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CAMBRIDGE
International Education

Cambridge International AS & A Level

BUSINESS **9609/41**

Paper 4 Business Strategy **October/November 2025**

MARK SCHEME

Maximum Mark: 40

Published

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 October/November 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.

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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.

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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).

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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.

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Guidance on using levels-based marking

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.

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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 standard isation 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
	For objective points that are correct.
	For objective points that are wrong.
 and TV	When the candidate has attempted something, but the mark/skill has not been awarded.
Highlighter	To highlight a point or section of an answer that justifies the mark/annotation.
BOD	When the candidate has attempted something, and the mark/skill has been awarded.
NUT	When the context has not been used.
SEEN	To show a page/section has been seen/read.
NAQ	When the response is not focused on answering the question.
REP	The repetition of a previous point in a response **or** candidate is copying the case study/data.

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Annotation	Meaning
OFR	The own figure rule applies – acts as a mark/tick.
K	When limited knowledge (AO1) has been awarded.
DEV	When developed knowledge (AO1) has been awarded.
APP	When AO2 has been awarded. Number of APPs should match the mark awarded.
A1	When AO3 at Level 1 has been awarded.
A2	When AO3 at Level 2 has been awarded.
A3	When AO3 at Level 3 has been awarded.
N1	When AO4 at Level 1 has been awarded.
N2	When AO4 at Level 2 has been awarded.
N3	When AO4 at Level 3 has been awarded.

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Please refer to this grid for BOTH questions.

Level	AO1 Knowledge and understanding 3 marks	AO2 Application 2 marks	AO3 Analysis 8 marks	AO4 Evaluation 7 marks
	Description	**Description**	**Description**	**Description**
3			**7–8 marks** **Developed analysis of the overall strategy** that identifies connections between causes, impacts and/or consequences.	**6–7 marks** **Effective evaluation** A developed judgement/conclusion is made in the business context that draws together developed evaluative comments which balance some key arguments in the business context.
2	**2–3 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.	**4–6 marks** **Developed analysis of individual strategic element(s)** that identifies connections between causes, impacts and/or consequences.	**3–5 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.	**1–3 marks** **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	**0 marks** No creditable response.	**0 marks** No creditable response.	**0 marks** No creditable response.	**0 marks** No creditable response.

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<table>
<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>1</td><td>

Evaluate FM's marketing strategy between 2021 and 2024.

Indicative content
Responses may include:

AO1 Knowledge and understanding
The elements of a marketing strategy

- objectives
- resources/budget
- research
- marketing mix
- product – product life cycle, Ansoff matrix
- price
- promotions
- place, use of international distribution channels
- marketing planning
- need for co-ordinated planning of marketing strategy
- international marketing, including developing an international market through pan-global marketing or maintaining local differences
- the changing role of Information Technology (IT) and Artificial Intelligence (AI) **in marketing**

Award DEV for any explanation of an element of marketing strategy, up to a max of 2 marks

<table>
<tr><td>Product K</td><td>Identification of an element of marketing strategy, so only K.</td></tr>
<tr><td>Product K, involves the design, quality and uses of a product that is sold, DEV .</td><td>1 K for identification and 1 DEV for a point of explanation.</td></tr>
<tr><td>Product K , involves the design, quality and uses of a product that is sold, DEV . Product can also involve after-sales service, so customers can return faulty goods DEV.</td><td>1 K for identification and 2 DEVs for two points of explanation</td></tr>
</table>

</td><td>20</td></tr>
</table>

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Question	Answer	Marks
1	*Note – candidates can gain full marks for AO1 from one term that is explained (K + DEV + DEV) or from two terms partially explained (K + DEV and K + DEV).* No other AO2, AO3 OR AO4 marks can be awarded without AO1. **AO2 Application** Application APP (max 2 marks) can be awarded for **applying knowledge, analysis or evaluation of FM marketing strategy** including: *Candidates must apply their answers to marketing and marketing strategy.* • traditional word of mouth advertising • low investment in advertising pre-2020 • sustainable clothing range marketing investment almost double (App2) • PR spend up in 2022 – overall marketing increases by $70K - use of annual figures (App4) • social media usage is changing approach • digital in-store displays • digital promotion campaign • use of new website • marketing spend is starting to fall but more than three times bigger than 2021 • elements of #fashionmania strategy – social media/sponsorship of TV programme • retailer of low-priced clothing • fast changeover of clothing designs • use of market research into potential new international locations for stores – cost $10 • to open 25 stores across 7 high income countries *Note: this list is not exhaustive, any marketing context used from the appendices can be rewarded if used correctly* **AO3 Analysis** *Candidates need to identify an element of the marketing strategy and provide developed analysis to get to L2, this then needs to be counterbalanced to get to L3. If a candidate does this twice, they will gain 8 marks*. (A1 and A2 and A3) • Low pricing is part of their unique selling point and has been their 'Blue Ocean Strategy' from the start and served them and their market well • PR costs have tripled – not really part of the advertising but is part of media image that has been managed by the expose of FM to unethical suppliers. This increase in costs may have contributed to 25% increase in price. This could lead to customers no longer seeing FM as good value either because prices have risen or because of unethical suppliers.	

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Question	Answer	Marks
1	• #fashionmania driven by customers and still allows FM to gain free advertising • Above the line spend is still low but the #fashinmania strategy requires advertising materials in store which costs money. • Product has essentially stayed the same throughout, with low price point as driving factor. Keeps market share of existing customers who are now sharing their finds on social media. *Note – analysis can only be awarded for the marketing strategy between 2021 and 2024 and not what they should/can do in the future.* **AO4 Evaluation** *Candidates MUST answer the question – a judgement on the strategy between 2021 and 2024. The development and support of this judgement will help them to move through L2 and L3. Evaluation (N1 and N2 and N3) including:* *To award L3 the answer must be in context and draw upon the previous analysis.* Evaluation will depend on what points have been made about the marketing strategy FM have used. • A judgement over how much of the word of mouth is still being used? They were spending £27m in 2021 so must be undertaking more than word of mouth advertising. Is this marketing responsible for recent success? • A judgement over how launch of any programme would require more marketing/PR to ensure that new direction of the business is clear to all stakeholders so there should be an increase in marketing spend. • A judgement over how marketing has been successful as while sales dropped – potentially from ethical exposure – they have soon recovered, and customers seem to have forgiven them for the 25% increase in price. • A judgement over how marketing has been successful in recovery of the programme, but it also exposed them in the first place – has the sustainability program helped the company improve its market share? Has it caused more bad publicity for FM than they brought in revenue? • A judgement over how #fashionmania strategy still costs money in store – how much compared to advertising? Is this more cost effective? TV sponsorship is first real entry into big above the line promotion, will this add to cost and ultimately price? What effect will this have on demand?	

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- A judgement over how CEO's decisions have caused the increase in marketing– could FM refocus on their core values and approach for their future expansion and abandon – fast cheap fashion?
- A judgement over how success may be dependent on how much they have recovered from the ethical scandals including the recovery in revenue.
- Accept all valid responses.

<table>
<tr><td>No Credit</td><td>L1 N1 including: (limited supporting evidence)</td><td>L2 N2 including: (developed supporting evidence)</td><td>L3 N3 (developed supporting evidence with context)</td></tr>
<tr><td>FM marketing strategy was successful</td><td>FM marketing strategy was successful between 2021 and 2024 because it has regained its market share</td><td>FM marketing strategy was successful between 2021 and 2024 because it has regained its market share. This demonstrates their marketing strategy have supported them in recovering from the ethical scandal</td><td>FM marketing strategy was successful between 2021 and 2024 because it has regained its market share where it dropped to 5.9% in 2023 and regained to 6.8% in 2024. This demonstrates their more recent marketing strategy has supported them in recovering from the ethical scandal in 2022.</td></tr>
<tr><td>FM Marketing strategy was not successful</td><td>FM marketing strategy was not successful because the increased marketing expenditure was not reflected in increase revenue</td><td>FM marketing strategy was not successful because the increased marketing expenditure was not reflected in increase revenue. This shows that they have not recovered well from their ethical scandal and have been unable to meet their objectives set in 2022.</td><td>FM marketing strategy was not successful because the increased marketing expenditure $27m to $95.04m was not reflected in increase revenue (decreased from$2297.540m to $2189.54m. This shows that they have not recovered well from their ethical scandal and have been unable to meet their objectives set in 2022.</td></tr>
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<tr><th>Question</th><th>Answer</th><th>Marks</th></tr>
<tr><td>2</td><td>

Advise FM's directors whether blue ocean strategy is the best approach to develop a future business strategy.

Indicative content
Responses may include:
AO1 Knowledge and understanding
Candidates must show knowledge and understanding, they cannot just mention a key term.

- The purpose of business strategy.
- The meaning and purpose of strategic management.
- What Blue Ocean Strategy is – approach focused on creating markets where competition is absent
- Alternative approaches to develop business strategy, including:
  - scenario planning
  - SWOT analysis
  - PEST analysis
  - porter's five forces
  - core competence framework
  - ansoff matrix
  - force field analysis
  - decision trees.
  - red ocean strategy

To be awarded DEV it MUST be for an explanation of Blue Ocean Strategy 2 marks

<table>
<tr><td>Blue Ocean Strategy focuses on creating markets where competition is absent K</td><td>Identification of what Blue Ocean Strategy is, so only K.</td></tr>
<tr><td>Blue Ocean Strategy focuses on creating markets where competition is absent, K , to achieve this a business needs to differentiate their product while keeping low cost DEV</td><td>1 K for identification and 1 DEV for a point of explanation.</td></tr>
<tr><td>Blue Ocean Strategy focuses on creating markets where competition is absent, K , to achieve this a business needs to differentiate their product while keeping low costs DEV, this allows a business to create demand rather than compete for it from competitors DEV</td><td>1 K for identification and 2 DEVs for two points of explanation</td></tr>
</table>

</td><td>20</td></tr>
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Question	Answer	Marks
2	*Note – candidates can gain full marks for AO1 from only using the term Blue Ocean Strategy and that is explained (K + DEV + DEV). Use of any other strategy remains K* <u>No other AO2, AO3 OR AO4 marks can be awarded without AO1.</u> **AO2 Application** Application APP (max 2 marks) can be awarded for **applying knowledge, analysis or evaluation of FM marketing strategy** including: <u>*Candidates MUST apply this to FM business and the external environment – a lot of this will come from the appendices*</u> • Low price, fast fashion • Lack of expensive marketing to keep loyal customers • 150 stores in country X, 25 abroad, 175 stores in total based on low price clothing model • Pursuing international expansion • Any element of the case study • Any element of the appendices *Note this list is not exhaustive, any business or external environment context used from the appendices can be rewarded if used correctly* **AO3 Analysis** <u>*Candidates need to identify an approach and provide developed analysis to get to L2, this then needs to be counterbalanced to get to L3. If a candidate does this twice, they will gain 8 marks.*</u> (A1 and A2 and A3) Analysis should primarily focus on Blue Ocean Strategy but then go on to suggest other strategies FM could use to develop the new strategy of expansion. • Blue Ocean Strategy (BOS) worked well for FM – they were market leader in cheap, fast fashion and built-up good market share. This has helped them to expand to 150 stores over 46 years • BOS has helped them stay focused on what makes them different on the high street from other fashion retailers and allowed them to grow the business in this sector. • May help FM discover an unknown/untapped marketplace. • FM can increase their growth potential by identifying new opportunities. • BOS can create new demand and customers, increasing market share and size.	

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Question	Answer	Marks
2	• It promotes innovation. • Identifying the right blue ocean strategy can be challenging and costly for FM. • FM's marketing costs are likely to significantly increase to attract a new market. • No guarantee that the BOS will work/ be effective. • Time and patience may be needed to be successful in the market. Is this compatible with the fashion market? • High risk strategy for FM. However some candidates could dismiss BOS but would need to discuss two other valid approaches to gain 8 marks. • The next move is into high income countries so mirroring the model that worked in the first 25–30 years of building the business would make sense, FM will have a reputation that those countries may know about and if it is not cheap fast fashion could they lose out in those markets and have to pull out? • FM could use scenario planning to consider how expansion may end up but not very useful for developing the whole strategy. • A SWOT analysis could help FM identify what opportunities/threats are globally and how they could handle these to ensure success of the expansion. • A PEST analysis would support an analysis of the external environment but may not help develop the strategy to tackle this as the PEST factors are out of their control. • Porter's five forces would help them understand the external environment, but FM is a large business and holds a lot of the power. This provides little help in developing a new strategy. • The core competence framework would be like BOS in that it identifies what FM does well and then allows them to replicate this in their new stores. Given the model is staying the same this would be easy to apply once the core competencies have been identified. • Ansoff matrix could help them consider other possibilities to help the business grow • Force field analysis could help FM identify the driving and restraining forces to help them come out of CEO's management and back to the low-price model that made them a success. • Decision trees could help make the decision, but FM would need to have lots of information gathered on alternatives to make sure that this model really helps decide on what to do next – plus this would be a very quantitative way of doing this – what about qualitative factors?	

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Question	Answer	Marks
2	**AO4 Evaluation** *Candidates MUST answer the question – a judgement on the whether Blue Ocean Strategy is the right approach. The development and support of this judgement will help them to move through L2 and L3. Evaluation (* N1 *and* N2 *and* N3 *) including:* *To award L3 the answer must be in context and draw upon the previous analysis.* Candidate will have to make a judgement on Blue Ocean Strategy in the first instance, not just suggest alternatives without evaluating the BOS concept. • Candidates may state that Blue Ocean Strategy is/isn't sufficient • The use of BOS (or any other approach) may depend upon; FM's objectives, the objectives of FM's stakeholders, the external environment (especially economic and social), the competitors in the market, the success of the international expansion etc. • FM know the BOS was working so possibly re-focusing after sustainability programmes allows them to get back the customers and possible drop prices after the recent 25% increases. • BOS is no longer useful to them as they have moved too far away from this model with recent sustainability programmes and price rises/new factories. They are now more mainstream and have moved into red ocean territory and now need to adapt to this way of competing. • Advice to FM should make clear whether BOS is sufficient or whether it should be supported by other models, and if so which? • BOS is Ok but needs other strategies to support it with external factors. Accept all valid responses.	

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<tr><td>2</td><td>
<table>
<tr><td>No Credit</td><td>L1 N1 including: (limited supporting evidence)</td><td>L2 N2 including: (developed supporting evidence)</td><td>L3 N3 (developed supporting evidence with context)</td></tr>
<tr><td>Blue Ocean strategy is not the best approach</td><td>Blue Ocean strategy is not the best approach because recently they have moved away from this type of approach.</td><td>Blue Ocean strategy is not the best approach because recently they have moved away from this type of approach. They have become more mainstream and have moved to more Red Ocean Strategy so need alternative ways to compete.</td><td>Blue Ocean strategy is not the best approach because recently they have moved away from this type of approach. They have become more mainstream with their recent sustainability programmes and average 25% price rises and have moved to more Red Ocean Strategy so need alternative ways to compete.</td></tr>
<tr><td>Blue Ocean strategy is the best approach</td><td>Blue Ocean strategy is the best approach because it allows FM to meet its objectives</td><td>Blue Ocean strategy is the best approach because it allows FM to meet its objectives that the shareholders want and mirroring its current model has worked before. FM know the BOS was working so it will allow them to get back the customers and possible drop prices</td><td>Blue Ocean strategy is the best approach because it allows FM to meet its objectives that the shareholders want and mirroring its current model has worked before. FM know the BOS was working so it will allow them to refocus after the sustainability programme get back the customers and possible drop prices after the recent 25% increase.</td></tr>
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