

Please write clearly in block capitals.

Centre number

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Candidate number

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Surname

Forename(s)

Candidate signature

I declare this is my own work.

INTERNATIONAL AS BUSINESS

Unit 1 Business and Markets

Monday 11 May 2026

08:00 UK Time

Time allowed: 1 hour 30 minutes

Materials

For this paper you must have:

- a calculator, which you are expected to use where appropriate.

Instructions

- Use black ink or black ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions.
- You must answer the questions in the spaces provided.
Do not write outside the box around each page or on blank pages.
- If you need extra space for your answer(s), use the lined pages at the end of this book. Write the question number against your answer(s).
- All working must be shown.
- Do all rough work in this book. Cross through any work you do not want to be marked.
- You may **not** use an English dictionary.

Information

- The marks for questions are shown in brackets.
- The maximum mark for this paper is 80.

Advice

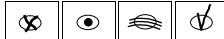
- You may use a bilingual dictionary.

For Examiner's Use	
Question	Mark
1	
2	
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11	
12	
13	
14	
TOTAL	



Section AAnswer **all** questions in the spaces provided.Only **one** answer per question is allowed.

For each multiple-choice question completely fill in the circle alongside the appropriate answer.

CORRECT METHOD WRONG METHODS If you want to change your answer you must cross out your original answer as shown. If you wish to return to an answer previously crossed out, ring the answer you now wish to select as shown. **0 1** Which **one** of the following types of business has making profit as its main objective?**[1 mark]**

- A** Charity 
- B** Public limited company 
- C** Public sector organisation 
- D** Social enterprise 

1**0 2** Which **one** of the following is a motivation for an entrepreneur to set up in business?**[1 mark]**

- A** To avoid taking risks in business 
- B** To benefit from paid holidays 
- C** To follow strict rules 
- D** To gain independence 

1

0 3

Statement 1: opportunity cost refers to the value of all alternatives not chosen when making decisions.

Statement 2: a business can increase efficiency if it increases its output using fewer resources.

Choose **one** option.

[1 mark]

A Statement 1 is false and statement 2 is false.

☐

B Statement 1 is false and statement 2 is true.

☐

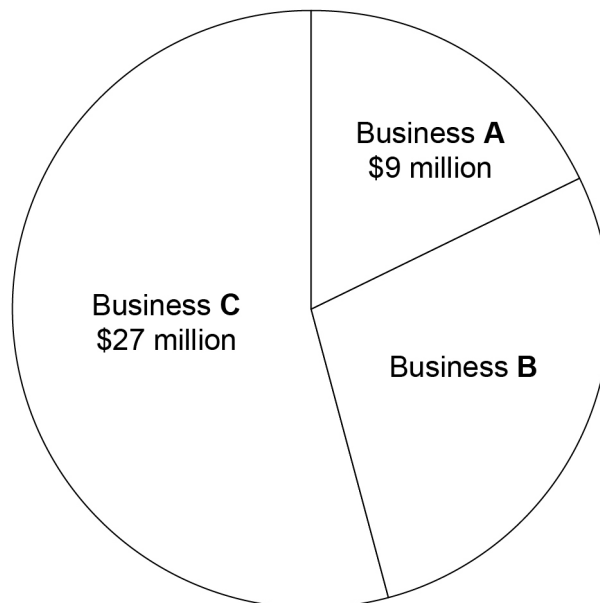
C Statement 1 is true and statement 2 is false.

☐

D Statement 1 is true and statement 2 is true.

☐**1****0 4**

There are three businesses in a market. **Figure 1** shows the sales of these businesses. Total market sales are \$50 million.

Figure 1

Using **Figure 1**, calculate the market share of Business **B**.

[2 marks]

2**Turn over ►**

0 5**Table 1** shows the predicted outcomes of launching a new product.**Table 1**

Cost of new product launch = \$3.5 million		
Outcome	Probability of outcome	Predicted extra sales (in \$ million)
High success	0.3	12
Limited success	0.5	4
Failure	0.2	(2)

Using **Table 1**, calculate the predicted net gain of launching a new product in \$ million.**[3 marks]**

3**0 6**

Average incomes in a country are falling.

Explain **one** reason why a coffee shop in this country may choose **not** to lower its prices.**[3 marks]**

3

0 7

A business in the USA imports raw materials used in production.

Explain **one** way this business may respond to a fall in the US Dollar (\$) exchange rate.

[3 marks]

3

0 8

Explain **one** use of big data for a business operating in a market with many competitors.

[3 marks]

3

Turn over for Section B

Turn over ►



Answer **all** questions in the spaces provided.

Analyse **one** advantage and **one** disadvantage to this business of only selling online.

This image shows a single page of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page, leaving small margins at the top and bottom. There are no vertical margin lines, text, or other markings on the page.

9



[9 marks]

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

[illegible]

9



[9 marks]

[illegible][illegible]

Turn over for Section C

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outside the
box*

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ANSWER IN THE SPACES PROVIDED**

Turn over ►



0 9

Answer **all** questions in the spaces provided.

[12 marks]

[illegible]

—

12

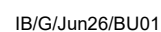
[12 marks]

[illegible]

12

Sales have fallen in a market over recent years. The directors of a public limited company in this market want to reduce dividend payments. Is this a good idea?

[12 marks]

[illegible]

END OF QUESTIONS

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ANSWER IN THE SPACES PROVIDED**



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[illegible]

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