



GCSE

3510U20-1

MONDAY, 13 JUNE 2022 – AFTERNOON

BUSINESS

Unit 2: Business Perceptions

45 minutes plus your additional time allowance

Surname _____

First name(s) _____

Centre Number _____

Candidate Number 0 _____

For Examiner's use only		
Question	Maximum Mark	Mark Awarded
1(a)	2	
1(b)	4	
1(c)	2	
1(d)	4	
1(e)	8	
1(f)	10	
Total	30	

ADDITIONAL MATERIALS

Resource Material.

Calculator.

INSTRUCTIONS TO CANDIDATES

Use black ink, black ball-point pen or your usual method.

Answer ALL questions.

Write your name, centre number and candidate number in the spaces provided on the front cover.

Write your answers in the spaces provided in this booklet.

If you run out of space, use the additional page(s) at the back of the booklet, taking care to number the question(s) correctly.

(Turn over)

You are advised to spend your time as follows:

- Question 1 – about 10 minutes reading the
resource material**
- about 35 minutes answering the questions**

INFORMATION FOR CANDIDATES

The number of marks is given in brackets at the end of each question or part-question. You are advised to divide your time accordingly.

The total number of marks available is 30.

You are reminded of the need for good English and orderly, clear presentation in your answers.

READ THE CASE STUDY ON QUESTION 1 IN THE RESOURCE MATERIAL BEFORE ANSWERING THESE QUESTIONS.

1 (a) State how a retailer is different to a wholesaler.

[2 marks]

(Turn over)

1 (b) (i)

Using FIGURE 1, identify which supermarket had the biggest increase in market share between 2012 and 2018. [1 mark]

(ii) Explain ONE possible reason for this increase in market share. [1 mark]

1 (b) (iii)

Explain the nature of a competitive marketplace.

[2 marks]

(Turn over)

1 (c) Using FIGURE 2, calculate the:

(i) Cost of sales for Tesco in 2018. [1 mark]

(ii) Total expenses for Tesco in 2017. [1 mark]

1 (e) (i)

State TWO characteristics of a branded product.

[2 marks]

(Turn over)

Additional space for Question 1 (e) (ii) only

END OF PAPER

(Turn over)



GCSE

3510U20-1A

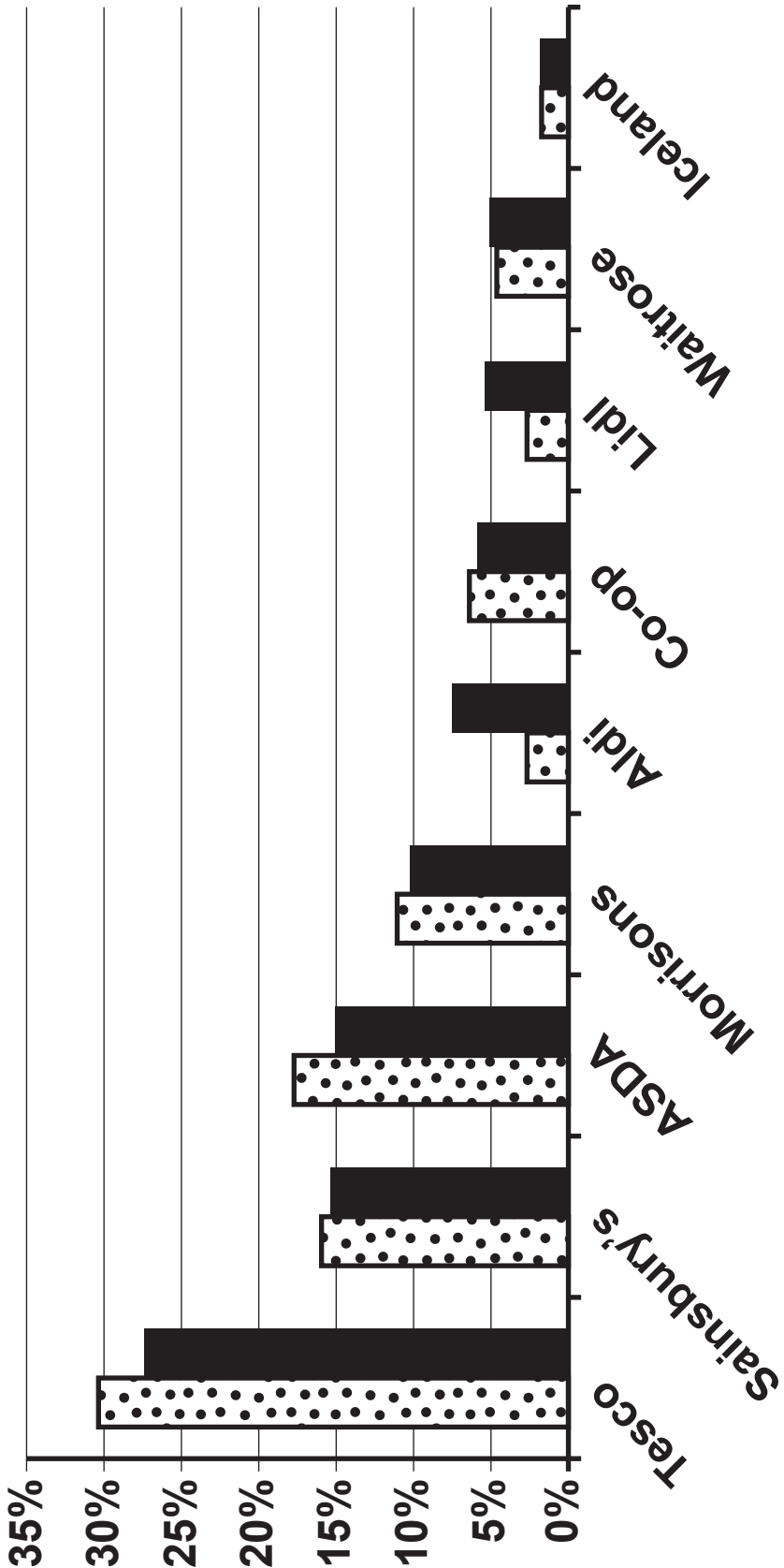
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Resource Material

FIGURE 1: UK MARKET SHARE OF SELECTED SUPERMARKETS IN 2012 AND 2018



Market share in August 2012

Market share in August 2018

Source: Statista

1. **The UK supermarket industry was worth £192.6 billion in 2018. The change in market share of each of the retailers in the supermarket industry from 2012 to 2018 is shown opposite:**

Tesco, a public limited company, is the UK's largest supermarket and retailer. Tesco has over 6500 UK stores, employing approximately 476 000 people. In 2018, Tesco generated nearly three times as much revenue as Amazon did in the UK. Despite this, Tesco has come under increasing pressure from its shareholders to improve its performance. Below is a summary of the profit and loss statements for Tesco in 2018 and 2017.

FIGURE 2: EXTRACT FROM TESCO'S PROFIT AND LOSS STATEMENT

	2018 (£billion)	2017 (£billion)
Sales revenue	57.620	55.917
Cost of sales	?	52.899
Gross profit	3.528	3.018
Total expenses	2.385	?
Net profit	1.143	1.280

Source: Adapted from Tesco.com

In 2018, Tesco made major decisions in its strategy to compete in a dynamic and competitive marketplace. One of its decisions was to grow externally by completing a £4 billion takeover of Booker (the UK's largest wholesaler).

(Turn over)



As well as the Booker takeover, Tesco is also growing internally. Tesco already has a range of different shopping options for customers such as its Extra stores, Superstores, Metro stores and Express stores which vary by size, product range and closeness to customers.

In response to the growth of Aldi and Lidl, Tesco has unveiled a new discount chain, called Jack's (named after the Tesco founder Jack Cohen) and 7 stores opened in 2018. Tesco is looking to open more Jack's in the near future, with at least half of these being located at former Tesco store sites, which had been previously closed.

Tesco has been planning the Jack's brand for 3 years and invested around £25m to open the first 7 stores and will continue to reinvest profits to open the remaining stores.

Jack's will sell 2 600 products and most of these will be own brand products, manufactured in the UK. However, Jack's will continue to sell some branded products such as Coca-Cola, Heinz, Kingsmill and Walkers Crisps.

FIGURE 3: SELECTED SUPERMARKET PRODUCTS AND PRICES

PRODUCT	JACK'S	TESCO OWN BRAND	ALDI	LIDL	LEADING BRAND IN TESCO
Pizza (Margherita)	£1.69	£3.60	£1.69	£1.99	£5.00 (Pizza Express)
Toilet Rolls (9 pack)	£2.09	£3.35	£2.09	£2.09	£5.25 (Andrex)
Sunflower oil Spread	70p	95p	75p	75p	£1.80 (Flora)
Ketchup	45p	65p	45p	45p	£2.50 (Heinz)
Orange Juice	95p	£1.15	55p	89p	£2.48 (Tropicana)
Washing up Liquid	60p	70p	45p	65p	£1.50 (Fairy)
White Bread 800 g	49p	55p	36p	40p	£1.10 (Kingsmill)