

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

Business

PAPER 2: Building a business

Data Booklet

In the boxes below, write your name, centre number and candidate number.

Surname					
Other names					
Centre Number					
Candidate Number					

INSTRUCTIONS

There may be spare copies of some data sheets in case you need them.

THIS DATA BOOKLET **MUST BE RETURNED WITH
THE QUESTION PAPER AT THE END OF THE
EXAMINATION.**

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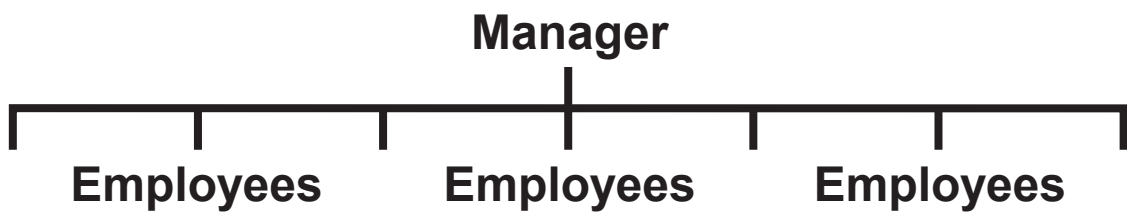
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Question 1

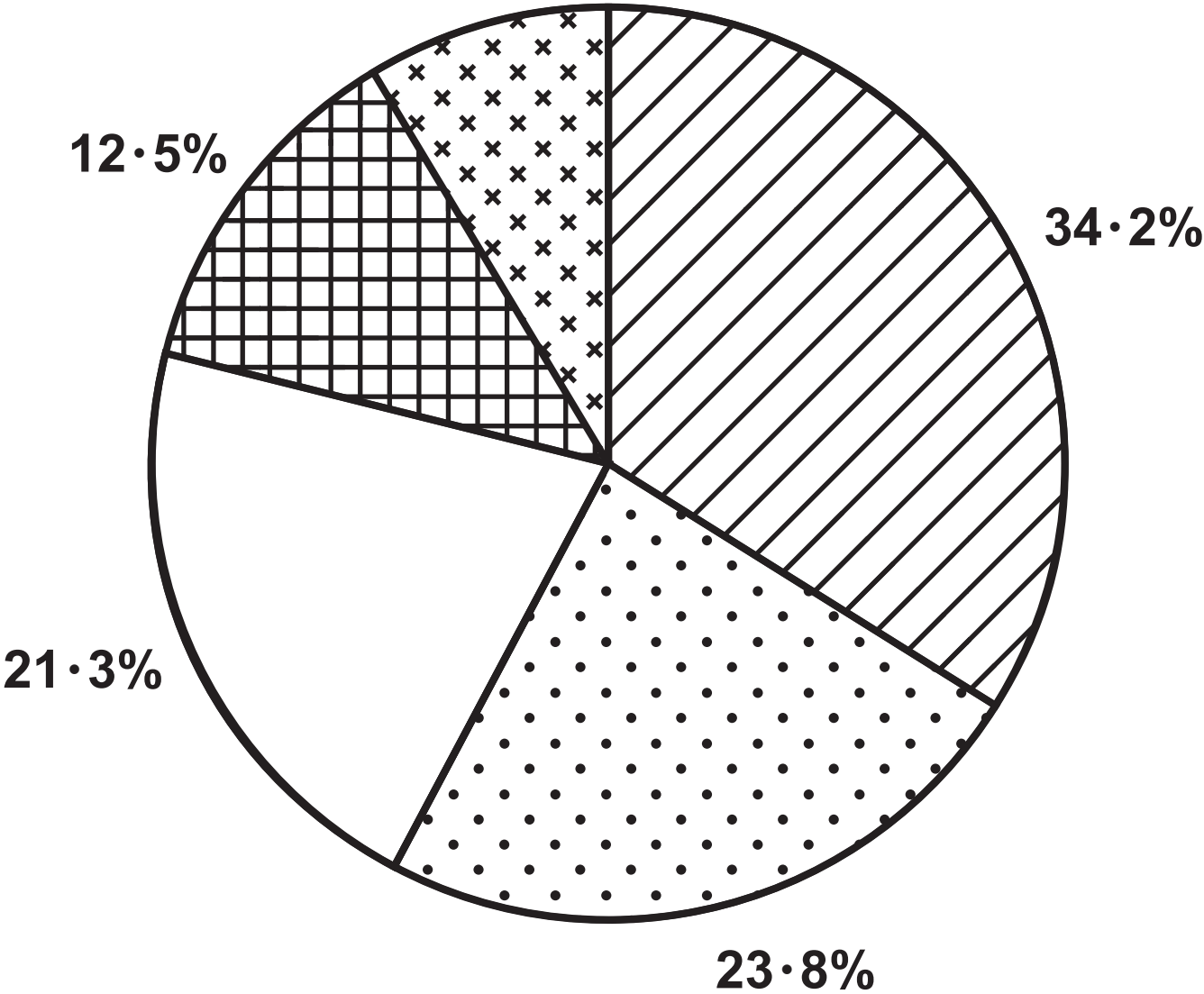


Question 2(c)

Sales revenue	£800 000
Cost of sales	£225 000
Gross profit	£575 000
Other operating expenses and interest	£200 000

Question 3(b)

-  Business A
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Extract for Section B

Tesla is a public limited company based in California, USA. Its founder and main shareholder, **Elon Musk**, wanted to produce an electric car that is affordable to a large number of potential customers. This car is called the **Tesla Model 3**.

Introduced in **2017**, the basic version of the **Model 3** was originally priced at **\$50 000** and the company wanted to reduce this price to **\$35 000** by **2019**. However, this was difficult to achieve because **Tesla's** California factory suffered from low levels of productivity. These problems resulted in **Tesla** making a **\$976** million loss in **2018**.

Following the introduction of tariffs on US imports by the Chinese government in **2018**, **Tesla** decided to invest **\$5** billion in the construction of a new car factory in Shanghai, China. This factory will use flow production. However, with only **\$2.4** billion of available capital, **Tesla** needs to raise external finance to fund it.

In **2019**, **Tesla** decided to close most of its showrooms to reduce costs. The company believes customers will be happy to purchase electric cars using e-commerce.

Question 5

Year	Price (in US\$)
2017	50 000
2018	41 000
2019	35 000

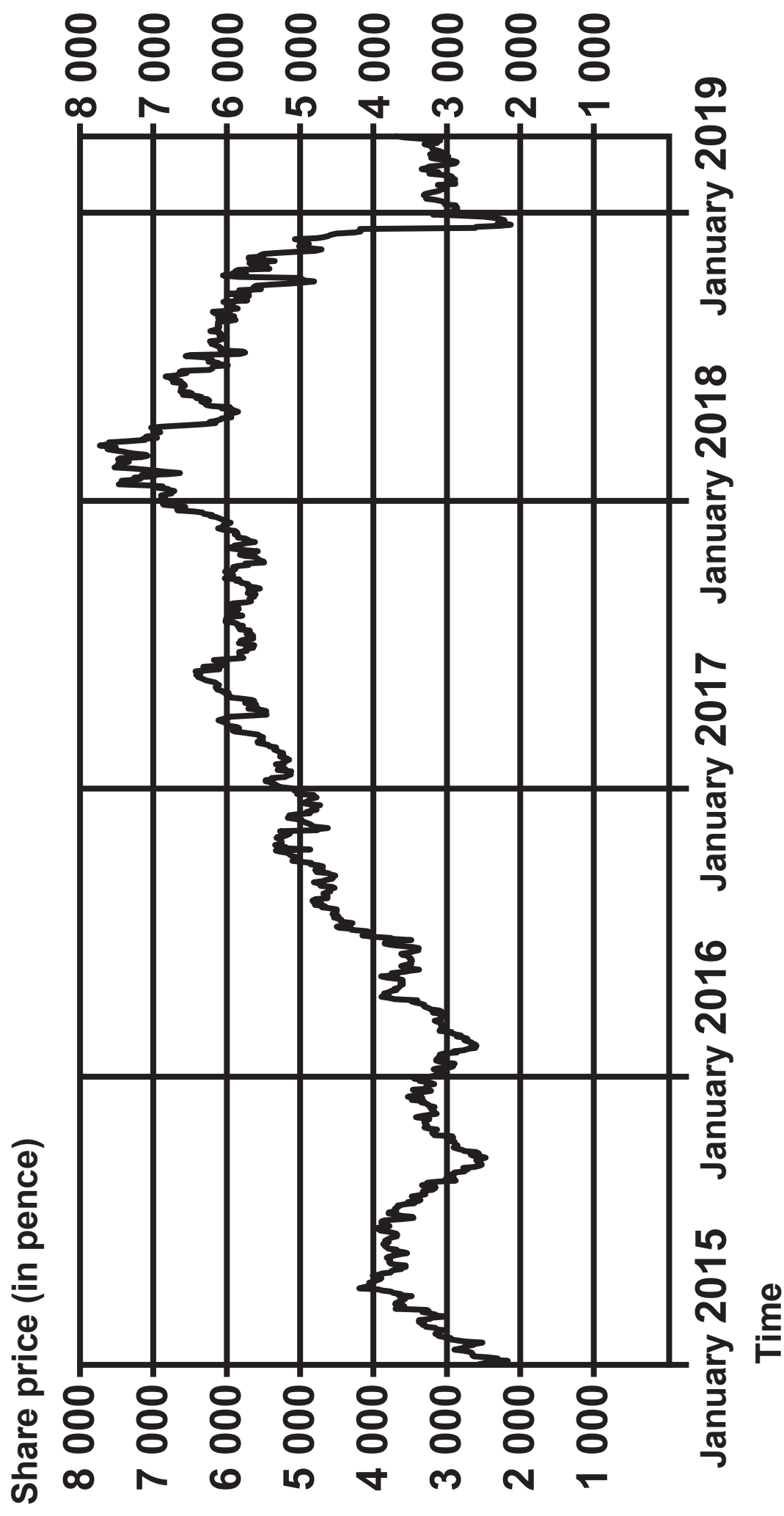
Extract for Section C

ASOS plc is an online fashion retailer which targets customers in their **20s**. The company started in **2000** and since then it has grown significantly. One of the main reasons for its growth is what Chief Executive Nick Beighton calls, the '**ASOS Experience**'.

The company focuses on high quality logistics to distribute its products and increased use of warehouse technology. This has resulted in a warehouse and distribution system which is almost fully automated. This allows **ASOS** to deliver customer orders the next day, so long as the order is placed online before midnight. Automation has also given **ASOS** the ability to increase the range of clothes it can sell on its website.

However, the market for clothes in the UK is becoming increasingly competitive. Despite a significant growth in sales, **ASOS's** profits have fallen. This has caused the company's share price to fall. **ASOS** has responded by focusing on viral advertising. Its latest campaign is to get customers to use the hashtag **#AsSeenOnMe** when they are showing off their latest **ASOS** outfit on social media. In return, **ASOS** gives customers the opportunity to be featured on the **ASOS** Instagram feed which has **7·1** million followers.

Question 7(b)



Sources

Extract for Section B

(Source: adapted from <https://www.telegraph.co.uk/technology/2019/02/28/tesla-launches-long-awaited-35000-car-closes-dealerships-move/> and <https://www.bloomberg.com/news/articles/2018-08-01/tesla-is-said-to-plan-5-billion-investment-in-chinese-factory>)

Extract for Section C

(Source: adapted from <https://jilt.com/upsell/asos-shipping-logistics/> and <https://sproutsocial.com/insights/social-media-marketing-examples/>)

Question 7(b)

(Source: adapted from <https://www.asosplc.com/investors/share-price/share-price-chart>)