



Mark scheme (Results)

Summer 2025

Pearson Edexcel GCE AS Level  
in Business (8BS0)  
Paper 01 Marketing and People

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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	Answer	Mark
<b>1(a)</b>	<p style="text-align: center;"><b>Knowledge 2</b></p> <p><b>Knowledge/understanding:</b> of niche market, e.g.</p> <ul style="list-style-type: none"> <li>A smaller segment/subset of a larger market (1) where products are specialised/customers have specific needs/wants (1)</li> </ul>	<b>(2)</b>

Question Number	Answer	Mark
<b>1(b)</b>	<p style="text-align: center;"><b>Knowledge 2</b></p> <p><b>Knowledge/understanding:</b> of mass market, e.g.</p> <ul style="list-style-type: none"> <li>Where businesses make products which are aimed at everyone/the majority (1) there are many similar products on offer (1)</li> </ul>	<b>(2)</b>

Question Number	Answer	Mark
<b>1(c)</b>	<p style="text-align: center;"><b>Knowledge 1, Application 3</b></p> <p>Quantitative skills assessed:</p> <p><b>QS1:</b> Calculate, use and understand ratios, averages and fractions</p> <p><b>QS2:</b> Calculate, use and understand percentages and percentage changes</p> <p><b>Knowledge: 1 mark</b> for the formula:</p> <ul style="list-style-type: none"> <li><math>(\text{Sales of company X} / \text{total sales of market}) \times 100</math></li> </ul> <p><b>Application: up to 3 marks</b> for:</p> <ul style="list-style-type: none"> <li>Calculate the increase in the UK chocolate market's size from 2021 to 2022  <math>= £4500\text{m} + £600\text{m}</math>  <math>= £5,100\text{m}</math> (1)</li> <li>Calculate the market share  <math>= (£6.5\text{m} / £5,100\text{m}) \times 100</math> (1)  <math>= 0.13</math> (1)</li> </ul> <p><b>NB:</b> If the only answer given is 0.13% or 0.13 award 4 marks.  If the only answer given is 0.12 or 0.127 award 3 marks.</p>	<b>(4)</b>

Question Number	Answer	Mark
<b>1(d)</b>	<p style="text-align: center;"><b>Knowledge 1, Application 2, Analysis 1</b></p> <p><b>Knowledge/understanding: 1 mark</b> for understanding innovation, e.g.</p> <ul style="list-style-type: none"> <li>• putting new approaches into action (1) / bringing new ideas to market (1)</li> </ul> <p><b>Application: up to 2 marks</b> for contextualised examples, e.g.</p> <ul style="list-style-type: none"> <li>• Duffy creating 45% cocoa Mochaccino bar</li> <li>• Duffy creating the award winning Mayan Red milk chocolate</li> <li>•</li> </ul> <p><b>Analysis: 1 mark</b> is available for explaining how innovation is beneficial in a competitive market, e.g.</p> <ul style="list-style-type: none"> <li>• This could help Duffy stand out from other chocolate brands</li> </ul>	<b>(4)</b>

Question Number	Indicative content	Mark
<b>1(e)</b>	<p><b>Knowledge 2, Application 2, Analysis 2, Evaluation 2</b></p> <ul style="list-style-type: none"> <li>• Online retailing involves selling products and services through companies own websites or distributors such as Amazon</li> <li>• Online retailing is a growing market and Duffy is able to sell his chocolate to the customers all over Europe, so having a website that is easy for customers to use could lead to more sales</li> <li>• Online retailing also allows Duffy to display his entire range of award winning chocolate bars, which may not be stocked in the luxury Delis and chocolate shops where space may be limited. Customers may be able to see all of the award winning bars online and therefore be more likely to purchase more items.</li> </ul> <p><i>Potential counterbalance</i></p> <ul style="list-style-type: none"> <li>• Duffy's chocolate bars are highly priced, £5.65 - £6.95 each so may be better suited to customers who shop in luxury delis and chocolate shops than people searching for chocolate online</li> <li>• Some customers prefer to browse in store so they can see the physical products and ask the retail assistants questions so Duffy may be better investing in providing a luxury shopping experience in physical stores to reflect his luxury brand</li> </ul>	<b>(8)</b>

<b>Level</b>	<b>Mark</b>	<b>Descriptor</b>
	0	<ul style="list-style-type: none"> <li>• A completely inaccurate response.</li> </ul>
Level 1	1-2	<ul style="list-style-type: none"> <li>• Isolated elements of knowledge and understanding – recall based.</li> <li>• Weak or no relevant application to business examples.</li> <li>• Generic assertions may be presented.</li> </ul>
Level 2	3-5	<ul style="list-style-type: none"> <li>• Accurate knowledge and understanding.</li> <li>• Chains of reasoning are presented, showing causes(s) and/or effects, but may be assertions or incomplete.</li> <li>• An attempt at an assessment is presented using quantitative and/or qualitative information.</li> <li>• Supported throughout by use of the business behaviour/context, though unlikely to show the significance of competing arguments.</li> </ul>
Level 3	6-8	<ul style="list-style-type: none"> <li>• Accurate and thorough knowledge and understanding.</li> <li>• Logical chains of reasoning, showing cause(s) and/or effect(s).</li> <li>• Assessment is balanced, well contextualised, using quantitative and/or qualitative information.</li> <li>• Supported throughout by relevant and effective use of the business behaviour/context, and shows an awareness of competing arguments/factors including supported judgement.</li> </ul>

Question Number	Indicative content	Mark
1(f)	<p><b>Knowledge 2, Application 2, Analysis 3, Evaluation 3</b></p> <ul style="list-style-type: none"> <li>• Cost-plus pricing allows a business to calculate the unit cost then add a mark-up of profit</li> <li>• As Duffy pays cocoa farmers what they ask, costs could increase, Duffy can ensure he still makes the same amount of profit by adding the mark-up to the new unit cost</li> <li>• Duffy's is a luxury chocolate brand that differentiates itself from mass market chocolate brands such as Cadbury so customers may expect to pay higher prices, therefore Duffy can add a large mark-up and increase its profits</li> <li>• To ensure Duffy makes a profit on its Mayan Red milk chocolate, Duffy would have to account for the costs of the innovative products when choosing a price to ensure it makes a profit on each bar sold</li> </ul> <p><i>Potential Counterbalance</i></p> <ul style="list-style-type: none"> <li>• Cocoa prices may fluctuate in the short term so Duffy may not want to change his prices every time there is a change</li> <li>• Mass market brands such as Cadbury have a much larger market share than Duffy's chocolate so it may still be important for prices to be competitive</li> <li>• Duffy may need to use penetration pricing when introducing his new innovations to market, to encourage customers to try them.</li> </ul> <p><i>Potential Judgement</i></p> <ul style="list-style-type: none"> <li>• Cost-plus pricing could ensure Duffy makes a profit on each chocolate bar he sells, but may not cover changes in fixed costs such as the investment in new chocolate making equipment</li> <li>• It may be more important for Duffy to use competitive pricing as more luxury chocolatiers such as Willie's Cocoa/Hotel Chocolat so that it does not lose market share.</li> </ul>	<b>(10)</b>

Level	Mark	Descriptor
	0	<ul style="list-style-type: none"> <li>• A completely inaccurate response.</li> </ul>
Level 1	1-2	<ul style="list-style-type: none"> <li>• Isolated elements of knowledge and understanding – recall based.</li> <li>• Weak or no relevant application to business examples.</li> <li>• Generic assertions may be presented.</li> </ul>
Level 2	3-4	<ul style="list-style-type: none"> <li>• Elements of knowledge and understanding.</li> <li>• Which are applied to the business example.</li> <li>• Chains of reasoning are presented, but may be assertions or incomplete.</li> <li>• A generic or superficial assessment is presented.</li> </ul>
Level 3	5-6	<ul style="list-style-type: none"> <li>• Accurate and thorough knowledge and understanding.</li> <li>• Analytical perspectives are presented, with developed chains of reasoning, showing cause(s) and/or effect(s).</li> <li>• An attempt at an assessment is presented using quantitative and/or qualitative information</li> <li>• Supported throughout by use of the business behaviour/context, though unlikely to show the significance of competing arguments.</li> </ul>
Level 4	7-10	<ul style="list-style-type: none"> <li>• Accurate and thorough knowledge and understanding.</li> <li>• A coherent and logical chain of reasoning, showing cause(s) and/or effect(s).</li> <li>• Assessment is balanced and well contextualised, using quantitative and/or qualitative information</li> <li>• Supported throughout by relevant and effective use of the business behaviour/context, and shows an awareness of competing arguments/factors leading to a supported judgement.</li> </ul>

Question Number	Answer	Mark
<b>2(a)</b>	<p style="text-align: center;"><b>Knowledge 2</b></p> <p><b>Knowledge/understanding:</b> of on-the-job training, e.g.</p> <ul style="list-style-type: none"> <li>• Learning/gaining/developing skills (1) whilst at work doing the job (1)</li> </ul>	<b>(2)</b>

Question Number	Answer	Mark
<b>2(b)</b>	<p style="text-align: center;"><b>Knowledge 2</b></p> <p><b>Knowledge/understanding:</b> of financial incentives, e.g.</p> <ul style="list-style-type: none"> <li>• Monetary rewards given to employees (1) to increase productivity/performance/motivation (1)</li> </ul>	<b>(2)</b>

Question Number	Answer	Mark
<p><b>2 (c)</b></p>	<p style="text-align: center;"><b>Knowledge 1, Application 2, Analysis 1</b></p> <p><b>Knowledge/understanding: 1 mark for correctly</b></p> <ul style="list-style-type: none"> <li>• constructing a labelled market map</li> </ul> <p><b>Application: up to 2 marks for</b></p> <ul style="list-style-type: none"> <li>• Correct labelling of both axis using price, quality</li> <li>• Identifying a competitor e.g. Tesco, Asda, Sainsbury's, Morrisons</li> </ul> <p><b>Analysis: 1 mark for</b></p> <ul style="list-style-type: none"> <li>• Correctly positioning of Lidl based on its position in the market as a discount supermarket</li> </ul> <p><b>Example market map</b></p> <pre> graph TD     HP[Highest Price] --- V1[ ]     LP[Lowest Price] --- V1     V1 --- H[ ]     V1 --- M[ ]     V1 --- L[ ]     H --- SQ[High Quality]     H --- T[Tesco]     H --- MR[Morrisons]     H --- LQ[Low Quality]     M --- AS[Asda]     M --- LI[Lidl]   </pre> <p>This is only a suggestion of what candidates could produce any relevant labels are acceptable as are other distributions of the supermarket competitors from candidates own knowledge.</p>	<p><b>(4)</b></p>

Question Number	Answer	Mark
<b>2(d)</b>	<p style="text-align: center;"><b>Knowledge 1, Application 2, Analysis 1</b></p> <p><b>Knowledge/understanding: 1 mark</b> for understanding competition, e.g.</p> <ul style="list-style-type: none"> <li>• Rivalry amongst businesses operating in the same market</li> </ul> <p><b>Application: up to 2 marks</b> for contextualised examples, e.g.</p> <ul style="list-style-type: none"> <li>• Lidl's market share is significantly lower than other supermarkets in the UK</li> <li>• Customers have several supermarkets to choose from when deciding where to do their weekly shop such as Tesco/Asda/Sainsbury's/Morrisons</li> <li>•</li> </ul> <p><b>Analysis: 1 mark</b> is available for explaining a consequence, e.g.</p> <ul style="list-style-type: none"> <li>• This could lead Lidl having to keep prices low to gain customers</li> </ul>	<b>(4)</b>

Question Number	Indicative content	Mark
<b>2(e)</b>	<p><b>Knowledge 2, Application 2, Analysis 2, Evaluation 2</b></p> <ul style="list-style-type: none"> <li>• External recruitment involves finding suitable candidates from outside the business</li> <li>• External recruitment could give Lidl a much larger choice of employees so it can select the most experienced retail assistants/the best talent, this could lead to a more efficient experience for shoppers</li> <li>• By using external recruitment Lidl would not leave any gaps within the business that could be caused by staff moving when recruiting internally, this could ensure the smooth running of each store</li> </ul> <p><i>Potential Counterbalance</i></p> <ul style="list-style-type: none"> <li>• Even though Lidl offers the highest pay amongst supermarkets in the UK it may struggle to find experienced workers as many people who work in retail are students or parents looking for temporary work that fits with their other commitments and this could lead to increased training costs</li> <li>• Offering opportunities to existing employees to move stores or be promoted could be an effective non-financial motivator which could encourage employees to stay with the company, reducing recruitment costs in the long-term</li> </ul>	<b>(8)</b>

<b>Level</b>	<b>Mark</b>	<b>Descriptor</b>
	0	<ul style="list-style-type: none"> <li>• A completely inaccurate response.</li> </ul>
Level 1	1-2	<ul style="list-style-type: none"> <li>• Isolated elements of knowledge and understanding – recall based.</li> <li>• Weak or no relevant application to business examples.</li> <li>• Generic assertions may be presented.</li> </ul>
Level 2	3-5	<ul style="list-style-type: none"> <li>• Accurate knowledge and understanding.</li> <li>• Chains of reasoning are presented, showing causes(s) and/or effects, but may be assertions or incomplete.</li> <li>• An attempt at an assessment is presented using quantitative and/or qualitative information.</li> <li>• Supported throughout by use of the business behaviour/context, though unlikely to show the significance of competing arguments.</li> </ul>
Level 3	6-8	<ul style="list-style-type: none"> <li>• Accurate and thorough knowledge and understanding.</li> <li>• Logical chains of reasoning, showing cause(s) and/or effect(s).</li> <li>• Assessment is balanced, well contextualised, using quantitative and/or qualitative information.</li> <li>• Supported throughout by relevant and effective use of the business behaviour/context, and shows an awareness of competing arguments/factors including supported judgement.</li> </ul>

Question Number	Indicative content	Mark
<b>2(f)</b>	<p><b>Knowledge 2, Application 2, Analysis 3, Evaluation 3</b></p> <ul style="list-style-type: none"> <li>• Treating staff as an asset by providing the highest hourly wage compared to other supermarkets could make them feel valued as shopfloor workers which could motivate them to work harder so that customers are served more quickly or shelves are replenished faster</li> <li>• The £150 bonus in 2020 and the £200 thank-you bonus in 2021 could make supermarket workers feel that their work is appreciated, therefore increasing their loyalty to Lidl so that Lidl is able to retain its staff and attract more to work in its new stores</li> </ul> <p><i>Potential Counterbalance</i></p> <ul style="list-style-type: none"> <li>• Treating staff as an asset may be costly for Lidl as they are paying the highest hourly wage compared to other UK supermarkets and providing yearly bonuses, this could reduce its profits</li> <li>• Many supermarket workers are part-time or temporary employees who are looking for work that fits with other commitments such as childcare or studying so they may not be loyal to the business and still move on as their commitments change.</li> </ul> <p><i>Potential Judgement</i></p> <ul style="list-style-type: none"> <li>• Treating staff as an asset could give Lidl a good reputation as an employer compared to Tesco and therefore make it easier to find staff to work in its new stores</li> </ul>	<b>(10)</b>

Level	Mark	Descriptor
	0	<ul style="list-style-type: none"> <li>• A completely inaccurate response.</li> </ul>
Level 1	1–2	<ul style="list-style-type: none"> <li>• Isolated elements of knowledge and understanding – recall based.</li> <li>• Weak or no relevant application to business examples.</li> <li>• Generic assertions may be presented.</li> </ul>
Level 2	3–4	<ul style="list-style-type: none"> <li>• Elements of knowledge and understanding.</li> <li>• Which are applied to the business example.</li> <li>• Chains of reasoning are presented, but may be assertions or incomplete.</li> <li>• A generic or superficial assessment is presented.</li> </ul>
Level 3	5–6	<ul style="list-style-type: none"> <li>• Accurate and thorough knowledge and understanding.</li> <li>• Analytical perspectives are presented, with developed chains of reasoning, showing cause(s) and/or effect(s).</li> <li>• An attempt at an assessment is presented using quantitative and/or qualitative information</li> <li>• Supported throughout by use of the business behaviour/context, though unlikely to show the significance of competing arguments.</li> </ul>
Level 4	7–10	<ul style="list-style-type: none"> <li>• Accurate and thorough knowledge and understanding.</li> <li>• A coherent and logical chain of reasoning, showing cause(s) and/or effect(s).</li> <li>• Assessment is balanced and well contextualised, using quantitative and/or qualitative information</li> <li>• Supported throughout by relevant and effective use of the business behaviour/context, and shows an awareness of competing arguments/factors leading to a supported judgement.</li> </ul>

Question Number	Indicative content	Mark
3	<p style="text-align: center;"><b>Knowledge 4, Application 4, Analysis 6, Evaluation 6</b></p> <p><b>Social Projects</b></p> <ul style="list-style-type: none"> <li>• By investing in social projects such as planting trees, customers may consider Riverford Organic Farmers to be more ethical than other vegetable producers and be willing to pay a higher price for their vegetables because they feel like they are helping the environment, resulting in more profit per veg box</li> <li>• Reducing plastic use is a growing trend and customers may prefer to buy vegetables from a company that does not use plastic packaging like most supermarkets do for vegetables, this could increase sales leading to higher profit</li> <li>• The cost of investing in social projects such as being more environmentally friendly may be high, which could result in vegetable prices being too high for many customers who can find organic vegetables in their local supermarket leading to less veg boxes being sold and lower profit</li> </ul> <p><b>Promotional Methods</b></p> <ul style="list-style-type: none"> <li>• Promotion is the way in which a business creates awareness and interest in its product/service</li> <li>• Guy’s video on Facebook have already gone viral so investing in producing more videos/posts could be a low cost way to gain the attention of new customers who may not have heard of Riverford Organic Farmers. This could increase the number of veg boxes ordered each week, leading to more profit.</li> <li>• The weekly veg box newsletters are a good way to connect with existing customers, Riverford Organic Farmers could use these to provide referral vouchers so that existing customers could be rewarded for encouraging friends and family to order veg boxes too, increasing the sales and profit in the long term</li> <li>• Guy’s videos may have been so successful because they provide honest stories about the farm, if Riverford Organic Farmers tried to make more videos as a promotional strategy viewers may not find them as interesting and the number of shares could decrease, resulting in less views and new customers so profit may not increase, but may decrease depending on the costs involved in producing new promotional videos</li> </ul>	

	<p><i>Potential recommendation</i></p> <ul style="list-style-type: none"><li>• Riverford could use its social media posts and newsletters as a low cost way to promote the social projects it is involved in, which could give viewers something new to see each week and keep their interest as well as increasing shares potentially leading to more customers ordering veg boxes and increased profit</li><li>• Planting trees and creating innovative eco-friendly packaging is likely to increase costs for Riverford in the short-term, but could differentiate its veg boxes from other veg delivery companies which could lead to more sales and profit in the long-term.</li></ul>	<p><b>(20)</b></p>
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<b>Level</b>	<b>Mark</b>	<b>Descriptor</b>
	0	<ul style="list-style-type: none"> <li>• A completely inaccurate response.</li> </ul>
Level 1	1–4	<ul style="list-style-type: none"> <li>• Isolated elements of knowledge and understanding.</li> <li>• Weak or no relevant application of business examples.</li> <li>• An argument may be attempted, but will be generic and fail to connect cause(s) and/or consequence(s)/effect(s).</li> </ul>
Level 2	5–8	<ul style="list-style-type: none"> <li>• Elements of knowledge and understanding</li> <li>• Which are applied to the business example.</li> <li>• Arguments and chains of reasoning are presented, but connections between cause(s) and/or consequence(s)/ effect(s) are incomplete. Attempts to address the question.</li> <li>• 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.</li> </ul>
Level 3	9–14	<ul style="list-style-type: none"> <li>• Accurate and thorough knowledge and understanding</li> <li>• Supported throughout by use of the business behaviour/context.</li> <li>• Uses developed chains of reasoning, so that cause(s) and/or consequence(s)/effect(s) are complete, showing an understanding of the question. Arguments are developed.</li> <li>• 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.</li> </ul>
Level 4	15–20	<ul style="list-style-type: none"> <li>• Accurate and thorough knowledge and understanding</li> <li>• Supported throughout by use of relevant and effective use of the business behaviour/context.</li> <li>• Uses well-developed and logical, coherent chains of reasoning, showing a range of cause(s) and/or effect(s). Arguments are fully developed.</li> <li>• 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 recommendation(s).</li> </ul>

