

**Paper Reference 1BS0/02**  
**Pearson Edexcel Level 1 / Level 2 GCSE (9–1)**

**Business**  
**PAPER 2: Building a business**

**Wednesday 5 June 2024 – Afternoon**  
**Time: 1 hour 45 minutes**

<b>Total Marks</b>
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**In the boxes below with your name, centre number and candidate number.**

<b>Surname</b>					
<b>Other names</b>					
<b>Centre Number</b>					
<b>Candidate Number</b>					

**YOU MUST HAVE:**

**Source Booklet (enclosed)**

**YOU WILL BE GIVEN:**

**Diagram Booklet**

**INSTRUCTIONS**

**There are THREE sections in this paper.**

**Answer ALL questions in the spaces provided  
– there may be more space than you need.**

**Calculators may be used.**

**You are advised to show all your working out with  
your answer clearly identified at the end of your  
solution.**

**INFORMATION**

**The total mark for this paper is 90.**

**The marks for EACH question are shown in brackets  
– use this as a guide as to how much time to spend on  
each question.**

**ADVICE**

**Read each question carefully before you start to answer it.  
Try to answer every question.**

**Check your answers if you have time at the end.**

**Turn over**

## SECTION A

**Answer ALL questions. Write your answers in the spaces provided.**

**Some questions must be answered with a cross in a box ☐. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☐.**

- 1 (a) Which ONE of the following is an element of the design mix?**  
**(1 mark)**

**Select ONE answer.**

- ☐ **A Aesthetics**
- ☐ **B Extension**
- ☐ **C Packaging**
- ☐ **D Production**

**(continued on the next page)**

**Turn over**

**1 continued**

- (b) Which ONE of the following is the best definition of a trade bloc?  
(1 mark)**

**Select ONE answer.**

- ☐ **A     A group of countries that trade freely between themselves**
- ☐ **B     A problem involving suppliers not delivering raw materials**
- ☐ **C     A tariff on exported goods and services**
- ☐ **D     A tariff on imported goods and services**

**(continued on the next page)**

**Turn over**

**1 continued**

- (c) Explain ONE reason why a business may increase its product range.**

**(3 marks)**

**Answer space continues on the next page**

[illegible]

**Turn over**

**1(c) continued**

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**(continued on the next page)**

**1 continued**

- (d) Explain ONE advantage to a business of using just in time (JIT) stock control. (3 marks)**

**Answer space continues on the next page**

[illegible]

**Turn over**

**1(d) continued**

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**(Total for Question 1 = 8 marks)**

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- 2 (a) Which TWO of the following documents would be sent to a business by a person when applying for a job?  
(2 marks)

Select TWO answers.

- ☐ A Application form
- ☐ B Curriculum vitae (CV)
- ☐ C Job description
- ☐ D Performance review
- ☐ E Person specification

(continued on the next page)

**2 continued**

- (b) Which TWO of the following are stages in the sales process?  
(2 marks)**

**Select TWO answers.**

- ☐ **A Customer engagement**
- ☐ **B Longer opening hours**
- ☐ **C Market data**
- ☐ **D Product knowledge**
- ☐ **E Product promotion**

**(continued on the next page)**

**Turn over**

**2 continued**

**Look at TABLE 1 in the Diagram Booklet. Table 1 contains information about a machine that a business is considering purchasing.**

- (c) Using the information in TABLE 1, calculate the average rate of return for the machine.  
(2 marks)**

\_\_\_\_\_ %

**(continued on the next page)**

**Turn over**

## 2 continued

- (d) Explain ONE method a business could use to improve the quality of its products.**

**(3 marks)**

**Answer space continues on the next page**

[illegible]

**Turn over**

**2(d) continued**

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**(continued on the next page)**

**2 continued**

- (e) Explain ONE disadvantage to a business of having a flat organisational structure. (3 marks)**

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**Turn over**

**2(e) continued**

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**(Total for Question 2 = 12 marks)**

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- 3 (a) Which ONE of the following elements of the marketing mix relates to the distribution of a product to the consumer?  
(1 mark)

Select ONE answer.

- ☐ A Place
- ☐ B Price
- ☐ C Product
- ☐ D Promotion

(continued on the next page)



**3 continued**

**Look at FIGURE 1 in the Diagram Booklet. Figure 1 shows the bar gate stock graph for a business in June 2023. A and B represent deliveries of stock to the business.**

- (b) Using the information in FIGURE 1, calculate how many days it took for the business to run out of stock after receiving its last delivery in June 2023. (2 marks)**

**\_\_\_\_\_ days**

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**Turn over**

### 3 continued

- (c) Explain ONE reason why a business may use sponsorship to promote a product.**

**(3 marks)**

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**3(c) continued**

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### 3 continued

- (d) Explain ONE disadvantage to a business of using remote working.**

**(3 marks)**

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[illegible]

**Turn over**

**3(d) continued**

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**(continued on the next page)**

### 3 continued

- (e) Discuss the benefit to a business from reducing its environmental impact.**

**(6 marks)**

**Answer space continues on the next 2 pages**

[illegible]

**Turn over**

**3(e) continued**

[illegible]

**Turn over**

**3(e) continued**

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**(Total for Question 3 = 15 marks)**

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**TOTAL FOR SECTION A = 35 MARKS**

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## SECTION B

**Answer ALL questions. Write your answers in the spaces provided.**

**In the Source Booklet, look at FIGURE 2 and read EXTRACT A, then answer Questions 4, 5 and 6.**

- 4 (a) Outline ONE method of internal growth that Popeyes could use.**

**(2 marks)**

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**Turn over**

**4(a) continued**

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4 continued

- (b) Analyse the importance to **Popeyes** of differentiating its products.

(6 marks)

Answer space continues on the next 2 pages

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Turn over

**4(b) continued**

[illegible]

**Turn over**

**4(b) continued**

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**(Total for Question 4 = 8 marks)**

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**5 Look at TABLE 2 in the Diagram Booklet. Table 2 shows the price of items in an order placed by a customer at Popeyes.**

- (a) Using the information in TABLE 2, calculate the average price of the items ordered by the customer.  
(2 marks)**

**£ \_\_\_\_\_**

**(continued on the next page)**

**Turn over**

**5 continued**

- (b) Using the information in TABLE 2, calculate, to 2 decimal places, the percentage of the total order spent on Chicken wings.  
(2 marks)**

\_\_\_\_\_ %

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**Turn over**

5 continued

- (c) Analyse the drawback to **Popeyes** from trying to improve productivity.

(6 marks)

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Turn over



**5(c) continued**

[illegible]

**Turn over**

**5(c) continued**

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**(Total for Question 5 = 10 marks)**

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- 6 (a) State ONE example of stock that **Popeyes** is likely to purchase from a supplier.  
(1 mark)

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6 continued

- (b) Outline **ONE** benefit to **Popeyes** from having a good relationship with its suppliers.  
(2 marks)

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**Turn over**

6 continued

In order to help increase the profit made by the Stratford branch of **Popeyes**, the manager is considering the following two options:

**OPTION 1: employ workers on flexible hours**

**OPTION 2: employ workers full-time.**

- (c) Justify which **ONE** of these two options **Popeyes** should choose.

(9 marks)

Answer space continues on the next 3 pages

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**6(c) continued**

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**6(c) continued**

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**Turn over**

**6(c) continued**

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**(Total for Question 6 = 12 marks)**

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**(TOTAL FOR SECTION B = 30 MARKS)**



## SECTION C

**Answer ALL questions. Write your answers in the spaces provided.**

**In the Source Booklet, look at FIGURE 3 and read EXTRACT B, then answer Question 7.**

- 7 (a) Give ONE non-financial method to motivate employees in a business.  
(1 mark)**

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**(continued on the next page)**

**7 continued**

**Look at FIGURE 4 in the Diagram Booklet. Figure 4 shows the UK market share of the four largest cinema chains in 2016.**

- (b) Using the information in FIGURE 4, identify the only cinema chain that increased its market share in 2019.**  
**(1 mark)**

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**Turn over**

7 continued

- (c) Outline ONE likely responsibility for a manager of a **Cineworld** cinema.  
(2 marks)

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(continued on the next page)

**Turn over**

7 continued

In order to cover its loan repayments, **Cineworld plc** is considering the following two options:

**OPTION 1: selling assets**

**OPTION 2: issue new share capital.**

- (d) Justify which **ONE** of these two options **Cineworld plc** should choose.

(9 marks)

Answer space continues on the next 3 pages

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**7(d) continued**

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**7(d) continued**

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**Turn over**

7 continued

- (e) Evaluate the importance of charging lower prices to allow **Cineworld** to return to profit. You should use the information provided as well as your knowledge of business.

(12 marks)

Answer space continues on the next 5 pages

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**7(e) continued**

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**7(e) continued**

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**Turn over**

**7(e) continued**

[illegible]

**Turn over**

**7(e) continued**

[illegible]

**Turn over**

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(Total for Question 7 = 25 marks)

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**TOTAL FOR SECTION C = 25 MARKS**

**TOTAL FOR PAPER = 90 MARKS**

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**END OF PAPER**