

**GCE AS**  
**Applied Business**  
**Summer 2010**

**Mark Schemes**

Issued: October 2010



MARK SCHEMES (2010)

Foreword

*Introduction*

Mark Schemes are published to assist teachers and students in their preparation for examinations. Through the mark schemes teachers and students will be able to see what examiners are looking for in response to questions and exactly where the marks have been awarded. The publishing of the mark schemes may help to show that examiners are not concerned about finding out what a student does not know but rather with rewarding students for what they do know.

*The Purpose of Mark Schemes*

Examination papers are set and revised by teams of examiners and revisers appointed by the Council. The teams of examiners and revisers include experienced teachers who are familiar with the level and standards expected of 16- and 18-year-old students in schools and colleges. The job of the examiners is to set the questions and the mark schemes; and the job of the revisers is to review the questions and mark schemes commenting on a large range of issues about which they must be satisfied before the question papers and mark schemes are finalised.

The questions and the mark schemes are developed in association with each other so that the issues of differentiation and positive achievement can be addressed right from the start. Mark schemes therefore are regarded as a part of an integral process which begins with the setting of questions and ends with the marking of the examination.

The main purpose of the mark scheme is to provide a uniform basis for the marking process so that all the markers are following exactly the same instructions and making the same judgements in so far as this is possible. Before marking begins a standardising meeting is held where all the markers are briefed using the mark scheme and samples of the students' work in the form of scripts. Consideration is also given at this stage to any comments on the operational papers received from teachers and their organisations. During this meeting, and up to and including the end of the marking, there is provision for amendments to be made to the mark scheme. What is published represents this final form of the mark scheme.

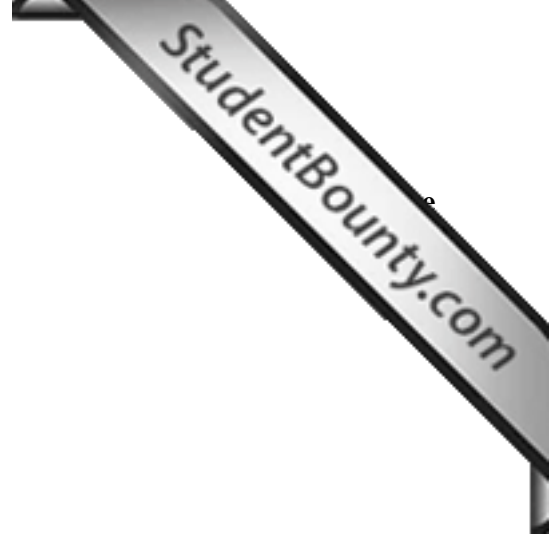
It is important to recognise that in some cases there may well be other correct responses which are equally acceptable to those published: the mark scheme can only cover those responses which emerged in the examination. There may also be instances where certain judgements may have to be left to the experience of the examiner, for example, where there is no absolute correct response – all teachers will be familiar with making such judgements.

The Council hopes that the mark schemes will be viewed and used in a constructive way as a further support to the teaching and learning processes.



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Unit A2 12







*Rewarding Learning*

**ADVANCED  
General Certificate of Education  
2010**

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**GCE Applied Business**

Assessment Unit A2 12

*assessing*

The Global Market

**[A6B61]**

**TUESDAY 22 JUNE, MORNING**

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**MARK  
SCHEME**

# GCE Applied Business

## Assessment Unit A2 12

*assessing*

### The Global Market

#### Mark Scheme

- 1 With reference to the case study, explain what is meant by the term “**exports**”. “Exports” may be referred to as the sale/transfer of goods/services from one country to another or from a domestic market to a foreign market. In this case, it will be the sale of goods facilitating the mining of iron ore, from Telestack International Ltd (from N. Ireland) to Fomento Industrial PVT (India).

	<b>AO1 Knowledge and understanding</b>	<b>AO2 Application</b>
Level 1	<b>1–2 marks</b> Candidate demonstrates a good understanding of the term “exports”.	<b>1–2 marks</b> Candidate applied knowledge effectively on its relevance to stimulus material.
Level 0	<b>0 marks</b> Candidate demonstrates no understanding of the term “exports”.	<b>0 marks</b> Candidate does not attempt to apply knowledge to stimulus material.

[4]

4



- 2 Analyse four different factors which could lead to the growth of global sales revenues for Telestack International Limited. [12]
1. Free Market: Telestack International Limited would be seen to be operating within the quarrying, mining, ports, dry bulk handling, construction and recycling industries on a global scale, within the market conditions prevalent in Russia, Scandinavia, Australia, and the Middle East – each of which operate a ‘free market’ to some degree, enabling companies such as Telestack to trade within the industry, due to the specialised nature of the equipment. Telestack International Ltd has been able to increase sales revenues globally, in this case by £300 000, e.g. by advertising/E-Commerce facilities.
  2. Comparative Advantage: Telestack International Limited would gain comparative advantage due to the specialised nature of the equipment sold, thus increasing sales revenues globally, in this case by £300 000. The comparative advantage might accrue since the equipment is of a mobile nature, enabling clients to gain maximum flexibility in its use, with minimal investment risk (comparative advantage/economies of scale).
  3. Pressure from Shareholders: Telestack International Limited would likely face pressure from shareholders or management of Loughside Engineering Company Ltd to increase sales revenues globally, in this case by £300 000. The Sales Manager has indicated that India is a strategic target market, therefore shareholder objectives are a priority, directing strategy to achieve growth.
  4. Takeover: Telestack International Limited could face pressure from predators in respect of a takeover bid due to the specialised nature of the business and the ability of the company to increase sales revenues globally, in this case by £300 000. Alternatively, Telestack might takeover a company based in India which could enable it to increase sales revenues in the region, since such a business is likely to have access to the target market, in which Telestack wishes to operate.

	<b>AO1 Knowledge and Understanding</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>
Level 3	<p><b>4 marks</b></p> <p>Candidate demonstrates a good understanding of the issues impacting Telestack International Ltd's sales revenue growth.</p> <p>Candidate makes good use of specialist vocabulary when it is appropriate.</p>	<p><b>4 marks</b></p> <p>Candidate applies knowledge effectively.</p>	<p><b>4 marks</b></p> <p>Candidate thoroughly analyses the issues impacting Telestack International Ltd's sales revenue growth.</p>
Level 2	<p><b>2–3 marks</b></p> <p>Candidate demonstrates adequate understanding of the issues impacting Telestack International Ltd's sales revenue growth.</p> <p>Candidate makes adequate use of specialist vocabulary when it is appropriate.</p>	<p><b>2–3 marks</b></p> <p>Candidate attempts to apply reasonable knowledge.</p>	<p><b>2–3 marks</b></p> <p>Candidate shows some attempt to analyse the issues impacting Telestack International Ltd's sales revenue growth.</p>
Level 1	<p><b>1 mark</b></p> <p>Candidate demonstrates some understanding of the issues impacting Telestack International Ltd's sales revenue growth.</p> <p>Candidate makes some use of specialist vocabulary when it is appropriate.</p>	<p><b>1 mark</b></p> <p>Candidate attempts to apply some knowledge.</p>	<p><b>1 mark</b></p> <p>Candidate shows little attempt to analyse the issues impacting Telestack International Ltd's sales revenue growth.</p>
Level 0	<p><b>0 marks</b></p> <p>Candidate demonstrates no understanding of the issues impacting Telestack International Ltd's sales revenue growth.</p> <p>Candidate makes no use of specialist vocabulary when it is appropriate.</p>	<p><b>0 marks</b></p> <p>Candidate does not attempt to apply knowledge.</p>	<p><b>0 marks</b></p> <p>Candidate shows no attempt to analyse the issues impacting Telestack International Ltd's sales revenue growth.</p>

3 Evaluate three ways in which Telestack International Limited's decision to trade globally will impact on the Northern Ireland economy.

[12]

- **Employment:** Telestack International Ltd can provide employment for locally based staff (Co. Tyrone) directly and indirectly in terms of staff employed in subcontract related work, in both production (locally) and distribution (globally) of its product range;
- **Economic Growth:** Telestack International Ltd can generate increased revenues and consequently increased levels of spending power (potential multiplier effect) in the local economy (Co. Tyrone) and secure a greater number of jobs/livelihoods in the local economy, e.g. shop sales, foreign currency conversions.
- **Exchange Rates:** Telestack International Ltd's activities will likely encourage a demand for foreign currencies, since they export their products/services globally, e.g. Russia, Scandinavia, the Middle East and Australia – this is likely to require currency exchange transactions on the part of suppliers, customers, staff, management, the company itself and other stakeholders which will increase the demand and possibly impact the exchange rates between sterling and the respective national currencies.

	<b>AO1 Knowledge and Understanding</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>	<b>AO4</b>
Level 3	<p><b>3 marks</b> Candidate demonstrates a good understanding of the ways in which Telestack International Ltd's global trading activities impact the NI economy. Candidate makes good use of specialist vocabulary when it is appropriate.</p>	<p><b>3 marks</b> Candidate applies knowledge effectively.</p>	<p><b>3 marks</b> Candidate thoroughly analyses ways in which Telestack International Ltd's global trading activities impact the NI economy.</p>	<p><b>3 marks</b> Candidate gives evaluation of three ways in which the company's decision to trade globally impacts the economy of NI, and comes to a final judgement. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.</p>
Level 2	<p><b>2 marks</b> Candidate demonstrates adequate understanding of the ways in which Telestack International Ltd's global trading activities impact the NI economy. Candidate makes adequate use of specialist vocabulary when it is appropriate.</p>	<p><b>2 marks</b> Candidate attempts to apply reasonable knowledge.</p>	<p><b>2 marks</b> Candidate shows some attempt to analyse ways in which Telestack International Ltd's global trading activities impact the NI economy.</p>	<p><b>2 marks</b> Candidate gives a satisfactory evaluation of two ways in which the company's decision to trade globally impacts the economy of NI and comes to a final judgement. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. Answer is organised in a satisfactory manner.</p>

	<b>AO1 Knowledge and Understanding</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>	<b>AO4</b>
Level 1	<p><b>1 mark</b> Candidate demonstrates some understanding of the ways in which Telestack International Ltd's global trading activities impact the NI economy. Candidate makes some use of specialist vocabulary when it is appropriate.</p>	<p><b>1 mark</b> Candidate attempts to apply some knowledge.</p>	<p><b>1 mark</b> Candidate shows little attempt to analyse the ways in which Telestack International Ltd's global trading activities impact the NI economy.</p>	<p><b>1 mark</b> Candidate attempts some evaluation of one way which the company's decision to trade globally impacts the economy of NI. Candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the purpose of the question. The organisation of the answer is limited.</p>
Level 0	<p><b>0 marks</b> Candidate demonstrates no understanding of the ways in which Telestack International Ltd's global trading activities impact the NI economy. Candidate makes no use of specialist vocabulary when it is appropriate.</p>	<p><b>0 marks</b> Candidate does not attempt to apply knowledge.</p>	<p><b>0 marks</b> Candidate shows no attempt to analyse the ways in which Telestack International Ltd's global trading activities impact the NI economy.</p>	<p><b>0 marks</b> Candidate makes no attempt to evaluate ways in which the company's decision to trade globally impacts the economy of NI.</p>

- 4 Evaluate **three** different ways in which Invest NI could assist a firm such as Telestack International Limited to take advantage of trading opportunities within the global market. [12]
- Financial assistance: INI might provide funding for expansion projects at the factory in Co. Tyrone; e.g. update production facilities;
  - Financial assistance: INI might provide funding for training of staff;
  - Non-financial assistance has enabled Telestack International Ltd to participate in an INI trade mission to India, resulting in the order with Fomento Industrial PVT for £300 000 sales of mining equipment, increasing Telestack International Ltd's global sales revenues;
  - Non-financial assistance from INI in the form of the Asia Trade Team has enabled Telestack International Ltd to identify potential partners in India, resulting in key contacts/meetings and hence, the order with Fomento Industrial PVT for £300 000 sales of mining equipment, increasing Telestack International Ltd's global sales revenues;
  - INI is a gateway to export and trade services provided by Trade Partners UK, including Export Marketing Research Scheme; Export Promoters; Market Information Reports; NI International Partnership Programme.

	<b>AO1 Knowledge and Understanding</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>	<b>AO4</b>
Level 3	<p><b>3 marks</b> Candidate demonstrates a good understanding of three ways in which Invest NI attempt to assist NI firms in the global market. Candidate makes good use of specialist vocabulary when it is appropriate.</p>	<p><b>3 marks</b> Candidate applies knowledge effectively.</p>	<p><b>3 marks</b> Candidate thoroughly analyses ways in which Invest NI attempt to assist NI firms in the global market.</p>	<p><b>3 marks</b> Candidate gives evaluation of three ways in which Invest NI attempt to assist NI firms in the global market and comes to a final judgement. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.</p>
Level 2	<p><b>2 marks</b> Candidate demonstrates an adequate understanding of two ways in which Invest NI attempt to assist NI firms in the global market. Candidate makes adequate use of specialist vocabulary when it is appropriate.</p>	<p><b>2 marks</b> Candidate attempts to apply reasonable knowledge.</p>	<p><b>2 marks</b> Candidate shows some attempt to analyse ways in which Invest NI attempt to assist NI firms in the global market.</p>	<p><b>2 marks</b> Candidate gives a satisfactory evaluation of two ways in which Invest NI attempt to assist NI firms in the global market and comes to a final judgement. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. Answer is organised in a satisfactory manner.</p>

	<b>AO1 Knowledge and Understanding</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>	<b>AO4</b>
Level 1	<p><b>1 mark</b> Candidate demonstrates some understanding of one way in which Invest NI attempt to assist NI firms in the global market. Candidate makes some use of specialist vocabulary when it is appropriate.</p>	<p><b>1 mark</b> Candidate attempts to apply some knowledge.</p>	<p><b>1 mark</b> Candidate shows little attempt to analyse ways in which Invest NI attempt to assist NI firms in the global market.</p>	<p><b>1 mark</b> Candidate attempts some evaluation of one way in which Invest NI attempt to assist NI firms in the global market. Candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the purpose of the question. The organisation of the answer is limited.</p>
Level 0	<p><b>0 marks</b> Candidate demonstrates no understanding of the ways in which Invest NI attempt to assist NI firms in the global market. Candidate makes no use of specialist vocabulary when it is appropriate.</p>	<p><b>0 marks</b> Candidate does not attempt to apply knowledge.</p>	<p><b>0 marks</b> Candidate shows no attempt to analyse ways in which Invest NI attempt to assist NI firms in the global market.</p>	<p><b>0 marks</b> Candidate makes no attempt to evaluate ways in which Invest NI attempt to assist NI firms in the global market.</p>



- 5 Telestack International Limited entered the overseas market following an Invest NI trade mission. Evaluate four other methods by which they could have entered this market. [16]

Four methods of market entry:

- Franchising: a Dealer Franchise would enable Telestack International Limited to enter into an agreement with another party to sell its products, covering areas such as back up service, maintaining the corporate image, sales targets, stock levels and geographical market to be covered. Benefits to Telestack International Limited (as a franchisor) are:
  - Use is made of specialist skills of franchisee (3rd party operating the franchise in India) by Telestack International Limited;
  - Market/market share is increased without increasing the size of the firm such as Telestack International Limited;
  - Enables Telestack International Limited to share risks/uncertainty;Drawbacks to Telestack International Limited of franchising:
  - Costs might increase, as administration costs are payable by Telestack International Limited to the franchise network;
  - A franchisee might 'run their own business' due to restrictions in the franchise agreement, which might adversely affect the corporate image of Telestack International Limited;
- Licensing: this arrangement enables a business such as Telestack International Limited to sell the rights to use its copyright or patent on a product to a 3rd party/business in India;
- Benefits of Licensing to Telestack International Limited:
  - This might allow the 3rd party in the Indian market to produce some of Telestack International's product lines themselves for customers locally;
  - This method of entering a market enables the 3rd party business to use Telestack International's name and corporate logo with very little additional expense.
- Drawbacks of Licensing:
  - A problem with this type of arrangement is that if the licence is granted to a 3rd party who does not meet their obligations or if the product line does not sell in the market, it might adversely affect the image of Telestack International Limited.
- Joint Ventures: this arrangement is where two or more companies share the cost, responsibility and profits of a business venture. This might provide Telestack International Limited with an increased market share by entering into this type of agreement with an Indian-based business.
  - Benefits of a joint venture to Telestack International Limited
    - Enables the business to enjoy the benefits of a merger without losing corporate identity;
    - Enables Telestack International Limited to specialise in the elements of the joint venture in which they have experience and thus increase market share in the industry;
    - A joint venture would avoid the risks associated with a takeover and enable Telestack International Limited to commence trading quickly, without major legal difficulties.

- Drawbacks of Joint Venture:
  - Sometimes a joint venture may not achieve desired results e.g. in terms of market share, revenue or profitability targets – one party may wish to take control. Management difficulties might mean that this type of arrangement may not work for Telestack International Limited;
  - Disagreements might occur between Telestack International Limited and the 3rd party to the joint venture, meaning that success will be limited;
  - Resources and profits are shared which might reduce the viability of such a business arrangement for Telestack International Limited.
  
- Direct Investment: this can be the direct investment of financial and other resources into a business operation in India by Telestack International Limited. This could take the form of a takeover of an existing business or establishment of a new business with premises, including offices, warehouse and related buildings.
  - Benefits of direct investment:
    - Enables Telestack International Limited to establish an immediate and physical presence in the Indian market;
    - Enables Telestack International Limited to build market share and engage in face-to-face contact with customers;
  - Drawbacks of direct investment:
    - No guarantee of success within the market as the business will need to be familiar with established customs, culture and norms;
    - Might be a risky venture with no guarantee of success in terms of market share or profitability.

Final Judgement: Telestack International Limited might find that entering the Indian market using an Invest NI trade mission is the most effective method of doing so, although the consideration of other methods as discussed might be of benefit too.

	<b>AO1 Knowledge and Understanding</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>	<b>AO4</b>
Level 3	<p><b>4 marks</b> Candidate demonstrates a good understanding of the ways in which Telestack International Limited might enter the Indian market. Candidate makes good use of specialist vocabulary when it is appropriate.</p>	<p><b>4 marks</b> Candidate applies knowledge effectively.</p>	<p><b>4 marks</b> Candidate thoroughly analyses ways in which Telestack International Limited could enter the Indian market.</p>	<p><b>4 marks</b> Candidate gives evaluation of the ways in which Telestack International Limited could enter the Indian market, and comes to a final judgement. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.</p>
Level 2	<p><b>3 marks</b> Candidate demonstrates adequate understanding of the ways in which Telestack International Limited might enter the Indian market. Candidate makes adequate use of specialist vocabulary when it is appropriate.</p>	<p><b>3 marks</b> Candidate attempts to apply reasonable knowledge.</p>	<p><b>3 marks</b> Candidate shows some attempt to analyse the ways in which Telestack International Limited could enter the Indian market.</p>	<p><b>3 marks</b> Candidate gives a satisfactory evaluation of ways in which Telestack International Limited could enter the Indian market, and comes to a final judgement. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. Answer is organised in a satisfactory manner.</p>

	<b>AO1 Knowledge and Understanding</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>	<b>AO4</b>
Level 1	<p><b>1–2 marks</b> Candidate demonstrates some understanding of the ways in which Telestack International Limited might enter the Indian market. Candidate makes some use of specialist vocabulary when it is appropriate.</p>	<p><b>1–2 marks</b> Candidate attempts to apply some knowledge.</p>	<p><b>1–2 marks</b> Candidate shows little attempt to analyse the ways in which Telestack International Limited could enter the Indian market.</p>	<p><b>1–2 marks</b> Candidate attempts some evaluation of ways in which Telestack International Limited could enter the Indian market. Candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the purpose of the question. The organisation of the answer is limited.</p>
Level 0	<p><b>0 marks</b> Candidate demonstrates no understanding of the ways in which Telestack International Limited might enter the Indian market. Candidate makes no use of specialist vocabulary when it is appropriate.</p>	<p><b>0 marks</b> Candidate does not attempt to apply knowledge.</p>	<p><b>0 marks</b> Candidate shows no attempt to analyse the ways in which Telestack International Limited could enter the Indian market.</p>	<p><b>0 marks</b> Candidate makes no attempt to evaluate ways in which Telestack International Limited could enter the Indian market.</p>

- 6 Evaluate the following methods of distribution that Northern Ireland companies including Telestack International Limited, could use in order to facilitate trading activities within the Indian subcontinent: [24]
- (a) Direct Selling
  - (b) Dealer Networks
  - (c) E-Commerce

The following methods may provide the following benefits/drawbacks:

- (a) Direct Selling:
  - Benefits:
    - NI based firms are able to avail of all profits, since no third party is involved in such transactions in the Indian subcontinent;
    - NI based firms can maximise profits and minimise costs in relation to such transactions in the Indian subcontinent;
  - Drawbacks:
    - NI firms may not have local knowledge required to complete deal/ transactions, which could result in lost business;
    - Might be an expensive and time consuming method of distribution to clients in the Indian subcontinent;
- (b) Dealer Networks:
  - Benefits:
    - NI based firms will benefit from local knowledge and cultures more effectively, since local staff are likely to run such dealer network;
    - NI based firms might increase market share, since dealer network can be easily contacted in the Indian subcontinent;
    - NI based firms can increase profits using this method, if such dealer networks can lead to local contacts, opportunities;
  - Drawbacks:
    - NI based firms might have to settle for sharing of profits since costs of supporting such dealer networks have to be met;
    - NI based firms might find that continuous after sales support/staff training in company policies/procedures will be required and a good understanding of cultural issues is required, resulting in higher costs.
- (c) E-Commerce:
  - Benefits:
    - Reduced transaction costs: Telestack and customers benefit from cost reductions in terms of extent of paper transactions and reduced delivery times (e.g. transfer of funds online, or online order processing).
    - 24/7 Availability: a fully functional website will enable 24 hour access, 7 days a week for customers/suppliers alike within the Indian subcontinent. This in turn could lead to an increase in awareness of the products available from businesses such as Telestack, and lead to an increase in market share;

- Improved information: the website will enable Telestack to collect a lot more accurate information about their members (customers). This in turn will enable them to understand the needs of their customers in the industry within the Indian subcontinent;
- Increased Revenues: Telestack can promote their products/services using ecommerce facilities (i.e. advertising product features using the website; promoting savings/special offers through the website; telephone contact) – this should in turn lead to increased revenues and income in the longer term;
- Drawbacks:
- Access: not all customers may have access to information technology necessary to complete transactions online, thus Telestack miss out on specific groups of customers in the Indian subcontinent;
- Cost: establishing and maintaining a website for e-commerce activities is expensive – the management team may feel that the expense is not justified;

Final Judgement: candidate likely to conclude that either method has an equal chance of success in the Indian subcontinent, since the stimulus material does not favour one method over another.

**Total**

**80**

	<b>AO1 Knowledge and Understanding</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>	<b>AO4</b>
Level 3	<p><b>4 marks</b> Candidate demonstrates a good understanding of Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies. Candidate makes good use of specialist vocabulary when it is appropriate.</p>	<p><b>4 marks</b> Candidate applies knowledge effectively.</p>	<p><b>4 marks</b> Candidate thoroughly analyses Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies.</p>	<p><b>9–12 marks</b> Candidate gives a full evaluation of Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies and comes to a final judgement. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.</p>



	<b>AO1 Knowledge and Understanding</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>	<b>AO4</b>
Level 2	<p><b>3 marks</b> Candidate demonstrates an adequate understanding of Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies. Candidate makes adequate use of specialist vocabulary when it is appropriate.</p>	<p><b>3 marks</b> Candidate attempts to apply reasonable knowledge.</p>	<p><b>3 marks</b> Candidate shows some attempt to analyse Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies.</p>	<p><b>3–8 marks</b> Candidate gives satisfactory evaluation of Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies and comes to a final judgement. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. Answer is organised in a satisfactory manner.</p>



	<b>AO1 Knowledge and Understanding</b>	<b>AO2 Application</b>	<b>AO3 Analysis</b>	<b>AO4</b>
Level 1	<p><b>1–2 marks</b> Candidate demonstrates some understanding of Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies. Candidate makes some use of specialist vocabulary when it is appropriate.</p>	<p><b>1–2 marks</b> Candidate attempts to apply some knowledge.</p>	<p><b>1–2 marks</b> Candidate shows little attempt to analyse Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies.</p>	<p><b>1–2 marks</b> Candidate attempts some evaluation of Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies. Candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the purpose of the question. The organisation of the answer is limited.</p>
Level 0	<p><b>0 marks</b> Candidate demonstrates no understanding of Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies. Candidate makes no use of specialist vocabulary when it is appropriate.</p>	<p><b>0 marks</b> Candidate does not attempt to apply knowledge.</p>	<p><b>0 marks</b> Candidate shows no attempt to analyse Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies.</p>	<p><b>0 marks</b> Candidate makes no attempt to evaluate Direct Selling, Dealer Networks and E-Commerce, as methods of distribution used by NI companies.</p>





