

COMMERCE

Paper 7100/11
Multiple Choice

Question Number	Key	Question Number	Key	Question Number	Key	Question Number	Key
1	D	11	D	21	B	31	C
2	B	12	A	22	D	32	B
3	A	13	B	23	A	33	C
4	C	14	C	24	B	34	D
5	A	15	A	25	C	35	D
6	C	16	A	26	D	36	A
7	D	17	B	27	C	37	A
8	B	18	C	28	A	38	D
9	A	19	D	29	D	39	B
10	B	20	A	30	A	40	C

General comments

The multiple-choice paper consisted of 40 questions, each carrying four options with only one correct answer. In some of the questions, data was presented in diagrammatic format. These questions were **Question 3**, **Question 9**, **Question 18**, **Question 28** and **Question 38**. There were five questions that assessed the numerical skills of the candidates. These were **Question 2**, **Question 12**, **Question 13**, **Question 29** and **Question 37**. The exam did not have a single negative (NOT) question.

The exam contained a fair number of questions which could be classified as easy questions because more than 90 per cent of the candidates answered these correctly. These questions were **Question 1**, **Question 3**, **Question 11**, **Question 20**, **Question 32** and **Question 38**, making up 15 per cent of the exam paper. However, the paper also had questions that a majority of candidates found reasonably difficult. In particular, these were **Question 16**, **Question 23**, **Question 29** and **Question 40** which received correct response from less than 30 per cent of total candidates. These low-performing questions – which made up only 10 per cent of the exam paper – are discussed below.

Comments on specific questions

Question 16

Many candidates responses were split between distractors **C** and **D**. The correct answer was distractor **A** 'collective' which was chosen by just 15 per cent of total candidates compared to 44 per cent who chose distractor **D**. The answer to this question was 'collective advertising' because competitors (egg producers / poultry farmers) came together as an industry to advertise their key product to stop the declining sales.

The reason for the low performance of this question could be the words in the stimulus '*stressing the positive qualities of eggs...*', which candidates might have interpreted as either providing detailed product information (therefore option C *informative advertising*) or as a message designed to persuade (therefore option D *persuasive advertising*).

Question 23

This question was very accessible. Many candidates were either choosing between distractor **A** (26 per cent) or distractor **B** (43 per cent). However, the correct answer was distractor **A** *containers are delivered sealed*. There was some degree of analysis involved in answering this question. Any candidate who managed to analyse could establish the linkage between a sealed container and lesser risk of theft / damage therefore lower insurance premium. There is no linkage between the reusability of a container (as stated in distractor **B**) and insurance premiums.

Question 29

The four distractors in this question received an almost equal number of responses (27 per cent, 28 per cent, 21 per cent and 24 per cent). The correct answer to this calculation-based question was distractor **D**, \$195 which was correctly answered by only 24 per cent of the candidates. A reason for the low performance of this question could be that many candidates did not pay attention to the data presented in the table and stimulus.

Question 40

This question performed the worst of all the four low performing questions. An equal number of candidates chose either distractor **A** (37 per cent) or distractor **B** (34 per cent). Only 13 per cent of candidates chose the correct distractor **C** – *it was a goodwill gesture by the retailer*.

Once again, this question required some analysis, and the reason for its low performance clear. Many candidates overlooked a small but important piece of information in the stimulus which was that Amina returned the shoes because of her change of mind regarding the colour of the goods purchased. The shoes did not have any fault, and therefore it was not legally binding on the retailer under consumer protection because of any product guarantee. Amina took one day to return the goods purchased, giving her dislike of colour as the reason, which the retailer could have easily dismissed as he was not obliged to give refund for this reason. The most acceptable reason for the refund was the retailer's intention to maintain customer goodwill and encourage customer loyalty.

COMMERCE

Paper 7100/12
Multiple Choice

Question Number	Key	Question Number	Key	Question Number	Key	Question Number	Key
1	B	11	D	21	D	31	B
2	D	12	C	22	A	32	A
3	D	13	A	23	C	33	C
4	C	14	C	24	A	34	C
5	B	15	C	25	D	35	A
6	C	16	C	26	C	36	D
7	B	17	D	27	D	37	D
8	D	18	C	28	B	38	C
9	D	19	B	29	A	39	A
10	A	20	B	30	B	40	B

General comments

The multiple-choice paper consisted of 40 four-option questions, of which **Question 1**, **Question 5**, **Question 9**, **Question 21** and **Question 32** presented diagrammatic data. The paper also contained five questions – numbered **Question 12**, **Question 14**, **Question 18**, **Question 28** and **Question 30** – which assessed the candidates' numeric and application skills. There were two negative (NOT) questions.

At least three questions in this particular paper can be classified as easy questions because these received correct response from more than 90 per cent of candidates. These questions were **Question 1**, **Question 13** and **Question 26**. In comparison, there were just three questions out of 40 which can be called reasonably difficult because each of these questions was answered correctly by less 40 per cent of the candidates. These questions discussed in this report are **Question 9**, **Question 14** and **Question 29**.

Comments on specific questions

Question 9

This was a fair and accessible evaluation question that received an almost equal split between distractor **A** and distractor **D**. The correct answer was distractor **D** *in the suburbs of a town*. A reason for candidates not being able to answer this question was lack of attention to the diagram. Cash-and-carry wholesalers are most likely to be located in the suburbs to provide better access to small-scale, independent retailers.

Question 14

This question required careful reading. The question was about calculation of the Balance of Trade (BoT) surplus / deficit and not the Balance of Payments (BoP) position of country Y. Candidates who gave incorrect answer, especially those who chose the incorrect distractor **B**, did their calculation taking both goods and services into consideration. Distractor **B** would have been correct for BoP but not for BoT because the figures of services are not taken into calculation for BoT. The correct answer was distractor **C** *\$150m surplus*.

Question 29

This straight-forward knowledge-based question received the correct answer from just 34 per cent of candidates. Except for the term *assessor* in distractor **A** which is the correct answer, all terms in other distractors are incorrect. Reasons for why less than 40 per cent of total candidates were able to answer this question correctly could be lack of knowledge or lack of recall of the key insurance terms.

COMMERCE

Paper 7100/21 Written
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Key messages

Below are some general suggestions to help candidates do well in this examination.

- Candidates should be reminded that for this GCE O Level Commerce syllabus, it is the quality of the response that determines the level an answer achieves for the three 6-mark questions and the two 8-mark questions, rather than the quantity of correct statements contained within an answer. Quality is determined by progression through the hierarchy of the four assessment objectives set out in the syllabus.
- Note the number of marks awarded on each question.
- Use time effectively. Time spent on answering questions should be directly related to the number of marks allocated.
- Read and re-read questions before answering. Weak responses were often characterised by not taking enough time to fully register both the general focus of questions, and also the level of detail required.
- Look for the important words in each question, e.g. command words such as explain or describe and key words such as suitable or best.
- Show working out in any calculation questions.
- Revise all areas of the syllabus.
- Candidates should learn succinct and accurate commercial definitions.

Answers to 6 and 8-mark questions should always be developed with examples and/or application. Unqualified single words, such as 'easier', 'quicker' and 'cheaper' do not score marks – these should be explained to receive the marks.

General comments

The paper appeared to be accessible to most candidates who coped well with the demands of the five questions. It discriminated well and there was no evidence of time pressure. The examination showed the importance of a consistent performance across the questions. The paper provides a broad coverage of the specification and therefore a clear understanding of the entire specification is essential for success.

All candidates had difficulty in answering **Question 2(b)** and **4(a)**, where many candidates found it challenging to gain good marks on the topics of insurance and banking services. Apart from this, it was evident to Examiners that all centres had prepared their candidates well by providing wide coverage of the syllabus content, with candidates possessing generally sound knowledge and understanding of commercial vocabulary.

The command words used in the examination paper indicates the Assessment Objective (AO) targeted:

AO1 (Knowledge and understanding) tests candidates on their ability to demonstrate their knowledge and understanding of commercial terms, ideas or principles mentioned in the question. For example, **Question 4(a)** asked candidates to 'State **two** features of a deposit account.' Command words such as 'State', 'Define', 'Name', 'Describe', 'Give' and 'List' confirm the question is at this level and requires a straightforward response.

AO2 (Application) tests candidates' ability to relate their answer to the context. In this examination, the context to **Question 5** was global ecommerce sales from 2017 to 2023. For example, **Question 5(a)(ii)** asked candidates to 'Calculate the increase in global ecommerce sales from 2017 to 2023.' Command words such as 'How', 'Draw', 'Why', 'Give an example' and 'Calculate' confirm the question is at this level and requires a candidate to make themselves familiar with the context provided.

AO3 (Analysis) requires candidates to select, interpret or otherwise analyse some point presented in the question. For example, **Question 2(b)** asked candidates to 'Explain **one** reason why Ola has taken out public liability insurance.' Command words such as 'Identify', 'Compare', 'Explain' and 'Analyse' confirm that the question is at this level.

AO4 (Evaluation) tests candidates' ability to formulate some judgements. For example, **Question 3(d)** asked candidates 'Do you think that it is a good idea for Sam's Garage to use leaflets to advertise its after-sales services? Command words such as 'Explain why', 'Do you agree', 'Do you think', 'Discuss', 'Assess' and 'Evaluate' confirm the question is at this level.

Candidates should be reminded to make sure they give the number of responses required by the question. For example, in **Question 3(c)** candidates were asked to 'State **two** after-sales services that might be offered by Sam's Garage.' Some candidates gave three reasons. It should be emphasised to candidates that including less than the question asks for will reduce the maximum marks that a candidate can score; likewise, including more than the prescribed number does not gain any more marks and may waste valuable examination time that could be used elsewhere.

Comments on specific questions

Question 1

- (a) (i) The term 'secondary production' was precisely defined by many candidates. Some candidates included an example which was not needed when answering a question beginning with the command word 'define.'
- (ii) There was a high proportion of correctly calculated answers to this question. Many candidates gave \$540 bn as the correct answer. A minority of candidates did not gain one mark by not giving a final answer after carrying out the correct method.
- (iii) The key to answering this question was about recognising that countries differ in the amount of output produced due to variations in the four factors of production. Marks were not gained by other candidates that did not apply their answers to Fig. 1.1 or who wrote about increasing sales as their reason. A good example is seen below:
- 'Country A is richer in natural earth materials whereas county B has fewer natural earth resources, but has more specialised labour employed in commercial services.'
- (b) Many candidates were able to circle the correct conclusion to each sentence: one circle for each sentence.
- (c) (i) A large proportion of candidates were unable to explain one difference between a broker and a factor. Please refer to the published mark scheme for the range of acceptable differences.
- (ii) Stronger answers explained some of the important reasons of containerisation for importers in the supply chain, with supporting analysis such as that containers can be used to carry a wide range of goods globally resulting in lower consumer prices. Many of these higher-level answers evaluated that these containers, due to less transshipment, quickened the supply chain process leading to customers receiving their goods more efficiently. Weaker answers described one or two knowledge statements on containerisation without analysis or subsequent evaluation.

Question 2

- (a) It was disappointing to note that many candidates were unable to define the term 'regional distribution centre (RDC).' It was only a minority of candidates who clearly defined it as 'warehouse used by a large-scale retailer to supply its shops.' Some candidates simply reworded the words in the question term while other uncreditworthy candidates limited their definitions to 'it is a warehouse.'
- (b) This question proved to be more difficult for many candidates than was expected. Some candidates confused public liability insurance with employer's liability insurance or gave irrelevant reasons.

- (c) There were many acceptable advantages given to Ola on receiving 90 days' trade credit from her main supplier such as the improvement to her cash flow. Marks were not gained by candidates who did not develop their advantage with a further point of linked explanation or did not apply their answers to the context.
- (d) Centres should note that a question beginning with the command words 'Should', 'Do you think' or 'Do you agree' means that the reasoning can be on either, or both sides, as long as it is justified. The best answers recognised that there were pros and cons of delivering goods by rail compared to road. Weaker answers lacked justifying their reasons. An example of a good answer is seen below:
- 'Rail is suitable to carry the bulk loads of building materials that Ola wants delivered to the RDC as it has a large capacity to carry these heavy goods. However, road transport might be better as Ola could have the materials directly delivered to the door of the RDC which would save time as there would be no need to unload the materials from the train track.'*
- (e) The best answers described and analysed the possible implications, both positive and negative, of Ola expanding her business by becoming either a private limited company or offering franchises with a justified recommendation in their evaluations. Weaker answers described one or two Level 1 points or lacked knowledge on one of the two options. For example, some candidates confused private limited companies with public limited companies or thought Ola would not remain the owner of the franchise if she offered franchises.

Question 3

- (a) (i) The majority of candidates could complete the missing figure 'x' in Fig. 3.1 but were less successful in completing the two other missing figures.
- (ii) The majority of candidates could accurately define the term 'assets'.
- (iii) There were many acceptable examples of a current liability given. Marks were not gained by candidates who described what a current liability is without using an example or those candidates who gave examples of current assets instead.
- (b) Creditworthy answers included the reason that Sam's garage would be less likely to have theft on their premises if cash was not accepted as payment. Some candidates did not gain a second mark to this question by not developing their reason with further point of linked explanation. For example, candidates sometimes said 'digital records are more accurate' without linking it to less errors in counting cash.
- (c) Many candidates were able to correctly identify two after-sales services, such as car repairs and tyre pumping. Incorrect answers, that were sometimes given, were installation and advice. These answers were not applied to the context of a garage.
- (d) In answering this question, candidates had to decide whether it was a good idea for Sam's Garage to use leaflets to advertise their after-sales services. The best answers justified their reasoning with developed explanation. Weaker answers identified one or two points without applying, or developing, their answers. A good example is seen below:
- 'As a sole trader, leaflets would be easy to produce, and he could hand them out to all his customers who buy petrol from his garage. This would save money on hiring people to distribute them. The leaflets could have prices and details of the services offered. However, the leaflets may not be read and just thrown away polluting the area around the garage. It might be better for Sam to use a colourful poster at the front of the garage to attract attention instead.'*
- (e) The best answers described and analysed the possible benefits to Sam's Garage of offering discount for prompt payment on cars bought with a judgement made on whether it had more benefits than weaknesses. The better answers weighed up the possible benefits of increased sales and the reduction off bad debts against the erosion of profit margins. The best responses pointed out this balance in their evaluations. Weaker answers were narrower in focus and lacked analysis.

Question 4

- (a) It was expected that this question would be better answered. Good answers did identify two clear features of a deposit account such as interest on money deposited and that notice of withdrawal may be required. However, many candidates lacked knowledge and understanding of the term 'deposit account', often confusing it with a current account.
- (b) (i) It was surprising that more candidates were unable to identify, and then explain, a valid current account service for Jonah to use when he wanted to see details of his bank account. There were no marks for visiting a bank or phoning the bank as these were not named current account services.
- (ii) Bank services that could be accessed when the bank is closed such as an ATM were generally better known by candidates. Marks were not gained by candidates who did not explain their answers in the context of withdrawing money.
- (c) The best answers recognised that there would be advantages and disadvantages for Jonah communicating with his bank by mobile app. Advantages included the convenience of using it to make payments in the comfort of his own home. Disadvantages included issues with network connectivity and the possible security risks. Weaker answers simply gave one or two points without explanation or justification.
- (d) It was clear that candidates had some knowledge and understanding of these two different sources of finance that Jonah could use to buy a new laptop. Some candidates suggested a loan would be best and explained that a loan can be repaid over a long period of time. Other candidates explained the merits of a store card as he would receive reward points to obtain special offers. The strongest answers explained and analysed advantages and disadvantages of both sources of finance with a supported recommendation based on the context and arguments presented. A good example is seen below:

'A store card is provided by large-scale retailers which would allow Jonah to obtain and use the laptop immediately. He would be buying the laptop on credit and would receive incentives such as discounts. This would make it cheaper for Jonah to purchase the laptop. As a candidate, he would like to save money for his studies. However, if he did not pay the balance back in the next month, he would have high interest charges to pay. This would make the laptop more expensive than he originally bought it for.'

A bank loan is a form of borrowing. It is for a fixed amount with a fixed amount of interest. The advantage of using a loan for Jonah would be that he can pay back over a long period of time. So, he might have begun working during this time and could afford to pay back the bank. However, if he does not keep up with his monthly instalments the laptop could be repossessed by the bank, so he would not have a laptop to help with his studying.'

In conclusion, we are not told what the laptop costs. If is expensive, it is recommended that he applies for a bank loan so that he can spread the repayments over a long period. However, if he can pay back the balance within the first month, it is recommended that he applies for a store card so that he does not have to pay any money extra through loan interest payments.'

Question 5

- (a) (i) Candidates generally demonstrated very good knowledge of the term 'global ecommerce' by defining it as 'businesses selling their products over the internet to buyers worldwide.' Some candidates did not gain a mark by repeating the word global, which was given in the question term.
- (ii) Many candidates gave \$4.16 trillion as the correct answer.
- (b) This proved to be a well-answered question. Most candidates could explain one reason why an ecommerce business has a good returns option on its website. Marks were sometimes not gained by candidates who did not explain their reasons. A good example is below:

'If a customer buys trousers online, they may find that they do not fit them properly. By having a goods return option, they can send the trousers back. Customers will be pleased that it is part of their customer experience and are likely to continue buying with this online retailer who provides it.'

- (c) This True and False question on ecommerce methods of payments produced a range of marks from zero to three with the first statement being the least well answered.
- (d) Good answers identified and explained two suitable effects of the growth of ecommerce on traditional retailers. These effects included declining footfall and physical store closures as customers increasingly buy online. Weaker answers often misinterpreted the question and either identified effects on consumers or wrote about the benefits of using ecommerce.

COMMERCE

Paper 7100/22 Written
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Key messages

Below are some general suggestions to help candidates do well in this examination.

- Candidates should be reminded that for this GCE O Level Commerce syllabus, it is the quality of the response that determines the level an answer achieves for the three 6-mark questions and the two 8-mark questions, rather than the quantity of correct statements contained within an answer. Quality is determined by progression through the hierarchy of the four assessment objectives set out in the syllabus.
- Note the number of marks awarded on each question.
- Use time effectively. Time spent on answering questions should be directly related to the number of marks allocated.
- Read and re-read questions before answering. Weak responses were often characterised by not taking enough time to fully register both the general focus of questions, and also the level of detail required.
- Look for the important words in each question, e.g. command words such as explain or describe and key words such as suitable or recommended.
- Show working out in any calculation questions.
- Revise all areas of the syllabus.
- Candidates should learn succinct and accurate commercial definitions.
- Answers to 6- and 8-mark questions should always be developed with examples and/or application. Candidates should note AO4 on these questions account for 2 marks, therefore, the absence of a conclusion/evaluative judgement restricts the maximum mark they can achieve on these questions. Unqualified single words, such as 'easier', 'quicker' and 'cheaper' do not score marks – these should be explained to get the marks.

General comments

The paper appeared to be accessible to most candidates who coped well with the demands of the five questions. It discriminated well and there was no evidence of time pressure. The examination showed the importance of a consistent performance across the questions. The paper provides a broad coverage of the specification and therefore a clear understanding of the entire specification is essential for success.

All candidates had difficulty in answering parts of **Question 3** and **5**, where many candidates found it difficult to gain good marks on the topics of communication and means of payment. Apart from this, it was evident to Examiners that all centres had prepared their candidates well by providing wide coverage of the syllabus content, with candidates possessing generally sound knowledge and understanding of commercial vocabulary.

The command words used in the examination paper indicates the Assessment Objective (AO) targeted:

AO1 (Knowledge and understanding) tests candidates on their ability to demonstrate their knowledge and understanding of commercial terms, ideas or principles mentioned in the question. For example, **Question 4(a)** asked candidates to 'State **two** features of a shopping centre.' Command words such as 'Define', 'State', 'Name', 'Describe', 'Give' and 'List' confirm the question is at this level and requires a straightforward response.

AO2 (Application) tests candidates' ability to relate their answer to the context. In this examination, the context to **Question 2** was a hairdressing business. For example, **Question 2(b)** asked candidates to 'Calculate how much profit Celine received.' Command words such as 'How', 'Draw', 'Why', 'Give an

example' and 'Calculate' confirm the question is at this level and requires a candidate to make themselves familiar with the context provided.

AO3 (Analysis) requires candidates to select, interpret or otherwise analyse some point presented in the question. For example, **Question 3(a)(i)** asked candidates to 'Identify **one** trend in Fig. 3.1.' Command words such as 'Identify', 'Compare', 'Explain' and 'Analyse' confirm that the question is at this level.

AO4 (Evaluation) tests candidates' ability to formulate some judgements. For example, **Question 1(c)** asked candidates 'Do you think AZ Motor Racing should use social media to attract sponsorship?' Command words such as 'Explain why', 'Do you think', 'Discuss', 'Assess' and 'Evaluate' confirm the question is at this level.

Candidates should be reminded to make sure they give the number of responses required by the question. For example, in **Question 4(b)** candidates were asked to 'Explain **two** reasons for the growth of shopping centres.' Some candidates gave three reasons. It should be emphasised to candidates that including less than the question asks for will reduce the maximum marks that a candidate can score; likewise, including more than the prescribed number does not gain any more marks and may waste valuable examination time that could be used elsewhere.

Comments on specific questions

Question 1

- (a) (i) Unfortunately, a sizeable proportion of candidates were not able to state a valid method of appeal to the advertisement shown in Fig. 1.1.
- (ii) This question proved to be more difficult for many candidates than was expected. Many candidates gave general answers that were not applied to the context of international sports stars.
- (b) The best answers identified and explained two different reasons why companies sponsor sporting events. Marks were not awarded to candidates who repeated the same reason using different wording. A good example is seen below:
1. *'Companies sponsor sporting events as many of these events reach global audiences, so if their logo is printed on sports shirts this would promote their branded products.'*
 2. *'It can promote a healthy image of the company if it linked to a popular sports activity such as athletics. This increases the brand reputation of the company.'*
- (c) Centres should note that a question beginning with the command words 'Should this', 'Do you think' or 'Do you agree' means that the reasoning can be on either side as long as it is justified. The best answers recognised that there would be pros and cons to AZ Motor Racing using social media to attract sponsorship. Weaker answers lacked justifying their reasons.
- (d) Many candidates were able to circle the correct conclusion to each sentence: one circle for each sentence.
- (e) This question was not answered as well as expected. It asked for a consideration of two factors, apart from the nature of goods, that AZ Motor Racing should consider when transporting its cars to international sporting events. Consideration of factors such as cost and speed, for example, were expected with supporting analysis and evaluation to produce a good answer. Some candidates, in fact, wrote about the nature of goods as a factor when they were clearly informed in the question stem not to. Nonetheless, many candidates could identify two relevant factors, but they often found difficulty in clearly analysing or applying these factors to the context. Moreover, many answers did not supply an evaluation of the two factors to make a judgement on which of their two factors was the more important. This prevented them from being able to access evaluation marks.

Question 2

- (a) Candidates were asked to state two features of a partnership for example, unlimited liability, minimum of two owners and capital provided by partners. Weaker responses stated advantages rather than features.

- (b) There was a sound proportion of correctly calculated answers. Incorrect answers simply divided the \$195 000 profit equally between the two partners.
- (d) The strongest answers gave both reasons for and against window displays as an effective method of advertising. Weaker answers gave one or two points with limited explanation. A good example is seen below:
- 'Window displays attract people passing by a shop, such as a hairdressers. The window will have informative advertising on services and prices offered, as well as being persuasive with eye-catching hairstyles on display. This might tempt the person to go into the shop and buy items. However, these displays are only limited to those people who pass by the shop and people in a hurry can easily forget what they saw in the shop window.'*
- (d) There were many acceptable consumer actions given by candidates. These included complaining to the salon manager, asking for compensation and posting a negative social media review. Unacceptable actions included reporting the issue to police and asking the salon to stop trading.
- (e) It was clear that candidates had some knowledge and understanding of two different sources of finance that Celine and Lee could use to buy new equipment. Strong answers suggested that personal savings would be best and explained that personal savings would save money as there would be no interest to repay. Other strong answers explained the merits of obtaining hire purchase as the most suitable source of credit so that they could spread repayments. The strongest answers explained and analysed advantages and disadvantages of both sources of finance with a supported recommendation based on the context and arguments presented. Weaker answers described the two sources of finance without analysing or evaluating them.

Question 3

- (a) (i) In answering this question, it was clear that some candidates did not realise that a trend is a general direction which something is developing or changing. Those candidates were therefore unable to identify from Fig. 3.1 the trend of increasing imports and exports from 2023 to 2024.
- (ii) This calculation question proved difficult for many candidates as they did not use the correct formula of total exports minus total imports.
- (b) This proved to be a well-answered question. Most candidates gave relevant points on why either exports are more important than imports or vice versa. Marks were not gained by candidates who did not supply three clear reasons.
- (c) A large proportion of candidates were unable to describe fully the role of export merchants in international trade. One out of two marks was a frequent score.
- (d) The key to answering this question was about recognising the word 'rapid' in the question. Many candidates gave general communication points but did not apply their answers to rapid communication. It was only the strongest answers that applied their answers to the importance of rapid communication. A good example is seen below:

'Rapid communication can take many forms such as email, mobile apps and videoconferencing. It is important to deal rapidly in international trade. For example, information on websites can be seen quickly so that businesses can order emergency spare parts in another country to continue production. Again, by mobile apps a business can contact the bank to transfer funds quickly to an international supplier so that they do not fall behind in payments.'

In conclusion, rapid communication is very important as it enable buying and selling to be carried out more efficiently so that global deals can be made.'

Question 4

- (a) Many candidates were able to correctly identify two features of a shopping centre, such as one-stop shopping and car parking. Incorrect answers, that were sometimes given, included examples of shop names and low prices.

- (b) This question proved challenging for many candidates and produced a mixed range of answers. The strongest answers gave both reasons and linked explanations, on the growth of shopping centres. Weaker answers did not include a relevant second reason or repeated the same reason as their second answer using different wording. A good example is seen below:
- ‘1. As consumers can obtain all their goods under one roof it makes it more convenient and timesaving to go to a shopping centre instead of having to travel to single shops in other areas.
2. There are many entertainment facilities at shopping centres such as bowling alleys, food courts and a cinema. This enables families to enjoy a leisurely day out.’
- (c) (i) Although many candidates knew that small-scale retailers place a mark-up on their cost price to make a profit they were unable then to explain their answer further.
- (ii) Many candidates explained a relevant reason why small-scale retailers offer informal credit to their customers.
- (d) Good answers identified and explained two suitable ways that wholesalers help to ensure the survival of independent small-scale retailers. These ways included providing warehousing so small-scale retailers are saved the costs and risks of holding stock. Weaker answers often only identified ways without supporting explanation or gave answers, for example, the use of lower prices without mentioning how these were achieved.

Question 5

- (a) (i) Many candidates were able to state one purpose of insurance but often found difficulty in stating a second purpose.
- (ii) The correct answer of \$50 000 was frequently given. However, when using Fig. 5.1, some candidates after multiplying the number of premiums correctly did not use the correct method for the calculation of the fire claims.
- (b) This True and False question on warehouses produced a range of marks from zero to three with the first statement being the least well answered.
- (c) It was found that many candidates often had limited knowledge and understanding of two methods of payment that insurance companies could use to collect premiums. The best responses suggested direct debit would be best and explained that it gives the insurance company the ability to take a sum of money from the insured's account. Other candidates explained the merits of using cheques, including the point that some customers prefer to pay by cheque rather than using electronic methods. These answers then made a supported recommendation based on the context and arguments presented. Weaker answers either described the methods of payment without analysing them or evaluating them. A good example is seen below:

‘A cheque can be used to pay insurance premiums as they can be used as proof of payment on the customer's bank statement. They are signed and can be crossed for greater security.

However, they can be dishonoured which means that the insurance premium will be rejected.

A direct debit is also a bank current account service which allow insurance companies to collect payments from the customer's bank account on a payment due date. Unlike a cheque, where customers manually initiate transfers, a direct debit authorises businesses to withdraw funds automatically, minimising payment delays. The only issue is that the customer will need to have sufficient funds in their bank account every month to make this premium payment.

In conclusion, direct debit is recommended as it eliminates the need for manual invoicing, which reduces administrative costs. Also, the transactions are automatically recorded, reducing the likelihood of errors on cheques.’