

Cambridge International AS & A Level

BUSINESS 9609/12
Paper 1 Business Concepts 1 February/March 2025

MARK SCHEME
Maximum Mark: 40



This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began, which would have considered the acceptability of alternative answers.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

Cambridge International will not enter into discussions about these mark schemes.

Cambridge International is publishing the mark schemes for the February/March 2025 series for most Cambridge IGCSE, Cambridge International A and AS Level components, and some Cambridge O Level components.

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Generic Marking Principles

These general marking principles must be applied by all examiners when marking candidate answers. They should be applied alongside the specific content of the mark scheme or generic level descriptions for a question. Each question paper and mark scheme will also comply with these marking principles.

GENERIC MARKING PRINCIPLE 1:

Marks must be awarded in line with:

- the specific content of the mark scheme or the generic level descriptors for the question
- the specific skills defined in the mark scheme or in the generic level descriptors for the question
- the standard of response required by a candidate as exemplified by the standardisation scripts.

GENERIC MARKING PRINCIPLE 2:

Marks awarded are always whole marks (not half marks, or other fractions).

GENERIC MARKING PRINCIPLE 3:

Marks must be awarded positively:

- marks are awarded for correct/valid answers, as defined in the mark scheme. However, credit is given for valid answers which go beyond the scope of the syllabus and mark scheme, referring to your Team Leader as appropriate
- marks are awarded when candidates clearly demonstrate what they know and can do
- marks are not deducted for errors
- marks are not deducted for omissions
- answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.

GENERIC MARKING PRINCIPLE 4:

Rules must be applied consistently, e.g. in situations where candidates have not followed instructions or in the application of generic level descriptors.

GENERIC MARKING PRINCIPLE 5:

Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).

GENERIC MARKING PRINCIPLE 6:

Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.



Social Science-Specific Marking Principles (for point-based marking)

1. Components using point-based marking:

 Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

From this it follows that we:

- a. DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)
- b. DO credit alternative answers/examples which are not written in the mark scheme if they are correct
- c. DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require *n* reasons (e.g. State two reasons ...).
- d. DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)
- e. DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities
- f. DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e. polluted/not polluted).
- g. DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g. Corrasion/Corrosion)

2. Presentation of mark scheme:

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points () or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

3. Calculation questions:

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

4. Annotation:

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

Annotations guidance for centres

Examiners use a system of annotations as a shorthand for communicating their marking decisions to one another. Examiners are trained during the standardisation process on how and when to use annotations. The purpose of annotations is to inform the standardisation and monitoring processes and guide the supervising examiners when they are checking the work of examiners within their team. The meaning of annotations and how they are used is specific to each component and is understood by all examiners who mark the component.

We publish annotations in our mark schemes to help centres understand the annotations they may see on copies of scripts. Note that there may not be a direct correlation between the number of annotations on a script and the mark awarded. Similarly, the use of an annotation may not be an indication of the quality of the response.

The annotations listed below were available to examiners marking this component in this series.

Annotations

Annotation	Meaning
✓	Correct point
×	Incorrect point
K	Knowledge
AN	Analysis
APP	Application
EVAL	Evaluation
DEV	Development
BOD	Benefit of the doubt
NAQ	Not answered question
TV	Too vague

Annotation	Meaning
SEEN	Indicates that the point has been noted, but no credit given.
REP	Repetition
L1	Level one
L2	Level two
L3	Level three
-	Off page comment. Allows comments to be entered at the bottom of the RM marking window and then displayed when the associated question item is navigated to.

Guidance on using levels-based mark schemes

Marking of work should be positive, rewarding achievement where possible, but clearly differentiating across the whole range of marks, where appropriate.

The examiner should look at the work and then make a judgement about which level statement is the best fit. In practice, work does not always match one level statement precisely so a judgement may need to be made between two or more level statements.

Once a best-fit level statement has been identified, use the following guidance to decide on a specific mark:

- If the candidate's work convincingly meets the level statement, award the highest mark.
- If the candidate's work adequately meets the level statement, award the most appropriate mark in the middle of the range.
- If the candidate's work just meets the level statement, award the lowest mark.
- L1, L2 etc. must be clearly annotated on the response at the point where the level is achieved.

Assessment objectives

AO1 Knowledge and understanding

Demonstrate knowledge and understanding of business concepts, terms and theories.

AO2 Application

Apply knowledge and understanding of business concepts, terms and theories to problems and issues in a variety of familiar and unfamiliar business situations and contexts.

AO3 Analysis

Analyse business problems, issues and situations by:

- using appropriate methods and techniques to make sense of qualitative and quantitative business information
- searching for causes, impact and consequences
- distinguishing between factual evidence and opinion or value judgement
- drawing valid inferences and making valid generalisations.

AO4 Evaluation

Evaluate evidence in order to make reasoned judgements, present substantiated conclusions and, where appropriate, make recommendations for action and implementation.

Mark Grids for Section A

Used for Q1(a), Q2(a) and Q3(a)

Two marks in total can be awarded for these questions. Ticks \checkmark) are used to show where the candidate has been given these marks.

AO1 Knowledge and understanding	Marks	
Knowledge of the term that demonstrates a clear understanding of the term.	2	Indicated by 2✓ ✓ where appropriate in the answer
Knowledge of the term that demonstrates a partial understanding of the term.	1	Indicated by 1✓ where appropriate in the answer
No creditable response.	0	

Used for Q1(b), Q2(b) and Q3(b)

Three marks in total can be awarded for these questions. Ticks () are used to show where the candidate has been given these marks.

AO1 Knowledge and understanding 1 mark	AO2 Application 2 marks
	2 marks Developed application of one relevant point to a business context. Indicated by a further where appropriate in the answer
1 mark Knowledge of one relevant point is used to answer the question. Indicated by 1 ✓ where appropriate in the answer	1 mark Limited application of one relevant point to a business context. Indicated by 1 ✓ where appropriate in the answer
0 marks No creditable response.	0 marks No creditable response.

Question	Answer	Marks
1(a)	Define the term intrapreneur.	2
	Indicative content	
	Responses may include:	
	AO1 Knowledge and understanding	
	Clear understanding	
	• employees in a business who think and act like entrepreneurs/take risks/innovative/creative/challenge existing practices/take responsibility for new projects which improve business performance (2)	
	Partial understanding	
	employees who have new ideas (1)	
	Accept all valid responses	

Question	Answer	Marks
1(b)	Explain one disadvantage of being a small business.	3
	Indicative content	
	Responses may include:	
	AO1 Knowledge and understanding – 1 mark for identification of ONE disadvantage of being a small business. – put	
	 uncompetitive lack power in the market/low sales lack experience difficult to raise finance financial risk is high work long hours income instability uncertainty lack of guidance no economies of scale A02 Application – 2 marks for developed application/explanation of one disadvantage – 1 mark for limited application/explanation of one disadvantage 	
	 economies of scale not possible – higher production costs – so prices may be high suppliers and customers may prefer larger businesses which they trust more established businesses have greater understanding of the market lenders/investors may be unwilling to supply finance due to higher risk of failure forced to take out loan – especially at start-up limited resources especially in early stages unreliable revenue streams – fluctuations – reliant on savings uncertainty of survival – effect of external interruptions lack of mentor or advice 	
	Accept all valid responses	

Question	Answer	Marks
2(a)	Define the term psychographic market segmentation.	2
	Indicative content	
	Responses may include:	
	AO1 Knowledge and understanding.	
	Clear understanding	
	a form of market segmentation that divides consumers into sub-groups based on shared psychographic criteria such as lifestyles / personalities / values / social class / attitudes beliefs / interests / opinions / spending habits (2)	
	Partial understanding	
	a research method/way of dividing consumers into sub-groups (1)	
	Accept all valid responses	

Question	Answer	Marks
2(b)	Explain one factor that might influence the demand for a product.	3
	Indicative content	
	Responses may include:	
	AO1 Knowledge and understanding — 1 mark K for identification of one factor that might influence the demand for a product income of customers price of competitors' products price of complementary products price of complementary products marketing activities change in customers' tastes the price of the product the particular features of the product AO2 Application — 2 marks APP for developed application/explanation of one factor — 1 mark APP for limited application/explanation of one factor income affects how much of a product the customer is willing and able to buy if competitors' products are cheaper the customers are more likely to buy them and vice versa complementary products are bought together so an increase in price of one will reduce demand for the other and vice versa effective marketing makes customers aware of a product and can increase demand fashions and customer tastes can change which may increase or decrease demand for a product if the price of the product becomes competitive the demand may increase the product is given a special feature	
	Accept all valid responses	

Question	Answer	Marks
3(a)	Define the term indirect costs.	2
	Indicative content	
	Responses may include:	
	AO1 Knowledge and understanding.	
	Clear understanding	
l	• Costs that cannot be identified with a unit of production or allocated accurately to a cost centre / business expenses not related to making of products or delivering services / business expenses necessary for overall operation of a business / overhead expenses such as rent, utilities, depreciation, salaries (2)	
	Partial understanding	
	An overhead cost (1)	
1	Accept all valid responses	

Question	Answer	Marks
3(b)	Explain one benefit to a business of using budgets.	3
	Indicative content	
	Responses may include:	
	AO1 Knowledge and understanding – 1 ma for identifying one benefit to a business of using budgets	
	 prevents over-spending assists in the control and appropriate allocation of resources motivates employees used to measure, monitor and review business/departmental/individual performance helps to achieve objectives improves quality of decisions identifies problems before they occur assists in planning for the future easy to compare present with previous performance AO2 Application – 2 marks APP for developed application/explanation of one benefit to a business of using budgets 1 mark APP for limited application/explanation of one benefit 	
	 each manager knows what they have available to use/spend within their department employees are given responsibility to keep within a budget can be used as part of an appraisal process for objectives and targets set progress against budget can measure effectiveness of individual employees or departments allows business to review/revise how it has performed in controlling/meeting its budgets extra resources can be directed where they are most needed to improve business performance/efficiency builds in financial accountability 	
	future need to raise finance anticipated – future cash flow difficulties Accept all valid responses	

Question	Answer	Marks
4	Analyse one impact on employees of trade union involvement in the workplace.	5
	Indicative content	
	Responses may include:	
	AO1 Knowledge and understanding — 1 mark for identifying ONE impact on employees of trade union involvement in the workplace • financial benefits • job security • participation in decision-making — collective bargaining • improved working conditions • motivation • may put employees into conflict situations with employers	
	AO2 Application – 2 marks APP for developed application/explanation of one impact – 1 mark APP for limited application/explanation of one impact	
	 maximising wages for every member by collective bargaining union represents/supports employees threatened by redundancy unions can encourage employers to include employees in job enrichment, redesign, etc union negotiates with employers regarding health and safety needs reference to Maslow/Herzberg trade unions may dispute with employers 	
	AO3 Analysis – 2 marks AN for developed analysis of one impact – 1 mark AN for limited analysis of one impact	
	 more power with trade unions than individual attempts so members can bargain for higher wages unions will act on behalf of employees and support them during issues relating to job security 	

Question	Answer	Marks
4	 employees will be motivated by more involvement in their role so enjoy their work more better working conditions will protect employees from injury when they are at work helps achieve Maslow's physiological needs and Herzberg's hygiene factors employers may victimise trade union representatives 	
	Accept all valid responses	



Question	Answer	Marks
5(a)	Analyse two limitations to a business of capital intensive operations.	8
	There are 8 marks in total for q 5(a) – 4 marks for each of the limitations analysed.	
	1 mark for K 1 mark for APP 2 marks for AN Indicative content	
	Responses may include: AO1 Knowledge and understanding – 1 ma for each limitation identified expensive to set up	
	 higher breakeven output machinery may be designed for mass production only can be inflexible demotivates employees skilled employees are needed to operate capital intensive operations 	
	AO2 Application – 1 mark for application of each limitation	
	 new machinery must be purchased fixed costs can be higher 	

Question	Answer	Marks				
5(a)	large output of standardised product may be difficult to adjust machines to produce different products redundancies / less interest in work / stressful training / adaptation to new working style					
	Analysis – 2 marks 12 AN for developed analysis of each limitation – 1 mark 11 AN for limited analysis of each limitation					
	 in the short-term new machinery can be more expensive than employing workers to do the same job. The business may not be able to afford this without taking out a loan which is expensive to repay more products will have to be made to reach the breakeven output and make a profit. This will increase variable costs and the supplier may not be able to supply the necessary raw materials/components 					
	demand may not be high enough to require capital intensive production so a business might operate under capacity therefore wasting resources					
	• difficult to customise products to individual customer needs/changes in customer demand. Niche market customers may be lost to competitors					
	 less need for employees/less labour intensive/jobs of retained employees may be boring or require extra training. HR problems may increase and costs of changes to workforce may be too expensive to make a change to capital intensive operations 					
	Accept all valid responses					

Question	Answer	Marks
5(b)	'A soft drinks manufacturer must improve its sustainability in order to compete successfully.'	12
	Evaluate this view.	
	2 marks for K 2 marks for PP 2 marks for PP 2 marks for PP 2 marks for PP 3 marks for PAI 6 marks for PAI 6 marks for PAI Indicative content Responses may include: AO1 Knowledge and understanding - 2 marks for developed knowledge and understand PAI	

A02 Application/context – 2 marks for developed application/context — 2 mark for limited application/context — 2 mark for limited application/context — 2 mark for limited application/context — 3 mark for limited application/context — 4 mark for limited application/context — 4 mark for limited analyst — 4 mark for developed analysication, cartons, recycle, refill A03 Analysis — 2 marks for developed analysication — 1 mark for limited analyst — 1 m	Question	Answer	Marks
packaging – bottles (glass, plastic), cartons, recycle, refill AO3 Analysis – 2 marks for developed analysical 1 mark for limited analysical 1 mark for limited analysical 1 mark for limited analysical 2 miles 1 mark for limited analysical 3 mark for limited analysical 3 mark for limited analysical 4	5(b)		
Importance/benefits of sustainability • reduces negative impact of operations on the environment – part of CSR objective • climate change pressure groups and bad media reports are reduced – these can disrupt production and/or reputation • customers increasingly interested in production methods – can influence purchasing decisions /expand customer base • may attract investors, employees and consumers who share values relating to sustainability • costs may be reduced through recycling and reusing resources or using fewer resources/less waste • governments may give support/grants to businesses to help improve sustainability			
 Implications of sustainability – costs of changing supply chain and/or production methods reconsider what is produced e.g. low or no sugar soft drinks find ways to be sustainable e.g. recyclable packaging, alternative energy 		Importance/benefits of sustainability reduces negative impact of operations on the environment – part of CSR objective climate change pressure groups and bad media reports are reduced – these can disrupt production and/or reputation customers increasingly interested in production methods – can influence purchasing decisions /expand customer base may attract investors, employees and consumers who share values relating to sustainability costs may be reduced through recycling and reusing resources or using fewer resources/less waste governments may give support/grants to businesses to help improve sustainability Implications of sustainability – costs of changing supply chain and/or production methods reconsider what is produced e.g. low or no sugar soft drinks	

Question	Answer			
5(b)	AO4 Evaluation – up to 6 marks foEVAL			
	Developed/Supported judgement in context	L3 EVAL	6 marks	
	Developed/Reasonable evaluative comments in context	L3 EVAL	5 marks	
	Developed/Supported judgement without context	L2 EVAL	4 marks	
	Developed/Reasonable evaluative comments without context 2 FVAL 3 marks			
	Limited supported judgement 2 marks			
	An attempt to balance the arguments/Weak attempt at evaluative comments 1 mark			
	A judgement/decision is made on whether a soft drinks manufacturer must improve its sustainability if it is to compete successfully. These judgements/decisions may be made at any point in the essay but will normally be made in a concluding section. • how sustainable are the operations of the business now/is it necessary/possible to improve further? • how competitive is the market/is there a threat from other businesses being more sustainable? • what is the attitude of customers to sustainability/will it make any difference to their buying habits? • how expensive will it be to adjust operations to become more sustainable/is it worth the cost? • how important is improving sustainability compared to the marketing mix, product development, quality of employees, external environment, etc? Accept all valid responses			

Question	Answer	Marks
6(a)	Analyse two benefits to a business of using online recruitment methods.	8
	There are 8 marks in total for q $5(a) - 4$ marks for each of the benefits analysed.	
	1 mark for K 1 mark for APP 2 marks for AN	
	Indicative content Responses may include:	
	AO1 Knowledge and understanding – 1 ma for each benefit identified	
	 cost effective immediate/flexible himmediate/sections 	
	 bigger audience easy more dynamic accessible/targeted 	
	AO2 Application – 1 mark for application of each BENEFIT	
	 pay as much or little as wanted edit/update/remove advert in real time 	

Question	Answer			
6(a)	advertisements can be global process is clear, easy to understand and user friendly creative e.g. video to show business and role connect via internet – computer/laptop/tablet/phone use social media e.g. LinkedIn, Facebook AO3 Analysis – 2 marks for developed analysis of each benefitement – 1 mark for limited analysis of each benefitement managed properly can save money/avoids the cost of using other methods interact with/update applicants as soon as changes to vacancy occur – speeds up recruitment process online advertisements can be seen by potential applicants with internet connection globally employers and potential applicants can contact each other more quickly and easily makes business more attractive to applicants and might be more likely to apply younger target market uses this method of research and communication more than others one person who sees the advert can easily share with colleagues/friends/family Accept all valid responses			

Question	Answer	Marks
6(b)	'Improving employee morale and welfare is the most important role of human resource management (HRM) in an airline business.'	12
	Evaluate this view.	
	2 marks for K 2 marks for APP 2 marks for AN 6 marks for EVAL Indicative content Responses may include: AO1 Knowledge and understanding – 2 marks for developed knowledge and understand LI K – 1 mark for limited knowledge and understand LI K	
	 employee morale – satisfaction of employees within the workplace employee welfare – facilities that are essential for the well-being of the employees roles of HRM – workforce planning, recruitment, training, motivation, redundancy, dismissal 	

Question	Answer			Marks
6(b)	AO2 Application/Context – 2 marks for developed application/conte	ng periods away fror ers,		
	 importance/benefits of improving morale and welfare – employees will have slikely to leave the business, labour turnover is reduced, cost of recruitment is passengers will receive good customer service and will return, improve reprices so more profit drawbacks/limitations of improving morale and welfare – cost of provision of and difficult e.g. space to relax during a long flight, nature of the work mea reduce morale due to their behaviour/attitude towards staff AO4 Evaluation – up to 6 marks forwards 	reduced, motivation putation of airline bra facilities for employed	n might be increased and, could increase es may be expensive	
	Developed/Supported judgement in context	L3 EVAL	6 marks	
	Developed/Reasonable evaluative comments in context	L3 EVAL	5 marks	
	Developed/Supported judgement without context	L2 EVAL	4 marks	
	Developed/Reasonable evaluative comments without context	L2 EVAL	3 marks	
	Limited supported judgement	L1 EVAL	2 marks	
	An attempt to balance the arguments/Weak attempt at evaluative comments	L1 EVAL	1 mark	

Question	Answer	Marks
6(b)	A judgement/decision may be made at any point in the essay as to the importance of employee morale and welfare but will normally be made in a final evaluation section	
	 Consider whether other roles of HRM are important – workforce planning – vital to anticipate future staff requirements in dynamic airline market, can seasonal contracts be used, how important is using employees as resources in meeting the objectives of the business? recruitment – very important to have the best employees available for ground crew, flight crew and pilots – different skills and experience necessary and must follow correct/legal procedures training – must offer appropriate type of training – cabin staff need different skills to pilots – safety vital in airline industry motivation – financial/non-financial methods, prevent/reduce labour turnover and associated benefits/costs redundancy – changing demand for flights e.g. seasonal fluctuations – reduce need for some employees, need to save cost dismissal – safety failures and poor customer service ruin the airline's reputation and employees will have to leave what is the current employee morale and welfare like/can it be improved further? do employees feel that the business should focus on their morale and welfare or are other things more important to them? morale and welfare probably meet safety and security needs but how important is achieving self-actualisation to workers? 	
	• is the importance of improving morale and welfare dependant on the type of employee e.g. pilots, cabin staff? Accept all valid responses	

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
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	 1–2 marks Knowledge of two relevant points is used to answer the question. 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. 	 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 No creditable response.	0 marks No creditable response.	0 marks No creditable response.

Mark Grids for Section B

Used for Q5(b) and Q6(b)

Level	AO1 Knowledge and understanding 2 marks	AO2 Application 2 marks	AO3 Analysis 2 marks	AO4 Evaluation 6 marks
3				 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 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 that identifies connections between causes, impacts and/or consequences.	 3–4 marks Developed evaluation 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.	1 mark Limited application of relevant point(s) to the business context.	1 mark Limited analysis that identifies connections between causes, impacts and/or 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	marks No creditable response.	0 marks No creditable response.	marks No creditable response.	0 marks No creditable response.