

Past-paper walk-through

The nature of marketing ■ 3.1

eXercise

Questions in this set

- 9609/13 N25 Q1 ■ 5 marks
- 9609/21 N25 Q1 ■ 30 marks
- 9609/11 J25 Q6 ■ 20 marks
- 9609/13 J25 Q4 ■ 5 marks
- 9609/21 J25 Q2 ■ 30 marks

Reading the mark scheme

- **B1** a mark that stands on its own – the point is either made or not.
- **M1** a *method* mark: the right approach, even if the number is wrong.
- **A1** an *answer* mark, and it usually needs its M mark first.
- **C1** a working mark on the way to the answer.
- **//** separates answers the examiner accepts equally.
- **ecf** = error carried forward: a later part is marked on your own earlier answer.
- **owtte** = “or words to that effect” – the wording need not match.

Question 1

9609/13 N25 ■ Q1 ■ 5 marks

- 1 (a) Define the term *market growth*. [2]
- (b) Explain **one** pricing method. [3]

Solution 1

(a) Mark scheme

- Define the term market growth.
- Indicative content
- Responses may include:
 - AO1 Knowledge and understanding
 - CLEAR UNDERSTANDING (2 marks)
 - ■
- The (percentage) increase in the size of a market over a period of time / using metrics such as number of customers,

Solution 1

- units sold, or revenue (2)
- ■
- Increase in size of market over a period of time (2)
- Clear understanding of the term market growth is worth 2 marks. This is indicated by 2 ticks
- .
- PARTIAL UNDERSTANDING (1 mark)
- ■
- Change in the size of a market (1)
- Partial understanding of the term market growth is worth 1 mark. This is indicated by 1 tick

Solution 1

- .
- Accept all valid responses.
- 2
- 9609/13
- October/November 2025

Solution 1

(b) Mark scheme

- Explain one pricing method.
- Indicative content
- Responses may include:
- AO1 Knowledge and understanding - 1 mark for identifying ONE pricing method.
- ■
- competitive
- ■
- penetration

Solution 1

- ■
- skimming
- ■
- price discrimination
- ■
- dynamic
- ■
- cost-based
- ■
- psychological

Solution 1

- AO2 Application
- 2 marks for a DEVELOPED application / explanation of ONE pricing method.
- 1 mark for a LIMITED application / explanation of ONE pricing method.
- ■
- price is similar to competitors to avoid damaging / expensive levels of competition between businesses OR price set
- below competitors in markets where it is easy for customers to compare prices of different businesses
- ■
- setting a relatively low price to enter a market, attract customers and gain market share quickly, price may rise later

Solution 1

- ■
- setting a high price for a new product when it is unique or highly differentiated / has low price elasticity of demand /
- price is reduced over time
- ■
- charging different prices for the same product at different times or to different customers to increase demand and/or
- revenue
- ■
- selling at a price which changes according to the level of demand and the customer's ability to pay

Solution 1

- ■
- setting a price which covers all the costs of producing/supplying the product plus an additional amount to give profit
- ■
- takes account of the psychological effect of a price on customers e.g. just below a price level (9.99 *not* 10) or a high
- price for luxury goods
- Accept all valid responses.
- 3
- 9609/13
- October/November 2025

Solution 1

Question 1

9609/21 N25 ■ Q1 ■ 30 marks

1 Clever Bean (CB)

CB is a public limited company that operates a chain of coffee shops in several countries. The company was founded in 2010 by two friends, Shopra and Ben. They share a passion for coffee and want to offer high-quality products to customers.

CB started with one coffee shop in country Q and gradually expanded, always locating in high-income areas of major cities. CB operates in a dynamic business environment. There is a high level of competition from other well-known coffee shop chains.

5

The company sources its coffee beans from fair trade suppliers who grow their coffee in an environmentally friendly way. CB offers a wide range of coffee products to the mass market. CB also offers other drinks and a variety of food items, such as sandwiches and cakes. Recent research shows that customers are now looking for healthy food options.

10

Question 1

CB's customers are mainly young professionals, students and tourists. Customers enjoy CB's inviting atmosphere, comfortable seating areas, free Wi-Fi access and music. Its staff are trained to be friendly, helpful and knowledgeable.

Table 1.1 shows some financial data for CB for 2023 and 2024.

Table 1.1 CB's costs and revenue for 2023 and 2024

15

	2024 (\$m)	2023 (\$m)
Revenue	50	44
Direct costs	10	6
Indirect costs	20	16

Question 1

Shopra believes that CB should continue to focus on the mass market. However, Ben thinks that greater use of market segmentation will be more successful. 20

- (a) (i) Identify **one** feature of a public limited company. [1]
- (ii) Explain the term *dynamic business environment*. [3]
- (b) (i) Refer to Table 1.1. Calculate the change in profit from 2023 to 2024. [3]
- (ii) Explain **one** use to CB of cost information. [3]
- (c) Analyse **two** benefits to CB of training its employees. [8]
- (d) Evaluate whether CB should make greater use of market segmentation to be more successful. [12]

Solution 1

(a)(i) Mark scheme

- Identify one feature of a public limited company.
- AO1 Knowledge and understanding
- Indicative content
- Identification of a feature
- may include:
 - ■
- can sell shares
- ■

Solution 1

- has shareholders
 - ■
- limited liability
 - ■
- separate legal identity from its owners
 - ■
- must publish its accounts and report to its shareholders
- 1
- 9609/21
- October/November 2025

Solution 1

(a)(ii) Mark scheme

- Explain the term dynamic business environment.
- AO1 Knowledge and understanding
- 1 mark
- AO2 Application
- 2 marks
- 2 marks
- Developed application of one relevant point to a business
- context.

Solution 1

- 1 mark
- Knowledge of one relevant point is used to answer the question.
- 1 mark
- Limited application of one relevant point to a business context.
- 0 marks
- No creditable response.
- 0 marks
- No creditable response.

Solution 1

- Indicative content
- Responses may include:
- AO1 Knowledge and understanding
- (max 1 mark), including:
 - ■
 - rapid / fast changing market
 - ■
 - requires businesses to quickly adapt / be flexible.
 - ■
 - changes may be internal or external

Solution 1

- AO2 Application
- Explanation of internal changes
- (max 1 mark), including:
 - ■
 - leadership or management changes
 - ■
 - organisational restructuring
 - ■
 - investment in technology
 - Application for internal changes

Solution 1

- (max 1 mark), including:
 - ■
 - a new manager may bring a different vision or management style.
 - ■
 - merging departments
 - ■
 - upgrading equipment
 - 3
 - 9609/21
 - October/November 2025

Solution 1

- Explanation of external changes
- (max 1 mark), including:
 - ■
 - technological advancements
 - ■
 - economic shifts
 - ■
 - political and legal changes
 - ■
 - social trends

Solution 1

- ■
- environmental factors
- ■
- new products /ideas/entrants
- ■
- consumer tastes
- Application for external changes
- (max 1 mark), including:
- ■
- AI, automation

Solution 1

- ■
- inflation, recession
- ■
- new regulations, trade policies
- ■
- consumer preferences, demographics
- ■
- climate change, sustainability pressures
- ■
- examples of dynamic markets

Solution 1

- ■
- examples of factors meaning markets are dynamic e.g. competition
- Accept all valid responses.
- 9609/21
- October/November 2025

Solution 1

(b)(i) Mark scheme

- Refer to Table 1.1. Calculate the change in profit from 2023 to 2024.
- Indicative content.
- Profit = Revenue – Total costs (1)
- Profit in 2023 = $44m - (6m + 16m) = 22m$ (1)
- OR
- Profit in 2024 = $50m - (10m + 20m) = 20m$ (1)
- Change in profit = Profit in 2024 – Profit in 2023 = $\$20m - \$22m = -\$2m$ (OFR applies)

Solution 1

- Answer = $-2(3)$, not required. Accept text explanation, such as decreases, instead of minus sign. In brackets indicates a
 - minus figure
 - No minus sign or other indication of decrease 2 marks
 - OFR applies
 - 3
 - 9609/21
 - October/November 2025

Solution 1

(b)(ii) Mark scheme

- Explain one use to CB of cost information.
- AO1 Knowledge and understanding
- 1 mark
- AO2 Application
- 2 marks
- 2 marks
- Developed application of one relevant point to a business
- context.

Solution 1

- 1 mark
- Knowledge of one relevant point is used to answer the question.
- 1 mark
- Limited application of one relevant point to a business context.
- 0 marks
- No creditable response.
- 0 marks
- No creditable response.

Solution 1

- Responses may include:
- AO1 Knowledge and understanding
- (max 1 mark), including:
- Uses may include:
 - ■
 - helps determine the price/set prices
 - ■
 - ensure it makes a profit/improve profitability
 - ■
 - ensures the business covers its costs and earns a margin on each sale.

Solution 1

- ■
- respond to rising costs
- ■
- reduce unnecessary costs
- ■
- help identify profitable/loss making products
- ■
- set budgets
- AO2 Application
- Explanation

Solution 1

- (max 1 mark), including:
 - ■
 - respond to rising costs by adjusting prices
 - ■
 - identifying high-cost/profitable items allows the business to streamline operations or reduce waste.
 - ■
 - accurate cost data helps the owner decide whether to introduce new products, offer discounts, or invest in equipment
 - ■
 - can be used to help obtain external finance

Solution 1

- 3
- 9609/21
- October/November 2025
- Context
- (max 1 mark), including:
 - ■
 - example of price-setting – e.g. CB calculates that the total cost of ingredients, labour, and overheads for one latte is
 - 1.50. *To make a profit, CB decides to sell the latte for 3.00.*
 - ■

Solution 1

- if milk prices increase, the shop might adjust its pricing or switch suppliers.
- ■
- operate in mass market
- ■
- use of answer to 1(b)(i) (OFR)/reduction in profit (OFR)/profit change between 2023 and 2024
- ■
- use of information in Table 1.1 – direct costs increased by \$4m (to \$10m) and indirect costs increased by \$4m (to
- \$20m)
- ■

Solution 1

- competitive market
- ■
- considering market segmentation
- ■
- demand for healthy food
- Accept all valid responses.
- 9609/21
- October/November 2025

Solution 1

(c) Mark scheme

- Analyse two benefits to CB of training its employees.
- Level AO1 Knowledge and understanding
- 2 marks
- AO2 Application
- 2 marks
- AO3 Analysis
- 4 marks

Solution 1

- 2
- 3–4 marks
- Developed analysis
- ■
- Developed analysis that
- identifies connections between
- causes, impacts and/or
- consequences of two points.
- ■
- Developed analysis that

Solution 1

- identifies connections between
- causes, impacts and/or
- consequences of one point.
- 1
- 1–2 marks
- ■
- Knowledge of two relevant
- points is used to answer the
- question.
- ■

Solution 1

- Knowledge of one relevant
- point is used to answer the
- question.
- 1–2 marks
- ■
- Application of two relevant
- points to a business context.
- ■
- Application of one relevant
- point to a business context.

Solution 1

- 1–2 marks
- Limited analysis
- ■
- Limited analysis that identifies
- connections between causes,
- impacts and/or consequences
- of two points.
- ■
- Limited analysis that identifies
- connections between causes,

Solution 1

- impacts and/or consequences
- of one point.
- 0
- 0 marks
- No creditable response.
- 0 marks
- No creditable response.
- 0 marks
- No creditable response.

Solution 1

- Annotate the first benefit in the left-hand margin and the second in the right-hand margin.
- 8
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- October/November 2025
- Responses may include:
- AO1 Knowledge and understanding (max 2
- s)
- ■
- improve the quality and consistency of its products and services

Solution 1

- ■
- increase productivity
- ■
- increase efficiency
- ■
- motivate staff
- ■
- develop new skills and knowledge
- AO2 Application
- Max one

Solution 1

- for application in the first benefit and max one
- for application in the second benefit.
- ■
- working in a coffee shop is labour intensive work.
- ■
- highly paid employees would like to improve skills
- ■
- mission statement refers to a unique experience for customers
- ■
- CB face very high costs that they need to control

Solution 1

- ■
- train staff to be helpful, friendly and knowledgeable
- ■
- offers food as well as coffee
- ■
- located in high-income areas of major cities
- ■
- competitive/dynamic business environment
- ■
- operate in several countries

Solution 1

- AO3 Analysis
- Limited analysis
- – candidate shows one link in the chain of analysis.
- Developed analysis
- candidate shows two or more links in the chain of analysis or a two-sided analysis.
- Analysis may include:
 - ■
 - training improves the skills of employees – greater efficiency/productivity more customers served/more sales/ profit.
 - ■

Solution 1

- empowerment – may improve motivation by allowing employees to feel more knowledgeable e.g., advising customers
- on different products
- ■
- can increase customer satisfaction and loyalty – enhance its reputation/revenue/profits
- ■
- improve staff morale and retention – reduce turnover/absenteeism/recruitment costs
- ■
- increased efficiency – reducing costs and increasing profits

Solution 1

- ■
- build its customer base – attracting customers from the competition
- Accept all valid responses
- 9609/21
- October/November 2025

Solution 1

(d) Mark scheme

- Evaluate whether CB should make greater use of market segmentation to be more successful.
- Level AO1 Knowledge
- and understanding
- 2 marks
- AO2 Application
- 2 marks
- AO3 Analysis

Solution 1

- 2 marks
- AO4 Evaluation
- 6 marks
- 3
- 5–6 marks
- Developed evaluation in context
- ■
- A developed judgement/conclusion is
- made in the business context.
- ■

Solution 1

- Developed evaluative comments
- which balance some key arguments in
- the business context.
- 2
- 2 marks
- Developed
- knowledge of
- relevant key term(s)
- and/or factor(s) is
- used to answer the

Solution 1

- question.
- 2 marks
- Developed
- application of
- relevant point(s) to
- the business
- context.
- 2 marks
- Developed analysis
- that identifies

Solution 1

- connections
- between causes,
- impacts and/or
- consequences.
- 3–4 marks
- Developed evaluation
- ■
- A developed judgement/conclusion is
- made.
- ■

Solution 1

- Developed evaluative comments
- which balance some key arguments.
- 1
- 1 mark
- Limited knowledge
- of relevant key
- term(s) and/or
- factor(s) is used to
- answer the question.
- 1 mark

Solution 1

- Limited application
- of relevant point(s)
- to the business
- context.
- 1 mark
- Limited analysis
- that identifies
- connections
- between causes,
- impacts and/or

Solution 1

- consequences.
- 1–2 marks
- Limited evaluation
- ■
- A judgement/conclusion is made with
- limited supporting comment/evidence.
- ■
- An attempt is made to balance the
- arguments.
- 0

Solution 1

- 0 marks
- No creditable response.
- 0 marks
- No creditable response.
- 0 marks
- No creditable response.
- 0 marks

Solution 1

- No creditable response.
- 12
- 9609/21
- October/November 2025
- Responses may include:
- AO1 Knowledge and understanding (max 2
- s)
- ■
- market has smaller groups/sub-groups
- ■

Solution 1

- used to better target marketing efforts
- ■
- methods include geographic, demographic and psychographic
- Do not award K for product differentiation, must be market segmentation
- AO2 Application
- Limited application
- applies knowledge of market segmentation to CB once.
- Developed application
- +
- applies knowledge of market segmentation to CB twice.

Solution 1

- ■
- customers are becoming more aware of the health effects of consuming too much caffeine or sugar in their drinks.
- ■
- operates in prime areas
- ■
- use fair trade coffee beans
- ■
- customers environmentally conscious.
- ■

Solution 1

- highly competitive/dynamic business environment
- ■
- currently operates in the mass market.
- ■
- target young professionals, students and tourists
- ■
- research shows customers want healthy food options
- ■
- use of answer from 1(b)(i)/decreasing profit
- ■

Solution 1

- use of information from table 1.1 – e.g. rising costs/increasing revenue
- AO3 Analysis
- Limited analysis
 - – candidate shows one link in the chain of analysis.
- Developed analysis
 - – candidate shows two or more links in the chain of analysis.
- Arguments for greater use of market segmentation:
 - ■
- Better targeting of customer needs – tailor products and marketing more effectively.

Solution 1

- ■
- Improved marketing efficiency – marketing campaigns can be more cost-effective and impactful when aimed at specific
- segments.
- ■
- Become more competitive – attracting a wider customer base
- 9609/21
- October/November 2025
- Arguments against greater use of market segmentation:
- ■

Solution 1

- increased complexity and costs – may require changes in product lines, marketing strategies, and store layouts,
- increasing operational complexity and costs.
- ■
- further investment required – causing a strain on resources.
- ■
- risk of alienating existing customers – might confuse or alienate loyal customers who value the current broad appeal.
- ■
- maintaining a consistent brand image across – marketing becomes expensive and challenging

Solution 1

- ■
- limited capacity to implement segmentation – may lack the data analytics capabilities or marketing expertise needed to
- effectively identify and serve distinct segments.
- AO4 Evaluation
- Limited evaluation
 - – unsupported judgement and/or a weak attempt at evaluative comment
- Developed evaluation
 - – supported judgement and/or reasonable evaluative comment
- Developed evaluation in context

Solution 1

- – supported judgement in context and/or reasonable evaluative comment in context.
- While market segmentation offers opportunities for CB to better meet customer needs and stand out in a competitive
- market, it also introduces risks and costs. A balanced approach may be most suitable – CB could begin with light
- segmentation (e.g. offering healthier food options) while maintaining its mass market appeal. This would allow CB to test
- the effectiveness of segmentation without overcommitting resources.
- Other evaluative arguments may include:
 - ■

Solution 1

- target market – how to identify and attract a different market segment and costs involved
- ■
- selling at a lower price might damage the brand reputation.
- ■
- choice depends on operating costs, and customer preferences
- ■
- CB would need to conduct market research to determine which method would be more effective in increasing demand
- for its products
- ■

Solution 1

- a recommendation which could be that related to one method or could be that a combination is better. this helps CB to
- appeal to customers with different needs.
- ■
- yes, it should/should not with justification
- Evaluation must be clearly related to market segmentation
- Accept all valid responses.
- 9609/21
- October/November 2025

Question 6

9609/11 J25 ■ Q6 ■ 20 marks

- 6** **(a)** Analyse **two** ways international markets may present different challenges to a business than national markets. [8]
- (b)** Evaluate whether customer relationship marketing (CRM) is suitable for all small businesses. [12]

Solution 6

(a) Mark scheme

- Analyse two ways international markets may present different challenges to a business than national markets.
- There are 8 marks in total for Q6(a)
- 4 marks for each of the ways international markets may present different challenges to a business than national markets.
- These 4 marks consist of
 - 1 mark for
 - 1 mark for

Solution 6

- 2 marks for
- Indicative content
- Responses may include:
- AO1 Knowledge and understanding
- 1
- mark for identifying one way international markets may present different challenges to a business than national
- markets Repeat this for a second identified way.
- NOTE: International markets are global markets outside the international borders of a business's country of citizenship –

Solution 6

- people and businesses from different nations and sharing different cultures may compete in an international market.
- National market is a domestic market for goods and services operating within the borders of, and governed by, the
- regulations of a particular country. A business is likely to be more familiar with trading relationships and regulations and
- there is likely less risk, uncertainty and complexity when operating in a national market.
- 8
- 9609/11
- May/June 2025

Solution 6

- Ways may include:
 - ■
 - International markets may present language challenges to business entrants
 - ■
 - International markets may have business cultures that do not match national market expectations
 - ■
 - Operating in an international market may require more expertise, competence and special management skills
 - ■
 - Competition is likely to be tough and intense in international markets

Solution 6

- ■
- International markets may present more high-risk challenges to businesses, such as political volatility, changing
- fashion, etc
- ■
- International markets may require acceptance of different tariff and non-tariff constraints and local laws and policies
- AO2 Application
- 1 mark for
- of the chosen way. Repeat this for a second identified way.
- ■

Solution 6

- International markets may present language challenges to business entrants – many languages may be used.
- ■
- International markets may have business cultures that do not match national market expectations, e.g. in respect of
 - religion, dress codes, working hours, personal space and facility, and gift giving. An ability to recognise, respect and
 - adapt to these differences may reduce your ability to succeed in an international market.
- ■

Solution 6

- Operating in an international market may require more expertise, competence and special management skills to deal
- with the more complex circumstances and situations like changes in the strategies of governments and the mindsets of
- customers.
- ■
- Competition is likely to be tough and intense in international markets – global competition involves competition not only
- with competitors from home countries, but also with competitors from foreign lands.
- ■

Solution 6

- International markets may present more high-risk challenges to businesses, such as political volatility, changing fashion
- trends, sudden war situations, changing government regulations, and communication barriers.
- ■
- International markets may require acceptance of different tariff and non-tariff constraints and local laws and policies
- enforced in different nations – business relationships may involve complexity and lengthy time dimensions.
- 9609/11
- May/June 2025

Solution 6

- AO3 Analysis
- 2 marks for developed analysis of the chosen way
- Repeat for second identified way.
- 1 mark for limited analysis of the chosen way
- Repeat for second identified way.
- ■
- International markets may present distinctive challenges to national businesses – they may exhibit very unique and
- volatile market situations regulations, and conventions requiring creative, responsive and flexible reactions,
- accommodations and compromises.

Solution 6

- ■
- The business cultures of international markets may be distinctive and unusual and outside the experience of national
- competitors, requiring adaptability and acceptance of unusual and often morally questionable business practices.
- ■
- International markets may be politically volatile requiring fast responses by national business's such as making special
- payments in order to engage in business activity.
- ■

Solution 6

- Local laws and policies in international markets may be unconventional and communication channels may be far from
- transparent-national businesses again may need to balance national standards of business behaviour with international
- market expectations/requirements.
- Accept all valid responses.
- 9609/11
- May/June 2025

Solution 6

(b) Mark scheme

- Evaluate whether customer relationship marketing (CRM) is suitable for all small businesses.
- There are 12 marks for Q6(b)
- 2 marks for
- 2 marks for
- 2 marks for
- 6 marks for
- Indicative content

Solution 6

- Responses may include:
 - AO1 Knowledge and understanding
 - 2 marks for developed knowledge and understanding
 - 1 mark for limited knowledge and understanding
 - ■
- CRM is concerned with forming long-term relationships/bonds with customers, rather than just with immediate sales –
- less transactional or hard selling – more about building emotional connections with customers
- ■

Solution 6

- Customers are put at the centre of marketing strategies in an effort to create customer loyalty and retention through
- developing a unique bond with customers – especially through customers' data and feedback
- ■
- The era of digital marketing has created opportunities for businesses of all sorts to succeed in the journey of
- relationship marketing
- 12
- 9609/11
- May/June 2025

Solution 6

- AO2 Application
- 2 marks for developed application/context
- 1 mark for limited application/context
- ■
- Marketing no longer restricted to developing, selling, and delivering products and services. CRM sees this definition of
- marketing as too restrictive – effective marketing needs to be relationship orientated.
- ■
- Investment into CRM systems is considered to be essential and more effective than transactional marketing for the

Solution 6

- long-term health of all businesses.
- ■
- The marketing concept of using a relational software database to gather data on customer transactions for use in
- marketing and sales programmes has been developed and expanded into company-wide CRM systems – initially
- sophisticated technology orientated systems developed in/for large businesses to create, manage, and organise data
- in a way that drives sales and revenue through creating connections and long-term relationships.
- ■

Solution 6

- More recently, small business CRM systems have been devised to enhance the small business customer experience
- with a focus on social relationships and personal care programmes that foster customer commitment and builds trust
- between a business and its customers.
- ■
- Small businesses are often partnerships, sole proprietorships, or private limited companies
- ■
- Have relatively small numbers of employees, relatively low annual revenue/turnover, few human resources, and low

Solution 6

- up-front capital (vary between 'micro' businesses with less than 10 employees/turnover less than £2m – 'small')
- businesses with 10–50 employees and £2–10m turnover, to MSE's with 50–250 employees and £50–250m turnover)
- 9609/11
- May/June 2025
- AO3 Analysis
- 2 marks for developed analysis
- 1 mark for limited analysis
- The benefits of CRM programmes are said to include the following: -
 - ■

Solution 6

- The possibility of selling more – returning customers tend to purchase more than first-time customers as a
- consequence of a stronger relationship.
- ■
- CRM acts as an advertising method for a product – customers satisfied with a product leave good reviews and
- communicate to others positive experiences.
- ■
- Loyal customers created by CRM tend to purchase new and upcoming products due to positive experiences in the past
- – saving advertising costs.

Solution 6

- ■
- CRM forces a business and brand to focus on long-term goals rather than short-term success.
- ■
- CRM, in developing a personal relationship with the customer, helps create a viral positive one-to-one marketing.
- ■
- CRM provides opportunities to solve problems immediately -opportunity to repair product failures – problem-solving via
- the customer service communications to Twitter accounts or person visits
- The limitations of CRM are said to include the following:

Solution 6

- ■
- The primary limitation is said to be cost – it leads to higher costs per individual customer, with no guarantee of a quick
- return.
- ■
- CRM software is often designed to meet the needs of large businesses – can be daunting for smaller businesses
- lacking the staff time and financial resources.
- ■
- Even simple CRM systems are expensive – investment costs are high – may be inaccessible to a small business.

Solution 6

- ■
- CRM raises the expectations of customers – time and resource consuming – it takes many transactions to establish a
- trusting relationship that garners results.
- ■
- CRM likely to require a significant change in business culture and employee roles – the change from a product centric
- business to a customer/client end user centric business is a demanding one – there may be resistance to change, e.g.
- IT moves from a customer supportive role to a customer enabling role.
- ■

Solution 6

- CRM may treat new customers as a secondary commodity – CRM focus is on retaining and supporting the current
- customer base – new customers could be overlooked or ignored.
- 9609/11
- May/June 2025
- AO4 Evaluation: Up to 6 marks for evaluation:
- Developed/Supported judgement in context
- 6 marks
- Developed/Reasonable evaluative comments in context
- 5 marks

Solution 6

- Developed/Supported judgement without context
- 4 marks
- Developed/Reasonable evaluative comments without context
- 3 marks
- Limited supported judgement
- 2 marks
- An attempt to balance the arguments/Weak attempt at evaluative comments
- 1 mark
- ■

Solution 6

- Judgements/conclusions/critical comments may be made at any point in an essay, not just in a concluding section.
- ■
- A judgement might be made that many small businesses are less likely to adopt a CRM approach due to the potential
 - high investment costs, the time risks involved, the complexity of CRM programmes and the limited resource availability.
- ■
- A judgement may be made that potential benefits of a CRM programme/initiative outweigh the costs/risks/potential
 - disadvantages.

Solution 6

- ■
- A judgement may be made that it all depends on the 'size' and resources of a 'small' business and the stage of
- development of the business so not all small businesses may rule out investment into CRM.
- ■
- Indeed a judgement may be made that a small business is ideally placed to really benefit from a CRM approach – a
- small business may be more accessible to the customer than a large one – the values, mission, vision clearer in a
- small business – close to the customer.

Solution 6

- ■
- A judgement may be made that CRM is a natural development of effective marketing and is relevant and essential for
- all businesses, including small businesses, and that inexpensive small business CRM systems are increasingly
- available (affordable cloud-based packages).
- ■
- A judgement might be made that the features and benefits of CRM are critical for all businesses – and that even non-
- commercial organisations, such as universities, are adopting CRM programmes in order to improve relationships with

Solution 6

- the students who increasingly assume the role of customers and expect to be heard, respected and satisfied.
- ■
- A judgement might be made that CRM is just one of the latest management fads and that effective businesses have
- always pursued customer relationships and enjoyed the trust and loyalty of customers/clients/end users without the
- adoption of expensive and trendy CRM systems.
- Accept all valid responses.
- 9609/11
- May/June 2025

Solution 6

- Mark Grids for Section B
- Used for Q5(a) and Q6(a)
- Level
- AO1 Knowledge and understanding
- 2 marks
- AO2 Application
- 2 marks
- AO3 Analysis
- 4 marks

Solution 6

- 2
- 3–4 marks
- Developed analysis
- ■
- Developed analysis that identifies connections between causes,
- impacts and/or consequences of two points.
- ■
- Developed analysis that identifies connections between causes,
- impacts and/or consequences of one point.
- 1

Solution 6

- 1–2 marks
- ■
- Knowledge of two
- relevant points is used
- to answer the
- question.
- ■
- Knowledge of one
- relevant point is used
- to answer the

Solution 6

- question.
- 1–2 marks
- ■
- Application of two
- relevant points to a
- business context.
- ■
- Application of one
- relevant point to a
- business context.

Solution 6

- 1–2 marks
- Limited analysis
- ■
- Limited analysis that identifies connections between causes,
- impacts and/or consequences of two points
- ■
- Limited analysis that identifies connections between causes,
- impacts and/or consequences of one point.
- 0
- 0 marks

Solution 6

- No creditable response.
- 0 marks
- No creditable response.
- 0 marks
- No creditable response.
- 9609/11
- May/June 2025
- Mark Grids for Section B
- Used for Q5(b) and Q6(b)
- Level

Solution 6

- AO1 Knowledge and understanding
- 2 marks
- AO2 Application
- 2 marks
- AO3 Analysis
- 2 marks
- AO4 Evaluation
- 6 marks
- 3

Solution 6

- 5–6 marks
- Developed evaluation in context
- ■
- A developed judgement/conclusion is made in the
- business context.
- ■
- Developed evaluative comments which balance some
- key arguments in the business context.
- 2
- 2 marks

Solution 6

- Developed knowledge
- of relevant key term(s)
- and/or factor(s) is used
- to answer the question.
- 2 marks
- Developed
- application of
- relevant point(s) to the
- business context.
- 2 marks

Solution 6

- Developed
- analysis
- that identifies
- connections
- between causes,
- impacts and/or
- consequences.
- 3–4 marks
- Developed evaluation
- ■

Solution 6

- A developed judgement/conclusion is made.
- ■
- Developed evaluative comments which balance some
- key arguments.
- 1
- 1 mark
- Limited knowledge
- of relevant key term(s)
- and/or factor(s) is used
- to answer the question.

Solution 6

- 1 mark
- Limited application
- of relevant point(s) to
- the business context.
- 1 mark
- Limited analysis
- that identifies
- connections
- between causes,
- impacts and/or

Solution 6

- consequences.
- 1–2 marks
- Limited evaluation
- ■
- A judgement/conclusion is made with limited
- supporting comment/evidence.
- ■
- An attempt is made to balance the arguments.
- 0
- 0 marks

Solution 6

- No creditable response.
- 0 marks
- No creditable
- response.
- 0 marks
- No creditable
- response.
- 0 marks
- No creditable response.

Question 4

9609/13 J25 ■ Q4 ■ 5 marks

4 Analyse one advantage to a business of using mass marketing. [5] Section B Answer one question only. EITHER **[5]**

Solution 4

- Analyse one advantage to a business of using mass marketing.
- There are 5 marks for this question:
 - 1 mark for
 - 2 marks for
 - 2 marks for
 - Indicative content
 - Responses may include:
 - AO1 Knowledge and understanding

Solution 4

- 1 mark for
- identifying one advantage to a business of using mass marketing
- ■
- Business may secure economies of scale
- ■
- Mass marketing may ensure cost effectiveness in business operations
- ■
- Opportunity to secure significant sales
- ■

Solution 4

- Opportunity to build and develop a brand
- ■
- Opportunity to build and develop the business
- 5
- 9609/13
- May/June 2025
- 4
- AO2 Application
- 2 marks for developed

Solution 4

- of the chosen advantage.
- 1 mark for limited
- of the chosen advantage.
- ■
- Economies of scale – unlike niche marketing
- ■
- Cost effective – when used to advertise products
- ■
- Mass marketing campaigns can reach a large audience – via several channels.

Solution 4

- ■
- Appeals to the total population – lead to more sales.
- ■
- Can increase brand awareness – via several channels
- ■
- Can save time with marketing campaigns – as don't have to create new campaign for each different segment
- AO3 Analysis
- 2 marks for developed
- of the chosen advantage

Solution 4

- 1 mark for limited
- of the chosen advantage
- ■
- Economies of scale can enable substantially lower average costs of production – increase profit margin.
- ■
- The ability to target the whole market could lead to huge sales – and profits.
- ■
- Brand awareness could become global – could lead to becoming market leader.
- ■

Solution 4

- Time saved on marketing campaigns could be used in other ways to increase business efficiency.
- ■
- Less prone to changing tastes – so a change in consumer buying habits may not impact sales.
- Accept all valid responses.
- 9609/13
- May/June 2025

Question 2

9609/21 J25 ■ Q2 ■ 30 marks

2 Premium Homes (PH)

PH owns student rental accommodation in all the major cities in country Y. PH used demographic segmentation in its market research. This research identified that university students would pay a premium for high specification rental accommodation.

PH has specialist teams focused on sales, maintenance, customer service and finance. There is little opportunity for internal promotion. PH pays low salaries, however, it offers profit sharing to motivate its 150 employees. This has been effective as PH has had low labour turnover.

5

In the last two years, profit levels have fallen by 75%. In 2024, 45 employees left PH. Complaints about maintenance and customer service have increased due to the lack of experienced employees in PH.

10

The Finance Director is reviewing PH's existing sources of finance, shown in Fig 2.1.

Question 2

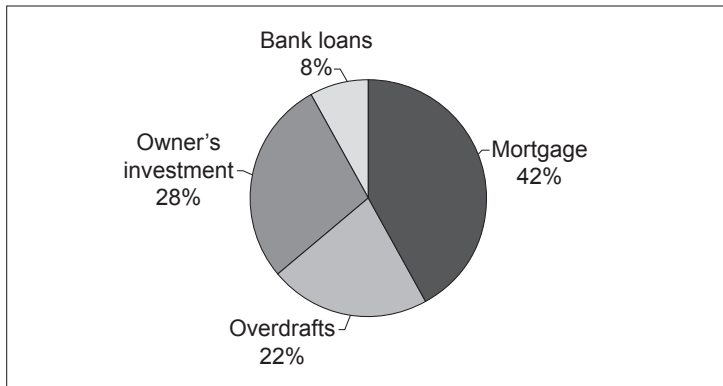


Fig 2.1 PH's sources of finance

Question 2

Frank, the Operations Director, wants to improve the sustainability of PH's operations. He plans to:

- stop renting out accommodation in some lower-income cities, and sell these buildings 15
 - upgrade accommodation in high-income cities
 - reduce the size of the workforce.
- (a) (i) Identify **one** way in which business size can be measured. [1]
- (ii) Explain the term *demographic segmentation*. [3]
- (b) (i) Refer to lines 6–8. Calculate PH's labour turnover in 2024. [3]
- (ii) Explain **one** way in which PH could use Maslow's Hierarchy of Needs. [3]
- (c) Analyse **one** advantage and **one** disadvantage to PH of using an overdraft as a source of finance. [8]

Question 2

- (d) Evaluate whether Frank's plan will improve the sustainability of PH's operations. [12]

Solution 2

(a)(i) Mark scheme

- Identify one way in which business size can be measured.
- Indicative content
- Identification of a method
- may include:
 - ■
- Capital employed
- ■
- Market capitalisation

Solution 2

- ■
- Market share
- ■
- Revenue (allow sales, sales turnover or turnover, income)
- ■
- Quantity sold
- ■
- Value of output
- ■
- Number of employees

Solution 2

- ■
- Area/space
- ■
- Number of outlets
- ■
- Number of customers
- Do not allow profit – which is a measure of success or performance, but not size.
- If more than one answer is given, only mark the first, reading from top left to bottom right.
- Accept all valid responses.

Solution 2

- 1
- 9609/21
- May/June 2025

Solution 2

(a)(ii) Mark scheme

- Explain the term demographic segmentation.
- AO1 Knowledge and understanding
- 1 mark
- AO2 Application
- 2 marks
- 2 marks
- Developed application of one relevant point to a business
- context.

Solution 2

- 1 mark
- Knowledge of one relevant point is used to answer the question.
- 1 mark
- Limited application of one relevant point to a business context.
- 0 marks
- No creditable response.
- 0 marks
- No creditable response.

Solution 2

- Indicative content
- AO1 Knowledge and understanding
- Knowledge of demographic segmentation
- may include:
 - ■
 - The identification of groups of customers with similar or common needs or characteristics within a market
 - ■
 - Dividing the market according to factors that describe the population
 - ■

Solution 2

- Specific customer groups / target markets
- AO2 Application
- Explanation of demographic segmentation
- (max 1 mark) including:
 - ■
- Study of population data/trends
- ■
- Examples of demographic factors, e.g. age, gender, race, social class, income
- Context applied to demographic segmentation
- , including (max 1 mark):

Solution 2

- ■
- A valid example of a business that uses demographic segmentation to plan how it markets its products, e.g. a luxury
- car manufacturer may use demographic segmentation to target its advertising at high-income individuals or PH targets
- its student rental accommodation at university students
- 3
- 9609/21
- May/June 2025
- ■
- Used for marketing of different products or services to specific consumer groups

Solution 2

- ■
- Helps the business to adapt the marketing mix to the needs of the target customer group
- ■
- Different marketing decisions for different groups
- Accept all valid responses
- Application can be made to PH or any other scenario/context/business/person.
- Exemplar and annotations
- Mark
- Rationale

Solution 2

- Dividing the market into groups
- according to age
- or gender
- , for example a clothes retailer has
- three departments with products for men, women
- and children
- .
- 3
- The answer starts with application but shows
- knowledge by the reference to age/gender. There is

Solution 2

- an example of the use of demographic segmentation
- by a clothes retailer.
- Identifying groups of customers with similar needs or
- characteristics within a market
- using population
- data such as age
- 2
- Clear knowledge. With some application of how
- Used for marketing of different products or services
- to specific types of customer

Solution 2

- 1
- A reasonable definition
- Segmenting using demographics
- 0
- Tautological
- 9609/21
- May/June 2025

Solution 2

(b)(i) Mark scheme

- Refer to lines 6–8. Calculate PH's labour turnover in 2024.
- Formula to calculate labour turnover:
 - ■
- number of employees leaving in 1 year
- Average number of people employed $\times 100$ (1 mark – formula only)
- Use of figures:
 - ■
- 45

Solution 2

- 150×100 (1 mark – use of correct figures)
- Labour turnover:
- ■
- 30% (1 mark – correct answer – no % necessary)
- Exemplar and annotations
- Rationale
- 3 marks
- Correct answer
- 30%
- Working and % do not matter.

Solution 2

- Must be three
- to denote the three marks.
- Correct rounding must be applied.
- 2 marks
- Both of the following:
 - ■
- Correct formula
- ■
- Correct identification of figures
- OR

Solution 2

- An incorrect answer with one mistake allowing OFR
- for final stage.
- OR
- 0.3 (has not completed final stage to multiply by 100)
- OR
- A correct answer from an inverted formula (3.3 –
- OFR)
- To award two marks, there must be
- ■
- Two

Solution 2

- and a
- OR
- ■
- One
- , one
- and one
- 3
- 9609/21
- May/June 2025
- Rationale

Solution 2

- 1 mark
- One of the following:
 - ■
- Correct formula
- To award one mark, there must be:
 - ■
- One
- and two
- 0 marks
- No creditable content.

Solution 2

- To award zero marks, there must be
- ■
- One
- 9609/21
- May/June 2025

Solution 2

(b)(ii) Mark scheme

- Explain one way in which PH could use Maslow's Hierarchy of Needs
- AO1 Knowledge and understanding
- 1 mark
- AO2 Application
- 2 marks
- 2 marks
- Developed application of one relevant point to a business
- context.

Solution 2

- 1 mark
- Knowledge of one relevant point is used to answer the question.
- 1 mark
- Limited application of one relevant point to a business context.
- 0 marks
- No creditable response.
- 0 marks
- No creditable response.

Solution 2

- Indicative content
- AO1 Knowledge and understanding
- Knowledge of a use of a motivational theory
- (max 1 mark), including:
 - ■
- Change the way that employees are treated/managed/motivated at PH or relevant examples
- ■
- Make changes to increase motivation to maintain PH's low labour turnover/retain employees
- ■

Solution 2

- Understand employee behaviour/employee motivation
- ■
- Measuring employee needs
- AO2 Application
- Explanation of a use of Maslow's hierarchy of needs
- (max 1 mark), including:
- ■
- Explain how motivation affects how employees behave, e.g. an employee doing a repetitive job/working alone may
- have a high absenteeism rate

Solution 2

- ■
- Explain the use with reference to one of Maslow's categories of need, e.g. physiological, safety, love and belonging,
- esteem and self-actualisation needs
- ■
- Examples of how PH could change the way that employees are managed/motivated:
- ■
- Offer more opportunities for internal promotion
- ■
- Increase employee salaries

Solution 2

- ■
- Encourage employees to stay in the business
- ■
- Change working conditions
- 3
- 9609/21
- May/June 2025
- Context applied to PH
- (max 1 mark), including:
- ■

Solution 2

- Use of demographic segmentation in its market research
- ■
- University students would pay a premium price for high specification rental accommodation
- ■
- Specialist teams focused on sales, maintenance, customer service and finance.
- ■
- Little opportunity for internal promotion
- ■
- Low salaries

Solution 2

- ■
- Offers profit sharing
- ■
- 150 employees
- ■
- Low labour turnover
- ■
- Profit reduced by 75%
- ■
- In 2024, 45 employees left PH

Solution 2

- ■
- Increased complaints about maintenance and customer service
- ■
- Use of data from Fig. 2.1
- ■
- Operations Director wants to improve the sustainability of PH's operations
- Accept all valid responses.
- Exemplar and annotations
- Mark
- Rationale

Solution 2

- Managers can understand what motivates
- employees
- such as ensuring physiological needs
- are met
- for the 150 employees
- .
- 3
- Use of Maslow's hierarchy of needs by managers
- , with further explanation with reference to Maslow's
- hierarchy

Solution 2

- . The third mark is for reference to the
- context
- .
- Helps managers decide how to change their
- management style
- so that less than 45
- employees leave this year
- .
- 2
- Knowledge of a use and applied to the number of

Solution 2

- employees.
- Identifies the different motivations for human
- behaviour
- 1
- Knowledge of a use with no application
- Maslow's Hierarchy of needs is a motivational theory
- is the study of understanding what drives a person to
- work towards a particular goal or outcome
- .
- 0

Solution 2

- No use of Maslow's hierarchy of needs. This answer
- is a definition of the theory and does not answer the
- question
- 9609/21
- May/June 2025

Solution 2

(c) Mark scheme

- Analyse one advantage and one disadvantage to PH of using an overdraft as a source of finance.
- Level
- AO1 Knowledge and understanding
- 2 marks
- AO2 Application
- 2 marks

Solution 2

- AO3 Analysis
- 4 marks
- 2
- 3–4 marks
- Developed analysis
- ■
- Developed analysis that identifies connections
- between causes, impacts and/or consequences
- of two points.
- ■

Solution 2

- Developed analysis that identifies connections
- between causes, impacts and/or consequences
- of one point.
- 1
- 1–2 marks
- ■
- Knowledge of two
- relevant points is used
- to answer the
- question.

Solution 2

- ■
- Knowledge of one
- relevant point is used
- to answer the
- question.
- 1–2 marks
- ■
- Application of two
- relevant points to a
- business context.

Solution 2

- ■
- Application of one
- relevant point to a
- business context.
- 1–2 marks
- Limited analysis
- ■
- Limited analysis that identifies connections
- between causes, impacts and/or consequences
- of two points.

Solution 2

- ■
- Limited analysis that identifies connections
- between causes, impacts and/or consequences
- of one point.
- 0
- 0 marks
- No creditable response.
- 0 marks
- No creditable response.
- 0 marks

Solution 2

- No creditable response.
- Advantage in the left hand side column, disadvantage in the right hand side column
- 8
- 9609/21
- May/June 2025
- Indicative content
- AO1 Knowledge and understanding
- Knowledge of one advantage using an overdraft as a source of finance
- (max 1 mark), including:

Solution 2

- ■
- Quick – previously agreed / immediately available
- ■
- Convenient – can use it as required
- ■
- Flexible
- ■
- No repayment schedule
- ■
- No loss of ownership

Solution 2

- Knowledge of one disadvantage using an overdraft as a source of finance
- (max 1 mark), including:
 - ■
 - High interest rates / fees
 - ■
 - Can be recalled at any time
 - ■
 - Often low limit available
 - ■
 - Can only be used for short-term needs

Solution 2

- ■
- Must be repaid
- Note: the advantages/disadvantages have to be true for an overdraft, but not exclusively true to an overdraft (i.e. they may
- apply to other sources of finance).
- AO2 Application
- Application of an advantage or disadvantage to PH
- , including:
- ■
- Use of demographic segmentation in its market research

Solution 2

- ■
- University students would pay a premium price for high specification rental accommodation
- ■
- Specialist teams focused on sales, maintenance, customer service and finance.
- ■
- Little opportunity for internal promotion
- ■
- Low salaries
- ■

Solution 2

- Offers profit sharing
- ■
- 150 employees
- ■
- Low labour turnover
- ■
- Profit reduced by 75%
- ■
- In 2024, 45 employees left PH
- ■

Solution 2

- Increased complaints about maintenance and customer service
- ■
- Use of data from Fig. 2.1
- 9609/21
- May/June 2025
- ■
- Operations Director wants to improve the sustainability of PH's operations
- ■
- Use of data from Fig. 2.1
- ■

Solution 2

- Operations Director wants to improve the sustainability of PH's operations
- AO3 Analysis
- Limited analysis of an advantage/disadvantage of using an overdraft
- – candidate shows one link in the chain of
- analysis.
- Developed analysis of an advantage/disadvantage of using an overdraft
- candidate shows two or more links in the chain
- of analysis or a two-sided analysis.
- Analysis may include:
- ■

Solution 2

- Quick – previously agreed / immediately available; the funds can be used for expansion immediately – leading to
 - increased market share
 - ■
- Convenient – can use it as required; no time is wasted with application – can be used for other activities such as
 - marketing
 - ■
- Flexible; can be used for any type of purchase – to meet the business objectives
 - ■

Solution 2

- No repayment schedule; this will reduce cash outflows – This money can be used to better maintain the properties
- rented, reducing customer complaints.
- ■
- High interest rates/fees; higher interest rates may increase costs – this will reduce profits
- ■
- Can be recalled at any time; the business may need to suddenly repay the money leading to cashflow problems –
- threatening business survival
- ■

Solution 2

- Often low limit available; The overdraft limit may be low. This will limit the investments that PH can make – therefore
- the business will not be able to reduce complaints.
- ■
- Can only be used for short-term needs; limiting the project that the money can be used for – some objectives may not
- be met
- ■
- Must be repaid; increasing cash outflows – less funds available for marketing
- Accept all valid responses.
- 9609/21

Solution 2

- May/June 2025
- Exemplar and annotations
- AO1 Knowledge
- AO2 Application
- AO3 Analysis
- Exemplar of an advantage
- Annotations for the
- advantage should be
- placed in the left-hand
- margin.

Solution 2

- Interest only charged on the
- overdrawn amount
- For upgrading
- accommodation in high-
- income cities
- .
- Ensures short term cost is
- minimal
- reducing further
- pressure on profit levels

Solution 2

- .
- Exemplar of a disadvantage
- Annotations for the
- disadvantage should be
- placed in the right-hand
- margin.
- The funds need to be repaid
- If student accommodation
- not rented out
- .

Solution 2

- This could lead to a bad
- credit rating if payments
- missed
- which may
- increase cost of future
- borrowing
- .
- 9609/21
- May/June 2025

Solution 2

(d) Mark scheme

- Evaluate whether Frank's plan will improve the sustainability of PH's operations
- Level
- AO1 Knowledge and understanding
- 2 marks
- AO2 Application
- 2 marks
- AO3 Analysis

Solution 2

- 2 marks
- AO4 Evaluation
- 6 marks
- 3
- 5–6 marks
- Developed evaluation in
- context
- ■
- A developed
- judgement/conclusion

Solution 2

- is made in the
- business context.
- ■
- Developed evaluative
- comments which
- balance some key
- arguments in the
- business context.
- 2
- 2 marks

Solution 2

- Developed knowledge
 - of relevant key term(s)
 - and/or factor(s) is used to
 - answer the question.
- 2 marks
- Developed application
 - of relevant point(s) to the
 - business context.
- 2 marks
- Developed analysis

Solution 2

- that identifies
- connections between
- causes, impacts and/or
- consequences.
- 3–4 marks
- Developed evaluation
- ■
- A developed
- judgement/conclusion
- is made.

Solution 2

- ■
- Developed evaluative
- comments which
- balance some key
- arguments.
- 12
- 9609/21
- May/June 2025
- Level
- AO1 Knowledge and

Solution 2

- understanding
- 2 marks
- AO2 Application
- 2 marks
- AO3 Analysis
- 2 marks
- AO4 Evaluation
- 6 marks
- 1
- 1 mark

Solution 2

- Limited knowledge
 - of relevant key term(s)
 - and/or factor(s) is used to
 - answer the question.
- 1 mark
- Limited application
 - of relevant point(s) to the
 - business context.
- 1 mark
- Limited analysis

Solution 2

- that identifies
- connections between
- causes, impacts and/or
- consequences.
- 1–2 marks
- Limited evaluation
- ■
- A
- judgement/conclusio
- n is made with limited

Solution 2

- supporting
- comment/evidence.
- ■
- An attempt is made
- to balance the
- arguments.
- 0
- 0 marks
- No creditable response.
- 0 marks

Solution 2

- No creditable response.
- 0 marks
- No creditable response.
- 0 marks
- No creditable response.
- Indicative content
- AO1 Knowledge and understanding
- Knowledge of sustainability of operations (max 1
-), including:
- ■

Solution 2

- Operating / surviving / remaining in business for the long-term / future / not running out of money / continuity / stable
- ■
- Efficiency
- ■
- Productive
- ■
- Day-to-day running of the business
- ■
- Keeping customers satisfied

Solution 2

- ■
- Maintaining profitability – reducing expenses and increasing revenue
- Note: The question stem asks about operational sustainability. Therefore, operational sustainability must be the focus of the
- answer, not environmental sustainability.
- 9609/21
- May/June 2025
- AO2 Application
- Application of an advantage or disadvantage to PB
- , including:

Solution 2

- ■
- Use of demographic segmentation in its market research
- ■
- University students would pay a premium price for high specification rental accommodation
- ■
- Specialist teams focused on sales, maintenance, customer service and finance.
- ■
- Little opportunity for internal promotion
- ■

Solution 2

- Low salaries
- ■
- Offers profit sharing
- ■
- 150 employees
- ■
- Low labour turnover
- ■
- Profit reduced by 75%
- ■

Solution 2

- In 2024, 45 employees left PH
- ■
- Increased complaints about maintenance and customer service
- ■
- Use of data from Fig. 2.1
- AO3 Analysis
- Limited analysis of whether the plan will improve the sustainability of PH's operations
- – candidate shows one link in the
- chain of analysis.

Solution 2

- Developed analysis of whether the plan will improve the sustainability of PH's operations
- – candidate shows two or
- more links in the chain of analysis.
- ■
- Financial stability; reduce short term cash inflow – reduce debt burden and interest payments
- ■
- Focus on profit; increase profit margins – focus on core values
- ■

Solution 2

- Increased efficiency of workforce; may lose excellent employees who take knowledge to competitors – lose market
- share/customer service may reduce further due to losing more experienced employees
- ■
- Keeping customers satisfied; increased market share – more market power / ability to increase prices
- ■
- Business continues for the long-term; increased employee satisfaction from greater job security – reduced labour turnover

Solution 2

- AO4 Evaluation
- Limited evaluation – an unsupported judgement and/or weak attempt at an evaluative comment
- Developed evaluation – supported judgement and/or reasonable evaluative comment
- Developed evaluation in context – supported judgement in context and/or reasonable evaluative comment in context
- .
- 9609/21
- May/June 2025
- ■

Solution 2

- The impact of the plan depends on the timescales, future aims and objectives and financial liquidity of PH. After
- downsizing the amount of revenue generated may not meet shareholder expectations
- ■
- Will demand for premium accommodation increase in the future? What are the demands of students?
- ■
- Should PH repurpose its accommodation for a different target audience, create a subsidiary brand and grow market
- share?

Solution 2

- ■
- Is market share and size the most important measure of success, or is profitability more important?
- ■
- The extension strategy may generate a short-term boost to sales/market share, but will it be sustained in the long-
- term?
- ■
- A judgement on whether the course of action is suitable for PH.
- Accept all valid responses.
- Exemplars for awarding evaluation

Solution 2

- L1
- (limited supporting evidence)
- L2
- (developed supporting evidence)
- L3
- (developed supporting evidence with context)
- Frank's plan will improve the

Solution 2

- sustainability of PH's operations.
- Frank's plan will improve the
- sustainability of PH's operations.
- Increased labour efficiency will reduce
- expenditure on salaries.
- Frank's plan will improve the
- sustainability of PH's operations.
- Increased labour efficiency will reduce
- expenditure on salaries. This will help
- to reverse the trend of reducing profit

Solution 2

- levels over the past two years.
- I don't think the sustainability of PH's
- operations will be improved.
- I don't think the sustainability of PH's
- operations will be improved. Investing
- in new accommodation will cost a lot
- of money.
- I don't think the sustainability of PH's
- operations will be improved. Investing
- in new accommodation will cost a lot

Solution 2

- of money, and PH does not have
- experienced employees to do the
- work as they have left.