Pearson

Clarification Notice

Friday 16 May 2025
Pearson Edexcel GCSE Business – 1BS0_02

In question 1(b), the wording of the question is incorrect:
‘Which **one** of the following is the earliest date that the buffer stock level is reached in Figure 1?’

Please instruct candidates to amend their question paper to:
‘Which **one** of the following is the latest date that the buffer stock level is reached in Figure 1?’

We apologise for any confusion caused.

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Please check the examination details below before entering your candidate information

Candidate surname	Other names

Centre Number | Candidate Number

Pearson Edexcel Level 2 GCSE (9–1)

Friday 16 May 2025

Afternoon (Time: 1 hour 45 minutes) | **Paper reference** **1BS0/02**

Business

PAPER 2: Building a business

You must have:
Source Booklet (enclosed)

Total Marks

Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- There are **three** sections in this paper.
- Answer **all** questions.
- Answer the 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 ▶

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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 of the following is a stage of the product life cycle?

(1)

Select **one** answer.

☐ **A** Branding

☐ **B** Function

☐ **C** Growth

☐ **D** Pricing

Figure 1 shows a monthly bar gate stock graph for a business.

(b) Which **one** of the following is the earliest date that the buffer stock level is reached in Figure 1?

(1)

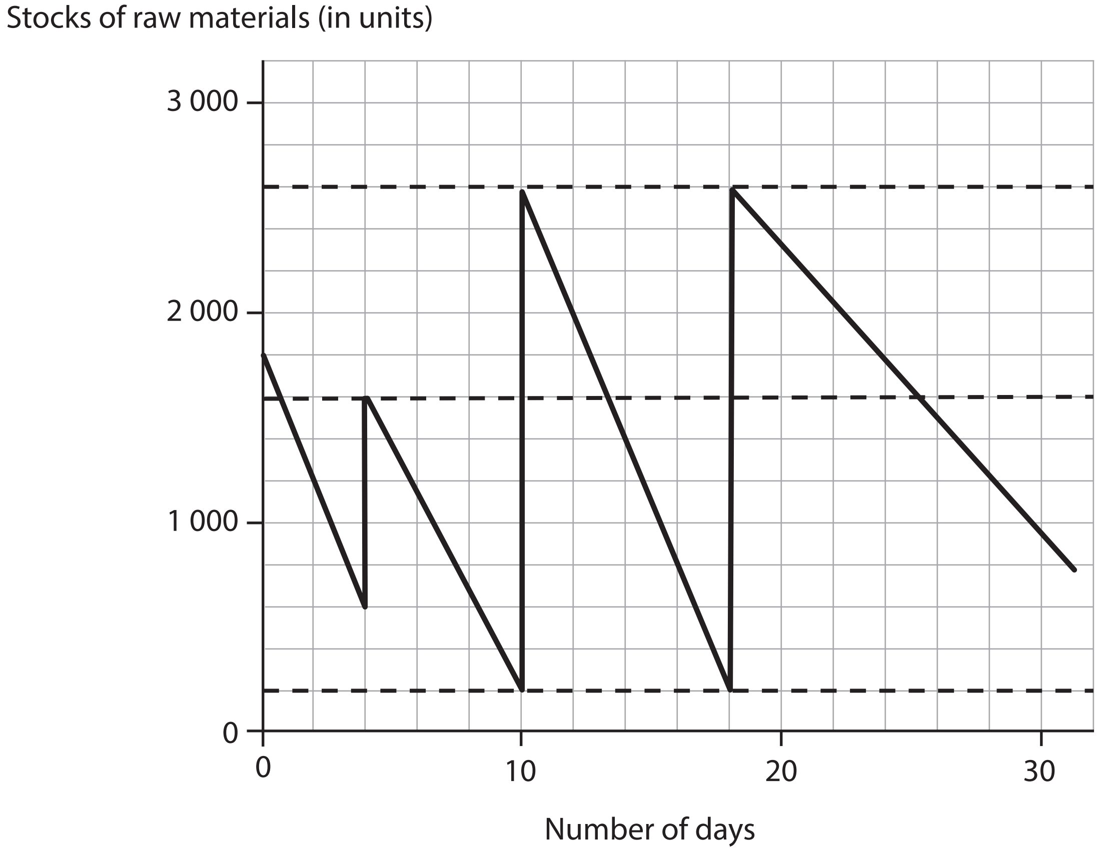

Figure 1

Select **one** answer.

☒ **A** Day 4

☒ **B** Day 18

☒ **C** Day 19

☒ **D** Day 31

(c) Explain **one** benefit to a business of providing good customer service.

(3)

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(d) Explain **one** impact a pressure group may have on the marketing mix of a business.

(3)

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(Total for Question 1 = 8 marks)

2 (a) Which **two** of the following are services?

(2)

Select **two** answers.

- ☒ **A** Accountancy
- ☒ **B** Clothing
- ☒ **C** Computers
- ☒ **D** Financial advice
- ☒ **E** Shoes

(b) Which **two** of the following are elements of the sales process?

(2)

Select **two** answers.

- ☒ **A** Focusing on market segments
- ☒ **B** Post-sales service
- ☒ **C** Quality control
- ☒ **D** Response to customer feedback
- ☒ **E** Targeted advertising

Table 1 contains information about a new piece of machinery purchased by a business.

Total profit made from the machinery	£3 000 000
Number of years machinery is used for	20 years
Cost of the machinery	£600 000

Table 1

(c) Using the information in Table 1, calculate the average rate of return. You are advised to show your workings.

(2)

....%

(d) Explain **one** benefit to a business of employing people on flexible hours contracts.

(3)

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(e) Explain **one** benefit to a business from using product trials to promote a product.

(3)

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(Total for Question 2 = 12 marks)

3 (a) Which one of the following is the best definition of the term 'logistics'?

(1)

Select **one** answer.

☒ **A** Location of the retail outlets of a business

☒ **B** Management of the movement of goods

☒ **C** Number of shops a business has in a country

☒ **D** Relationships between a business and its employees

Figure 2 shows the profit of a business from its four locations in south-west England in 2023.

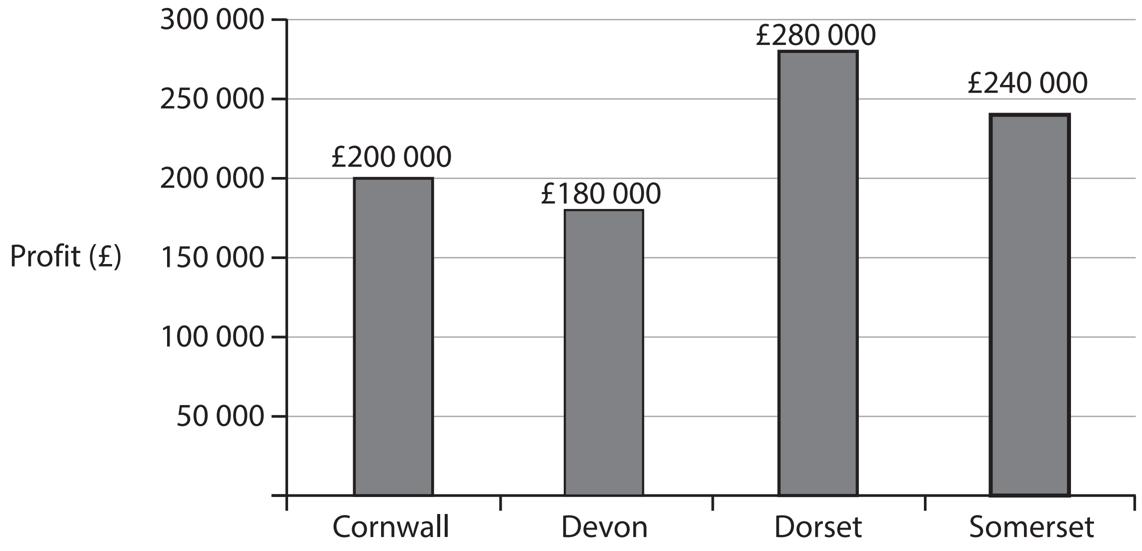

Figure 2

(b) Using the information in Figure 2, calculate the percentage of total profit made by the business in Devon in 2023. You are advised to show your workings.

(2)

....%

(c) Explain **one** reason why businesses train their employees.

(3)

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(d) Explain **one** method that a business could use to retain employees.

(3)

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(e) Discuss the impact on a business from using job enrichment.

(6)

(Total for Question 3 = 15 marks)

TOTAL FOR SECTION A = 35 MARKS

SECTION B

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

In the Source Booklet, look at Figure 3 and read Extract A, then answer Questions 4, 5 and 6.

4 (a) Outline **one** drawback to *Pladis* of focusing on new market segments.

(2)

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(b) Analyse the benefit to *Pladis* from having factories in different countries.

(6)

(Total for Question 4 = 8 marks)

5 Table 2 contains information about the financial performance of *Pladis* in 2022.

	£ millions
Sales revenue	2 544.1
Cost of sales	1 788.9
Gross profit	755.2
Other operating expenses and interest	662.2

(Source: adapted from https://find-and-update.company-information.service.gov.uk/company/09295357/filing-history)

Table 2

(a) Using the information in Table 2, calculate to 2 decimal places, *Pladis*' gross profit margin. You are advised to show your workings.

(2)

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(b) Using the information in Table 2, calculate *Pladis*' net profit. You are advised to show your workings.

(2)

£...million

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(c) Analyse the drawback to *Pladis'* from using batch production.

(6)

(Total for Question 5 = 10 marks)

6 (a) State **one** way *Pladis* could improve the quality of its products.

(1)

(b) Outline **one** method of external growth that *Pladis* may use.

(2)

In order to fund the four new production lines, *Pladis* considered the following two options:

Option 1: become a public limited company (plc)

Option 2: loan capital.

(c) Justify which **one** of these two options *Pladis* should choose.

(9)

(Total for Question 6 = 12 marks)

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 4 and read Extract B, then answer Question 7.

7 (a) Give the name of **one** document a business may send to an applicant during the recruitment process.

(1)

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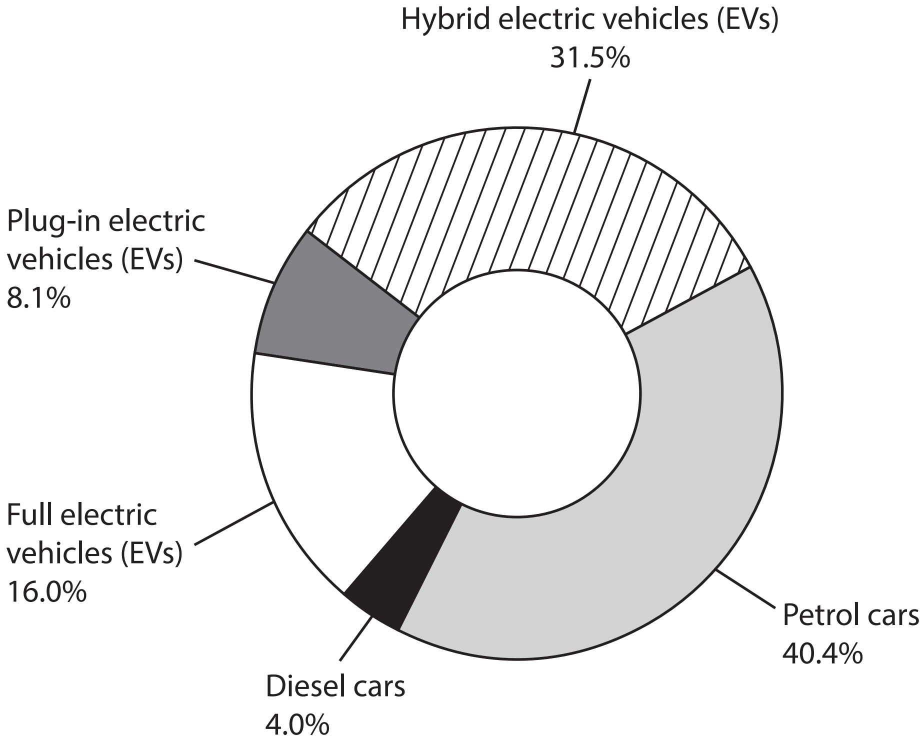
Figure 5 shows the percentage of new car and electric vehicle (EV) registrations in the UK during July 2023.



(Source: https://cleantechnica.com/2023/08/05/uk-ev-share-at-24-1-bevs-double-model-y-top/)

Figure 5

(b) Using the information in Figure 5, identify the type of electric vehicle (EV) that had the highest percentage of registrations.

(1)

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(c) Outline **one** impact globalisation may have on *Polestar*.

(2)

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In order to reduce its costs of production, *Polestar* is considering the following two options:

Option 1: increased use of just in time (JIT) stock control

Option 2: finding new suppliers for its components.

(d) Justify which **one** of these two options *Polestar* should choose.

(9)

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(e) Evaluate the importance of the aesthetics element of the design mix for *Polestar*'s electric vehicles (EVs). You should use the information provided as well as your knowledge of business.

(12)

(Total for Question 7 = 25 marks)

TOTAL FOR SECTION C = 25 MARKS
TOTAL FOR PAPER = 90 MARKS

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Pearson Edexcel Level 2 GCSE (9–1)

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Paper reference **1BS0/02**

Business

PAPER 2: Building a business

Source Booklet

Do not return this Booklet with the question paper.

Turn over ▶

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SECTION B

Look at Figure 3 and read Extract A, then answer Questions 4, 5 and 6.

Extract A

Pladis Ltd is the world's second largest biscuit manufacturer. It owns 25 factories in 11 countries, and produces over 75 different brands of biscuit including McVitie's, Go Ahead, Flipz and BN.

In 2023, *Pladis* announced a £12 million investment in four new batch production lines at its Carlisle factory. As part of this investment *Pladis* will install new production technology, such as 'enrobing machines' that allow a biscuit to be covered in chocolate or yogurt. *Pladis* want to extend its product range to include a McVitie's white chocolate digestive biscuit and a new Go Ahead yogurt-covered bar called 'Go Ahead Breaks'. The new Go Ahead product will be aimed at more health-conscious consumers.

(Source: © Go All The Way/Shutterstock (Ed))

Figure 3

***Pladis'* Carlisle biscuit factory**

Pladis has focused on a combination of internal and external growth in recent years. It has taken over Turkish biscuit manufacturer Ülker, invested in new types of biscuits and moved into new markets, such as Brazil. The aim is to take market share off competitors with dominant brands, such as Nestlé that make KitKat and Mondelēz International that make Oreos.

(Source: adapted from https://bakeryinfo.co.uk/manufacture/pladis-opens-new-2m-warehouse-in-carlisle/681710.article and https://pladisglobal.com/about-us/)

SECTION C

Look at Figure 4 and read Extract B, then answer Question 7.

Extract B

Geely Ltd is a Chinese multinational car manufacturer that already owns several globally recognised petrol and diesel car brands such as Volvo and Lotus. However, it has now decided to move into the production of Electric Vehicles (EVs). *Polestar* is an EV manufacturer owned by Geely. *Polestar* cars are designed in Sweden and manufactured in China.

Components for the EVs are imported from a variety of different countries. All car manufacturers, including *Polestar*, use a just in time (JIT) stock control system. Since the global health crisis *Polestar*'s Chinese factories have always held stocks of important components such as semi-conductors, headlights and traction motors. This allowed *Polestar* to export finished cars after the global health crisis, when disruption to the global supply chain of components meant that it was hard to get hold of important raw materials. Therefore, *Polestar* only had to change the headlights on its EVs to be able to sell its product, whereas rivals such as Tesla had to cancel or delay customer orders.

(Source: © Mike Mareen/Shutterstock (Ed))

Figure 4

A *Polestar* Electric Vehicle (EV)

Polestar EVs have been designed to be appealing luxury cars with a price range of £44,950 to £74,900. One of their main selling points is that they can be driven more than 400 miles between charges. They are also attractive, with WhatCar magazine rating the *Polestar* 2 EV, 4 out of 5 for its exterior and internal looks. In terms of practical performance, the *Polestar* 2 EV is behind its rivals such as the Tesla Model 3 EV, due to its hard-riding suspension, noisy acceleration and hard to use entertainment system.

(Source: adapted from https://www.washingtonpost.com/technology/2022/11/26/polestar-china-ev/ and https://zgh.com/?lang=en)

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