GradeMax

Pearson

# Mark Scheme (Results)

# October 2025

Pearson Edexcel International Advanced Subsidiary in Business
WBS11/01

GradeMax

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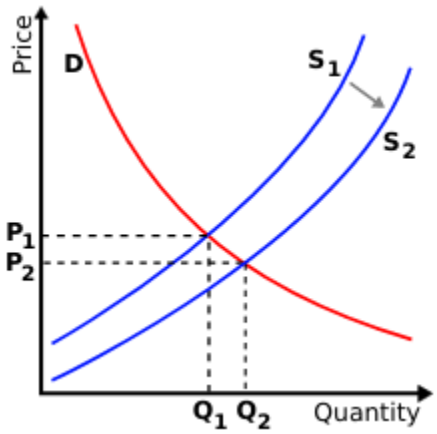
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## General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

| Question | Define the term ‘entrepreneur’.<br><br>Answer | Mark |
|---|---|---|
| **1(a)** | **Knowledge 2**<br><br>Up to 2 marks for defining the term ‘entrepreneur’ e.g.<br>• An individual who takes a risk/has an idea **(1)** to start a business **(1)** | **(2)** |

| Question | Construct a supply and demand diagram to show the effect on the market for fruit and vegetables following this increase.<br><br>**Answer** | Mark |
|---|---|---|
| 1(b) | **Knowledge 1, Application 2, Analysis 1**<br><br>Quantitative skills assessed:<br><br>**QS3:** construct and interpret a range of standard graphical forms.<br><br>**Knowledge**<br>1 mark for correctly constructing a supply and demand diagram with correctly labelled axes as 'price' and 'quantity' **(1)**<br><br>**Application**<br>Up to 2 marks for: Showing and labelling original equilibrium **(1)**<br>Shifting the supply curve to the right **(1)**<br><br>**Analysis**<br>1 mark for showing and labelling the new equilibrium and its effect on price (decreasing) and quantity supplied (increasing) **(1)**<br><br><br> | **(4)** |

| Question | Analyse **two** possible disadvantages to *Sayurbox* of making employees redundant.<br><br>**Answer** | Mark |
|---|---|---|
| 1(c) | **Knowledge 2, Application 2, Analysis 2**<br><br>**Knowledge**<br>Up to 2 marks for defining redundant, e.g.<br>• Employers lose their jobs/are let go **(1)** as the requirement for the job no longer exists **(1)**<br><br>**OR**<br><br>For providing two disadvantages of making employees redundant e.g.:<br>• The remaining employees are fearful of losing their jobs (**1)**<br>• The cost of redundancy payments **(1)**<br><br>**Application**<br>Up to 2 marks for answers contextualised to *Sayurbox*, e.g.:<br>• Redundancies were made both in 2022 and 2023 in the B2C sector of *Sayurbox* **(1)**<br>• *Sayurbox* will have to pay the redundant B2C employees redundancies payments as required by the laws of Indonesia (**1)**<br><br>**Analysis**<br>Up to 2 marks for reasons/causes/consequences of redundancies at *Sayurbox*, e.g.:<br>• This may lead to a lack of motivation and loss of efficiency for *Sayurbox* **(1)**<br>• This may result in lower profit margins for *Sayurbox* which may impact the plans for growth of the B2B sector of its business (**1)** | **(6)** |

| Question | Discuss whether innovation may have been the main reason for the initial success of *Sayurbox*.<br><br>**Indicative content** |
|---|---|
| **1(d)** | **Indicative content guidance**<br><br>Answers must be credited by using the level descriptors (below) in line with the general marking guidance. The indicative content below exemplifies some of the points that candidates may make but this does not imply that any of these must be included. Other relevant points must also be credited.<br><br>**Knowledge, Application, Analysis, Evaluation – indicative content**<br><br>• Innovation is the creating of something different which may create new needs and wants from consumers<br>• The difficulty facing the Indonesian farmers was efficient distribution of their fruit and vegetables. *Sayurbox* addressed this problem by using innovation to create an online platform which led to the initial success of the business<br>• *Sayurbox* also created a market for the sale of unconventional shaped fruit and vegetables, which helped farmers maximise their revenue. This may have encouraged more farmers to use the services of *Sayurbox*<br>• *Sayurbox* created an efficient distribution system which enables the perishable produce to be delivered quickly which may have attracted many consumers and businesses to use its website<br>• However, the success of *Sayurbox* may have been a result of changing trends in Indonesia. More people are seeking a wider variety of fruit and vegetables which will impact the demand for the services of *Sayurbox*<br>• An increase in income may have contributed to the success of its business as more people may be able to afford to spend on healthier food/dine out more frequently in restaurants |

| Level | Mark | Descriptor |
|---|---|---|
| | 0 | No rewardable material. |
| **Level 1** | 1–2 | Isolated elements of knowledge and understanding – recall based.<br>Weak or no relevant application to business examples.<br>Generic assertions may be presented. |
| **Level 2** | 3–5 | Accurate knowledge and understanding.<br>Applied accurately to the business and its context.<br>Chains of reasoning are presented, showing cause(s) and/or effect(s) but may be assertions or incomplete.<br>An attempt at an assessment is presented that is unbalanced and unlikely to show the significance of competing arguments. |
| **Level 3** | 6–8 | Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context.<br>Logical chains of reasoning, showing cause(s) and/or effect(s).<br>Assessment is balanced, well contextualised, using quantitative and/or qualitative information, and shows an awareness of competing arguments/factors. |

| Question | Assess the extent to which *Sayurbox's* B2B marketing strategy may differ from its B2C marketing strategy.<br><br>**Indicative content** |
|---|---|
| **1(e)** | **Indicative content guidance**<br><br>Answers must be credited by using the level descriptors (below) in line with the general marking guidance. The indicative content below exemplifies some of the points that candidates may make but this does not imply that any of these must be included. Other relevant points must also be credited.<br><br>**Knowledge, Application, Analysis, Evaluation – indicative content**<br><br>• Marketing strategy is a business's overall plan for reaching the target audience and persuading them to buy goods and services<br>• The pricing strategy may be different. B2B customers may expect a cheaper/discounted price if they buy the fruit and vegetables in larger quantities. A psychological or penetration pricing strategy may be used to persuade B2C individuals to buy the produce<br>• Promotional methods used for B2C may be TV and radio advertising to reach a larger audience. For B2B direct mail and telephone calls to businesses such as restaurants may be more suitable<br>• However, the marketing strategy may not be completely different. Prices for fruit and vegetables sold to both B2B and B2C need to be competitively priced as the market for fresh produce is growing. Competitive pricing is likely to be an important factor for any business trying to build market share<br>• Place is the same for B2B and B2C customers as the same channel of distribution is used<br>• Overall, regardless of the buyer, *Sayurbox* will endeavour to build brand awareness and brand loyalty through its marketing strategies |

| Level | Mark | Descriptor |
|---|---|---|
| | 0 | A completely inaccurate response. |
| **Level 1** | 1–2 | Isolated elements of knowledge and understanding – recall based.<br>Weak or no relevant application to business examples.<br>Generic assertions may be presented. |
| **Level 2** | 3–4 | Elements of knowledge and understanding, which are applied to the business example.<br>Chains of reasoning are presented but may be assertions or incomplete.<br>A generic or superficial assessment is presented. |
| **Level 3** | 5–7 | Accurate knowledge and understanding, supported by relevant and effective use of the business behaviour/context.<br>Analytical perspectives are presented, with developed chains of reasoning, showing cause(s) and/or effect(s).<br>An attempt at an assessment is presented, using quantitative and/or qualitative information, though unlikely to show the significance of competing arguments. |
| **Level 4** | 8–10 | Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context.<br>A coherent and logical chain of reasoning, showing cause(s) and/or effect(s).<br>Assessment is balanced, wide ranging and well contextualised, using quantitative and/or qualitative information and shows an awareness of competing arguments/factors, leading to a supported judgement. |

| Question | Define the term 'market'.<br>**Answer** | Mark |
|---|---|---|
| **2(a)** | **Knowledge 2**<br><br>Up to 2 marks for defining the term 'market' e.g.<br><br>• The interaction of buyers and sellers (**1)** to trade goods and/or services **(1)** | **(2)** |

| Question | Using the above data, calculate the combined total global revenue for womenswear and menswear in 2023.<br><br>**Answer** | Mark |
|---|---|---|
| 2(b) | **Knowledge 1, Application 2, Analysis 1**<br><br>Quantitative skills assessed:<br>**QS2:** calculate, use and understand percentages and percentage changes<br><br>**Knowledge**<br>1 mark for identifying a suitable formula e.g.<br>• Total revenue for womenswear + total revenue for menswear **(1)**<br><br>**OR**<br><br>• Combined % revenue for menswear and womenswear x total global revenue **(1)**<br><br>**Application**<br>Up to 2 marks for calculating the correct data:<br><br>53% x $1.96 trillion **(1)** 31% x $1.96 trillion **(1)**<br><br>**OR**<br><br>84% **(1)** x $1.96 trillion **(1)**<br><br>**Analysis**<br>1 mark for calculating the total revenue<br><br>• $1.6464 trillion (**1)**<br><br>**NB If no working is shown award marks as below:**<br>If answer given is $1.6464 trillion award 4 marks<br>If answer given is 1.6464 trillion award 3 marks | **(4)** |

| Question | Analyse **two** factors that may affect the price elasticity of demand (PED) for clothes in the fashion market<br><br>**Indicative content guidance** | **Mark** |
|---|---|---|
| **2(c)** | **Knowledge 2, Application 2, Analysis 2**<br><br>**Knowledge**<br>Up to 2 marks for defining price elasticity of demand (PED), e.g.<br>• Responsiveness of demand **(1)** to a change in price **(1)**.<br><br>**OR**<br><br>For giving two possible factors that would affect PED in the fashion market, e.g.<br>• Brand loyalty **(1)**<br>• Number of substitutes **(1)**.<br><br>**Application**<br>Up to 2 marks for answers contextualised to the fashion market, e.g.<br>• *Louis Vuitton* dominates the global fashion market with a brand value of $50 bn **(1)**<br>• The global fashion market value is expected to reach $1.96 trillion by 2023 and is attracting new businesses to the market (**1**).<br><br>**Analysis**<br>Up to 2 marks for reasons / causes / consequences for the fashion market, e.g.<br><br>• This may lead to more inelastic demand for clothing manufacturers who are able to increase the price without significantly affecting demand **(1)**.<br>• This may lead to more elastic demand as increased competition in the market will allow price-sensitive customers to easily switch clothing brands. **(1)**. | **(6)** |

| Question | Discuss the advantages for *Shein* of using cost-plus pricing to price its clothing.<br><br>**Indicative content** |
|---|---|
| **2(d)** | **Indicative content guidance**<br><br>Answers must be credited by using the level descriptors (below) in line with the general marking guidance. The indicative content below exemplifies some of the points that candidates may make but this does not imply that any of these must be included. Other relevant points must also be credited.<br><br>**Indicative content**<br>• Cost-plus pricing is a cost-based method for setting prices. The price charged is calculated by adding a mark-up percentage to the cost of the product. This mark-up represents the profit margin<br>• The suppliers of *Shein* produce up to 10,000 items of clothing each day. Cost-plus pricing is a simple and quick way for *Shein* to price its large portfolio of fashion goods<br>• This method means *Shein* can calculate the amount of expenditure that has been incurred from making the clothes and add a profit margin in line with the profitability objectives for its business<br>• The cost-plus method offers a guarantee of a profit if enough clothes sell. If *Shein* finds that costs are rising, it can take appropriate steps by varying the price<br>• However, this method of pricing does not take into account the price of competitors such as *Zara*. It may be that *Shein* is able to sell some items of its fashion items at a higher price than it currently sells for<br>• This method is based on costs only and ignores demand for a product. Demand is influenced by fashion and trends and *Shein* may be missing out on opportunities to charge more for some of its clothing |

| Level | Mark | Descriptor |
|---|---|---|
| | 0 | No rewardable material. |
| **Level 1** | 1–2 | Isolated elements of knowledge and understanding – recall based.<br>Weak or no relevant application to business examples.<br>Generic assertions may be presented. |
| **Level 2** | 3–5 | Accurate knowledge and understanding.<br>Applied accurately to the business and its context.<br>Chains of reasoning are presented, showing cause(s) and/or effect(s) but may be assertions or incomplete.<br>An attempt at an assessment is presented that is unbalanced, and unlikely to show the significance of competing arguments. |
| **Level 3** | 6–8 | Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context.<br>Logical chains of reasoning, showing cause(s) and/or effect(s).<br>Assessment is balanced, well contextualised, using quantitative and/or qualitative information and shows an awareness of competing arguments/factors. |

| Question | Assess the impact *Shein* may have on its competitors in the global fashion market.<br><br>**Indicative content** |
|---|---|
| **2(e)** | **Indicative content guidance**<br><br>Answers must be credited by using the level descriptors (below) in line with the general marking guidance. The indicative content below exemplifies some of the points that candidates may make but this does not imply that any of these must be included. Other relevant points must also be credited.<br><br>**Knowledge, Application, Analysis, Evaluation – indicative content**<br><br>• Competition is the rivalry among sellers trying to achieve goals such as increasing profits, market share, and sales volume<br>• Competitors such as *Shein*, focus on fast fashion<br>• As *Shein* produce low-cost clothing this may force other fashion brands such as *Zara* to reduce its costs in order to compete<br>• Some businesses that cannot compete with low prices may be forced out of the market<br>• *Shein* uses suppliers in China to produce items quickly to satisfy the demand of fashion-conscious buyers who wish to keep up with fashion trends. This may encourage other fashion manufacturers and retailers to improve their production methods and distribution networks in order to compete<br>• However, there are many people who are critical of fast fashion due to the waste it creates from discarded clothing. This may mean that many of the more established fashion businesses may not be impacted to a great extent<br>• Some customers may be brand loyal to leading fashion businesses such as *H&M* and may not be as concerned with lower priced fashion goods<br>• It depends on the preferences of the consumers and if businesses such as *Shein* continues to attract bad publicity<br>• Overall, as *Shein* is a growing business which has developed to satisfy the demand of fashion-conscious buyers, it is likely that it will impact other fashion businesses to some extent |

| Level | Mark | Descriptor |
|---|---|---|
| | 0 | No rewardable material. |
| **Level 1** | 1–2 | Isolated elements of knowledge and understanding – recall based.<br>Weak or no relevant application to business examples.<br>Generic assertions may be presented. |
| **Level 2** | 3–4 | Elements of knowledge and understanding, which are applied to the business example.<br>Chains of reasoning are presented but may be assertions or incomplete.<br>A generic or superficial assessment is presented. |
| **Level 3** | 5–7 | Accurate knowledge and understanding, supported by relevant and effective use of the business behaviour/context.<br>Analytical perspectives are presented, with developed chains of reasoning, showing cause(s) and/or effect(s).<br>An attempt at an assessment is presented, using quantitative and/or qualitative information, though unlikely to show the significance of competing arguments. |
| **Level 4** | 8–10 | Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context.<br>A coherent and logical chain of reasoning, showing cause(s) and/or effect(s).<br>Assessment is balanced, wide ranging and well contextualised, using quantitative and/or qualitative information, and shows an awareness of competing arguments/factors, leading to a supported judgement. |

| Question | Evaluate whether *Chick-fil-A* should focus on employee welfare or sales maximisation to achieve success.<br><br>**Indicative content** |
|---|---|
| 3 | **Indicative content guidance**<br><br>Answers must be credited by using the level descriptors (below) in line with the general marking guidance. The indicative content below exemplifies some of the points that candidates may make but this does not imply that any of these must be included. Other relevant points must also be credited<br><br>**Employee welfare**<br><br>• Employee welfare refers to the benefits and services provided by an employer for the well-being of the employees<br>• *Chick-fil-A* treats its employees with respect and aims to provide an enjoyable and safe place to work<br>• This may make the employees feel valued which may lead to the provision of a high level of customer service in the UK restaurant. This may help to attract customers from other fast-food restaurants<br>• Truett recognised the importance of closing on a Sunday so that employees could have the day off and spend time with their families. This may provide employees with a good work-life balance and lead to higher level of motivation and productivity in the restaurants<br>• If *Chick-fil-A* provides college scholarships to *Chick-fil-A* employees in the UK, this may attract more potential workers for the new restaurants<br>• However, closing on a Sunday may be detrimental to *Chick-fil-A*'s success in the UK as most fast-food restaurants open every day. This may hinder *Chick-fil-A*'s ability to build brand recognition in the UK<br>• Providing college scholarships in the UK will add to its costs and may lead to an increase in prices in the restaurant. This may result in higher prices than its competitors, resulting in lower demand<br><br>**Sales maximisation**<br><br>• Sales maximisation involves a business selling as much as it possibly can in a period of time, regardless of the level of profit |

| | |
|---|---|
| | • One advantage of sales maximisation is increased market share. As the UK fast food market is dominated by competitors such as *McDonalds* and *KFC* it is important for *Chick-fil-A* to grow its share in the market<br>• Selling more fast-food in the UK will build brand recognition which is important to *Chick-fil-A* as they are new to the UK's fast-food market<br>• Maximising sales may help *Chick-fil-A* to benefit from economies of scale and help reduce average costs. This will help it to price its fast-food competitively in the UK<br>• However, a focus on sales maximisation may lead to the neglect of other important factors such as the welfare of its employees or customer service in the restaurants<br>• A focus on sales revenue can lead to a lack of profitability which may ultimately harm *Chick-fil-A*'s long-term plans to open more restaurants in the UK<br>• It depends on the needs and wants of the customers and employees in the UK<br>• Overall, *Chick-fil-A* has, to date, succeeded with its focus on employee welfare and good customer service. Its global reputation may be damaged if its focuses on sales maximisation at the expense of these objectives |

| Level | Mark | Descriptor |
|---|---|---|
| | 0 | No rewardable material. |
| **Level 1** | 1–4 | Isolated elements of knowledge and understanding.<br>Weak or no relevant application of business examples.<br>An argument may be attempted but will be generic and fail to connect causes and/or consequences. |
| **Level 2** | 5–8 | Elements of knowledge and understanding, which are applied to the business example.<br>Arguments and chains of reasoning are presented but connections between causes and/or consequences are incomplete. Attempts to address the question.<br>A comparison or judgement may be attempted but it will not successfully show an awareness of the key features of business behaviour or business situation. |
| **Level 3** | 9–14 | Accurate knowledge and understanding, supported by relevant and effective use of the business behaviour/context.<br>Uses developed chains of reasoning, so that causes and/or consequences are complete, showing an understanding of the question.<br>Arguments are well developed.<br>Quantitative and/or qualitative information is introduced in an attempt to support judgements, a partial awareness of the validity and/or significance of competing arguments and may lead to a conclusion. |
| **Level 4** | 15–20 | Accurate and thorough knowledge and understanding, supported throughout by relevant and effective use of the business behaviour/context.<br>Uses well-developed and logical, coherent chains of reasoning, showing a range of cause and/or effect(s).<br>Arguments are fully developed.<br>Quantitative and/or qualitative information is/are used well to support judgements. A full awareness of the validity and significance of competing arguments/factors, leading to balanced comparisons, judgements and an effective conclusion that proposes a solution and/or recommendations. |