

A-Level Business

Revision Pack — 10 Exam-Style Questions with Mark Schemes

AQA 7132 · Edexcel 9BS0 · May–June 2026 sittings

What's inside	Spec coverage
<ul style="list-style-type: none">• 4 short-answer questions (4–9 marks)• 4 application questions (10–12 marks)• 2 essay/evaluation questions (16–20 marks)• Indicative mark schemes (KAAE structure)• Examiner tip on every question	<p>AQA 7132: 3.1 What is business · 3.4 Decision making to improve operational, marketing, financial and HR performance · 3.5–3.8 Strategic position, direction, methods, managing change</p> <p>Edexcel 9BS0: Theme 1 Marketing & people · Theme 2 Managing business activities · Theme 3 Business decisions & strategy · Theme 4 Global business</p>

How to use this pack

Each question is exam-style and mapped to a real company case or recent UK market situation (data simplified for classroom use; figures are approximate). The mark scheme follows the Knowledge–Application–Analysis–Evaluation (KAAE) structure used by AQA and Edexcel senior examiners. Examiner tips highlight the single most common reason students drop marks on that question type.

Print: A4, grayscale-safe. **Share with students:** permitted. **Modify:** permitted for classroom use. **Resell:** not permitted.

Why TBS made this

We build classroom resources for Business teachers and students. The companion to this pack is **thebusiness.school** — a 60-minute browser-based simulation where Year 12–13 students run a company (pricing, VAT, loans, hiring, negotiation) and you get the marks back automatically. Free to trial.

Question 1 (4 marks)

AQA / Edexcel · AQA 3.1.2 / Edexcel 2.5.1

Define and apply: economies of scale

In 2025, **Greggs** opened its 2,600th UK store and reported that bulk-buying flour across its supply chain reduced unit cost per sausage roll by approximately 6%.

Explain **one** way Greggs benefits from economies of scale.

Indicative mark scheme

Level	Marks	Descriptor
Level 2	3–4	Clear application to Greggs. Names a specific type of economy (purchasing or technical) and links it to the 6% unit cost fall or to bulk flour buying.
Level 1	1–2	Generic definition of economies of scale with no reference to Greggs, or a vague link without naming a type.
0	0	No relevant content.

Examiner tip. Two-mark questions reward the link, not the definition. If you write the textbook definition without naming the type AND tying it to the 6% figure, you cap at 2.

Question 2 (4 marks)

AQA / Edexcel · AQA 3.1.4 / Edexcel 1.5.4

Calculation: gross profit margin

JD Sports reported revenue of £10,500m and cost of sales of £5,250m in its 2024/25 annual report.

Calculate JD Sports' gross profit margin. Show your working.

Indicative mark scheme

Level	Marks	Descriptor
Level 2	3–4	Correct method shown: Gross profit = £10,500m – £5,250m = £5,250m. Gross profit margin = $(£5,250m \div £10,500m) \times 100 = 50\%$. Award full marks for correct answer with working; 3 marks for correct method but arithmetic slip.
Level 1	1–2	Some correct calculation step shown (e.g. correctly identifies gross profit as £5,250m) but final answer wrong or missing.
0	0	No correct calculation step.

Examiner tip. Always state the formula in words OR show the substitution explicitly. Examiners are required to award 'own figure rule' (OFR) marks for the second step if a student's first step is wrong — but only if the working is visible.

Question 3 (6 marks)

Edexcel / AQA · Edexcel 1.3.2 / AQA 3.4.2

Explain: price elasticity of demand and pricing strategy

Boohoo sells fashion to 16–24 year olds online. Its price elasticity of demand is estimated at -2.5 . A competitor has cut prices by 10%.

Explain **two** reasons why Boohoo might choose **not** to match the competitor's price cut.

Indicative mark scheme

Level	Marks	Descriptor
Level 3	5–6	Two clear reasons, each developed with chains of reasoning (cause to effect) AND linked to Boohoo's fast-fashion model or the -2.5 PED. Examples: brand positioning; margin protection; differentiation; cash flow.
Level 2	3–4	Two reasons identified with some development, but at least one lacks application to Boohoo or to PED.
Level 1	1–2	One or two reasons stated without development. Generic 'pricing strategy' answer.
0	0	No relevant content.

Examiner tip. The trap on this question: many students argue Boohoo SHOULD cut prices because $PED = -2.5$ is elastic. Read the stem — it asks why they might NOT. Reward reasoning that questions assumptions: is the price war sustainable for margins? Does cutting prices damage brand?

Question 4 (9 marks)

AQA · AQA 3.4.3

Analyse: lean production at a UK manufacturer

JCB uses just-in-time (JIT) stock control across its Staffordshire plants. In 2024, supply chain disruption from the Red Sea shipping crisis caused JCB to temporarily increase buffer stock of hydraulic components from 2 days' supply to 14 days.

Analyse **two** reasons why JCB might have temporarily moved away from JIT.

Indicative mark scheme

Level	Marks	Descriptor
Level 3	7–9	Both points developed with multi-step reasoning AND linked to JCB's manufacturing context (cost of stockout, customer order penalties, downtime cost). Acknowledges trade-off: higher holding cost vs. risk of production halt.
Level 2	4–6	Two relevant points with some chain of reasoning but limited application OR strong application of only one point.
Level 1	1–3	Definition of JIT or buffer stock; reasons listed without development.
0	0	No relevant content.

Examiner tip. The word ANALYSE means: show the chain. A → because → which means → so. If your answer reads like a list with no causal links, you cap at Level 2. The Red Sea reference in the stem is your application hook — use it explicitly.

Question 5 (10 marks)

Edexcel · Edexcel 2.2.1

Assess: cash flow forecasting for a start-up

Lola is opening a vegan bakery in Bristol in September 2026. She has £18,000 of savings, has been quoted £24,000 for equipment, and forecasts monthly fixed costs of £4,200 (rent, utilities, insurance) before any sales. She expects revenue of £6,000 in month 1, rising to £9,500 by month 4.

Assess the value of producing a cash flow forecast for Lola's bakery.

Indicative mark scheme

Level	Marks	Descriptor
Level 4	9–10	Balanced judgement with strong application. Recognises Lola's specific situation: £6,000 funding gap pre-trading; thin margins in months 1–3; importance of investor or bank conversation. Concludes with justified verdict — e.g. essential because of funding shortfall, but limited by forecast accuracy in a new market.
Level 3	7–8	Two-sided argument with application to Lola, but judgement unsupported or generic.
Level 2	4–6	Mostly one-sided OR generic two-sided argument with limited Lola-specific application.
Level 1	1–3	Definition of cash flow forecast; basic points without application.
0	0	No relevant content.

Examiner tip. ASSESS questions need a verdict — but the verdict must follow from your argument, not appear out of nowhere in the last line. Strong answers signal the judgement throughout ('this matters more because...').

Question 6 (12 marks)

AQA · AQA 3.5.3

Analyse: Porter's generic strategies

Wetherspoon operates 800+ UK pubs with prices significantly below industry average. Its 2024 results showed a 3.8% operating margin (industry average 7.2%) but like-for-like sales grew 5.6% — faster than the pub sector overall.

Analyse Wetherspoon's competitive position using Porter's generic strategies.

Indicative mark scheme

Level	Marks	Descriptor
Level 3	9–12	Identifies Wetherspoon as cost leadership. Develops with chains of reasoning: high volume → fixed cost absorption → lower break-even. Links to data: 3.8% vs 7.2% margin BUT 5.6% sales growth. Recognises tension — sustainable in cost-of-living downturn, vulnerable to wage inflation.
Level 2	5–8	Identifies cost leadership and explains with some reasoning, but limited use of the data OR no recognition of strategic vulnerabilities.
Level 1	1–4	Defines Porter's strategies; names cost leadership without development.
0	0	No relevant content.

Examiner tip. A Level 3 answer doesn't just label the strategy — it explains the trade-offs. Wetherspoon's lower margin is not a weakness; it is the strategy. That insight is what moves you from Level 2 to Level 3.

Question 7 (12 marks)

Edexcel · Edexcel 4.4.2

Analyse: ethics and stakeholder conflict

Shein, the fast-fashion retailer, grew UK sales to £1.6bn in 2024 but faced repeated UK media criticism over working conditions in its supplier factories and over the environmental impact of ultra-fast fashion. Shein is preparing for a London IPO.

Analyse how Shein's ethical position may affect its stakeholders ahead of the IPO.

Indicative mark scheme

Level	Marks	Descriptor
Level 3	9–12	Multiple stakeholders identified (investors, customers, employees, suppliers, regulators) with developed chains showing how each is affected. Recognises the IPO tension: institutional investor scrutiny vs. growth story; ESG fund exclusions; regulatory risk; valuation discount.
Level 2	5–8	Two or three stakeholders identified with some development. Limited reference to the IPO context.
Level 1	1–4	Stakeholder list with no analysis. Generic ethics points.
0	0	No relevant content.

Examiner tip. The IPO context is doing the work in this question. A generic 'ethics is important for stakeholders' answer ignores it and caps at Level 2. Bring in IPO-specific consequences: prospectus disclosure, institutional investor screening, post-listing share price reaction.

Question 8 (12 marks)

AQA · AQA 3.6.2

Analyse: financial methods of growth (organic vs. acquisition)

Costa Coffee (owned by Coca-Cola) operates 2,700 UK stores and grew predominantly by opening new branches. In contrast, **Coca-Cola itself** acquired Costa in 2018 for £3.9bn to enter the hot drinks market overnight.

Analyse the relative merits of organic growth versus acquisition for a UK food and beverage business.

Indicative mark scheme

Level	Marks	Descriptor
Level 3	9–12	Both methods analysed with chains of reasoning. Applied to Costa or Coca-Cola context. Identifies trade-offs: control, speed, cost, risk, cultural fit, synergies. Recognises that the right method depends on strategic goal.
Level 2	5–8	Two-sided analysis but limited application OR strong application of only one method.
Level 1	1–4	Definitions and lists with no development.
0	0	No relevant content.

Examiner tip. Don't fall into the 'X is good because Y, but bad because Z' template. Examiners want to see causal chains tied to the case. Why does Coca-Cola prefer acquisition? Because organic entry to UK hot drinks would take 10+ years to reach Costa's scale, and the £3.9bn buys instant distribution + brand.

Question 9 (16 marks)

AQA · AQA 3.4.5

Evaluate: workforce planning and motivation

Tesla announced a 14% global workforce reduction in 2024 — approximately 14,000 jobs. CEO Elon Musk described it as essential to 'reduce headcount and reduce costs'. Industry analysts noted that Tesla's remaining staff faced increased workloads, while several senior managers resigned.

Evaluate whether large-scale redundancy is an effective workforce strategy for a high-growth business.

Indicative mark scheme

Level	Marks	Descriptor
Level 4	13–16	Sustained judgement with strong application throughout. Multiple motivation theories applied (Maslow security and safety; Herzberg hygiene factors; Vroom expectancy). Recognises short-term cost saving vs. long-term motivation, talent retention, and culture damage. Conclusion is supported and addresses the 'high-growth' qualifier.
Level 3	9–12	Two-sided argument with some application. Conclusion present but partly unsupported.
Level 2	5–8	Mostly one-sided OR generic two-sided with limited application.
Level 1	1–4	Definitions; descriptive content without judgement.
0	0	No relevant content.

Examiner tip. Top-band evaluation does not mean 'list both sides then say it depends'. It means: build the argument, weigh the most important factor explicitly, and justify the verdict. The qualifier in this question — high-growth — is your judgement hook. Why does growth context change the answer?

Question 10 (20 marks)

Edexcel · Edexcel 3.4.2

Evaluate: contingency planning and crisis management

In 2024, **M&S** suffered a major cyber-attack that took online clothing sales offline for approximately 6 weeks. Estimated lost revenue: £300m. The company restored systems in stages and publicly committed to a £25m investment in IT resilience.

Evaluate the importance of contingency planning for a large UK retailer.

Indicative mark scheme

Level	Marks	Descriptor
Level 5	17–20	Sustained evaluation with developed judgement. Multiple dimensions: operational, financial, reputational, regulatory (data protection), strategic. Strong application of M&S figures (£300m, 6 weeks, £25m) integrated throughout, not just dropped in. Recognises trade-off: cost of contingency vs. cost of disruption. Conclusion weighs key argument.
Level 4	13–16	Two-sided argument with strong application but judgement incomplete or unsupported in places.
Level 3	9–12	Two-sided with some application; limited judgement.
Level 2	5–8	Mostly one-sided OR thin application.
Level 1	1–4	Descriptive.
0	0	No relevant content.

Examiner tip. 20-mark questions reward depth over breadth. Better to develop three points fully than to list six weakly. The M&S figures must work for you: £300m lost vs. £25m invested = a 12x payback ratio on resilience spend. That kind of explicit comparison is what separates Level 4 from Level 5.

How students lose marks — examiner-level patterns

Across exam boards and topics, the same five patterns account for the majority of avoidable mark losses. Share these with your students before the next mock.

Pattern	What students do	What examiners reward instead
1. Definition without application	Writes the textbook definition of, e.g., 'PED' and stops.	Define briefly, then immediately apply to the case business with a specific number or quote.
2. Calculation without working	Writes only the final answer.	Shows the formula and substitution. Earns 'own figure rule' marks on the second step even when the first step is wrong.
3. Two-sided answer with no judgement	'On one hand... on the other hand...' — then stops.	States the verdict clearly AND explains why the chosen side wins. The judgement must follow from the argument, not appear from nowhere.
4. Listing instead of analysing	'A leads to B leads to C' — three bullet points.	Chains of reasoning: A happens, which means B, which leads to C, so the business will Z.
5. Ignoring the qualifier in the stem	Answers a generic version of the question.	Reads every word in the stem. Words like 'high-growth', 'in the UK', 'large', 'family-owned' change the right answer.

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We build classroom resources for Business teachers. If this pack was useful, the full simulation lives at thebusiness.school — students run a company for 60 minutes and you get the marks back automatically.

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