



Edexcel A-level Business exam practice answers

How your exams are marked

Questions worth 1 or 2 marks test your knowledge. Aspects of definitions will earn a mark each. These answers show these as a [1] for each aspect that would earn a mark.

Questions worth 3 to 12 marks which contain the command word 'analyse' or 'explain why' will earn marks for each of three skills: Knowledge, Application of knowledge, and Analysis of the question. These answers indicate how these skills can be shown for each question.

Questions worth 10 or more marks expecting a judgement (e.g. command words will include evaluate, to what extent, discuss, or may simply ask you to recommend a course of action) test four skills: Knowledge, Application, Analysis and Evaluation (your ability to make a supported judgement). These are marked using a levels of response grid — this asks the examiner to judge how well you have shown all four skills in your response. Top level answers will:

- 'show accurate and thorough understanding throughout, using the business context'
- 'use well-developed and logical, coherent chains of reasoning, showing a range of cause and/or effect(s)'
- 'use information well to support judgements, showing a full awareness of the validity and significance of competing arguments/factors'.

As a guide:

- For questions worth 10–14 marks, develop two arguments fully before making a judgement.
- For questions worth more than 14 marks, develop three arguments before making a judgement.

These answers will indicate points on which valid arguments can be developed and suggest typical ways to demonstrate all relevant skills for the question asked.

Mark scheme for 20 mark questions

Level	Mark	Descriptor
	0	A completely inaccurate response.
1	1–4	Isolated elements of knowledge and understanding. Weak or no relevant application of business examples. An argument may be attempted, but will be generic and fail to connect causes and/or consequences.
2	5–8	Elements of knowledge and understanding, which are applied to the business example.



		<p>Arguments and chains of reasoning are presented, but connections between causes and/or consequences are incomplete.</p> <p>Attempts to address the question.</p> <p>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.</p>
3	9–14	<p>Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context.</p> <p>Uses developed chains of reasoning, so that causes and/or consequences are complete, showing an understanding of the question.</p> <p>Arguments are well developed.</p> <p>Quantitative and/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.</p>
4	15–20	<p>Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context.</p> <p>Uses well-developed and logical, coherent chains of reasoning, showing a range of cause and/or effect(s).</p> <p>Arguments are fully developed.</p> <p>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 recommendations.</p>

Mark scheme for 12 mark questions

Level	Mark	Descriptor
Level 1	1–2	<p>Isolated elements of knowledge and understanding; recall based.</p> <p>Weak or no relevant application to business examples.</p> <p>Generic assertions may be presented.</p>
Level 2	3–5	<p>Elements of knowledge and understanding, which are applied to the business example.</p> <p>Chains of reasoning are presented, but may be assertions or incomplete.</p> <p>A generic or superficial assessment is presented.</p>
Level 3	6–8	<p>Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context.</p> <p>Analytical perspectives are presented, with developed chains of reasoning, showing cause(s) and/or effect(s).</p>



		An attempt at an assessment is presented, using quantitative and/or qualitative information, although unlikely to show the significance of competing arguments.
Level 4	9–12	Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context. 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, and shows an awareness of competing arguments/factors leading to a supported judgement.

17: Globalisation

- 1 (a) Knowledge/understanding: 2 marks for identifying the problems (8)

Keith may face:

- Poor infrastructure
- Insufficient income levels among enough consumers to reach a break-even point
- Corruption
- Not understanding local bureaucracy

Application: up to 2 marks for a contextualised example.

Selecting an aspect of the story to illustrate the argument, perhaps using the data on GDP per capita to illustrate the possibility of low incomes preventing break-even.

Analysis: 2 marks for developing the contextualised example.

Makes a clear logical link explaining how operating in either country will create the problem examined and considering the consequences for Keith.

- (b) Knowledge/understanding: 2 marks for identifying the protectionist measures Keith may face: (8)

- Tariffs
- Quotas
- Government legislation and regulation
- Subsidies for domestic firms

Application: up to 2 marks for a contextualised example.

Selecting an aspect of the story to illustrate the argument; perhaps Keith will be expecting to import certain machinery or materials, which will be harder/more expensive with trade barriers erected.



Analysis: 2 marks for developing the contextualised example.

Makes a clear logical link explaining how the protectionist measure will affect Keith's business, e.g. tariffs on imported copier machines will push up his start-up costs, potentially raising the break-even point.

- (c) Arguments for India: (12)
- India is a bigger total market, perhaps making it easier for Keith to reach his bold growth target.
 - Economic growth is higher, suggesting more rapid development and a market maturing faster.
 - India has a higher GDP per capita, suggesting customers may be more likely to be able to afford Keith's services.

Arguments for Kenya:

- Kenya has a far lower percentage of the population working in agriculture, which may suggest more immediate opportunities in towns and cities.
- A higher % literacy may work in Keith's favour, suggesting copying of written information may be more in demand.
- A significantly smaller market may be less overwhelming for Keith to enter afresh, yet still big enough to reach his growth target.

- 2 Reasons to agree: (20)
- Protectionism is likely to add tariffs to imported goods. This will reduce the competitiveness of the UK business's products in the US market – a clear negative consequence.
 - Quotas may also be imposed, leading to difficulties in getting products into the US market.
 - Other countries may follow suit, erecting trade barriers that make exporting harder.
 - In addition, the USA and other like-minded governments may look to provide support to domestic firms, perhaps through subsidies — another negative consequence for UK exporters.

Potential counterbalance:

- With the UK exiting the EU, it is possible that a favourable trade deal could be negotiated with the USA, softening the effect of protectionism for UK exporters.
- If the UK Government decides to adopt a similarly protectionist stance, domestic opportunities may open up.
- Evaluation may centre on the inevitability of the negative consequences.