GradeMax

Pearson

Mark Scheme (Results)

Summer 2026

Pearson Edexcel International Advanced Subsidiary 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 'competitive advantage'. Answer	Mark
1(a)	**Knowledge 2** Up to 2 marks for defining the term 'competitive advantage' e.g. • A feature/USP **(1)** that enables a business to perform better than its rivals **(1)**	**(2)**

Question	In 2024, PureGym had 1.5 million gym members. Using the information above and Extract A, calculate to **two** decimal places, PureGym's market share of gym members in 2024. Answer	Mark
1(b)	**Knowledge 1, Application 2, Analysis 1** Quantitative skills assessed: QS2 Calculate, use and understand percentages and percentage change **Knowledge** 1 mark for identifying a suitable formula for market share: • Number of sales of a business/total sale in the market x 100 **(1)** **Application** Up to 2 marks for: selecting the correct data • 1.5 million **(1)** / 10.7 million **(1)** x 100 **Analysis** 1 mark for calculating the percentage change • 14.02 % (**1**). **NB if no working is shown award marks as below**: If the answer given is 14.02% award 4 marks. If the answer given is 14.02 award 3 marks.	**(4)**

Question	Analyse **two** advantages for PureGym of using performance-related pay. Answer	Mark
1(c)	**Knowledge 2, Application 2, Analysis 2** **Knowledge** Up to 2 marks for defining performance related pay, e.g.: • A payment method that links an increase in salary **(1)** with the employee's individual performance **(1)** **OR** For giving two advantages of using performance related pay e.g. • Increased performance of employees who wish to increase their pay **(1)** • Sharing/alignment of employee and business goals/targets **(1)** **Application** Up to 2 marks for answers contextualised to PureGym e.g. • Employees are likely to provide a high level of gym instruction to meet their individual performance targets **(1)** • Employees are set a target to encourage customers to use the personal training service, for which an additional sum is paid **Analysis** Up to 2 marks for reasons / causes / consequences for PureGym, e.g. • this may lead to an increase in the number of gym memberships and an increase in market share for PureGym **(1)** • This may enable PureGym to increase revenues/profitability to assist its growth plan/expand into the US **(1)**	**(6)**

Question	Discuss if customer satisfaction is likely to be the main business objective of PureGym. Indicative content
1(d)	**Indicative content guidance** 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. **Knowledge, Application, Analysis, Evaluation – indicative content** • Customer satisfaction is important to a business because when customers are satisfied with a product or service, they are likely to return to the business • Customer satisfaction is likely to lead to word-of-mouth recommendations which will encourage people to join PureGym rather than one of its competitors • If customers are happy with the fitness classes and gym instruction, they may sign up for personal training sessions which will add additional revenue for the business • PureGym offers a monthly membership rather than a yearly one. It is therefore important customers are satisfied to ensure they continue to renew their membership month by month • However, PureGym has plans to grow its business and expand into the US. Therefore, profit maximisation may be more important in order to finance its growth • PureGym offers monthly membership at a low price. Cost efficiencies may therefore be an important objective for PureGym to ensure they can sustain the low membership price offered to its members

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1–2	Isolated elements of knowledge and understanding – recall based. Weak or no relevant application to business examples. Generic assertions may be presented.
Level 2	3–5	Accurate knowledge and understanding. Applied accurately to the business and its context. Chains of reasoning are presented, showing cause(s) and/or effect(s) but may be assertions or incomplete. 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. Logical chains of reasoning, showing cause(s) and/or effect(s). Assessment is balanced, well contextualised, using quantitative and/or qualitative information, and shows an awareness of competing arguments/factors.

Question	Assess the possible risks Peter Roberts may have faced when starting PureGym. Indicative content
1(e)	**Indicative content guidance** 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. **Knowledge, Application, Analysis, Evaluation – indicative content** • One risk faced by Peter is likely to have been a financial risk • PureGym has high-tech gym equipment and gym studios, which will be expensive to finance. If the business had not been successful Peter may have risked the possibility of losing his funding/personal assets • Peter risked the loss of his own reputation if PureGym had failed. He was a successful entrepreneur, having already started a hotel and a holiday park. The loss of his reputation may have prevented him from pursuing further business ideas • The risk from competition may have been a risk for PureGym. The UK gym market is a competitive and growing market, and actions of rivals may have prevented the growth and success of PureGym • However, Peter was an experienced entrepreneur who had previous experience in the leisure industry. He is likely to have had the necessary skills and characteristics required to start a gym business • The gym market continues to grow in the UK which means that with the necessary amount of investment required, the risks may not have been significant • Peter was able to give his gyms a USP; the gyms are open 24/7 which may have reduced the risks of failure due to its differentiation/ competitive advantage • Overall, it appears that the rewards of opening PureGym outweighed the potential risks. It may be that

	Peter had anticipated the potential risks involved and found ways to reduce them.

Level	Mark	Descriptor
	0	A completely inaccurate response.
Level 1	1–2	Isolated elements of knowledge and understanding – recall based. Weak or no relevant application to business examples. Generic assertions may be presented.
Level 2	3–4	Elements of knowledge and understanding, which are applied to the business example. Chains of reasoning are presented but may be assertions or incomplete. A generic or superficial assessment is presented.
Level 3	5–7	Accurate and thorough knowledge and understanding, supported by relevant and effective use of the business behaviour/context. Analytical perspectives are presented, with developed chains of reasoning, showing cause(s) and/or effect(s). 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. A coherent and logical chain of reasoning, showing cause(s) and/or effect(s). 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 'viral marketing'. Answer	Mark
2(a)	**Knowledge 2** Up to 2 marks for defining the term 'viral marketing' e.g. • Sharing/spreading /passing on of information **(1**) via social networks or word of mouth **(1)**	**(2)**

Question	Using the data above, explain why pet products in Japan are considered 'normal' goods. Answer	Mark
2(b)	**Knowledge 1, Application 2, Analysis 1** Quantitative skills assessed: **QS2:** calculate, use and understand percentages and percentages Changes **QS7** Interpret values of price and income elasticity of demand **Knowledge** 1 mark for identifying the reason why pet products are considered normal goods e.g. • the demand increased as consumer income increased **(1)** **Application** Up to 2 marks for answers contextualised to the impact, e.g. • In 2024 the monthly income increased in Japan by 40 000 yen/8% **(1)** • In 2024 more pet clothing and accessories were sold **(1)** **Analysis** 1 mark for reasons / causes / consequences of the data e.g. • The figures resulted in an income elasticity of demand (YED) that is positive / 1.25 **(1)**	**(4)**

Question	Analyse **two** factors that may determine the pricing strategy used by AZem to sell its products. Answer	Mark
2(c)	**Knowledge 2, Application 2, Analysis 2** **Knowledge** Up to 2 marks for defining pricing strategy, e.g. • A pricing method used by a business when setting **(1)** the price at which a product is sold **(1)**. **OR** For giving two factors that may determine the pricing strategy, e.g. • Level of competition **(1)** Amount of differentiation **(1)**. **Application** Up to 2 marks for answers contextualised to AZem, e.g. • The pet market in Japan is very competitive with new suppliers continuing to enter the market **(1)**. • AZem sells a range of specialist fishing rods and camping equipment **(1)**. **Analysis** Up to 2 marks for reasons/causes/consequences for the business e.g. • This may lead to AZem using a competitive price due to the availability of substitutes **(1)**. • This may enable AZem to use high prices if competitors do not supply the same differentiated products or provide the same level of service **(1)**.	**(6)**

Question	Discuss the benefits to AZem of having multi-skilled employees. Indicative content
2(d)	**Indicative content guidance** 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. **Knowledge, Application, Analysis, Evaluation – indicative content** • Multi-skilling refers to the practice of training employees to acquire multiple skills, allowing them to perform a wider range of tasks and responsibilities • The employees of AZem are trained to work in different areas of the business including the pet store and the restaurant • This may motivate employees as they are trained in multiple areas of the business which may reduce levels of boredom and increase productivity • Employees who are experienced in both the camping and fishing areas can provide flexibility to the business when employees are absent or on holiday • Multi-skilled employees can be used to cover busy times in certain areas of the store. This may improve customer service if waiting times are reduced • However, employees may feel stressed and overworked if they have a wider range of responsibilities which may result in poor motivation and lower efficiency in the store • It can be time consuming and expensive to train all employees in all areas of the leisure store • Although multi-skilled it may be that employees are not specialised in a particular area of the leisure market. It may be that specialists are needed to give advice on fishing equipment or camping supplies. This may lead to a lower level of customer satisfaction

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1–2	Isolated elements of knowledge and understanding – recall based. Weak or no relevant application to business examples. Generic assertions may be presented.
Level 2	3–5	Accurate knowledge and understanding. Applied accurately to the business and its context. Chains of reasoning are presented, showing cause(s) and/or effect(s) but may be assertions or incomplete. 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. Logical chains of reasoning, showing cause(s) and/or effect(s). Assessment is balanced, well contextualised, using quantitative and/or qualitative information and shows an awareness of competing arguments/factors.

Question	Assess the benefits to AZem of segmenting the leisure market. Indicative content
2(e)	**Indicative content guidance** 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. **Knowledge, Application, Analysis, Evaluation – indicative content** • Segmentation is dividing the market into groups of people with similar attributes or common characteristics • Azem segments the market by behavioural characteristics and income • Focusing on specific market segments allows AZem to analyse segments of the markets and tailor products to meet the particular needs of those customers • Market segmentation helps to direct advertising and promotion to specific groups of customers, e.g. those looking for specialist fishing equipment or those looking for daycare for their pet • Market segmentation can help AZem to identify underserved customers, such as those looking for high specification camping equipment • It gives AZem the opportunity to focus on the most profitable segments of the market, for example to take advantage of the growth in the pet market • However, segmentation increases costs such as research and promotional costs which may increase the price of AZem's products • By focusing on specific leisure interests there is a danger that this specialisation could lead to problems if consumers change their purchasing habits significantly • The market segments identified may be too small, e.g. supply of kayaks, and may not generate sufficient sales to be viable/profitable for AZem • Overall, segmentation allows the business to satisfy the needs of a wider range of customers, but its success depends on accurate research and risks of external factors

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1–2	Isolated elements of knowledge and understanding – recall based. Weak or no relevant application to business examples. Generic assertions may be presented.
Level 2	3–4	Elements of knowledge and understanding, which are applied to the business example. Chains of reasoning are presented but may be assertions or incomplete. 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. Analytical perspectives are presented, with developed chains of reasoning, showing cause(s) and/or effect(s). 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. A coherent and logical chain of reasoning, showing cause(s) and/or effect(s). 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 Oura should use internal or external recruitment to support this growth. Indicative content
3	**Indicative content guidance** 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 **Knowledge, Application, Analysis, Evaluation – indicative content** **Internal recruitment** • Internal recruitment is when the business fills a job vacancy from within the business • Oura is expanding internationally and is planning to recruit engineers, designers etc to fill the senior management jobs within its business • It is generally more cost efficient as the business does not have to advertise the job externally. This will help Oura keep costs low and price the rings competitively • By recruiting internally, Oura knows the capabilities of the candidates, i.e. whether they are creative, hardworking etc and will have a better idea of how they may perform in a senior role. The right employees will help increase sales of the rings • Promoting Ouranians from within the company can be motivating for all employees who will recognise that their hard work is rewarded and so increase productivity of the business • Oura will know if the internal candidate is likely to fit its culture and get on well with the rest of the team. Good teamwork is required to improve productivity and customer service • However, internal recruitment will not bring fresh ideas or new thinking into the business. As technology is changing rapidly, Oura may look at hiring people who have the required expertise

	• Recruiting internally will create further vacancies which will eventually need to be filled externally to meet the demands of the business **External recruitment** • External recruitment is when the business fills a vacancy from outside of the business • This may be preferable because Oura is known for its innovative products; recruiting externally may mean there are new ideas and skills to support the business • External recruitment offers a wider pool of potential talent to choose from. Oura may choose to recruit external health specialists to assist in the design of its rings • However, external recruitment is expensive and a time-consuming process and there is no guarantee it will find the right person who is a good fit with Oura's values • Oura is recruiting people to work in the US office. It may be easier and more cost efficient to employ externally and hire people located in the US rather than moving people from Finland • Different job roles will require different skills, and Oura must assess if these skills can be found internally or whether external recruitment is required • Oura may have to look at the effectiveness of internal and external recruitment to see historically which candidates have performed the best and contributed the most to growth • Oura is likely to use a combination of both when recruiting staff depending on the job requirements, but it depends on the available skill sets it already has in its business

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1–4	Isolated elements of knowledge and understanding. Weak or no relevant application of business examples. 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. Arguments and chains of reasoning are presented but connections between causes and/or consequences are incomplete. Attempts to address the question. 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. Uses developed chains of reasoning, so that causes and/or consequences are complete, showing an understanding of the question. Arguments are well developed. 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. Uses well-developed and logical, coherent chains of reasoning, showing a range of cause and/or effect(s). Arguments are fully developed. 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.