

Paper Reference 9BS0/01
Pearson Edexcel Level 3 GCE

Business
Advanced

**PAPER 1: Marketing, people and global
businesses**

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Time: 2 hours

SOURCE BOOKLET

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EXTRACT A**Global smartphone shipments in millions**

	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Apple	81.5	59.0	46.5	49.2	70.0
Samsung	69.2	74.5	62.5	64.3	58.3
Xiaomi	45.0	39.0	39.5	40.5	33.2
Oppo	33.9	30.9	28.2	29.5	29.6
Vivo	29.3	24.8	25.5	26.0	23.4
Others	112.7	98.1	92.3	92.4	89.4
TOTAL MARKET	371.6	326.3	294.5	301.9	303.9

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EXTRACT B**Samsung Galaxy S23 launch**

At a Galaxy launch event, Dr Kye, the head of Samsung's mobile business said: "We intend to focus on the premium segment in developed markets, as well as some of the countries where we are seeing solid growth," and added the company had seen a "noticeable shift" to luxury models in developing markets.

Samsung's renewed focus on high-end phones comes as it struggles to compete with lower priced Chinese rivals in the low-to-mid-range smartphone market. The new S23 models feature advanced camera improvements and longer battery life. Premium-focused Apple has enjoyed record revenues from its IOS software, partly due to the appearance of its apps.

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Extract B continued

Samsung aims to achieve higher average selling prices with the S23 and other premium phones that have foldable screens. The new S23 Ultra
25 with 1 terabyte of storage is priced at more than \$1600 in the USA, higher than competitors.

Samsung hopes the launch of a specially designed foldable phone for
30 Chinese consumers will help it regain market share. It has experienced early success in the niche market for foldable phones, where Samsung has a technology advantage. Competition in
35 the relatively new segment is expected to intensify when Chinese rivals, such as Huawei, enter the market. In this dynamic market, the next development is predicted to be phones with two
40 folds for a wider screen.

Turn over

EXTRACT C

Leadership at Apple and Huawei

Tim Cook has held many positions at Apple and became CEO in 2011. His leadership style lets the talents of everyone at Apple contribute to the company's success. He keeps an open mind, considers his options, and convinces other people to follow his lead. As a result of Cook's leadership style, members of his team often report feeling more involved in decision-making, encouraged to express their thoughts without fear, and rewarded for providing creative insights.

Huawei's Chief Executive Ren Zhengfei's military experience shaped its culture, emphasising well-defined goals, employee devotion, and obedience. Employees are offered competitive pay and there is a high

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Extract C continued

uptake of share options by staff. Ren adopts a long-term perspective that can support motivated, productive, and loyal employees.

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EXTRACT D

BT Sport agrees joint venture with Discovery Eurosport

On September 1, 2022, BT Group and
Discovery Eurosport announced
5 completion of their 50:50 joint venture.
The deal involves Discovery Eurosport
giving BT Sport's existing customers
the rights to view its content, creating a
stronger competitor to Sky Sports in
10 the UK. The joint venture would
combine a wide catalogue of sports
broadcast rights. This includes the
English Premier League and UEFA
Champions League football matches in
15 the UK, cycling's Grand Tours and the
tennis Grand Slams, as well as other
major sporting events.

In 2022 BT Sport had 4 million
subscribers, while Eurosport had

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Turn over

Extract D continued

20 approximately 157 million subscribers. The basic BT Sport subscription was £18 a month in the UK. Eurosport was €5.99 a month, converted to pounds (£), for UK customers. After the joint
25 venture the price for both channels is £29.99 a month, which also includes access to many additional Discovery channels.

Eurosport is already owned by the
30 Discovery channel group, so BT's decision to form a joint venture makes sense for both businesses. The deal helps Discovery to compete in the TV streaming wars. It sees sports as a way
35 to differentiate itself from competitors, such as Disney and Netflix that don't currently offer sports coverage.

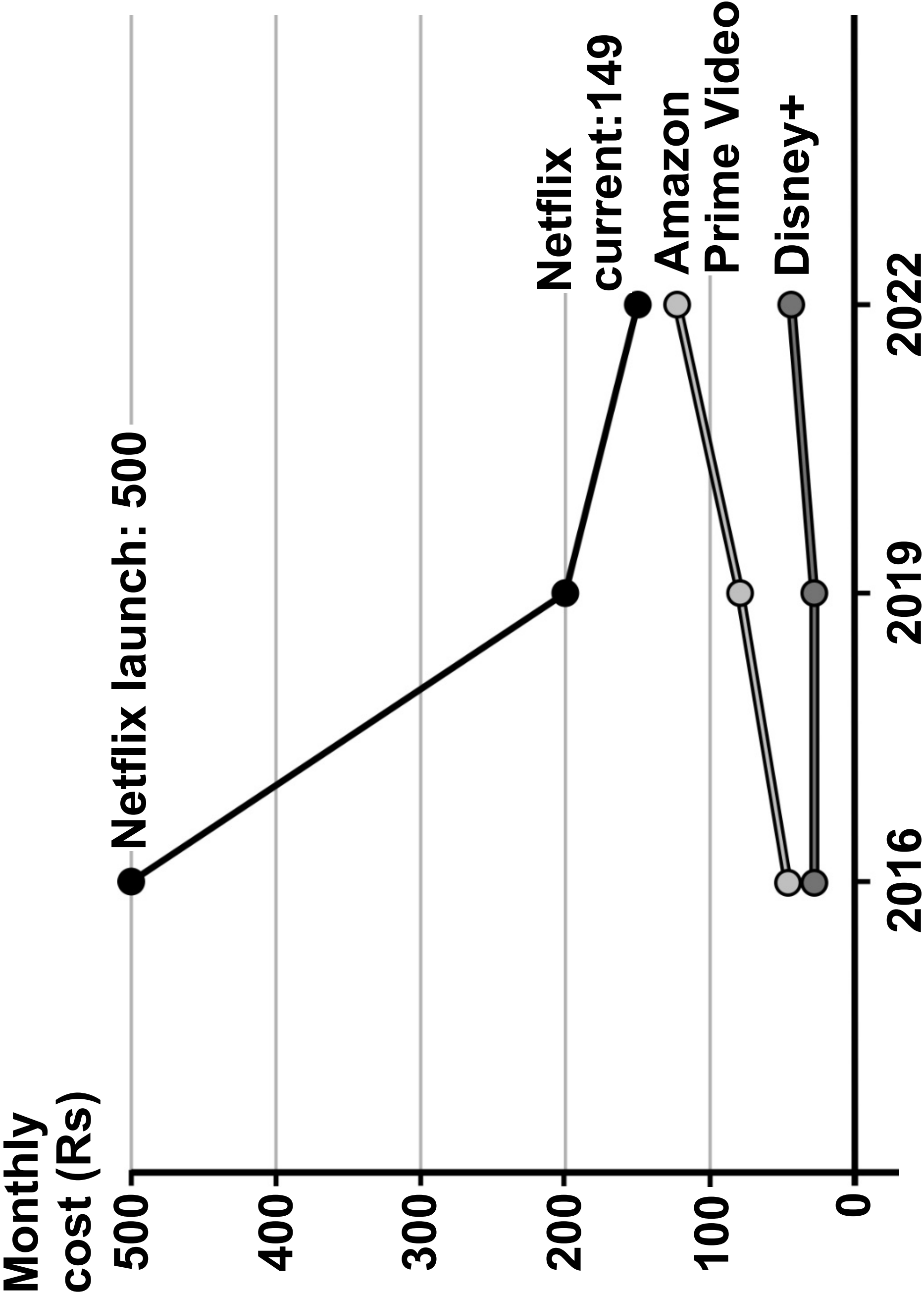
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EXTRACT E

**Monthly subscription prices for
streaming services in India, 2016–2022**

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Extract E continued

**In 2016 Netflix had 0.35 million subscribers.
In 2019 it had 2 million and by 2022,
5.5 million, an increase of 175%.**

EXTRACT F

Netflix in India

Since 2021 businesses such as Netflix and multinational media companies operating in India have been expected to follow a code of ethics, drafted by the government. This requires businesses to exercise ‘due caution and discretion’ when showing content that may threaten India’s security or be detrimental to the country’s foreign relations.

The government is also considering extending existing legislation affecting online content to TV streaming. The code requires businesses such as Netflix to improve the accessibility of content to persons with disabilities, and requires parental controls to limit children’s access to content aimed at

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Extract F continued

20 older viewers. Multinational streaming businesses are also expected to consider the impact of content on matters of caste (social class), race, gender, religion, or sexuality.

EXTRACT G

Streaming market in India

Between 2019 and 2020, Netflix spent \$400m on content made in India. “We’re quite optimistic that India isn’t
5 fundamentally different in some way from our other markets,” said Greg Peters, Netflix’s Chief Operating Officer. Critics pointed out that Netflix was slow to address various issues,
10 from pricing and distribution to the importance of commissioning more shows in regional languages, such as Tamil. Amazon Prime Video has been faster to offer more content in regional
15 languages.

In 2023, 46% of drama programmes made by streaming platforms watched in India were on Disney+, whereas only 5% were made by Netflix.

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Extract G continued

20 Disney+ has catered more successfully to a mass-market audience. Netflix has not identified its target audience in India.

SOURCE INFORMATION

Extract A:

Adapted from

<https://www.counterpointresearch.com/global-smartphone-share/>

Extract B:

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Extract C:

Adapted from

**<https://financhill.com/blog/investing/tim-cook-leadership-style> and
<https://www.ft.com/content/1e37ea95-d402-4dc4-91fb-08d5d70ae8ac>**

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