



GCE AS/A LEVEL

2510U10-1

FRIDAY, 16 MAY 2025 – MORNING

BUSINESS – AS unit 1

Business Opportunities

1 hour 15 minutes plus your additional time allowance

Surname _____

First name(s) _____

Centre Number _____

Candidate Number 2 _____

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

ADDITIONAL MATERIALS

In addition to this paper you may require a calculator.

INSTRUCTIONS TO CANDIDATES

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

You may use a pencil for graphs and diagrams only.

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

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, use the additional page(s) at the back of the booklet, taking care to number the question(s) correctly.

(Turn over)

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 need for good English and orderly, clear presentation in your answers.

Answer ALL the questions in the spaces provided.

1. FUEL FOOD

Fuel Food is an online business that creates ready-made meals in a warehouse in Cardiff. Customers can order from its website and the meals are delivered throughout the UK. It was established in March 2024 and aims to offer high quality, healthy and fresh meals to meet the needs of its customers. Fuel Food offers a low-carbohydrate package for customers looking to lose weight, a balanced package for customers wanting to maintain a healthy weight and a performance package for customers looking to gain weight. Fuel Food strives to offer something for everyone with these packages. The business focuses on doing the hard work so that customers don't have to.

(Turn over)

Market research was an essential part of its business plan and both quantitative and qualitative data was collected. Some of the data gathered was in the form of discussion in a focus group which included comments such as:

- I would definitely buy ready-made fresh, healthy meals to help with my busy lifestyle and personal goal to eat smart.**
- Hectic family, work and travel commitments make it difficult to always make healthy choices.**
- I already eat a healthy diet but I buy my own ingredients. Healthy ready-made meals are too expensive.**
- As I have a training plan to stick to, finding the time to shop and cook a well-balanced meal can be tricky too.**

Another form of data gathered was from secondary sources including the diagrams shown on pages 6 and 7:

FIGURE 1: Percentage of people in the UK who say that they eat a healthy and balanced diet, 2023

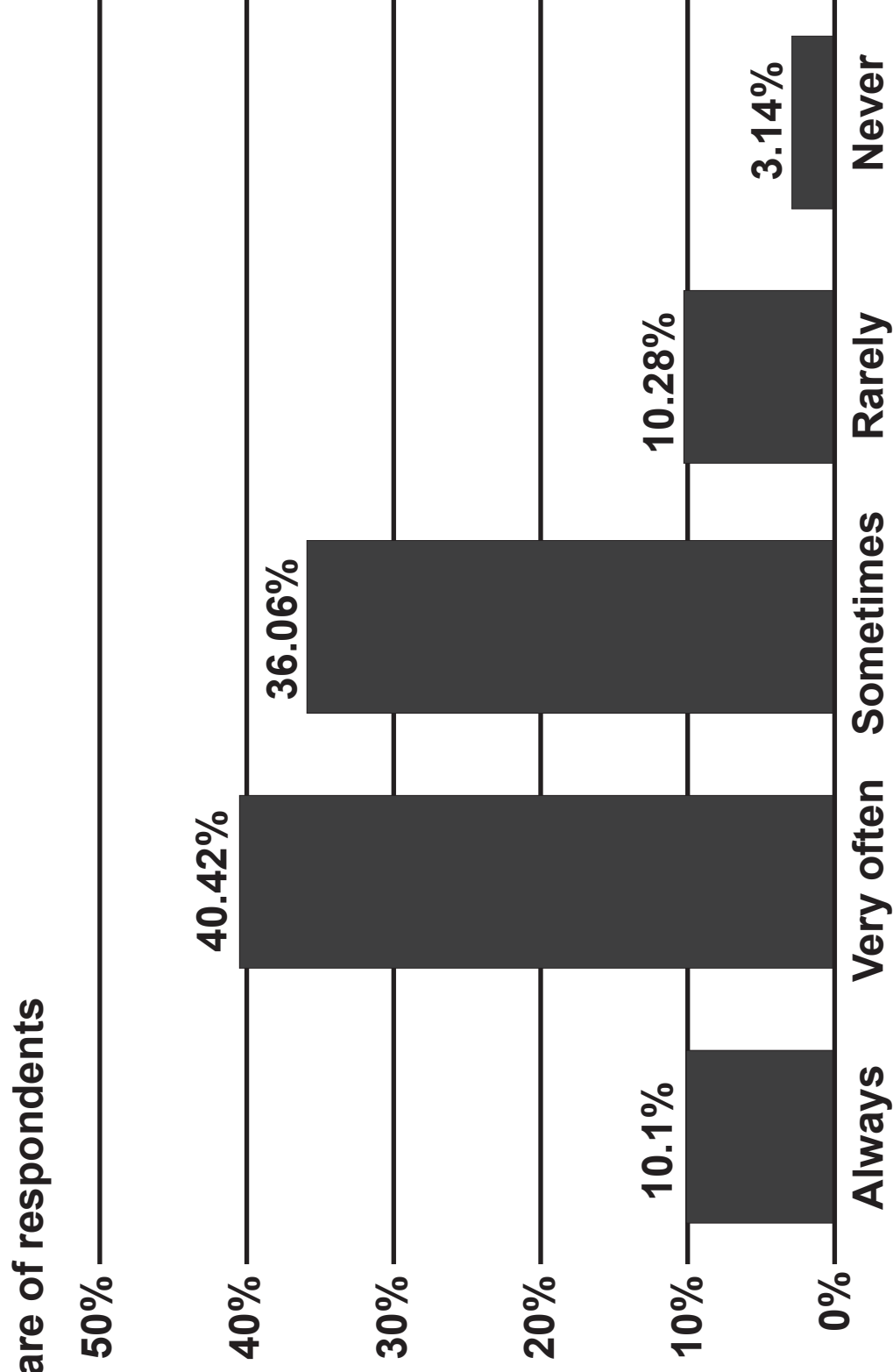


FIGURE 2: Percentage of males and females aged 16+ years classified as overweight in Wales, 2016/17



Source: Welsh Government. National Survey for Wales, 2016.

1 (a) Describe TWO possible ways that Fuel Food could segment its market. [4 marks]

[illegible]

(Turn over)

1 (b) Define what is meant by market research.

[2 marks]

1 (c) With reference to the market research carried out by Fuel Food, state what is meant by qualitative AND quantitative data. [4 marks]

[illegible]

(Turn over)

1 (d) Consider the usefulness of the qualitative AND quantitative market research data gathered by Fuel Food when setting up the business.

[8 marks]

(Turn over)

Additional space for Question 1 (d) only.

2. PRICE ELASTICITY OF DEMAND

Understanding price elasticity of demand can be very important to some businesses.

- (a) Define what is meant by the concept of price elasticity of demand. [2 marks]**

(Turn over)

2 (b) (i)

State what is meant by price inelastic demand.

[1 mark]

(ii) Identify ONE reason why the demand for a product may be price inelastic. [1 mark]

(Turn over)

3. PENDERYN

The Welsh Whisky Company Ltd produces and sells a range of premium alcoholic drinks including whisky, gin, rum and vodka. Its strongest brand is Penderyn which has won international awards for its whiskies and spirits since 2004. The Welsh Whisky Company Ltd has a commitment to quality, sourcing its own fresh water supply from the Brecon Beacons and maintaining high standards throughout its production process. The Penderyn brand has quickly gained a worldwide reputation and the whiskies are now available in over 40 countries.

The Welsh Whisky Company Ltd employs 95 workers. The table below shows the annual revenue and net profit between 2021 and 2023.

	2021 (£)	2022 (£)	2023 (£)
REVENUE	18.3 m	19.7 m	23.1 m
NET PROFIT	1 m	1.45 m	1.46 m

(Turn over)

The demand for the Penderyn product range has grown. Its products are sold in supermarkets such as Asda, Tesco and Waitrose as well as national and independent hotels and bars. In addition, the Penderyn product range is sold in high profile, luxurious hotels such as the Ritz and Savoy and the famous London retail store, Harrods.

The Welsh Whisky Company Ltd has a visitor centre at the site where the famous Penderyn brand is produced. The visitor centre has over 43 000 visitors per year, who visit for tours of the manufacturing plant, masterclasses in the production of whisky and the gift shop.

During 2018, the company completed the purchase of additional warehousing space to expand its ability to produce the Penderyn brand of whisky. The company is also looking to expand its customer base into new markets which include USA and China, as well as investing in building its brand in France, Germany and Japan. In May 2021 a second distillery was opened in Llandudno in North Wales. The site also includes a shop and visitor centre. A £1.4 million Welsh Government grant helped to pay for this £5 million development.

In July 2023, The Welsh Whisky Company Ltd opened its third distillery in Swansea. The site also includes a shop and visitor centre. The Welsh Government and Swansea Council contributed financially towards this development.

3 (a) With reference to the data, outline TWO reasons why The Welsh Whisky Company Ltd is classified as an SME. [2 marks]

3 (b) Describe how The Welsh Whisky Company Ltd operates in both a trade market AND a consumer market. [4 marks]

[illegible]

(Turn over)

3 (c) Analyse the impact of the change in revenue and net profit on The Welsh Whisky Company Ltd.

[6 marks]

(Turn over)

Additional space for Question 3 (c) only.

3 (d) Apart from increasing revenue and net profit, explain TWO other aims that would be suitable for The Welsh Whisky Company Ltd. [6 marks]

(Turn over)

Additional space for Question 3 (d) only.

3 (e) Evaluate the different sources of finance available to businesses seeking to expand. [10 marks]

[illegible]

(Turn over)

Additional space for Question 3 (e) only.

3 (f) With reference to the data on The Welsh Whisky Company Ltd, evaluate the impact of SMEs on businesses and the economy. [10 marks]

[illegible]

(Turn over)

Additional space for Question 3 (f) only.

END OF PAPER

(Turn over)

Question number	Additional page, if required. Write the question number(s) in the left-hand margin.

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