

## SPECIMEN MARK SCHEME

### UNIT 1 - EXPLORING RETAIL



## **Mark Scheme**

### **Level 2 Diploma Principal Learning**

#### **Retail Business RTB2U1**

#### **Unit 1 Exploring retail**

Mark schemes are prepared by the Principal Examiner and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation meeting attended by all examiners and is the scheme which was used by them in this examination. The standardisation meeting ensures that the mark scheme covers the candidates' responses to questions and that every examiner understands and applies it in the same correct way. As preparation for the standardisation meeting each examiner analyses a number of candidates' scripts: alternative answers not already covered by the mark scheme are discussed at the meeting and legislated for. If, after this meeting, examiners encounter unusual answers which have not been discussed at the meeting they are required to refer these to the Principal Examiner.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of candidates' reactions to a particular paper. Assumptions about future mark schemes on the basis of one year's document should be avoided; whilst the guiding principles of assessment remain constant, details will change, depending on the content of a particular examination paper.

# Level 2 Retail Business

## Unit 1 Exploring retail

Descriptions must allow for alternative wording unless the mark scheme indicates that technical terminology is required for the marks. These are underlined in the mark scheme.

Question	AC coverage	Marking Scheme
<p>1.</p> <p>a) identify <b>two</b> retail sub-sectors (2 marks)</p> <p>b) identify <b>three</b> reasons for different locations of retail businesses (3 marks)</p> <p>c) describe <b>two</b> features of a retail franchise (4 marks)</p>	<p>AC1a</p> <p>AC1a</p> <p>AC1b</p>	<p>Any <b>two</b> of the following retail sub-sectors: automotive / clothing / DIY / electrical goods / food and grocery / footwear / homewares / music and video / non-specialised stores / personal care / second hand goods.</p> <p>The sub-sectors above are those specified in the Scope of content for the unit. This is, however, not an exhaustive list, and other answers judged by the examiner to be correct are also acceptable.</p> <p><b>(2 x 1 mark)</b></p> <p>Allow answers relating to: cost / suitability of location depending on goods sold / suitability of location depending on target customer / accessibility / visibility / traffic / planning policies / other retailers in the area.</p> <p>Allow examples.</p> <p><b>(3 x 1 mark)</b></p> <p>Any <b>two</b> of the following: franchisors allow franchisees to trade under their name / franchisees use the name of an existing business / franchisees use the goods and/or services of an existing business / franchisees use the concept of an existing business / franchisees use the business model of an existing business / franchisees use the business plan of an existing business / franchisees use the business processes of an existing business / franchisees pay franchisors a fee / franchisees are licensed to trade in a specific area / franchisees are licensed to trade for a given period / franchisors support franchisees / franchisees benefit from the reputation of an existing business / franchisees benefit from the power of an existing business / franchisees benefit from the experience of an existing business.</p> <p>Allow for alternative wording. Answers may be worded from the perspective of the franchisor or the franchisee.</p> <p>Other answers judged by the examiner to be correct are also acceptable.</p> <p>For each description:</p> <p><i>0 marks: No response worthy of credit</i></p> <p><i>1 mark: Answer refers to relevant terms or concepts but the feature is expressed unclearly or inaccurately.</i></p> <p><i>2 marks: Answer clearly and accurately describes one feature.</i></p>

			<b>(2 x 2 marks)</b>
2.	A retail chain is planning to open a new store and is recruiting staff. Staff will work in a variety of roles from sales to administration and stock control.		
a)	identify <b>two</b> attitudes that any employee of the retailer will be expected to have (2 marks)	AC2a	<p>Any <b>two</b> of the following types of attitude: positive / helpful / responsive / cheerful / flexible / enthusiastic.</p> <p>Other answers judged by the examiner to be correct are also acceptable.</p> <p><b>(2 x 1 mark)</b></p>
b)	identify <b>two</b> rights that apply to employees working in retail (2 marks)	AC2a	<p>Any <b>two</b> from the following:</p> <ul style="list-style-type: none"> <li>• statutory rights relating to contracts of employment / minimum wage / paid holiday / maternity or paternity leave / working hours / discrimination / dismissal</li> <li>• possible employee rights according to procedures and documentation or organisation principles and codes of practice, providing these do not contradict statutory rights</li> </ul> <p>Answers must relate to specific rights rather than categories of rights.</p> <p>Other answers judged by the examiner to be correct are also acceptable.</p> <p><b>(2 x 1 mark)</b></p>
c)	identify <b>one</b> responsibility that applies to employees working in retail (1 mark)	AC2a	<p>Any <b>one</b> from the following:</p> <ul style="list-style-type: none"> <li>• statutory responsibilities relating to contracts of employment / minimum wage / paid holiday / maternity or paternity leave / working hours / discrimination / dismissal</li> <li>• possible employee responsibilities according to procedures and documentation or organisation principles and codes of practice</li> <li>• possible responsibilities in relation to specific business aims and objectives.</li> </ul> <p>Answers must relate to specific responsibilities – eg ‘statutory responsibilities’ is not acceptable.</p> <p>Other answers judged by the examiner to be correct are also acceptable.</p> <p><b>(1 mark)</b></p>
3.	Lisa has worked for a national retailer for six months since		

<p>leaving school.</p> <p>a) describe one way in which Lisa's performance may have been monitored (2 marks)</p> <p>b) describe how the production of a Personal Development Plan can help Lisa to progress within the business (2 marks)</p>	<p>AC2b</p> <p>AC2b</p>	<p>Answers may refer to: appraisals / measuring her performance against Key Performance Indicators (KPIs) / observation of her performance / continuous assessment of her performance / feedback.</p> <p>Allow for alternative wording.</p> <p>Other answers judged by the examiner to be correct are also acceptable.</p> <p><i>0 marks: No response worthy of credit</i></p> <p><i>1 mark: Answer refers to relevant terms or concepts but the method is stated rather than described, or is expressed unclearly or inaccurately.</i></p> <p><i>2 marks: Answer clearly and accurately describes one method including some detail – eg who might provide Lisa with feedback, or what might be looked for in observation or assessment.</i></p> <p><b>(2 marks)</b></p> <p>Answers may refer to: identifying personal goals and/or objectives / identifying potential career paths (specific careers are acceptable eg manager) / identifying team goals and/or objectives / identifying areas in which Lisa can improve (in general or in specific areas eg behaviours) / understanding how Lisa can improve her work (in general or in specific areas) / identifying needs for support / helping Lisa to understand the contribution she makes to the business / helping Lisa to understand/discuss her strengths and weaknesses / putting Lisa in a better position to apply/compete for future jobs / helping Lisa to make choices to benefit her career / motivating Lisa.</p> <p>Allow for alternative wording.</p> <p>Other answers judged by the examiner to be correct are also acceptable.</p> <p><i>0 marks: No response worthy of credit</i></p> <p><i>1 mark: Answer refers to relevant terms or concepts but is expressed unclearly or inaccurately.</i></p> <p><i>2 marks: Answer clearly and accurately describes one way in which a Personal Development Plan can help Lisa to progress.</i></p> <p><b>(2 marks)</b></p>
<p>A new Retail Park is being developed on the outskirts of a town. The Retail Park will be anchored by a branch of Appleby's, a major national department store group and will have retail outlets available to other retailers.</p> <p>The retail outlets are taken up by a mix of local retailers, who move from the town centre, and national retailers opening branches in the town for the first time.</p>		
<p>4. Explain <b>three</b> effects which the opening of the Retail Park may have on the wider community of the</p>	<p>AC3a</p>	<p>Expected answers may refer to: new retailers offering additional choice, therefore local needs are met more effectively / new retail outlets recruiting staff, creating employment opportunities / building of new retail outlets creating employment opportunities / new retail premises opening leading to regeneration of local area / development of infrastructure leading to regeneration of local area / landscaping around retail premises leading to</p>

town (9 marks)		<p>regeneration of local area / new transport services to link Retail Park with town leading to improved public transport / empty shops in town centre leading to degeneration of town centre / reduced footfall in town centre leading to loss of business to remaining shops / loss of businesses in town centre leading to increased petty crime and/or vandalism / loss of local amenities caused by the need to travel to Retail Park to purchase goods that were previously available in the town centre.</p> <p>Other points judged by the examiner to be reasonable are also acceptable.</p> <p>For each explanation:</p> <p><i>0 marks: No response worthy of credit</i></p> <p><i>1 mark: Answer accurately identifies an area in which the community might be affected (eg employment) but offers no clear explanation, or answer offers a reasonable explanation of an incorrect effect.</i></p> <p><i>2 marks: Answer explains an accurate effect on the community with some clarity and detail.</i></p> <p><i>3 marks: Answer explains an accurate effect on the community clearly and in detail.</i></p> <p><b>(3 x 3 marks)</b></p>
<p>Nationwide, footfall decreases and some of the retailers in the Retail Park find sales are falling below the level necessary to operate in the Retail Park.</p> <p>Retailers on the Retail Park respond to the changing environment in different ways:</p> <ul style="list-style-type: none"> <li>• Appleby's makes a decision nationally to make aggressive price cuts and reduce costs by reducing the number of staff employed</li> <li>• An independent florist decides to move back to the town centre to take advantage of lower rental costs</li> <li>• A independent fashion store decides to increase its prices and improve the quality of the stock it sells</li> </ul>		
5. Compare the three strategies above (9 marks)	AC3c	<p>Expected answers may refer to the following points.</p> <p>Appleby's: move to lower prices/lower costs strategy / highly effective strategy / possible loss of reputation / possibility of poorer customer service</p> <p>Florist: lower costs/more passing trade / reasonably effective strategy / possible downside loss of adjacency to department store may actually reduce passing trade</p> <p>Fashion store: move to a different customer base less affected by recession / possibly less effective as moving into higher value market means competing with already established businesses in that market.</p> <p>Other points judged by the examiner to be reasonable are also acceptable.</p> <p><i>0 marks: No response worthy of credit</i></p> <p><i>1-3 marks: Answer covers few points of comparison with limited accuracy and detail; answer makes little or no reference to how</i></p>

the suitability of different strategies varies according to the individual businesses.

4-6 marks: Answer covers few points of comparison with some accuracy and detail, or several points of comparison with limited accuracy and detail; answer makes some reference to how the suitability of different strategies varies according to the individual businesses.

7-9 marks: Answer covers few points of comparison with a high level of accuracy and in-depth detail, or several points of comparison with accuracy but less detail; answer shows sound consideration of how the suitability of different strategies varies according to the individual businesses.

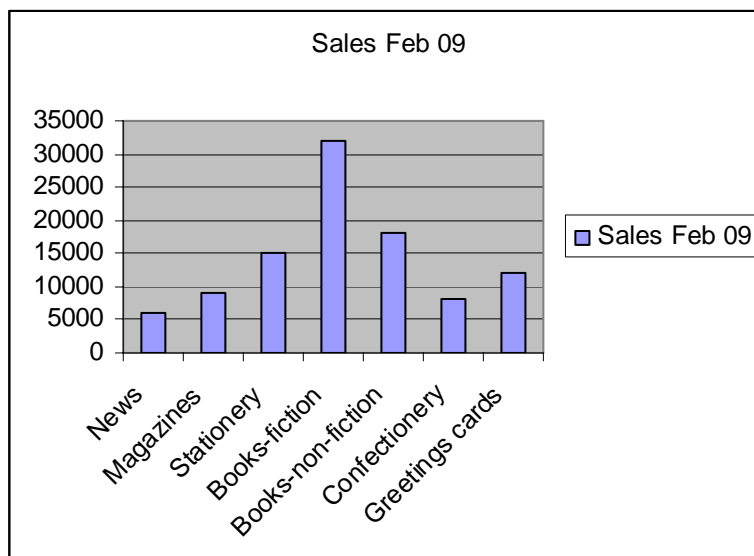
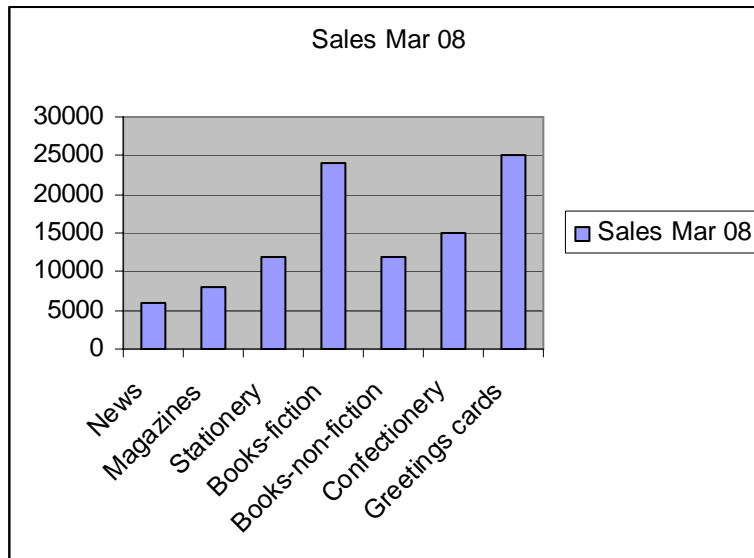
**(9 marks)**

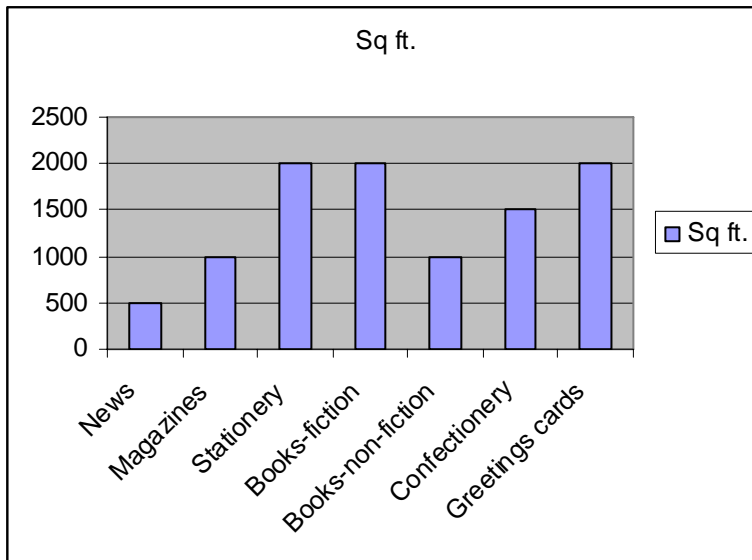
G K Brown's is a chain store selling books, stationery and associated goods.

The following charts show the sales for departments within one G K Brown's store for March 2008 and February 2009.

Easter 2008 fell on the weekend of 21<sup>st</sup> to 24<sup>th</sup> March.

Easter 2009 falls on the weekend of 10<sup>th</sup> to 13<sup>th</sup> April.





<p>6.</p> <p>The store's aims and objectives are to maximise sales throughout March and April by using available space to its best advantage before and after the Easter period.</p> <p>By analysing the information given:</p> <p>a) recommend how G K Brown's could change space allocations leading up to Easter, giving reasons (6 marks)</p>	<p>AC4a</p> <p>AC4b</p> <p>AC4c</p>	<p>Any from the following:</p> <ul style="list-style-type: none"> <li>• Increase further space for confectionery due to increased sales of confectionery over pre-Easter period</li> <li>• Increase further space for greetings cards due to increased sales of greetings cards over pre-Easter period</li> <li>• Reduce space for stationery due to stationery being over-spaced in relation to sales or stationery not being affected by seasonality</li> </ul> <p><i>0 marks: No response worthy of credit</i></p> <p><i>1-3 marks: Answer refers to one, two or three possible changes with little or no accurate reasoning.</i></p> <p><i>4-6 marks: Answer refers to all three possible changes with basic but accurate reasoning, or to one or two possible changes with more detail and reference to given data.</i></p> <p><b>(6 marks)</b></p>
<p>b) recommend how G K Brown's could change space allocations after Easter, giving reasons (6 marks)</p>	<p>AC4a</p> <p>AC4b</p> <p>AC4c</p>	<p>Any from the following:</p> <ul style="list-style-type: none"> <li>• Increase space for all books/fiction books/non-fiction books because books are giving best sales/sq.ft returns</li> <li>• Leave stationery space reduced because stationery generally over-spaced</li> <li>• Reduce space for confectionery to less than February</li> </ul>

		<p>levels because confectionery is over-spaced outside of Easter period</p> <ul style="list-style-type: none"> <li>• Reduce space for greetings cards to pre-Easter levels because greetings cards are over-spaced outside of Easter period</li> </ul> <p><i>0 marks: No response worthy of credit</i></p> <p><i>1-3 marks: Answer refers to one, two or three possible changes with little or no accurate reasoning.</i></p> <p><i>4-6 marks: Answer refers to four possible changes with some accurate reasoning; to three possible changes with basic but accurate reasoning; or to one or two possible changes with more detail and reference to given data.</i></p> <p><b>(6 marks)</b></p>
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Brautigan's is an upmarket UK supermarket chain selling high quality food through outlets and online. Its corporate identity is based on exceptional customer service, and environmentally-friendly and ethical products and practices.

Globally, there is a steady increase in food prices. A sharp rise is predicted for the coming months.

a)	State <b>three</b> changes that Brautigan's might make to deal with rising food prices.	AC4a AC4b	<p>Any <b>three</b> of the following: adding a lower quality, lower priced product range / lowering the quality and price of all products / lowering all prices and cutting operating costs / downsizing the business / closing unprofitable outlets / moving costly outlets to cheaper sites / offering additional services / marketing unique selling points / improving efficiency / reviewing aims and objectives.</p> <p>Allow for alternative wording. Answers that refer to general changes (eg 'improving efficiency') and specific examples (eg 'monitoring efficiency more closely' or 'using more efficient technology') are both acceptable.</p> <p>Other answers judged by the examiner to be reasonable are also acceptable.</p> <p><b>(3 x 1 mark)</b></p>
b)	Propose how Brautigan's should respond to rising food prices, giving reasons. You may refer to your answer to Question 7a, but you do not have to.	AC4c	<p>Expected answers will refer to answers given for Question 7a. Answers referring to other accurate points specified in the mark scheme for Question 7a but not given in answer to Question 7a are also acceptable.</p> <p><i>0 marks: No response worthy of credit</i></p> <p><i>1-3 marks: Answer makes limited use of specific detail about Brautigan's. Answer lacks development (eg proposing cutting prices without specifying how the loss of profit will be compensated for), and the potential consequences of proposed solution(s) are not clearly and accurately expressed.</i></p> <p><i>4-6 marks: Answer refers to specific detail about Brautigan's. Answer contains a reasonably developed response referring to one or two possible changes, or a less developed response referring to three possible changes. The potential consequences of proposed solution(s) are expressed in a largely accurate and clear manner.</i></p> <p><i>7-9 marks: Answer makes use of specific detail about Brautigan's. Answer contains a fully developed response</i></p>

*referring to one or two possible changes, or a reasonably developed response referring to three possible changes. The potential consequences of proposed solution(s) are expressed accurately and clearly.*

**(9 marks)**