



Mark Scheme (Results)

Summer 2026

Pearson Edexcel International GCSE in Business
4BS1/01R

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Summer 2026

Question Paper Log Number P79459A

Publications Code 4BS1_01R_2606_MS

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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 Number	Which one of the following is an advantage of being a sole trader? Answer	Mark
1 (a)(i)	<p>AO1 - 1 mark</p> <p>The only correct answer is B Independence</p> <p><i>A is not the correct answer as limited liability is an advantage of a limited company</i></p> <p><i>C is not the correct answer as sharing ideas with partners is an advantage of a partnership</i></p> <p><i>D is not the correct answer as the ability to sell shares to investors is an advantage of a limited company</i></p>	(1)

Question Number	Which one of the following is a benefit of being a multinational company? Answer	Mark
1 (a)(ii)	<p>AO1 - 1 mark</p> <p>The only correct answer is D Increased access to customers</p> <p><i>A is not the correct answer as diseconomies of scale is a disadvantage to a multinational company</i></p> <p><i>B is not the correct answer as decrease in brand awareness is a disadvantage to a multinational company</i></p> <p><i>C is not the correct answer as increased competition is a disadvantage to a multinational company</i></p>	(1)

Question Number	Which one of the following best describes a centralised organisation structure?	Mark
	Answer	
1 (a)(iii)	<p>AO1 - 1 mark</p> <p>The only correct answer is B Decisions are made by the CEO and senior managers</p> <p><i>A is not the correct answer as in a centralised organisation decisions are made at the top of the hierarchy</i></p> <p><i>C is not the correct answer as in a centralised organisation decisions are made at the top of the hierarchy</i></p> <p><i>D is not the correct answer as in a centralised organisation decisions are made at the top of the hierarchy</i></p>	(1)

Question Number	Which one of the following may occur if a business fails to adapt to changes in the market?	Mark
	Answer	
1 (a)(iv)	<p>AO1 - 1 mark</p> <p>The only correct answer is C Reduced number of sales</p> <p><i>A is not the correct answer as an increase in market share may result from adapting to changes in the market</i></p> <p><i>B is not the correct answer as improved brand image may result from adapting to changes in the market</i></p> <p><i>D is not the correct answer as there is a decrease in customer satisfaction if the business does not adapt to the changes in the market</i></p>	(1)

Question Number	Using Figure 1, which one of the following is the profit made by the business?	Mark
	Answer	
1 (a)(v)	<p>AO2 - 1 mark</p> <p>The only correct answer is A \$50 000</p> <p><i>B is not the correct answer as \$70 000 is total sales revenue minus total fixed costs</i></p> <p><i>C is not the correct answer as \$80 000 is total fixed costs plus total variable costs</i></p> <p><i>D is not the correct answer as \$110 000 is total sales revenue minus total variable costs</i></p>	(1)

Question Number	Which of the following represents the number of meals sold with a topping added?	Mark
	Answer	
1 (a)(vi)	<p>AO2 - 1 mark</p> <p>The only correct answer is B 34</p> <p><i>A is not the correct answer as 14 is 20% of 70</i></p> <p><i>C is not the correct answer as 136 is 170 – 34</i></p> <p><i>D is not the correct answer as 150 is 170 – 20</i></p>	(1)

Question Number	Define the term secondary sector .	Mark
	Answer	
1 (b)	<p>AO1 - 1 mark</p> <p>Award 1 mark for a correct definition of secondary sector.</p> <ul style="list-style-type: none"> The sector of the economy that involves the production/construction of goods 	(1)

Question Number	Define the term e-commerce . Answer	Mark
1 (c)	A01 - 1 mark Award 1 mark for a correct definition of e-commerce . <ul style="list-style-type: none"> • Selling goods online/on the internet 	(1)

Question Number	State one reason why brand image is important to Spud Bros. Answer	Mark
1 (d)	A02 - 1 mark Award 1 mark for a reason why brand image is important to Spud Bros. <ul style="list-style-type: none"> • So that people will buy more potatoes NB Do not accept a reason that is not in the context of Spud Bros. Accept any other appropriate response.	(1)

Question Number	Calculate the retained profit left in the business following the expansion. You are advised to show your working. Answer	Mark
1 (e)	<p>A02 - 2 marks</p> <p>Award 2 marks for the correct response of \$256 000</p> <p>OR</p> <p>Award 1 mark for correctly substituting numbers into formula.</p> <p>320 000 × 20% = 64 000 (1) 320 000 × 80% (1) 320 000 – 64000 (1)</p>	(2)

Question Number	Explain one advantage to a business of having a flat organisational structure. Answer	Mark
1 (f)	<p>A01 - 3 marks</p> <p>Award 1 mark for an advantage to a business of having a flat organisational structure plus 2 further marks for explaining the advantage, for a maximum of 3 marks.</p> <ul style="list-style-type: none"> • Communication may be faster (1) because there are fewer layers of management in the organisation (1) this may mean the business makes fewer mistakes (1) • Faster decision making (1) because there is a shorter chain of command (1) as a result the productivity of the business would improve (1) <p>NB No marks are awarded for a definition.</p> <p>Answers that list three advantages to a business of having a flat organisational structure with no explanation will get a maximum of 1 mark.</p> <p>Accept any other appropriate response.</p>	(3)

Question Number	Analyse the disadvantages for Spud Bros of using sponsorship. Indicative content	Mark
1 (g)	<p style="text-align: center;">A02 = 3 marks A03 = 3 marks</p> <p><u>A02</u></p> <ul style="list-style-type: none"> • Customers may associate Spud Bros with the football team • The cost of sponsoring a football team in the English Football League will be expensive <p><u>A03</u></p> <ul style="list-style-type: none"> • Poor results/unfavourable actions by the footballers may damage the brand image of Spud Bros • This may lead to an increase in the price of the potatoes, resulting in fewer sales 	(6)

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1–2	<ul style="list-style-type: none"> • Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2) • Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3)
Level 2	3–4	<ul style="list-style-type: none"> • Sound application of knowledge and understanding of business concepts and issues to the business context, although there may be some inconsistencies. (AO2) • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3)
Level 3	5–6	<ul style="list-style-type: none"> • Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2) • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3)

Question Number	State one current asset Spud Bros may have. Answer	Mark
2 (a)	<p>A02 - 1 mark</p> <p>Award 1 mark for a current asset Spud Bros may have.</p> <ul style="list-style-type: none"> • Stock of potatoes/toppings (1) • Cash from the sale of potatoes (1) <p>NB Do not accept a reason that is not in the context of Spud Bros.</p> <p>Accept any other appropriate response.</p>	(1)

Question Number	State one reason why Spud Bros motivates its employees. Answer	Mark
2 (b)	<p>A02 - 1 mark</p> <p>Award 1 mark for a valid reason why Spud Bros motivates its employees.</p> <ul style="list-style-type: none"> • Employees will work hard to sell the potatoes (1) <p>NB Do not accept a reason that is not in the context of Spud Bros.</p> <p>Accept any other appropriate response.</p>	(1)

Question Number	Explain one reason why a business calculates the break-even level of output. Answer	Mark
2 (c)	<p>A01 - 3 marks</p> <p>Award 1 mark for one reason why a business calculates the break-even level of output, plus 2 further marks for explaining the reason, for a maximum of 3 marks.</p> <ul style="list-style-type: none"> • To understand how many goods it needs to sell (1) to cover the costs of producing the goods (1) to ensure the business does not make a loss (1) • To help decide on business plans/goals (1) as the business can see when total costs are equal to total revenue (1) the business can then plan to adjust their prices if the break-even point is too high (1) <p>NB No marks are awarded for a definition.</p> <p>Answers that list three reasons why a business calculates the break-even level of output with no explanation will get 1 mark only.</p> <p>Accept any other appropriate response.</p>	(3)

Question Number	Explain one reason why a business would segment the market by income. Answer	Mark
2 (d)	<p>A01 - 3 marks</p> <p>Award 1 mark for a reason why a business would segment the market by income, plus 2 further marks for explaining this reason, for a maximum of 3 marks.</p> <ul style="list-style-type: none"> • To target customers with a particular spending budget (1) so the business can price a product in line with a price people are willing to pay (1) leading to increased sales/competitiveness in the market (1) • To produce the right goods at the right price to its customers (1) those with higher incomes will be able to afford higher prices (1) allowing the business to make higher sales (1) <p>NB No marks are awarded for a definition.</p> <p>Answers that list three reasons why a business would segment the market by income with no explanation will get 1 mark only.</p> <p>Accept any other appropriate response.</p>	(3)

Question Number	Explain one benefit to a business from productivity improvements. Answer	Mark
2 (e)	<p>A01 - 3 marks</p> <p>Award 1 mark for a reason why a business would benefit from productivity improvements, plus 2 further marks for explaining the reason, for a maximum of 3 marks.</p> <ul style="list-style-type: none"> • A business can produce more goods (1) because the rate/speed of output will increase (1) reducing the average costs for the business (1) • A business can gain competitive advantage (1) as more products are produced in the same/reduced amount of time (1) resulting in lower costs of production. <p>NB No marks are awarded for a definition.</p> <p>Answers that list three reasons why a business would benefit from productivity improvements with no explanation will get a maximum of 1 mark.</p> <p>Accept any other appropriate response.</p>	(3)

Question Number	<p>Option 1: venture capital</p> <p>Option 2: crowdfunding</p> <p>Justify which one of these two options the brothers should choose.</p> <p>Indicative content</p>	Mark
2 (f)	<p style="text-align: center;">A02 = 3 marks A03 = 3 marks A04 = 3 marks</p> <p><u>A02</u></p> <ul style="list-style-type: none"> • Option 1 – A venture capitalist may give advice on how to develop the potato business • Option 2 – People who have seen the business on social media sites such as TikTok may be persuaded to invest in Jacob and Harley <p><u>A03</u></p> <ul style="list-style-type: none"> • Option 1 – This may help the brothers to decide on location/marketing strategies for the expansion plans • Option 2 – Small investments from many people will allow the business to expand throughout the UK, without the need to pay back the investment <p><u>A04</u></p> <ul style="list-style-type: none"> • Option 1 – However, it is likely that a venture capitalist will take a percentage of the business in return for the capital, which would give the brothers less independence or control • Option 2 – However, the amount raised through crowdfunding may be insufficient to meet the capital required to expand internationally 	(9)

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1–3	<ul style="list-style-type: none"> Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2) Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3) Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made. (AO4)
Level 2	4–6	<ul style="list-style-type: none"> Sound application of knowledge and understanding of business concepts and issues to the business context, although there may be some inconsistencies. (AO2) Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3) Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made. (AO4)
Level 3	7–9	<ul style="list-style-type: none"> Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2) Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3) Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made. (AO4)

Question Number	Define the term niche marketing . Answer	Mark
3 (a)	<p>A01 - 1 mark</p> <p>Award 1 mark for a correct definition of niche marketing.</p> <ul style="list-style-type: none"> Targeting a small segment of the whole market (1) 	(1)

Question Number	Outline one reason why cash is important to Spud Bros. Answer	Mark
3 (b)	<p>A02 - 2 marks</p> <p>Award 2 marks for two linked points explaining one reason why cash is important to Spud Bros. Award 1 mark if the points are not linked or the answer is lacking context.</p> <ul style="list-style-type: none"> • Spud Bros needs cash to pay for the ingredients (1) to ensure it can keep up with demand (1) • Spud Bros need cash to pay the employees (1) to enable them to continue to serve their hot baked potatoes (1) <p>NB For the full 2 marks the points must be linked <u>AND</u> include context of Spud Bros.</p> <p>Accept any other appropriate response.</p>	(2)

Question Number	Using Figure 2, calculate, to two decimal places, the percentage increase in the minimum wage between 2024 and 2025. You are advised to show your working. Answer	Mark
3 (c)	<p>A02 - 2 marks</p> <p>Award 2 marks for the correct response of <u>6.73%</u></p> <p>OR</p> <p>Award 1 mark for correctly substituting numbers into formula.</p> <p>$12.21 - 11.44 = 0.77$ (1) OR</p> <p>$0.77 / 11.44 \times 100$ (1)</p>	(2)

Question Number	Analyse the advantages for Spud Bros of using viral advertising. Indicative content	Mark
3 (d)	<p>A02 = 3 marks A03 = 3 marks</p> <p><u>A02</u></p> <ul style="list-style-type: none"> • Spud Bros, a small family-owned business, can reach a wide audience • Jacob and Harley can minimise the costs of marketing by advertising for free on sites such as Instagram <p><u>A03</u></p> <ul style="list-style-type: none"> • This may allow the brothers to reach more people around the world and help to increase brand awareness for the business • This may assist the brothers to expand quickly to meet the business goals 	(6)

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1–2	<ul style="list-style-type: none"> • Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2) • Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3)
Level 2	3–4	<ul style="list-style-type: none"> • Sound application of knowledge and understanding of business concepts and issues to the business context, although there may be some inconsistencies. (AO2) • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3)
Level 3	5–6	<ul style="list-style-type: none"> • Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2) • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3)

Question Number	<p>Option 1: use questionnaires to collect customer views</p> <p>Option 2: offer free samples of new toppings and ask customers for their opinions</p> <p>Justify which one of these two options the owners should choose to collect feedback from customers.</p> <p>Indicative content</p>	Mark
3 (e)	<p style="text-align: center;">A02 = 3 marks A03 = 3 marks A04 = 3 marks</p> <p><u>A02</u></p> <ul style="list-style-type: none"> • Option 1 – Questionnaires allow people to provide quantitative and qualitative feedback on the new toppings • Option 2 – Giving customers potatoes free of charge may encourage more people to taste the food <p><u>A03</u></p> <ul style="list-style-type: none"> • Option 1 – This will enable customers to provide anonymous and honest opinions which may help the brothers to make the correct decisions on the toppings • Option 2 – This will enable Spud Bros to receive immediate feedback from customers, enabling the business to react quickly to the preferences of its customers <p><u>A04</u></p> <ul style="list-style-type: none"> • Option 1 – However, many people do not have the time to fill in a questionnaire and the response rate may be low for Spud Bros • Option 2 – However, it will be costly to give free samples/will take time to record participants' responses 	(9)

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1–3	<ul style="list-style-type: none"> Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2) Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3) Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made. (AO4)
Level 2	4–6	<ul style="list-style-type: none"> Sound application of knowledge and understanding of business concepts and issues to the business context, although there may be some inconsistencies. (AO2) Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3) Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made. (AO4)
Level 3	7–9	<ul style="list-style-type: none"> Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2) Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3) Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made. (AO4)

Question Number	Using Figure 3, calculate the total costs for the business in 2025. You are advised to show your working. Answer	Mark
4 (a)	<p>A02 - 2 marks</p> <p>Award 2 marks for the correct response of \$110 000</p> <p><u>OR</u></p> <p>Award 1 mark for correctly substituting numbers into formula.</p> <p>$10 \times 5000 = 50\,000$ (1)</p> <p>or</p> <p>$50\,000 + 60\,000$ (1)</p>	(2)

Question Number	Analyse the benefits of growth for the owners of Spud Bros. Indicative content	Mark
4 (b)	<p style="text-align: center;">A02 – 3 marks A03 – 3 marks</p> <p><u>A02</u></p> <ul style="list-style-type: none"> • More potato vans will be located in the UK selling more potatoes • Expanding into the US and Canada will increase the brand awareness of the business <p><u>A03</u></p> <ul style="list-style-type: none"> • This may enable Spud Bros to benefit from economies of scale, allowing it to decrease the price of a meal/increase the levels of profit • This may lead to increased owner satisfaction as the brothers will succeed in meeting their goals for the business/provide financial stability 	(6)

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1–2	<ul style="list-style-type: none"> Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2) Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3)
Level 2	3–4	<ul style="list-style-type: none"> Sound application of knowledge and understanding of business concepts and issues to the business context, although there may be some inconsistencies. (AO2) Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3)
Level 3	5–6	<ul style="list-style-type: none"> Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2) Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3)

Question Number	Evaluate the extent to which social objectives may contribute to the success of Spud Bros. You should use the information provided as well as your own knowledge of business. Indicative content	Mark
4 (c)	<p style="text-align: center;">A01 = 3 marks A02 = 3 marks A03 = 3 marks A04 = 3 marks</p> <p><u>A01</u></p> <ul style="list-style-type: none"> • Goals set by a business to benefit society or the environment • Objectives that focus on the community rather than profit <p><u>A02</u></p> <ul style="list-style-type: none"> • Feeding the homeless in Preston may help to attract more ethically conscious consumers • The brand image of the business will improve if it helps sick children throughout the UK <p><u>A03</u></p> <ul style="list-style-type: none"> • This could result in more sales of food; the extra revenue would help the brothers with their ambitious expansion plans • This will result in word-of-mouth recommendations for the business which will help it to gain a competitive advantage in the food market <p><u>A04</u></p> <ul style="list-style-type: none"> • However, providing free meals to the homeless will increase costs for the business which will lead to lower profit margins and may delay the expansion plans in the UK and internationally • However, other factors may be more important in determining the success of the business, including proving quality meals and good customer service 	(12)

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1–4	<ul style="list-style-type: none"> • Demonstrates elements of knowledge and understanding of business concepts and issues, with limited business terminology used. (AO1) • Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2) • Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3) • Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made. (AO4)
Level 2	5–8	<ul style="list-style-type: none"> • Demonstrates mostly accurate knowledge and understanding of business concepts and issues, including appropriate use of business terminology in places. (AO1) • Sound application of knowledge and understanding of business concepts and issues to the business context, although there may be some inconsistencies. (AO2) • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3) • Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made. (AO4)
Level 3	9–12	<ul style="list-style-type: none"> • Demonstrates accurate knowledge and understanding of business concepts and issues throughout, including appropriate use of business terminology. (AO1) • Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2) • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3) • Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made. (AO4)