

Commentary on candidate evidence

The candidate evidence has achieved the following marks for each question in Section 1 of the question paper.

Question 1

Describe how Domino's Pizza Group plc's sustainability progress, shown in Exhibit 1, benefits its stakeholders and the environment.

The answer was awarded **6 marks** (out of 6) for this section for:

- ◆ helping the charity by providing finance
- ◆ helping the community of teenage cancer sufferers by providing finance
- ◆ helping customers by providing healthier products
- ◆ helping the environment by having a decarbonisation plan
- ◆ helping the environment by reducing food waste
- ◆ helping ethical suppliers secure Dominos as a customer

The following points did not receive a mark:

- ◆ executive bonuses benefitting employees because the impact on how this affected the employee was not clear.
- ◆ customers knowing about suppliers is not necessarily true.

Question 2

Explore the management theories relevant to Domino's Pizza Group plc's policies and practices.

The answer was awarded **8 marks** (out of 8) for this section for:

- ◆ McGregor - where employees are willing to work
- ◆ developing willingness to work with working without supervision
- ◆ classical - where employees are motivated by financial gain
- ◆ HR school - where employees are recognised
- ◆ developing employee recognition with an example of the Hawthorne studies
- ◆ classical - where employees show long term commitment
- ◆ Mayo - where teamwork improves productivity
- ◆ Fayol - where there is a chain of command

A further two marks would have been awarded for more examples of the classical management style had the candidate not already reached full marks for the question.

Question 3

Evaluate, using the UK fast-food market data, the following changes Domino's Pizza Group plc implemented:

- **Introduced a delivery charge**
- **Established a strategic partnership with Just Eat**

The answer was awarded **6 marks** (out of 6) for this section for:

- ◆ struggling to meet net zero targets with Just Eat home delivery
- ◆ exacerbating the obesity crisis with Just Eat home delivery
- ◆ developing the obesity crisis with increasing long run cost to public services
- ◆ developing Just Eat home delivery increases profit for Dominos
- ◆ delivery charges may discourage some customers
- ◆ in less affluent areas the delivery charge may make the product unaffordable

The point about customers possibly going to non-Dominos establishments was not developed enough to receive a mark as a development point.

A further two marks would have been awarded for fewer sales leading to lower CO2 emissions and lower obesity levels had the candidate not already reached full marks for the question.

Question 4

Analyse the viability of Domino's Pizza Group plc using drones to deliver pizzas. (A force field analysis diagram must be used in your answer.)

The answer was awarded **8 marks** (out of 8) for this section for:

- ◆ identifying 2 drivers (in the diagram)
- ◆ identifying 2 resistors (in the diagram)
- ◆ identifying an asset for change (under the diagram)
- ◆ using correct headings and differing arrows (in the diagram)
- ◆ potential profit from drone usage
- ◆ developing potential profit with cost saving on delivery drivers
- ◆ meeting sustainability targets from drone usage
- ◆ the problem of needing to keep the drone in sight

A further mark would have been awarded for inability to delivery directly to customers had the candidate not already reached full marks for the question.

Question 5

Using the information in Exhibit 2, explain the possible impact of the UK and Scottish governments on Domino's Pizza Group plc's franchisees.

The answer was awarded **3 marks** (out of 6) for this section for:

- ◆ fewer families using Dominos if a junk food ban came into place
- ◆ the cost-of-living crisis reducing customer numbers at Dominos
- ◆ increases in universal credit may increase customer numbers

The following points did not receive a mark:

- ◆ taxes reducing profits is incorrect as taxes are paid on profits
- ◆ increased child benefit is a repeat of increases in Universal Credit benefit payments
- ◆ workers at Dominos moving to a different country because of higher tax bands is unrealistic

Question 6

Explore the effects of Domino's Pizza Group plc's progress in 2022 using its key performance measures (KPMs), shown in Exhibit 3.

The answer was awarded **5 marks** (out of 6) for this section for:

- ◆ Dominos must maintain the app
- ◆ new stores opening reaches more customers
- ◆ more customers may be unhappy with longer wait times
- ◆ developing longer wait times by suggesting that Dominos may need to hire more drivers
- ◆ increased net debt may slow new store openings

The following points did not receive a mark:

- ◆ lower sales revenue meaning that there were lower sales is tautology
- ◆ increased app usage meaning that people preferred the app is tautology
- ◆ shareholders will be satisfied with increased dividends needed to be developed
- ◆ increased dividends would encourage potential shareholders to buy shares needed to be developed as shares are not always readily available to purchase

Section 1 - 36 out of 40 marks