

Please check the examination details below before entering your candidate information

Candidate surname		Other names	
Pearson Edexcel		Centre Number	Candidate Number
Level 3 GCE		<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Friday 17 May 2019			
Afternoon (Time: 1 hour 30 minutes)		Paper Reference 8BS0/01	
Business Advanced Subsidiary Paper 1: Marketing and People			
You do not need any other materials.			Total Marks <input type="text"/>

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.
- Answer **all** questions.
- Answer the questions in the spaces provided
– *there may be more space than you need.*

Information

- The total mark for this paper is 80.
- The marks for **each** question are shown in brackets
– *use this as a guide as to how much time to spend on each question.*
- You may use a calculator.

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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Answer ALL questions.

SECTION A

Read Extract A before answering Question 1.

Write your answers in the spaces provided.

Extract A

Floating hotel to open on the River Thames in London

The Good Hotel chain was founded in 2012 as a social enterprise. Its first hotel, built on a large floating platform, was opened in Amsterdam in 2015. In Autumn 2016, the not-for-profit, 148-bedroom floating hotel was relocated to the River Thames.

The Good Hotel offers premium hospitality. Its business objectives include giving opportunities to local people who have struggled to find employment and are receiving welfare payments. It recruits and trains local, long-term unemployed people to work in the hotel.

5

The Good Hotel has also opened a 20-room, premium priced, luxury hotel in a former private mansion located in Guatemala, a Central American country south of Mexico. The business has plans for eight further hotels around the world by 2020.

10

(Source: Copyright Guardian News & Media Ltd 2018)

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1 (a) What is meant by social enterprise?

(2)

(b) What is meant by business objective?

(2)

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(c) Explain how The Good Hotel's social objectives could lead to an increase in added value.

(4)

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(d) Explain how The Good Hotel in Guatemala could benefit from operating in a niche market.

(4)

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(e) Assess **two** methods The Good Hotel could use to develop customer loyalty.

(8)

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- (f) Assess whether a unique selling point (USP) is the most important factor in determining a pricing strategy for a premium priced hotel, such as The Good Hotel.

(10)

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(Total for Question 1 = 30 marks)

TOTAL FOR SECTION A = 30 MARKS

SECTION B

Read Extract B before answering Question 2.

Write your answers in the spaces provided.

Extract B

Is being Britain's nicest jeweller great for business?

Beaverbrooks, the jewellers, has featured in the Sunday Times 'Best Companies to Work For' list every year for over a decade. Chairman Mark Adlestone said: "We are a company that cares and we believe in consultation with our employees."

When Anna Blackburn started as CEO at Beaverbrooks, it had a centralised organisational structure with a narrow span of control. Anna found that branch managers were not dealing with issues in-store and she wanted to change that. To give branch managers more control, Anna made the business more decentralised. 5

Mark Adlestone admits that jewellery is a tough market: "We have done well on diamonds, Swiss watches and our own brand silver jewellery, but we have struggled on gold and other branded jewellery." 10

(Sources: adapted from <http://www.watchpro.com/big-interview-beaverbrooks-chairman-mark-adlestone-ceo-anna-blackburn/> and <http://www.express.co.uk/news/uk/727575/Brexit-British-luxury-watch-industry-sales-rocket>)

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2 (a) What is meant by span of control?

(2)

(b) What is meant by consultation?

(2)

At the start of 2016, Beaverbrooks sold 600 Omega Seamaster watches. By 2017 this had increased to 690. Beaverbrooks calculated that the PED for this product was -0.8.

- (c) Calculate, to 2 decimal places, the percentage fall in the price of an Omega Seamaster watch.

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(d) Explain how Beaverbrooks could use the Boston matrix.

(4)

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(e) Assess **two** factors that could affect the supply of Beaverbrooks' silver jewellery.

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- (f) Assess the potential benefits for Beaverbrooks of having a more decentralised organisational structure.

(10)

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(Total for Question 2 = 30 marks)

TOTAL FOR SECTION B = 30 MARKS

SECTION C

Read Extract C before answering Question 3.

Write your answer in the space provided.

Extract C

Tailor-made food for your dog

Tails.com realised that a single generic dog food couldn't possibly give every size, age, gender and breed of dog the best combination of nutrients for their health. Tails.com is on a mission to 'change the world of pet food for good' by providing dogs across the UK with food individually tailored to their nutritional needs.

5

Tails.com was started in 2014. It struggled to establish itself as a reliable brand, whilst trying to change traditional dog food buying habits. Two big companies dominate the UK dog food market. Mars Masterfoods has 45% market share with brands including Pedigree and Cesar. Nestlé Purina Pet Care has 32% market share with brands including Bakers Complete and Purina.

10

In 2016 Tails.com sent out over 65,000 monthly packages of tailor-made dog food to regular customers who were thrilled with the positive changes they saw in their dogs. The business has big aspirations, with a goal of reaching a sales target of £30m by 2020.

(Source: adapted from <http://startups.co.uk/startups-100/2017/4-tails-com/>)

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- 3 Competition and external economic influences could have an impact on the ability of Tails.com to reach its 2020 sales target.

Evaluate these **two** influences and recommend which influence would have the greatest impact on Tails.com's ability to reach its sales target.

(20)

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(Total for Question 3 = 20 marks)

TOTAL FOR SECTION C = 20 MARKS
TOTAL FOR PAPER = 80 MARKS

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