



A-level **Business**

7132/1

Report on the examination

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Section A

On average, students scored one mark more on the multiple-choice questions in 2025 than in 2023 and 2024, with the mean mark increasing from 9 marks to 10 marks (out of 15). This change could be attributed mainly to the fact that there were only two questions which were correctly answered by less than 50% of the entry, compared to six such questions in 2024. Question 10, on 'operational objectives' proved to be the easiest question. Although the calculations required in this question were quite straightforward, it is unusual for this type of question to yield such a high average mark. The other two questions that yielded high average scores were question 1 on data mining and question 11, on employee engagement. Question 8 proved to be significantly the most challenging question, mainly because students did not recognise the link between labour turnover and the management of retrenchment, although all four options attracted significant numbers of students. Not surprisingly, question 6 also proved to be challenging. This was based on a core topic – break-even – but the graph involved a number of different changes which added to the level of challenge involved. However, nearly half of the students answered this question correctly. Overall, the cohort of students appeared to be more comfortable than previous cohorts in the handling of numerical and graphical information.

Section B

The two calculation questions recorded identical average marks although the spread of marks differed. For both questions, the highest mark (4 marks) proved to be the most likely outcome. However, students who did not score 4 tended to achieve low marks, with relatively few students earning 2 or 3 marks.

Question 16

40% of the cohort achieved the maximum mark. Most students were able to show an understanding of the current ratio. In general, students were able to identify the current liability figure. The main discrimination arose because many students were unable to identify all of the relevant current assets. A common error was for students to use the net current assets figure in their calculations instead of adding the different current assets together.

Question 17

Marks were more polarised on this question. The main challenge appeared to be the need to carry out a reverse calculation. It was pleasing to see that most students knew the formula for Return On Capital Employed (%) and 45% were able to translate this into a correct calculation of the operating profit. Quite a few students earned marks by successfully calculating the capital employed but were then unable to take their answer further. Overall, it was a lack of mathematical skills rather than recognition of a formula that discriminated on this question.

Question 18

This question had the greatest facility of the 9 mark questions, with most students reaching level 2 or 3. Most students were able to show an understanding of at least one element of the data in the table and demonstrate its impact on the speed of response, although a significant minority tended to focus on other outcomes, rather than the speed of response. Students showed a clear understanding of organisational structures and in a number of cases the impact of tall and flat structures on speed of response. The main discriminating factors were the reference to (or lack of reference to) the speed of response and the limited focus on just one item of data in the answer.

Question 19

This question proved to be the most demanding one on the paper, yielding a low average mark. A significant minority of students showed no understanding of fiscal policy and were thus unable to produce relevant responses. Fiscal policy was often confused with monetary policy and sometimes with legislation that might impact the medical market. There was also limited understanding on how different taxes might impact on this market. The better answers often showed good insight of the nature of the market, in terms of price and income elasticity of demand.

Question 20

Most students successfully identified the link between innovation and staffing, particularly in terms of recruitment and training. However, some answers linked their logic to the impact on employees rather than the role of the HR function. There were some excellent examples of real-life innovation strategies, such as intrapreneurship, incorporated into some answers. Overall, this question appeared to discriminate well and enabled students to apply their understanding of business concepts.

Section C

Question 21

This proved to be the most popular essay and was the one that showed the strongest overall performance.

Most answers demonstrated a sound understanding of multinational companies, although some answers focused mainly on exporting. The majority of students used the context of a stagnant market effectively, although some responses did not incorporate this aspect of the question. Many answers provided an excellent use of examples in their responses, notably Tesco and Aldi, but many others too. Answers often linked well to theory, with many incorporating the relative merits of market development in their analysis and evaluation. Stronger responses also incorporated Porter's five forces and the benefits of both selling and producing overseas.

In comparison to the other essays, relatively few students did not achieve level 3 and there were noticeably more level 4 answers on this essay than the other three titles.

Question 22

Most students provided sound reasoning on how market research could be used to increase a business's market share in a growing market. However, there were occasions where too much emphasis was placed on describing the different types of market research without linking this content to the question. In general, students tended to choose promotion as another function of the marketing department in order to provide a judgement on whether market research was the most important marketing activity in the context of this question. Relatively few answers included references to other examples of the 7 Ps. Some students lost focus by discussing non-marketing activities and their potential impact on market share. Better answers often incorporated the view that market research was important because it could be used to enhance the effectiveness of other marketing activities.

Section D

Question 23

Answers often showed uncertainty of the meaning of investment, but in general students were able to demonstrate the link between continued investment and maintaining a competitive advantage. There were some excellent examples, such as the pharmaceutical and automotive industries, that enabled students to demonstrate analytical and evaluative skills in context. Overall, students showed a very clear understanding of competitive advantage but were less confident in their understanding of investment.

Question 24

This question had a narrower focus than the other essays and enabled students to compare two distinct concepts. Unfortunately, a significant minority of students confused the two concepts and so their points in favour of quality control (or quality assurance) were misplaced. These answers often showed a sound understanding of quality procedures, and were rewarded for this understanding, but this error did impact on the quality of their answers. Better answers often showed excellent application to real-life firms and effective use of context.

Overall performance on this question was comparable to the other questions and there were notably more level 5 answers on this question than questions 22 and 23.

Weaker responses tended to just show pros and cons, but most students produced answers that were very clear in their discussion of the impact of quality control and quality assurance on profits, in different contexts.

Overall, the Section C essays showed more depth. Although there were no clear signs that students were running out of time, it is possible that time pressures led to slightly lower marks on the Section D answers.

There was a more even selection of essay titles than in 2024. Question 21 was the most popular choice, although over 40% of the cohort selected question 22 as their Section C essay. In Section D, Question 24 was the most popular choice with 54% of the students answering it.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the [Results Statistics](#) page of the AQA Website.