each relevant reference to this business
- (max 2).
- Award 1 mark for each relevant explanation (max 2).
- Points might include:
 - ■

Solution 1

- Autocratic [k] when the manager instructs/ tells workers
- what to do [an] when using flow production [app]
- ■
- Democratic [k] when one of its 6 managers [app] asks
- employees for their ideas/opinions before making a
- decision [an]
- ■
- Laissez-faire [k] when the managers leave it up to the
- employees to make decisions/decide what to do [an]
- when making paint [app]

Solution 1

- Other appropriate responses should be credited.
- 6 To use words from the stem as application, the reference
- must be appropriate (i.e. make sense) in relation to the point
- being made.
- The following words are likely to be appropriate for this
- question:
- ■
- Paint
- ■
- 10 million litres

Solution 1

- ■
- Flow production
- ■
- Relocate (to another country)
- ■
- 80/86 employees
- ■
- 6 managers
- ■
- Email

Solution 1

- ■
- Telephone calls
- ■
- Factory
- ■
- Manufacturer
- Other appropriate examples can be credited.
- 0450/11
- October/November 2024
- Notes

Solution 1

(e) Mark scheme

- Explain two factors a manufacturing business should
- consider when relocating its operations to another
- country. Which factor is likely to be the most important?
- Justify your answer.
- Award up to 2 marks for identification of relevant points.
- Award up to 2 marks for relevant development of points.
- Award up to 2 marks for a justified decision as to which
- factor is likely to be the most important for a manufacturing

Solution 1

- business when relocating its operations to another country.
- Points might include:
 - ■
 - Access to raw materials [k] as without materials it can
 - delay/stop production [an] so not able to meet orders

an

- ■
- Labour issues e.g. cost/access to
- suitable/skilled/enough employees [k] as lower wage
- rates could help lower labour costs [an] increasing its

Solution 1

- profit margin [an]
- ■
- Land issues e.g. availability/cost of suitable land [k]
- which could increase/lower fixed costs [an]
- ■
- Trade restrictions such as tariffs/quotas [k] as quotas
- could limit the amount of goods allowed into a country

an

- ■
- Availability of government grants / rates of taxation [k]

Solution 1

- which could reduce the amount of finance needed [an]
- ■
- Legal controls [k] as this could stop/determine where
- the business can operate [an]
- ■
- Infrastructure (accept only once) e.g. access to utilities,
- communications [k] as without suitable power it would
- be difficult to operate (efficiently) [an]
- ■
- Available market/demand for the product/level of

Solution 1

- competition [k] which may reduce transport costs [an]
- ■
- Language/cultural problems [k]
- 6 This is a general question so there are no marks for
- application.
- Some analysis could be used for different points, but only
- award once.
- Accept costs [k] once if there is no specific reason for the
- costs given.
- 0450/11

Solution 1

- October/November 2024
- Notes
- Other appropriate responses should be credited.
- Justification might include:
 - Access to raw materials [k] without materials there may be
 - delays in production [an]. Another factor is employees [k] as
 - a lack of skills could lead to lower quality products [an].
 - Access to raw materials is the most important because
 - without materials there is nothing to sell, lowering potential
 - revenue [eval]. However, a business could train employees

Solution 1

- to produce quality products [eval].
- Notes