



Oxford Cambridge and RSA

## **Cambridge National**

### **Enterprise and Marketing**

#### **R067/01: Enterprise and marketing concepts**

Level 1/2 Cambridge National Certificate/Award

### **Mark Scheme for January 2024**

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This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which marks were awarded by examiners. It does not indicate the details of the discussions which took place at an examiners' meeting before marking commenced.

All examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the report on the examination.

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**PREPARATION FOR MARKING  
RM ASSESSOR**

1. Make sure that you have accessed and completed the relevant training packages for on-screen marking: *RM Assessor Assessor Online Training; OCR Essential Guide to Marking.*
2. Make sure that you have read and understood the mark scheme and the question paper for this unit. These are posted on the RM Cambridge Assessment Support Portal <http://www.rm.com/support/ca>
3. Log-in to RM Assessor and mark the **required number** of practice responses (“scripts”) and the **number of required** standardisation responses.

YOU MUST MARK 6 PRACTICE AND 10 STANDARDISATION RESPONSES BEFORE YOU CAN BE APPROVED TO MARK LIVE SCRIPTS.

**MARKING**

1. Mark strictly to the mark scheme.
2. Marks awarded must relate directly to the marking criteria.
3. The schedule of dates is very important. It is essential that you meet the RM Assessor 50% and 100% deadlines. If you experience problems, you must contact your Team Leader (Supervisor) without delay.
4. If you are in any doubt about applying the mark scheme, consult your Team Leader by telephone or the RM Assessor messaging system, or by email.
5. **Crossed Out Responses**  
Where a candidate has crossed out a response and provided a clear alternative then the crossed out response is not marked. Where no alternative response has been provided, examiners may give candidates the benefit of the doubt and mark the crossed out response where legible.

**Multiple Choice Question Responses**

When a multiple choice question has only a single, correct response and a candidate provides two responses (even if one of these responses is correct), then no mark should be awarded (as it is not possible to determine which was the first response selected by the candidate).

*When a question requires candidates to select more than one option/multiple options, then local marking arrangements need to ensure consistency of approach.*

**Contradictory Responses**

When a candidate provides contradictory responses, then no mark should be awarded, even if one of the answers is correct.

**Short Answer Questions** (requiring only a list by way of a response, usually worth only **one mark per response**)

Where candidates are required to provide a set number of short answer responses then only the set number of responses should be marked. The response space should be marked from left to right on each line and then line by line until the required number of responses have been considered. The remaining responses should not then be marked. Examiners will have to apply judgement as to whether a 'second response' on a line is a development of the 'first response', rather than a separate, discrete response. *(The underlying assumption is that the candidate is attempting to hedge their bets and therefore getting undue benefit rather than engaging with the question and giving the most relevant/correct responses.)*

**Short Answer Questions** (requiring a more developed response, worth **two or more marks**)

If the candidates are required to provide a description of, say, three items or factors and four items or factors are provided, then mark on a similar basis – that is downwards (as it is unlikely in this situation that a candidate will provide more than one response in each section of the response space.)

**Longer Answer Questions** (requiring a developed response)

Where candidates have provided two (or more) responses to a medium or high tariff question which only required a single (developed) response and not crossed out the first response, then only the first response should be marked. Examiners will need to apply professional judgement as to whether the second (or a subsequent) response is a 'new start' or simply a poorly expressed continuation of the first response.

6. Always check the pages (and additional objects if present) at the end of the response in case any answers have been continued there. If the candidate has continued an answer there, then add a tick to confirm that the work has been seen.
7. Award No Response (NR) if:
  - there is nothing written in the answer space

Award Zero '0' if:




- anything is written in the answer space and is not worthy of credit (this includes text and symbols).

Team Leaders must confirm the correct use of the NR button with their markers before live marking commences and should check this when reviewing scripts.

8. The RM Assessor **comments box** is used by your team leader to explain the marking of the practice responses. Please refer to these comments when checking your practice responses. **Do not use the comments box for any other reason.**  
If you have any questions or comments for your team leader, use the phone, the RM Assessor messaging system, or e-mail.
9. Assistant Examiners will send a brief report on the performance of candidates to their Team Leader (Supervisor) via email by the end of the marking period. The report should contain notes on particular strengths displayed as well as common errors or weaknesses. Constructive criticism of the question paper/mark scheme is also appreciated.
10. For answers marked by levels of response:
- To determine the level** – start at the highest level and work down until you reach the level that matches the answer
  - To determine the mark within the level**, consider the following


Descriptor	Award mark
On the borderline of this level and the one below	At bottom of level
Just enough achievement on balance for this level	Above bottom and either below middle or at middle of level (depending on number of marks available)
Meets the criteria but with some slight inconsistency	Above middle and either below top of level or at middle of level (depending on number of marks available)
Consistently meets the criteria for this level	At top of level

## 11. Annotations

Annotation	Meaning
	Correct
	Incorrect
	Not sure what the candidate is trying to say, or it does not make sense.
<b>BOD</b>	Benefit of doubt given (counts as a mark)
<b>U</b>	Understanding shown (for use in Q19 only)
<b>AN</b>	Analysis shown (for use in Q19 only)
<b>DEV</b>	Developed analysis shown (for use in Q19 only)
<b>JU</b>	Judgement/decision shown (for use in Q19 only)
<b>CONT</b>	Context shows application
<b>OFR</b>	Own figure rule (counts as a mark)
<b>TV</b>	Too vague
<b>NAQ</b>	Not answered the question (what has been written is not relevant)
<b>NUT</b>	Not used the context to achieve application in the answer
<b>REP</b>	Repetition. The candidate has merely restated what has already been said and so no further credit given.
<b>SEEN</b>	The paragraph or answer has been seen but no reward given.

**EVERY QUESTION AND/OR PAGE, INCLUDING BLANK PAGES (use the BP annotation on Q19), MUST HAVE SOME ANNOTATION**

Please ensure that, wherever possible, annotations are placed in the margins and not over the candidate's answer. This makes it very difficult to read when the paper is printed out.

-  Questions 1 to 18 must be marked so that the number of ticks equals the mark awarded. However, if **OFR** or **BOD** is used they replace the tick. In other words, a tick and a BOD is 2 marks.

Question 19 must **NOT** use ticks.

Question	Answer	Marks
<b>SECTION A</b>		
<b>1</b>	Indicative content: <b>A</b>	1
<b>2</b>	Indicative content: <b>B</b>	1
<b>3</b>	Indicative content: <b>C</b>	1
<b>4</b>	Indicative content: <b>B</b>	1
<b>5</b>	Indicative content: <b>C</b>	1
<b>6</b>	Indicative content: <b>D</b>	1
<b>7</b>	Indicative content: <b>D</b>	1
<b>8</b>	Indicative content: <b>C</b>	1
<b>9</b>	Indicative content: <b>A</b>	1
<b>10</b>	Indicative content: <b>A</b>	1

Question	Answer	Mark	Guidance
<b>SECTION B</b>			
11	(a)	<p><b>Explain two advantages of obtaining advice from a charity to set up a mobile car repair business.</b></p> <p><b>Indicative Content</b></p> <ul style="list-style-type: none"> <li>• Will be zero or low cost</li> <li>• Guidance/advice will be tailored to specific needs</li> <li>• Access to a business adviser/mentor</li> <li>• Provides training to develop business skills</li> <li>• May offer financial support and/or investment</li> <li>• Specialise in giving advice so may be experts (more reliable/experience)</li> <li>• A reliable source / truthful</li> </ul> <p><b>Example responses</b></p> <p>The advice will be tailored to my needs <b>(1)</b> so likely to benefit me as I am under 25 years <b>(CONT)</b>.</p> <p>The advice is free <b>(CONT)</b> so I will not incur any cost <b>(1)</b>.</p> <p style="text-align: right;"><b>ARA</b></p>	<p>4</p> <p><b>Award one mark for each advantage of obtaining advice from a charity, up to a maximum of two marks, PLUS one mark for application of each advantage <u>in context</u>, up to a maximum of two marks.</b></p> <p>The development needs to show application of the advantage to the context.</p> <p>Answers must be about the specific advantages of <u>obtaining advice from a specialist charity</u>, rather than general advantages of obtaining advice. (e.g., ‘may help my decision-making’ or ‘will make me a better entrepreneur’ could apply to any source of advice.)</p> <p>No reward for ‘it is quick/easy’.</p>
	(b)	<p><b>Other than getting advice from a charity, state two sources of support for an entrepreneur.</b></p> <p><b>Indicative Content</b></p> <ul style="list-style-type: none"> <li>• Finance providers, e.g. bank, business angel</li> <li>• Local council <u>enterprise department</u></li> <li>• Accountants</li> <li>• Solicitors</li> <li>• Friends/family</li> <li>• Chamber of Commerce / owners / entrepreneurs of other businesses (e.g. franchisors or franchisees.)</li> <li>• Government</li> </ul>	<p>2</p> <p><b>Award one mark for each source, up to a maximum of two marks.</b></p> <p>No marks can be awarded for charities (or examples of a charity) as the question excludes this option.</p> <p>No reward for ‘taking courses’.</p> <p>No reward for examples of financial support (e.g. bank <u>loan</u>).</p> <p>‘Websites’, ‘The internet’ or ‘using paid professionals’ is <b>TV</b>.</p>



Question		Answer	Mark	Guidance
	(c)	<p><b>Analyse one potential reward for you of taking the risk of setting up a mobile car repair business.</b></p> <p><b><u>Indicative Content</u></b></p> <ul style="list-style-type: none"> <li>• Financial – profits, money to live off, luxurious lifestyle, etc.</li> <li>• Independence – being in charge, creativity, decide working hours, kind of work to do, etc.</li> <li>• Self-satisfaction – sense of achievement, satisfied/loyal customers, helping customers, personal ambition, business growth, part of a community, winning awards, media coverage, etc.</li> <li>• Making a difference/change – filling a gap in the market, environmentally friendly, supporting entrepreneurship, supporting a healthier lifestyle, etc.</li> </ul> <p><b><u>Example responses</u></b></p> <p>A reward may be financial <b>(1)</b> as the profit that I earn may be more than what I was paid working at the garage <b>(CONT)</b> so I can afford a more luxurious lifestyle <b>(1)</b>.</p> <p>I will gain independence <b>(1)</b> as a sole trader <b>(CONT)</b>. This will help my work-life balance <b>(1)</b>.</p>	3	<p><b>Award one mark for identifying a potential reward</b></p> <p><b>AND</b></p> <p><b>Award one further mark for application of the reward <u>in context</u></b></p> <p><b>AND</b></p> <p><b>Award one further mark for an analysis of the reward (<u>by showing the impact on the business/you</u>).</b></p> <p>The third mark in each case may be awarded independently from the second mark for application.</p> <p>Ensure the third (analysis) mark is for a tangible impact on the owner/business.</p>
12	(a)	<p><b>State two purposes of market research.</b></p> <p><b><u>Indicative Content</u></b></p> <ul style="list-style-type: none"> <li>• To reduce risk</li> <li>• To aid decision making (e.g. segmenting the market, pricing, how to advertise, spot gaps in the market, etc.)</li> <li>• To understand the market (including the competitors)</li> <li>• To gain customers' views / feedback and understand their needs/wants</li> <li>• To inform product development</li> <li>• To understand how a product complements others on the market</li> </ul>	2	<p><b>Award one mark for each purpose identified, up to a maximum of two marks.</b></p> <p>Ensure the two answers are different</p>

Question	Answer	Mark	Guidance
12 (b)	<p><b>Analyse two advantages of using a focus group for your market research.</b></p> <p><b><u>Indicative Content</u></b></p> <ul style="list-style-type: none"> <li>• Participants can be questioned to help gain a deeper understanding of an issue / qualitative data</li> <li>• Participants can debate points between themselves / create more ideas / different opinions</li> <li>• The facilitator can explain the questions if participants do not understand</li> <li>• Can be carried out face-to-face or remotely</li> <li>• Can obtain data from a number/variety of participants</li> <li>• Can be an efficient use of time</li> <li>• Can target people to invite to the focus group</li> <li>• Is likely to be up-to-date</li> </ul> <p><b><u>Example responses</u></b></p> <p>The participants can discuss points between themselves <b>(1)</b> about the services offered at the garage where I worked <b>(CONT)</b> which will increase my understanding of the services that they require <b>(1)</b>.</p> <p>I can carefully target people to invite <b>(1)</b>, which ensures that I only collect research from people living within 6 miles of my home <b>(CONT)</b>. This will ensure that I can make better use of the data to help increase demand <b>(1)</b>.</p> <p style="text-align: right;"><b>ARA</b></p>	6	<p><b>Award one mark for each advantage of using a focus group, up to a maximum of two marks</b></p> <p><b>AND</b></p> <p><b>Award one further mark for each application of an advantage <u>in context</u>, up to a maximum of two marks</b></p> <p><b>AND</b></p> <p><b>Award one further mark for an analysis of each advantage (<u>by showing the impact on the business/you</u>), up to a maximum of two marks.</b></p> <p>The third mark in each case may be awarded independently from the second mark for application.</p> <p>Ensure that the two advantages are different.</p> <p>Ensure the third (analysis) mark is for a tangible impact on the owner/business (e.g., 'so I will be more successful' is <b>TV</b>).</p> <p>The advantage should be specific to focus groups rather than a general advantage of market research methods.</p> <p>No reward for 'getting to know customers personally' or 'a cheap/easy/quick method'.</p>

Question	Answer	Mark	Guidance
13	<p><b>Draw a line to link each element of the marketing mix to one example of a relevant decision. You should draw four lines in total.</b></p>	4	Award one mark for each correct answer, up to a maximum of four marks.

Question	Answer	Mark	Guidance
14	<p><b>Explain one advantage and one disadvantage of operating your mobile car repair business as a sole trader.</b></p> <p><b><u>Indicative Content</u></b></p> <p>Advantages</p> <ul style="list-style-type: none"> <li>• Sole trader can make all the decisions</li> <li>• Sole trader can keep all profits</li> <li>• Relatively cheap and easy to operate</li> <li>• May provide more flexibility as not answerable to shareholders, e.g., working hours and holidays</li> </ul> <p>Disadvantages</p> <ul style="list-style-type: none"> <li>• Unlimited liability</li> <li>• May struggle to raise capital</li> <li>• Limited experience / knowledge</li> <li>• Cannot share work of managing the business / long working hours</li> </ul> <p><b><u>Example responses</u></b></p> <p>I can make all decisions <b>(1)</b> such as only repairing the cars of customers within 6 miles of my home <b>(CONT)</b>.</p> <p>I have limited knowledge <b>(1)</b> with only 5 years' experience of working <b>(CONT)</b>.</p> <p style="text-align: right;"><b>ARA</b></p>	4	<p><b>Award one mark for an advantage of operating as a sole trader and one mark for application <u>in context</u> of this advantage.</b></p> <p><b>Award one mark for a disadvantage of operating as a sole trader and one mark for application <u>in context</u> of this disadvantage.</b></p> <p>The explanation needs to show application of the advantage/disadvantage to the context.</p>

Question	Answer	Mark	Guidance
15	<p><b>Explain one advantage and one disadvantage of taking out a bank loan to buy a van.</b></p> <p><b><u>Indicative Content</u></b></p> <p>Advantages</p> <ul style="list-style-type: none"> <li>• Can pay a fixed repayment each month / helps with budgeting</li> <li>• Bank will not normally ask for the funds to be repaid in full at short notice</li> <li>• Banks often ask for a detailed business plan, which can be used to operate the new business efficiently</li> <li>• Bank may also provide business advice with the loan</li> <li>• Will not need to use multiple sources</li> </ul> <p>Disadvantages</p> <ul style="list-style-type: none"> <li>• Takes time - may have to complete a lengthy application form</li> <li>• Interest/fees needs to be paid (more than the amount borrowed will be repaid)</li> <li>• Must be paid back (in a fixed timescale regardless of finances)</li> <li>• Bank may ask for security</li> <li>• No guarantee that loan will be granted</li> <li>• Can affect your credit score (will be in debt) if not paid back</li> </ul> <p><b><u>Example responses</u></b></p> <p>I will have to make a fixed repayment each month <b>(1)</b> which will not change so will help me to budget my new business <b>(CONT)</b>.</p> <p>A long application form may need to be completed <b>(1)</b> which will take a lot of my time as I have limited experience of business <b>(CONT)</b>.</p> <p style="text-align: right;"><b>ARA</b></p>	4	<p><b>Award one mark for an advantage of using a bank loan and one mark for application <u>in context</u> of this advantage.</b></p> <p><b>Award one mark for a disadvantage of using a bank loan and one mark for application <u>in context</u> of this disadvantage.</b></p> <p>The explanation needs to show application of the advantage/disadvantage to the context. No reward for an advantage of it being easy/quick to take out a loan – it is not.</p> <p>The advantage/disadvantage should be specific to a bank loan rather than about raising finance generally.</p>

Question	Answer	Mark	Guidance
16	<p><b>Explain one advantage and one disadvantage of using leaflets to attract customers to your mobile car repair business.</b></p> <p><b><u>Indicative Content</u></b></p> <p>Advantages</p> <ul style="list-style-type: none"> <li>• Can target customers in a local area</li> <li>• Visually appealing / easy to read / a physical copy</li> <li>• Can include photos / graphics / lots of information</li> <li>• (Relatively) cheap to produce</li> <li>• Can be designed in colour or black and white according to budget</li> </ul> <p>Disadvantages</p> <ul style="list-style-type: none"> <li>• Customer may throw away (ignore) the leaflet</li> <li>• <u>Environmental</u> cost of paper/ink</li> <li>• Impact is often short-term as leaflets are rarely kept long</li> <li>• Takes time to distribute the leaflets</li> <li>• Limited reach of leaflets</li> </ul> <p><b><u>Example responses</u></b></p> <p>I can target customers effectively <b>(1)</b> to ensure that only houses within 6 miles of my home receive a leaflet <b>(CONT)</b>.</p> <p>Customers may throw away the leaflet before reading <b>(1)</b> especially as I am a relatively unknown business <b>(CONT)</b>.</p> <p style="text-align: right;"><b>ARA</b></p>	4	<p><b>Award one mark for an advantage of using leaflets and one mark for application of this advantage <u>in context</u>.</b></p> <p><b>Award one mark for a disadvantage of using leaflets and one mark for application of this disadvantage <u>in context</u>.</b></p> <p>The explanation needs to show application of the advantage/disadvantage to the context.</p> <p>Answers must be about the specific use of leaflets, rather than general marketing materials.</p>

Question			Answer	Mark	Guidance
17	(a)	i	<p><b>Calculate the total revenue for your first month (assume four weeks in a month).</b></p> <p>Weekly revenue = £45 x 2 x 15 hours <b>(2)</b> = £1350 <b>(1) (OFR)</b></p> <p>Monthly revenue = £1350 x 4 weeks = <b>£5400 (1) (OFR)</b></p> <p><u>Alternative method 1</u> Cars repaired per month = 4 x 15 = 60 <b>(1)</b> Total hours worked = 60 x 2 = 120 <b>(1) (OFR)</b> Revenue per month = 120 x £45 = <b>£5400 (2) (OFR)</b></p> <p><u>Alternative method 2</u> Revenue per repair = £45 x 2 = £90 <b>(1)</b> Number of repairs = 15 x 4 = 60 <b>(1)</b> Revenue per month = £90 x 60 = <b>£5400 (2) (OFR)</b></p>	4	<p><b>Correct answer of £5400 should be awarded full marks (with or without workings).</b></p> <p>Award three marks for the weekly revenue of £1350 (with or without workings).</p> <p>Calculations for weekly revenue may miss out one of the steps but still gain some reward. For example, £45 x 2 = £90 or £45 x 15 = £675 can gain 1 mark.</p>
		ii	<p><b>Calculate your forecast annual profit for the year.</b></p> <p>Annual revenue = £90 x 800 cars = £72,000 <b>(1)</b></p> <p>Variable costs = number of repairs x cost per repair = 800 x £35 = £28,000 <b>(1)</b></p> <p>Total cost = £12,000 + £28,000 = <b>£40,000 (1) (OFR)</b></p> <p>Profit = £72,000 - £40,000 <b>(1) (OFR)</b> = <b>£32,000 (1) (OFR)</b></p>	5	<p><b>Correct answer of £32,000 should be awarded full marks (with or without workings).</b></p> <p>Award one mark for calculation of annual revenue.</p> <p>Award one mark for calculation of correct variable costs (£28,000) <b>or</b> two marks for calculation of total costs (£40,000).</p> <p>Award one mark for <b>clear</b> evidence of attempt to subtract costs from revenue <b>(OFR)</b>.</p>

Question	Answer	Mark	Guidance
(b)	<p><b>Identify two fixed costs you will have to pay for your mobile car repair business.</b></p> <p><b><u>Indicative Content</u></b></p> <ul style="list-style-type: none"> <li>• Advertising / cost of printing and designing leaflets</li> <li>• Insurance (for van)</li> <li>• Tax (for van)</li> <li>• MOT</li> <li>• Maintenance / service costs for van</li> <li>• Tools/equipment etc.</li> <li>• Licence to operate</li> <li>• Loan (interest)</li> <li>• Salary (<b><u>not</u></b> wages) for self</li> </ul>	2	<p><b>Award one mark for each example, up to a maximum of two marks.</b></p> <p>Do not accept rent or utilities, as it is a mobile car repair business.</p> <p>No reward for 'petrol' or 'parts for repairs' as these would be a variable cost.</p> <p>'Bills' are <b>TV</b>.</p> <p><b>NB:</b> Any fixed cost <u>must</u> be relevant for this type of business</p>
18	<p><b>(a)</b></p> <p><b>Analyse one advantage and one disadvantage of using competitive pricing for your mobile car repair business.</b></p> <p><b><u>Indicative Content</u></b></p> <p>Advantages</p> <ul style="list-style-type: none"> <li>• As the price is <u>in line with competitors</u>, customers will be willing to pay it</li> <li>• Prevents competitors from having a price advantage</li> <li>• It is quick/easy to set prices.</li> </ul> <p>Disadvantages</p> <ul style="list-style-type: none"> <li>• Price may not cover the operating costs</li> <li>• Can lead to lower revenue / profit (margins)</li> <li>• May be challenging to set prices the same as larger competitors who enjoy economies of scale</li> <li>• May lose out to a competitor with brand loyalty</li> <li>• Will need to find another way to compete.</li> </ul> <p><b><u>Example responses</u></b></p> <p>Competitors will not enjoy a price advantage <b>(1)</b> which is important as they are established with loyal customers <b>(CONT)</b>. This may help me to attract more customers <b>(1)</b>.</p>	6	<p><b>Award one mark for an advantage of competitive pricing</b> <b>AND</b> <b>Award one further mark for application of the advantage <u>in context</u></b> <b>AND</b> <b>Award one further mark for an analysis of the advantage (<u>by showing the impact on the business/you</u>).</b></p> <p><b>Award one mark for a disadvantage of competitive pricing</b> <b>AND</b> <b>Award one further mark for application of the disadvantage <u>in context</u></b> <b>AND</b> <b>Award one further mark for an analysis of the disadvantage (<u>by showing the impact on the business/you</u>).</b></p>



Question	Answer	Mark	Guidance
	<p>The competitors may be able to charge lower prices <b>(1)</b> as I have only been operating for a short time <b>(CONT)</b> so I may end up making a loss <b>(1)</b>.</p> <p style="text-align: right;"><b>ARA</b></p>		<p>The third mark in each case may be awarded independently from the second mark for application.</p> <p>Ensure the third (analysis) mark is for a tangible impact on the owner/business (e.g., 'so I will be more successful' is <b>TV</b>).</p>
(b)	<p><b>State two other pricing strategies you could have used.</b></p> <p><b>Indicative Content</b></p> <ul style="list-style-type: none"> <li>• Psychological pricing</li> <li>• Price skimming</li> <li>• Price penetration</li> </ul>	2	<p><b>Award one mark for each example, up to a maximum of two marks.</b></p> <p>No reward for 'competitive pricing'</p> <p>Accept other pricing strategies, e.g., loss leader, cost-plus.</p> <p><b>No</b> reward for examples of promotional methods of pricing (e.g., discounts, BOGOF.)</p>

Question	Answer	Mark	Guidance	
19	<p><b>Discuss whether you should continue to produce press releases <u>or</u> use celebrity endorsement instead. Your recommendation should include:</b></p> <ul style="list-style-type: none"> <li>• <b>an advantage and a disadvantage of using press releases</b></li> <li>• <b>an advantage and a disadvantage of using celebrity endorsement</b></li> <li>• <b>a justification for your decision.</b></li> </ul> <p><b><u>Indicative Content</u></b>  <b>Press releases</b>  <u>Advantages may include:</u></p> <ul style="list-style-type: none"> <li>• Free publicity / cost effective – the newspaper may print an article from the press release</li> <li>• The story will be published in the newspaper, which may be considered to be a reputable source</li> <li>• You are able to target customers in the local area only as the local newspaper will only be read within a specific geographical area</li> </ul> <p><u>Disadvantages may include:</u></p> <ul style="list-style-type: none"> <li>• The local newspaper may receive a lot of press releases from businesses so the story must stand out to be given a chance of publication</li> <li>• The story may not be printed if it is not unique/interesting to readers and it is unlikely that the car repair business will keep generating interesting stories</li> <li>• The story may be misinterpreted by journalists and/or deliberately changed to make it of greater interest to the readers. This could change the facts that you wish to share</li> <li>• A declining number of people read newspapers</li> </ul> <p><b>Celebrity endorsement</b>  <u>Advantages may include:</u></p> <ul style="list-style-type: none"> <li>• A celebrity may be trusted amongst customers</li> <li>• Customers are more likely to remember the business if it is linked to a celebrity</li> <li>• If the celebrity has a positive image, the business will also have a positive image</li> <li>• Increased presence on social media</li> </ul> <p><u>Disadvantages may include:</u></p>	8	<p><b><u>Content</u></b></p> <p><b>Annotation:</b> This is a levels of response question – the marks will be awarded on the quality of response given.</p> <p><b>Level 3 checklist</b>  <b>top of level -</b> justified decision made using appropriate context.  <b>bottom of level -</b> clear decision without appropriate use of context.</p> <p><b>Level 2 checklist</b>  <b>top of level -</b> considers an advantage <u>and</u> a disadvantage of <b>both</b> celebrity endorsement <u>and</u> press releases, with at least one relevant piece of context.  <b>mid-level -</b> considers an advantage <u>and</u> a disadvantage of <b>both</b> celebrity</p>	<p><b><u>Levels of response</u></b></p> <p>All level descriptors describe the TOP of the level.</p> <p><b>Level 3 (7-8 marks)</b>  A <b>thorough</b> discussion which:</p> <ul style="list-style-type: none"> <li>• shows clear analysis of an advantage and a disadvantage of both options</li> <li>• makes a <b>justified</b> decision, using appropriate context</li> <li>• <b>consistently</b> uses appropriate terminology</li> <li>• shows <b>detailed</b> understanding</li> </ul> <p><b>Level 2 (4-6 marks)</b>  An <b>adequate</b> discussion which:</p> <ul style="list-style-type: none"> <li>• shows <b>sound</b> analysis of an advantage and a disadvantage of both options</li> <li>• makes <b>limited</b> use of appropriate context</li> </ul>

	<ul style="list-style-type: none"> <li>• Can be expensive to get a celebrity to endorse a product (may be more expensive the more famous the celebrity)</li> <li>• Lack of control of the behaviour of the celebrity which may affect the business's reputation</li> <li>• Any negative issues regarding the celebrity may create a negative reputation for the business</li> <li>• The actor's endorsement message will be seen by people nationally/internationally who are outside of my target market and I only offer services within a limited geographic area</li> </ul> <p><u>Application may include:</u></p> <ul style="list-style-type: none"> <li>• Worked in garage for five years</li> <li>• Under 25 years old</li> <li>• Advice/guidance from charity</li> <li>• Repair customer's cars from their homes</li> <li>• Travel up to 6 miles from own home</li> <li>• Carried out market research via a focus group</li> <li>• Invited customers that you knew from previous job</li> <li>• Currently a sole trader</li> <li>• Carefully manage monthly costs</li> <li>• Took out a bank loan to buy a van and tools</li> <li>• Advertise business with leaflets</li> <li>• Other established car repair businesses in the area with loyal customers</li> <li>• Any figures from Q17</li> <li>• Use competitive pricing</li> </ul> <p><u>Justification may be based on:</u></p> <ul style="list-style-type: none"> <li>• Which public relations activity will be best for the future success of the business</li> <li>• Future plans/aspirations of business</li> <li>• Clear support based on any contextual evidence provided in Section B</li> </ul> <p><b>Example response</b> The endorsement may be a free form of promotion (<b>AN</b>) as I repaired their car helping me generate more revenue. (<i>L1 so far</i>)</p>	<p>endorsement <u>and</u> press releases. <b>bottom of level</b> - considers an advantage <u>and</u> a disadvantage of <b>either</b> celebrity endorsement <u>or</u> press releases.</p> <p><b>Level 1 checklist top of level</b> - considers an advantage <u>or</u> a disadvantage of <b>either</b> celebrity endorsement <u>or</u> press releases, with at least one relevant piece of context. <b>mid-level</b> - considers an advantage <u>or</u> a disadvantage of <b>either</b> celebrity endorsement <u>or</u> press releases. <b>bottom of level</b> - identifies some relevant information about celebrity endorsement <u>or</u> press releases.</p>	<ul style="list-style-type: none"> <li>• uses <b>some</b> appropriate terminology</li> <li>• shows <b>sound</b> understanding</li> </ul> <p><b>Level 1 (1-3 marks)</b> A <b>basic</b> discussion which:</p> <ul style="list-style-type: none"> <li>• shows <b>limited</b> analysis of an advantage or a disadvantage of an option</li> <li>• makes <b>limited</b> use of appropriate context</li> <li>• makes <b>limited</b> or no use of appropriate terminology</li> <li>• shows <b>limited</b> understanding</li> </ul> <p><b>0 marks</b> – no response or no response worthy of credit.</p>
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		<p>However, the actor's message will be seen by people globally and their interest will not benefit my business <b>(DEV)</b> as I only repair cars within a 6-mile radius of my home <b>(CONT)</b>. I can target customers living in a specific geographic area by sending the press release to the local newspaper, although there is a risk that the facts may be changed to make the story more interesting by the journalist <b>(DEV)</b>. <i>(L2 so far)</i></p> <p>I would recommend that I continue to send a press release <b>(JU)</b>. I have only just started my business as a sole trader and therefore can only cope with limited demand <b>(CONT)</b>. The endorsement may generate interest from lots of customers, and I may let customers down which would negatively affect my reputation. <i>(L3)</i></p>			
					<b>ARA</b>

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