

Pearson Edexcel GCE

Business Studies

Advanced

Unit 4A: Making Business Decisions

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Paper Reference

6BS04/01

Pre-release material

To be opened on receipt

Advice to Centre Staff and Candidates

- Candidates are expected to be familiar with the evidence provided here for the Unit 4A question paper before entering the examination room.
- A copy of this pre-release material will be included in the question paper, together with some new evidence, which you should study carefully before answering the questions.
- Candidates will not be allowed to take copies of this pre-release material into the examination.

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Evidence A

£250 million Center Parcs village on track for 2014 opening



Welcome to Center Parcs
A selection of twenty holiday villages throughout Europe.

Choose your destination:

Discover 4 stunning villages in the UK:

- ✓ Whinfell Forest in Cumbria
- ✓ Sherwood Forest in Nottinghamshire
- ✓ Elveden Forest in Suffolk
- ✓ Longleat Forest in Wiltshire

Discover 20 stunning villages in Europe:

- ✓ The Netherlands
- ✓ Belgium
- ✓ France
- ✓ Germany

(Source: adapted from www.centerparcs.com)

About Center Parcs

Center Parcs has gained a reputation for providing exceptional short-break experiences in a forest location. This concept originated in Holland in 1967 and Center Parcs is now a separate entity in the UK, owned by The Blackstone Group.

There are five Center Parcs Villages in the UK: Sherwood Forest in Nottinghamshire, Elveden Forest in Suffolk, Longleat Forest in Wiltshire, Whinfell Forest in Cumbria and the latest – Woburn Forest, Bedfordshire – which will open in 2014.

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20 February 2013

(Source: <http://www.hospitalityandcateringnews.com/2013/02/250-million-center-parcs-village-on-track-for-spring-2014-opening/>)

Evidence B

New Center Parcs takes shape with glulam beams

Glulam beams are being used to construct the swimming pool complex at the new Center Parcs complex in Woburn Forest, Bedfordshire. The 46 pieces will be the longest in the UK at 70 metres each.



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The beams will make up the roof support structure of the Subtropical Swimming Paradise and will take construction workers 12 weeks to assemble.

Don Camilleri, Woburn Construction Director said: "The Subtropical Swimming Paradise is such an iconic building, which many families recognise as a significant feature at Center Parcs, so it is exciting

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that the structure for Woburn Forest is now starting to take shape. Work on-site is really progressing at pace now and we are on track for the spring 2014 opening."

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Manufactured at a factory just outside Vienna, it can take up to 195 man hours to construct each of the largest main beams and 50 workers in total to construct all of the glulams.

The wood for the beams is sustainably sourced under the Programme for the Endorsement of Forest Certification (PEFC) system, meaning that for every tree used another is planted.



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The Subtropical Swimming Paradise will be heated to 29.5°C, whatever the weather.

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10 May 2013

(Source: <http://www.construction-manager.co.uk/news/new-center-parcs-shapes-glulam/>)

Evidence C

ISG wins £61 million Center Parcs Woburn Forest contract

Building contractor ISG plc has secured the £61 million contract to build the accommodation element of the new Center Parcs holiday village development in Woburn Forest.



(Source: www.centerparcs.co.uk)

The 59-week project (with strict financial penalties for late completion) involves the construction of two, three and four bed lodges. These will all be built using off-site manufactured timber frames, structural insulated timber wall panels and traditional tiled roofs. Various styles of accommodation will be available to guests, including Woodland, Executive and Exclusive Lodges.

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Consideration has been given to the environmental performance of each lodge, which will be built using sustainably sourced timber and modern insulation materials.

ISG has extensive experience of off-site construction and just in time delivery solutions. It also has knowledge gained from Olympic projects: waste management implementation and fostering positive behavioural change from their workforce.

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(Source: adapted from <http://www.isgplc.com/app/article/view.asp?uid=595>)

Evidence D

Summary of Income statement 2012–2013 (Center Parcs Holdings Ltd)

	2013	2012
	£ (million)	£ (million)
Revenue	303.5	291.7
Cost of Sales	31.4	34.1
Gross Profit	272.1	257.6
Expenses	161	150.2
Net Profit	111.1	107.4

(Source: adapted from Center Parcs annual review 2013)

Evidence E

A giant leap forward for a greener Center Parcs



Center Parcs has invested more than £2 million in creating an environmentally-friendly fleet of vehicles.

The company was already a low energy user, but when it tried to introduce an environmentally-friendly fleet that included electric vehicles, the holiday operator was limited by the technology available.

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“We have been developing an electric vehicle strategy for 10 years, but back then there wasn’t a vehicle able to meet the criteria set by Center Parcs. Those that were available were milk float derivatives. It was another five or six years before we started to look at vehicles that were fit for purpose” said Mike Henderson, Center Parcs UK Project Manager.

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All petrol engined vans on the fleet have been replaced with new low emission models.

As part of an environmental fleet policy, electric vehicles are to be introduced wherever practical. However, Henderson concedes that using these may not be cost effective: “The costs were very high and you cannot measure the success of our investment by any sort of potential financial return. This was more about making sure the fleet mirrored our own green values.”

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Center Parcs worked closely with the Energy Saving Trust (EST). EST’s Green Fleet Reviews provide organisations with advice to help lower running costs, reduce environmental impact and enhance corporate social responsibility. EST is funded by the UK Government and its reviews are carried out by specialists with experience of working with a range of fleets.

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(Source: adapted from Fleet News 21 May 2013)

Evidence F

Carbon Trust Standard for reduction in emissions



Center Parcs is in the top 10% of all organisations taking part in the UK Government's Energy Efficiency Scheme. It is on track to reduce its emissions by 20% by 2020.

Center Parcs' ambitious Sustainability Strategy includes the commitment to invest over £300 000 in energy initiatives across its villages each year.

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Woburn Forest, its newest site, will set a new standard with carbon emissions 25% below the average of Center Parcs' other holiday villages.

Darran Messem of the Carbon Trust, commented: "By taking action to reduce its own footprint, and by having this independently certified, Center Parcs is demonstrating that it is not just committed to a target to reduce its emissions – it is well on the way to achieving it. Beyond this Center Parcs is setting an example for its 1.6 million annual guests and 6,000 staff, encouraging them to introduce energy efficiency into their everyday lives."

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May 13 2013

(Source: adapted from <http://www.press.centerparcs.co.uk/Press-Releases/Center-Parcs-awarded-Carbon-Trust-Standard-for-reduction-in-emissions-128.aspx>)

A visualisation of the village in Woburn



(Source: <http://www.bedfordshire-news.co.uk/News/Center-Parcs-village-build-on-track-despite-weather-20130224090000.htm>)

Evidence G

Center Parcs names Brothers and Sisters as new lead creative agency

Brothers and Sisters (B&S) won the account, thought to be worth around £5 million, after a competitive pitch. Center Parcs had previously worked with Beattie McGuinness Bungay (BMB).



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Center Parcs had a number of considerations when deciding to switch agencies: BMB had developed successful marketing campaigns for them in the past, but B&S, although less experienced in working in this area, had a number of new ideas that would link well with Center Parcs' new developments, particularly the opening of the new site in Woburn.

B&S is now responsible for the development of a long-term marketing plan to support Center Parcs' growth strategy as well as attracting new customers to the brand. Campaign materials are set to include TV, online and digital features, with supporting print, outdoor, social media and internal communications activity.

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(Source: adapted from <http://www.thedrum.com/news/2013/03/12/center-parcs-names-brothers-and-sisters-new-lead-creative-agency> March 2013)

Evidence H

West Nottinghamshire College



We launched the 'Center Parcs Academy' to offer more training opportunities across the areas of business, retail, leisure and hospitality.

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The Center Parcs Academy now offers its 6,000 employees a range of opportunities to develop their skills and gain nationally recognised qualifications. We have ensured that programme delivery is flexible to meet the working patterns of the company and without disrupting the day-to-day operation of the villages.

Tracey Walker, Apprenticeship Manager at Center Parcs, said:

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"Our staff receive high-quality professional skills training thanks to the College's programmes, which embed valuable industry knowledge that will benefit both the company and the individual in the future. Developing the skills of our workforce is vitally important for retention, recruitment and confidence building."



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(Source: adapted from <http://www.visionbusiness.co.uk/Employer-training/Case-studies/Center-Parcs.aspx>)

Evidence I

Making Memorable Moments

Center Parcs has developed an internal training programme for all employees, teaching them to make 'Memorable Moments' for holiday guests.

Before this training, it was thought the company culture did not consistently encourage empowerment and some employees did not feel confident engaging with guests. The solution was Making Memorable Moments. This helped employees to acknowledge, and engage with guests. They also learned more about listening and apologising and finding a solution to guests' problems. Manager training focused on excellent service, recruitment and training, empowerment, coaching and rewarding employees.

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Martin Dalby, Center Parcs Chief Executive said: "This is not just about profit; it is also about developing employees who are passionate about surprising and delighting guests at every opportunity. The training has strengthened our corporate values and our commitment to offer the best short-break experience in the UK."

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(Source: adapted from Industrial and Commercial Training, Volume 44, Issue 3)

Evidence J

Selected data on Center Parcs performance

	2012/13	2011/12	2010/11
Occupancy (%)	97.2	97.1	96.3
Sleeper nights	6m	5.8m	5.9m
Capital expenditure (£m)	39.9	41.4	44
Number of guests (million)	1.7	1.6	1.6
Average daily rate per unit of accommodation (£)	148.36	140.73	136.49
Guest satisfaction (%)	96	95	96

(Source: adapted from Center Parcs annual review 2013)