Pearson Edexcel

Mark Scheme (Results)

Summer 2025

Pearson Edexcel International GCSE
In Commerce (4CM1)
Paper 01: Commercial operations and associated risks

Edexcel and BTEC Qualifications

Edexcel and BTEC qualifications are awarded by Pearson, the UK's largest awarding body. We provide a wide range of qualifications including academic, vocational, occupational and specific programmes for employers. For further information visit our qualifications websites at www.edexcel.com or www.btec.co.uk. Alternatively, you can get in touch with us using the details on our contact us page at www.edexcel.com/contactus.

Pearson: helping people progress, everywhere

Pearson aspires to be the world's leading learning company. Our aim is to help everyone progress in their lives through education. We believe in every kind of learning, for all kinds of people, wherever they are in the world. We've been involved in education for over 150 years, and by working across 70 countries, in 100 languages, we have built an international reputation for our commitment to high standards and raising achievement through innovation in education. Find out more about how we can help you and your students at: www.pearson.com/uk

Summer 2025
Question Paper Log Number P78798A
Publications Code 4CM1_01_2506_MS

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.

Q. No.	Which **one** of the following is a feature of a hypermarket? **Answer**	Mark
1 (a)	**AO1 - 1 mark** **The only correct answer is D – Allows one-stop shopping** **A** – is not the correct answer as hypermarkets are not located in towns and city centres **B** - is not the correct answer as hypermarkets sell a wide range of goods **C** - is not the correct answer as hypermarkets do not offer a personal service	**(1)**

Q. No.	Which **one** of the following buys from cash and carry warehouses? **Answer**	Mark
1 (b)	**AO1 - 1 mark** **The only correct answer is C - Retailers** **A** – is not the correct answer as exporters export goods from one country to another **B** – is not the correct answer as manufacturers make goods **D** - is not the correct answer as wholesalers sell goods to retailers	**(1)**

Q. No.	Define the term **bricks and clicks**. **Answer**	Mark
1 (c)	**AO1 - 1 mark** Award 1 mark for a correct definition of **bricks and clicks.** • A business that sells goods in stores and online **(1)**	**(1)**

Q. No.	Define the term **trading bloc.** **Answer**	Mark
1 (d)	**AO1 - 1 mark** Award 1 mark for a correct definition of **trading bloc.** • A group of countries that negotiate trade agreements between themselves **(1)**	**(1)**

Q. No.	Calculate the price of these sweets in GBP. You are advised to show your working. **Answer**	Additional Guidance	Mark
1 (e) (i)	**AO2 - 2 marks** Award 1 mark for calculation and 1 mark for the answer. 79 173.25/31 669.30 **(1)** = 2.50 **(1)** **NB** a candidate who responds with 2.50 and no calculation is awarded both marks.	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct answer with no working.	**(2)**

Q. No.	State **one** possible effect the change in the exchange rate could have on UK customers of *Candy Wonderland*. **Answer**	Mark
1 (e) (ii)	**AO2 - 1 mark** Award 1 mark for a possible effect the change in the exchange rate could have on *Candy Wonderland* in the context of the business. • Customers buying sweets in the UK will find that the price of candy sweets will have decreased **(1)** • Therefore, customers may decide to buy more jellies as they are cheaper **(1)** **NB** Do not accept a disadvantage that is not in the context of *Candy Wonderland*. Accept any appropriate response	**(1)**

Q. No.	State **one** advantage for *Candy Wonderland* of making its own sweets. **Answer**	Mark
1 (e) (iii)	**AO2 - 1 mark** Award 1 mark for a valid advantage for *Candy Wonderland* of making their own sweets in the context of the business • *Candy Wonderland* are aware of which type candy sweets are selling the most and can therefore make more of them when needed **(1)** • *Candy Wonderland* may be able to produce its jellies at a low cost to their business **(1)** **NB** Do not accept an advantage that is not in the context of *Candy Wonderland*. Accept any appropriate response	**(1)**

Q. No.	Explain why clauses are included in most insurance policies. **Answer**	Mark
1 (f)	**A01 - 3 marks** Award 1 mark for identification why clauses are included in most insurance policies, plus 2 further marks for explaining the reason, for a maximum of 3 marks. • Clauses make it clear to the insured **(1)** what will not be covered by the policy **(1)** meaning time will not be wasted in incorrect claims **(1)** • A clause relating to property **(1)** may state that it cannot be rented out **(1)** without the consent of the insurance company **(1)** **NB** No marks are awarded for a definition. Answers that list three clauses with no explanation will get 1 mark only. Accept any appropriate response.	**(3)**

Q. No.	Explain **one** reason why an insurance company may give compensation to a customer. **Answer**	Mark
1 (g)	**A01 - 3 marks** Award 1 mark for identification of a reason why an insurance company may give compensation to a customer, plus 2 further marks for explaining the reason, for a maximum of 3 marks. • The business is entitled to financial compensation due to a loss **(1)** as this was the reason the insurance policy was taken out **(1)** so that the customer can be put back to the position before the loss **(1)** • If a customer has items stolen **(1)** then the insurance company would pay out the amount of the items **(1)** putting the customer in the same position before the item was stolen **(1)** **NB** No marks are awarded for a definition. Answers that list three reasons with no explanation will get 1 mark only. Accept any appropriate response.	**(3)**

Q. No.	Analyse **two** benefits for *Garden of Ridván* of using Electronic Point of Sale (EPOS) at its garden centre. **Indicative content**	Mar k
1 (h)	**AO2 = 3 marks AO3 = 3 marks** **<u>AO2</u>** • EPOS can monitor the number of packets of tomato seeds sold. • The EPOS provides a means of controlling stock of the vegetable plants. **<u>AO3</u>** • This saves time because someone does not have to count the remaining packets of seeds at the end of the day. • When plant inventory is low *Garden of Ridván* can restock ensuring that they always have that item available for sale to its customers.	**(6)**

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-2	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context **(AO2)** • Attempts to deconstruct commercial information and/or issues, finding limited connections between points **(AO3)**
Level 2	3-4	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies **(AO2)** • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies **(AO3)**
Level 3	5-6	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout (**AO2)** • Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning **(AO3)**

Q. No.	Which **one** of the following is the percentage increase in the number of supermarkets between 2013 and 2022? **Answer**	Mark
2 (a)	**AO2 - 1 mark** **The only correct answer is C – 73.81%** **A** – is not the correct answer as 42.47% is 527 000/1 241 000 x 100 **B** - is not the correct answer as 57.53% is 714 000/1 241 000 x 100 **D** - is not the correct answer as 173.81% is 1 241 000/714 000 x 100	**(1)**

Q. No.	Which **one** of the following describes the role of an insurance broker? **Answer**	Mark
2 (b)	**AO1 - 1 mark** **The only correct answer is A – negotiates deals between a proposed client and an insurance business** **B** – is not the correct answer as an insurance broker cannot insure against making a loss **C** – is not the correct answer as an insurance broker does not calculate premiums **D** - is not the correct answer as an insurance broker cannot guarantee buyers can pay	**(1)**

Q. No.	Using **Figure 2**, identify the provider with the lowest excess. **Answer**	Mark
2 (c) (i)	**AO2 - 1 mark** ♦ CoverForYou	**(1)**

Q. No.	Using **Figure 2**, identify the lowest insurance premium for Europe. **Answer**	Mark
2 (c) (ii)	**AO2 - 1 mark** ♦ £8.90	**(1)**

Q. No.	Define the term **fidelity guarantee**. **Answer**	Mark
2 (d)	**AO1 - 1 mark** Award 1 mark for a correct definition of **fidelity guarantee.** • A specialist insurance policy to compensate employers from theft, fraud or dishonest employees **(1)**	**(1)**

Q. No.	Explain **one** reason why an insurance company would require a completed claim form from an insured customer making a claim for theft. **Answer**	Mark
2 (e)	**A01 - 3 marks** Award 1 mark for identification of one reason why an insurance company would want a completed claim form from an insured customer who is making a claim for theft plus 2 further marks for explaining the way, for a maximum of 3 marks. • If an expensive item was stolen **(1)** the insurance company would want to have full details of the item stolen **(1)** before they would consider the claim **(1)** • The insurance company would check all the details of the claim are correct **(1)** if all the details are correct **(1)** they would then pay out the claim **(1)** **NB** No marks are awarded for a definition. Answers that list three reasons with no explanation will get 1 mark only. Accept any appropriate response.	**(3)**

Q. No.	Explain **one** way a business deals with complaints from customers. **Answer**	Mark
2 (f)	**A01 - 3 marks** Award 1 mark for identifying one way a business deals with complaints from customers and up to 2 marks for linked development. • Businesses should deal with customer complaints as quickly as possible **(1)** by contacting the customer **(1)** and together resolve the complaint **(1)** **NB** No marks are awarded for a definition. Answers that list three ways a business receiving complaints with no explanation will get a maximum of 1 mark Accept any other appropriate response	**(3)**

Q. No.	**Option 1:** supply directly to European retailers **Option 2:** supply through European wholesalers. Justify which **one** of these two options *Igara Growers Tea Factory Limited* should choose. **Indicative content**	Mark
2 (g)	**AO2 = 3 marks, AO3 = 3 marks, AO4 = 3 marks** **Arguments for option 1** **AO2** • If *IGTF* sells directly to retailers it can provide them with a full range of different tasting teas • By *IGTF* selling direct to retailers they know that the teas flavours are freshly packed and delivered as soon as possible to retailers **AO3** • This could increase its sales as retailers will be able to encourage customers to try different teas • This could mean that the retailers' shelves will not be empty of *IGTF*'s products, thus meeting customers' demands **AO4** • However, there is no guarantee that the retailers have customers who are willing to buy a variety of teas • However, there could a delay in delivering the goods from *IGTF* to the retailer because of the different means of transport that would be required **Arguments for option 2** **AO2** • By selling through a wholesaler means that *IGTF* opens up a larger market to sell the different teas to • The wholesaler can offer the retailer different sizes of the teas for them to try before buying in quantity **AO3** • This could save *IGTF* money because they will not be delivering to a variety of retailers • Ensuring that the retailer can try the product out before buying in larger quantities that might not be sold	

	AO4 • However, there is no guarantee that retailers will be interested in teas if the wholesaler does not pass the information on • However, the wholesaler will have their mark-up on the products which might make *IGTF* products too expensive for the smaller retailer	**(9)**

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1-3	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context. (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points. (AO3) • Makes a judgement, providing a simple justification based on limited evaluation of commercial information and issues relevant to the choice made. (AO4)
Level 2	4-6	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies. (AO2) • Deconstructs commercial 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 commercial information and issues relevant to the choice made. (AO4)
Level 3	7 - 9	• Detailed application of knowledge and understanding of commercial 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)

Q. No.	Which **one** of the following is a temporary document issued while the insurance policy is being prepared? **Answer**	Mark
3 (a)	**AO1 - 1 mark** **The only correct answer is A – Cover note** **B –** is not the correct answer as a prospectus is details of the types of insurance available **C** - is not the correct answer as a proposal is an application for insurance **D** - is not the correct answer as subrogation enables the insurance company to take over the rights of the policyholder to recover damages	**(1)**

Q. No.	Which **one** of the following did the customer pay after the 15% discount was applied? **Answer**	Mark
3 (b)	**AO2 - 1 mark** **The only correct answer is B – 663 568.65** **A –** is not the correct answer as 117 100.35 is the 15% discount **C** - is not the correct answer as 897 769.35 is 780 669.00 plus 117 100.35 **D** - is not the correct answer as 2 342 007.00 is 780 669.00 x 3	**(1)**

Q. No.	State **one** advantage for W*inMart* when taking out plate glass insurance. **Answer**	Mark
3 (c)	**AO2 - 1 mark** Award 1 mark for identifying one advantage for W*inMart* when taking out plate glass insurance in the context of the business. • Cover is provided for the front window of a supermarket to be replaced if it is broken when the supermarket is closed **(1)** **NB** Do not accept a reason that is not in the context of W*inMart* Accept any other appropriate response	**(1)**

Q. No.	Outline **one** reason why customers use their *WinMart* loyalty cards. **Answer**	Mark
3 (d)	**AO2 - 2 mark** Award 1 mark for identifying one reason why customers use their W*inMart* loyalty cards and one mark for further development. • Customers use their loyalty cards to gain points they can use to pay for their food shopping **(1)** which encourages them to keep returning to W*inMart* to gain more points **(1)** **NB** Do not accept a reason that is not in the context of W*inMart* Accept any other appropriate response	**(2)**

Q. No.	Analyse the importance to *WinMart* of locating its supermarkets near to transport links. **Indicative content**	Mark
3 (e)	**AO2 = 3 marks AO3 = 3 marks** **AO2** • Being near to transport links enables *WinMart*'s customers to easily transport their weekly shopping including washing powder and vegetables • *WinMart* being located near to transport links means that it is easier for its inventory items such as cake, cheese and other products to be delivered and arrive on time at the supermarket **AO3** • If customers find the supermarket easy to locate, they are more likely to purchase a variety of items • Transport is not delayed as delivery drivers can use the local transport links to deliver inventory to supermarkets	**(6)**

Level	**Mark**	**Descriptor**
	0	No rewardable material.
Level 1	1-2	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context **(AO2)** • Attempts to deconstruct commercial information and/or issues, finding limited connections between points **(AO3)**
Level 2	3-4	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies **(AO2)** • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies **(AO3)**
Level 3	5-6	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout (**AO2)** • Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning **(AO3)**

Q. No.	Option 1: sell more branded goods Option 2: sell more of its own label goods. Justify which **one** of these two options *WinMart* should choose. **Indicative content**	Mark
3 (f)	**AO2 = 3 marks, AO3 = 3 marks, AO4 = 3 marks** **Arguments for option 1** **AO2** • Displaying branded items such as Kelloggs cornflakes at the middle of display cabinets encourages customers to see the item • Branded items are well-known to customers and they know that Pepsi drinks will taste exactly how they expect them to taste **AO3** • This could mean that customers are more likely to buy the items than any other brand as they are easy to reach and are well-known • Branded items normally have a better reputation than non-branded items which customers will trust **AO4** • However, there is no guarantee that customers will buy the item if it is too expensive • However, local drinks may be more popular than branded drinks such as Pepsi **Arguments for option 2** **AO2** • By displaying own labels products means that customers may be more interested in buying its cheese because it is cheaper • Using own label means that there is less expense on advertising its cakes	

	AO3 • Therefore, *WinMart* will increase its own label sales and make more profit • Thus, saving *WinMart* the expense of having an advert designed or shown on television **AO4** • However, customers may have tried the own label products and were not happy with the quality of the cakes • However, if customers do not know about *WinMart*'s own label products, they may not purchase them	**(9)**

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1-3	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context. (AO2) • Attempts to deconstruct commercial information and/or issues, finding limited connections between points. (AO3) • Makes a judgement, providing a simple justification based on limited evaluation of commercial information and issues relevant to the choice made. (AO4)
Level 2	4-6	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies. (AO2) • Deconstructs commercial 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 commercial information and issues relevant to the choice made. (AO4)
Level 3	7 - 9	• Detailed application of knowledge and understanding of commercial 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)

Q. No.	Calculate, to **two** decimal places, the selling price of the box of chocolates. You are advised to show your working. **Answer**	**Additional Guidance**	**Mark**
4 (a)	**AO2 - 2 marks** Award 1 mark for calculation and 1 mark for the answer. Award 1 mark for correct calculation and 1 mark for correct answer 7.50 x 0.22 = 1.65 **(1)** 7.50 + 1.65 = 9.15 **(1)** **NB** A candidate who responds with 9.15 and no calculation is awarded both marks	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct answer with no working.	**(2)**

<table>
<tr><th>Q. No.</th><th>Analyse why Cadbury would want to take out insurance on its factories.

Indicative content</th><th>Mark</th></tr>
<tr><td>4 (b)</td><td>AO2 = 3 marks AO3 = 3 marks

<u>AO2</u>
A Cadbury factory could suffer financially if there were a fire in one of its factories as it would be unable to continue making chocolate bars
Insurance covers all the factories in case of damage to them whilst it packing its drinking chocolate
<u>AO3</u>
Insurance will cover the cost of rebuilding the factory and enable Cadbury to open again and continue trading
Insurance enables them to make a claim for the loss and receive compensation so that the business does not lose out</td><td>(6)</td></tr>
</table>

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-2	• Limited application of knowledge and understanding of commercial concepts and issues to the commercial context **(AO2)** • Attempts to deconstruct commercial information and/or issues, finding limited connections between points **(AO3)**
Level 2	3-4	• Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies **(AO2)** • Deconstructs commercial information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies **(AO3)**
Level 3	5-6	• Detailed application of knowledge and understanding of commercial concepts and issues to the commercial context throughout (**AO2)** • Deconstructs commercial information and/or issues, finding detailed interconnected points with logical chains of reasoning **(AO3)**

Q. No.	Evaluate why *Cadbury* would follow consumer protection legislation. You should use the information provided and your own knowledge of commerce in your answer. **Indicative content**	Mark
4 (c)	**AO1 = 3 marks AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks** **<u>AO1</u>** • Consumers will purchase chocolates from *Cadbury* as they know the products are made to a specific standard are protected • Legislation provides cover for customers if the products are found to be faulty or do not meet the description of contents **<u>AO2</u>** • Consumers know that the Crunchie is manufactured to the standards set and if there is a problem it will be sorted out • If the chocolate buttons were faulty, the customers could return the product for an exchange or replacement **<u>AO3</u>** • The customer knows that if the issue is not sorted out then they are protected by consumer protection and will give advice as to the next action they can take against *Cadbury*'s • This would mean that the customer would receive a replacement chocolate bar and therefore would remain loyal to *Cadbury* **<u>AO4</u>** • However, the shop selling the Crunchie could be at fault as they had not kept it at the correct temperature, hence the mould and therefore *Cadbury* would not be held responsible. • However, if too many bars of chocolates are faulty this would give *Cadbury* a bad reputation and could reduce sales	**(12)**

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1-4	• Demonstrates elements of knowledge and understanding of commercial concepts and issues, with limited commercial terminology used. (AO1) • Limited application of knowledge and understanding of commercial concepts and issues to the commercial 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 commercial information and issues relevant to the choice made. (AO4)
Level 2	5 - 8	• Demonstrates mostly accurate knowledge and understanding of commercial concepts and issues including appropriate use of commercial terminology in places. (AO1) • Sound application of knowledge and understanding of commercial concepts and issues to the commercial context although there may be some inconsistencies. (AO2) • Deconstructs commercial 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 commercial information and issues relevant to the choice made. (AO4)
Level 3	9 - 12	• Demonstrates accurate knowledge and understanding of commercial concepts and issues throughout, including appropriate use of commercial terminology. (AO1) • Detailed application of knowledge and understanding of commercial concepts and issues to the business context throughout. (AO2) • Deconstructs commercial 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 commercial information and issues relevant to the choice made. (AO4)

Pearson Education Limited. Registered company number 872828
with its registered office at 80 Strand, London, WC2R 0RL, United Kingdom