GradeMax



# Mark Scheme (Results)

# January 2026

Pearson Edexcel in International A Level in Business
WBS11/01

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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 'competition.'<br>**Answer** | Mark |
|---|---|---|
| 1(a) | **Knowledge 2**<br><br>Up to 2 marks for defining the term 'competition' e.g.<br><br>• Rivalry between businesses (**1**) for products/services in the same market/selling the same products **(1)** | **(2)** |

| Question | Using Extract C, calculate to **two** decimal places, the percentage change in pizza revenue in Australia between 2020 and 2024.<br><br>**Answer** | Mark |
|---|---|---|
| 1(b) | **Knowledge 1, Application 2, Analysis 1**<br><br>Quantitative skills assessed:<br>QS2 Calculate, use and understand percentages and percentage change<br><br>**Knowledge**<br>1 mark for identifying a suitable formula for percentage change:<br>• Difference in quantity / original quantity x 100 **(1)**<br><br>**Application**<br>Up to 2 marks for: selecting the correct data<br>• 4.5 - 4.2 = 0.3 **(1)** / 4.2 **(1)** x 100<br><br>**Analysis**<br>1 mark for calculating the percentage change<br>• 7.14% **(1)**.<br><br>**NB if no working is shown award marks as below**:<br>If the answer given is 7.14% award 4 marks.<br>If the answer given is 7.14 award 3 marks. | **(4)** |

| Question | Analyse **two** methods Just Naples used to build its brand.<br><br>**Answer** | Mark |
|---|---|---|
| 1(c) | **Knowledge 2, Application 2, Analysis 2**<br><br>**Knowledge**<br>Up to 2 marks for defining brand, e.g.:<br><br>• A design, name or symbol **(1)** that distinguishes a product or service from its competitors **(1)**<br><br>**OR**<br><br>For giving two methods of building a brand, e.g.<br>• Advertising/publicity of the product **(1)**<br>• Creating a differentiated product/unique selling point **(1)**<br><br>**Application**<br>Up to 2 marks for answers contextualised to *Just Naples* e.g.<br>• *Just Naples* received publicity from supplying pizza to contestants on an Australian TV programme **(1)**<br>• *Just Naples* differentiated its service by providing pizza trucks that prepare and serve fresh pizza at music events<br><br>**Analysis**<br>Up to 2 marks for reasons / causes / consequences for *Just Naples,* e.g.<br>• This may have created awareness of the business leading to consumers choosing *Just Naples* over competitors' pizzas **(1)**<br>• This may have enabled *Just Naples* to be recognised for its USP leading to increasing brand recognition/sales **(1)** | **(6)** |

| Question | Discuss the benefits to Just Naples of using penetration pricing when expanding to other cities in Australia.<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>• Penetration pricing is a marketing strategy that involves setting a low initial price for a product or service to gain market share, often raising the price later once a customer base is established<br>• The advantage of penetration pricing is that it may attract consumers who are looking for an attractive/ discounted price<br>• It may encourage word-of-mouth recommendation for *Just Naples'* pizza in the new locations in Australia, who may be persuaded to try a new brand of pizza<br>• It may deter other pizza trucks from starting a business in the other cities due to the low pricing strategy used by *Just Naples*<br>• However, if *Just Naples* gradually increase the price of its pizza, customers may become dissatisfied with the price rise. They may stop buying pizza from *Just Naples* and buy from one of the many competitors such as *Dominos*<br>• Penetration pricing may only attract customers who are looking for a bargain, rather than customers who will become loyal to *Just Naples* and its brand<br>• Some customers may perceive that a low-priced pizza will not be good quality. This may deter some consumers from trying Antimo's pizzas, resulting in low sales<br>• The strategy may result in retaliation from established pizza takeaways; they may reduce their prices for a period of time which may reduce the likelihood of customers switching brands and buying from Antimo |

| 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 secondary research may help Just Naples to achieve this aim.<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>• Secondary research, referred to as desk research, is using data that already exists/collected for another purpose, such as the use of newspapers or the internet<br>• An advantage of using secondary research is the speed at which data can be collected from websites<br>• *Just Naples* can quickly collect data on prices and types of pizzas offered by competitors such as *Dominos* to help it remain competitive and react quickly to changing tastes and preferences<br>• The cost of secondary research is low compared to primary research. This may allow *Just Naples* to minimise its research costs, leading to lower prices for the pizza/more funding to spend on pizza trucks<br>• Government statistics may help *Just Naples* to understand the demographics of Australia to help it expand to areas where more pizza are likely to be sold<br>• However secondary data may be out-of-date. The pizza market is growing, and *Just Naples* may need to gather new data on the changing trends in the pizza market. It may impact the success of new products if the data is not current or reliable<br>• The data on-line and in newspapers may not be relevant to *Just Naples*. It has created a USP by providing pizza trucks to sell authentic Italian-style pizza. Data collected from newspapers may not be helpful to Antimo<br>• Primary research may be more suitable to enable *Just Naples* to help it understand the changing trends in the pizza market. However, this can be costly, and Antimo may not be able to afford this when expanding to other areas of Australia |

| 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 'business objective'<br>**Answer** | **Mark** |
|---|---|---|
| **2(a)** | **Knowledge 2**<br><br>Up to 2 marks for defining the term 'business objective' e.g.<br>• Goals/targets of the business **(1)** that are used to achieve the aims of the business (**1**) | **(2)** |

| Question | Calculate the price elasticity of demand (PED) for the office table. You are advised to show your workings.<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 percentages<br>changes<br>**QS7:** interpret values of price and income elasticity of demand.<br><br>**Knowledge**<br>1 mark for identifying a suitable formula e.g.<br>• Percentage change in quantity demanded / percentage change in price **(1)**<br><br>**Application**<br>Up to 2 marks for calculating the correct data:<br>• - 2% / (**1**) 24/480 x 100 = 5% **(1)**<br><br>**Analysis**<br>1 mark for calculating the price elasticity of demand<br>• = -0.4 **(1)**<br><br>**NB If no working is shown award marks as below:**<br><br>If answer given is -0.4 award 4 marks | **(4)** |

| Question | Analyse **two** possible advantages to Nurus of operating in a niche market<br><br>**Answer** | Mark |
|---|---|---|
| 2(c) | **Knowledge 2, Application 2, Analysis 2**<br><br>**Knowledge**<br>Up to 2 marks for defining a niche market, e.g.:<br><br>• A niche market is the subset of a larger market **(1)** where consumers have specific needs and wants (**1)**<br><br>**OR**<br><br>For giving two advantages of operating in a niche market, e.g.<br><br>• Able to satisfy specific needs or wants **(1)**<br>• Ability to charge high prices **(1)**<br><br>**Application**<br>Up to 2 marks for answers contextualised to *Nurus* e.g.:<br>• *Nurus* provides office furniture that is designed in accordance with the specific need and wants of its customers (**1)**<br>• *Nurus* offers furniture which has innovative designs which are aesthetically pleasing **(1)**<br><br>**Analysis**<br>Up to 2 marks for reasons / causes / consequences for *Nurus*, e.g.:<br>• This personalised service helps retain its loyal customers and increase the reputation and recognition of the business (**1)**<br>• This creativity may differentiate the business from competitors and customer may be willing to pay a high price **(1)** | **(6)** |

| Question | Discuss the benefits to Nurus of using this style of leadership.<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>**Knowledge, Application, Analysis, Evaluation – indicative content**<br><br>• Laissez-faire leadership is a type of leadership style where employees are encouraged/given the freedom to make their own decisions<br>• Laissez-faire leadership may be effective in a business where workers are motivated, and capable of working on their own<br>• The designers at *Nurus* are highly skilled and creative employees. If they are empowered to make their own decision, they may come up with new ideas/designs leading to an increase in sales of office furniture<br>• The designers are encouraged to work closely with customers to develop a good understanding of their needs. If the employees are allowed to make changes to the designs of the furniture to respond to changing needs this may result in improved customer service/brand loyalty for *Nurus*<br>• A laissez faire style of leadership may motivate workers who feel they are respected and trusted to make decisions at *Nurus*. This may lead to increased productivity<br>• However, laissez-faire leadership may not be ideal for all employees if they lack the knowledge or experience to make effective decisions.<br>• Poor decision making may impact the reputation of *Nurus* brands and impact furniture sales<br>• Some employees may lack motivation to work hard as they feel *Nurus* is not providing enough guidance and this can lead to low productivity<br>• Some employees may abuse the trust and productivity may reduce. This may prevent *Nurus* from achieving its aim of 'zero margin of error from production to delivery' |

| 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 usefulness of the Boston Matrix to Nurus when making decisions on its product portfolio.<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>• The Boston Matrix is a method of portfolio analysis based on market share and market growth<br>• It categorises products into Cash Cows, Dogs, Stars and Question marks (Problem child)<br>• It can be used to analyse the current portfolio of products to help with future strategies and growth. Cash from mature products such as office chairs can be used to fund new products and designs<br>• *Nurus* is well known for continually updating its furniture to respond to changing needs. The Boston Matrix may help it make decisions on products that are regarded as dogs such as old styles of office tables, to ensure it responds to changing preferences<br>• However, the Boston matrix is only a snapshot of the current product portfolio. It has little or no predictive value and does not take account of external factors such as competitors and changes in income<br>• Just because products are categorised as dogs does not mean they must be removed – perhaps some of its office accessories still generate acceptable levels of revenue and should not be discontinued<br>• The Boston Matrix cannot be used in isolation and *Nurus* must consider other external and internal factors to help them make important decisions on its product portfolio<br>• Product life cycle may be a better method of portfolio analysis as it takes account of the life span of products which may be an important element if the office furniture market is dynamic |

| 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 the importance of a tall organisational structure for Toyota's global 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>**Knowledge, Application, Analysis, Evaluation – indicative content**<br><br>• A tall/hierarchical structure has many leaders and layers of management<br>• An advantage of a tall structure is that the business is closely managed and directed. The CEO works closely with senior managers which should ensure *Toyota*'s vision is understood and communicated throughout its business<br>• There are clear lines of authority at *Toyota*, such as senior employees having responsibility for technology, finance, marketing and human resource functions; this should minimise misunderstandings and speed up decision-making at *Toyota*<br>• The 360,000 employees can see a clear progression path, which can enhance motivation and job satisfaction. This should increase employee performance at *Toyota* helping them to maintain its leading position in the market<br>• As there are many layers of management, the managers at *Toyota* will have a narrow span of control. This allows for focused and effective supervision to ensure high quality vehicles are manufactured<br>• However, a tall structure has a longer chain of command which may lead to slower decision-making. This may have contributed to some of the problems *Toyota* faced with engines and safety features<br>• Having many layers of management will increase the costs for *Toyota*. This may lead to an increase in the price of its cars which may be a problem in such a competitive market<br>• Other factors may have contributed to the success of *Toyota*. It has invested in the design and |

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|---|---|
| | manufacture of electric vehicles which is responding to social changes in the vehicle market. This may account for its high sales<br>• *Toyota* is recognised globally for its innovation and production methods, which may be a significant reason for its success<br>• Overall while a tall structure can enhance control of the business it also tends to slow down decision-making and increase administrative costs. It is likely that a combination of factors has contributed to the success of *Toyota* |

| 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. |