

Surname	Centre Number	Candidate Number
First name(s)		2



GCE AS/A LEVEL

2510U10-1



S23-2510U10-1

FRIDAY, 19 MAY 2023 – MORNING

BUSINESS – AS unit 1 **Business Opportunities**

1 hour 15 minutes

For Examiner's use only		
Question	Maximum Mark	Mark Awarded
1(a)	3	
1(b)	4	
2(a) (i)	1	
2(a) (ii)	1	
2(b)	4	
3	6	
4(a)	2	
4(b)	6	
5	8	
6(a)	2	
6(b)	3	
6(c)	10	
7	10	
Total	60	

ADDITIONAL MATERIALS

In addition to this examination paper, you will need:

- a calculator.

INSTRUCTIONS TO CANDIDATES

Use black ink or black ball-point pen. Do not use gel pen or correction fluid.

Write your name, centre number and candidate number in the spaces at the top of this page.

Answer **all** questions.

Write your answers in the spaces provided in this booklet.

Additional space is provided for some questions within the booklet (if required).

If further space is required for any question, you should use the additional page(s) at the end of this booklet. The question number(s) should be clearly shown.

INFORMATION FOR CANDIDATES

The number of marks is given in brackets at the end of each question or part-question.

You are reminded of the necessity for good English and orderly presentation in your answers.



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ON THIS PAGE**



Answer **all** questions.

1. Entrepreneurship

The importance of entrepreneurship in the UK is growing every year, with small businesses playing a vital role in improving both the economy and the community. These small businesses operate in the primary, secondary or tertiary sectors of the UK economy.

(a) State what is meant by the primary, secondary and tertiary sectors of the UK economy. [3]

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(b) Explain **two** reasons why entrepreneurs are important to the success of the UK economy. [4]

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2. Changes in the way we shop

Black Friday originated in the USA as a way of boosting Christmas spending in November with the temptation of bargains. Christmas is an important example of a **seasonal market**. Most British retailers are now offering Black Friday sales in November with discounts applied across the retail sector both on the high street and online. Online retail giant Amazon, which operates in a **global market**, is often credited with bringing Black Friday discounts to the UK in 2010. Now, the sales event, which is no longer limited to 24 hours, runs through the weekend and finishes with so-called Cyber Monday.

Figure 1: Online spending in the UK

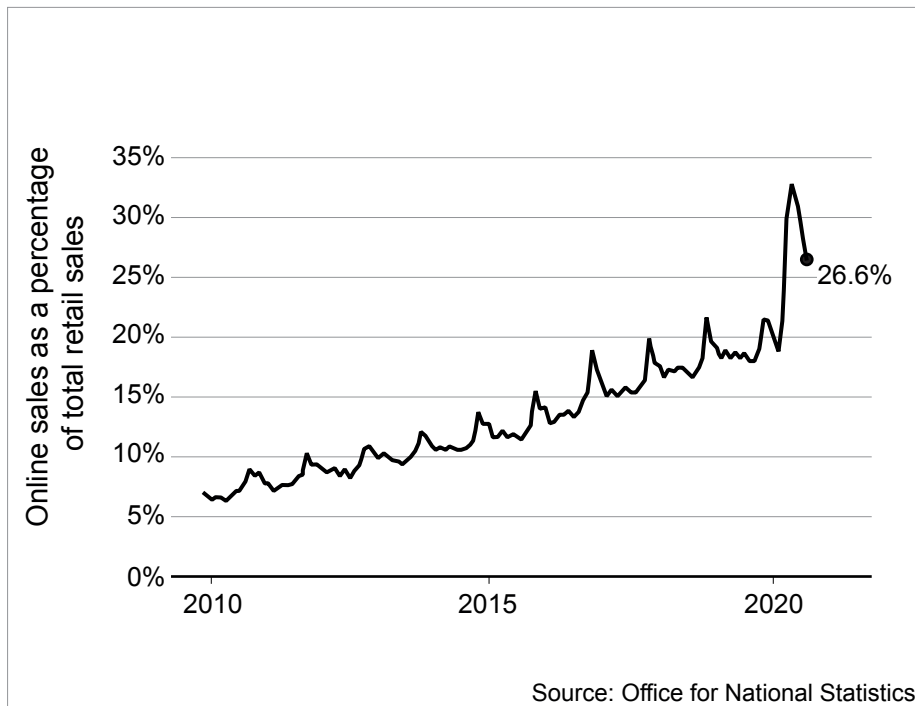
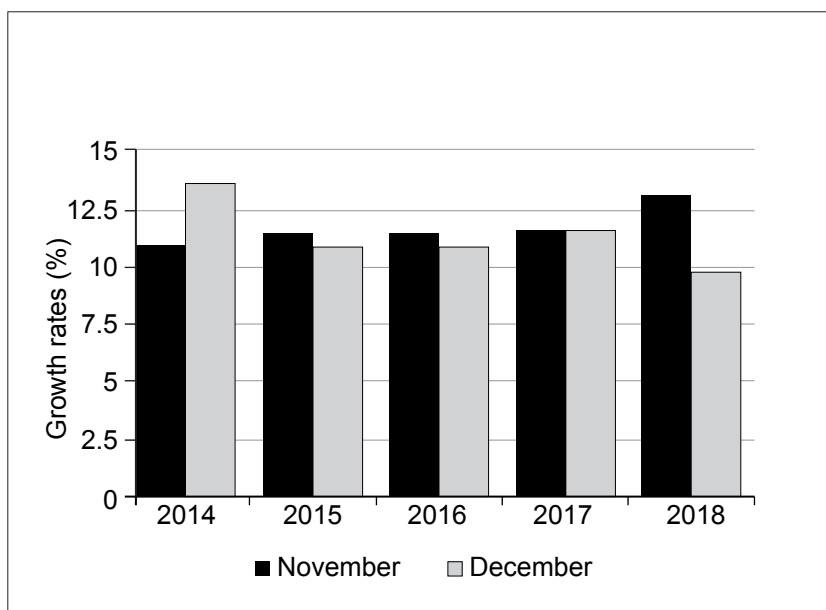


Figure 2: Growth rate in total retail sales (high street and online)



3. Luxury, normal and inferior goods

With reference to elasticity of demand, explain the difference between luxury, normal and inferior goods.

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4. High & Mighty v Next

High & Mighty is a retailer selling menswear. High & Mighty sell long-length jeans and large-size shoes with a range of clothing for big and tall men. Sizes go up to 6XL, jeans and trousers up to 38" leg and shoes and trainers up to size 17. This differs to most retail outlets that sell clothing in standard sizes.

Next plc is a fashion retailer that sells homeware, accessories and clothing and footwear for men, women and children. Next offers a range of women's sizes in regular, long, petite and plus size.

- (a) With reference to High & Mighty, outline what is meant by a niche market. [2]

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- (b) Describe how Next plc has used market segmentation to benefit its business and its customers. [6]

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5. Ail Gyfle-Second Chance

Ail Gyfle is a social enterprise in Wales that believes in giving criminals a second chance. It supports offenders by employing them and providing opportunities to develop key life skills such as teamwork, communication, punctuality, behaving appropriately and the value of work. Ail Gyfle develops these skills by producing and selling home and garden furniture. These are made from recycled material such as old timber and other discarded household items. Last year, Ail Gyfle saved over 7 tonnes of waste from going to landfill.

Ail Gyfle provides on-the-job training. With the support of Adult Learning Wales, Ail Gyfle provides courses including carpentry, hand tools, health and safety and recycling.

With reference to Ail Gyfle, explain the key features of a social enterprise. [8]

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6. New business start-ups and business failures

The table below gives information on the number of new business start-ups and business failures in the UK from 2015 to 2020.

	Number of business start-ups in the year	Number of business failures in the year
2015	383 000	282 000
2016	414 000	281 000
2017	376 000	346 000
2018	370 000	314 000
2019	390 000	324 000
2020	390 000	316 000

Adapted from: <https://www.ons.gov.uk/businessindustryandtrade/business>

- (a) Calculate the percentage change in the number of business start-ups between 2015 and 2020. [2]

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- (b) Identify what the data shows about the number of businesses in the UK between 2015 and 2020. [3]

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7. Location for a new business

The location of any new business can play an important role in determining whether or not it is successful. It is one of the earliest decisions any business has to make and the ideal location is one which maximises revenue and minimises costs. Many factors influence location decisions, but their significance varies from industry to industry.

“The factors influencing location decisions are the same for all new businesses.” Discuss. [10]

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Dotted lines for writing.

Additional space for Question 7 only.

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