

Paper Reference 9EB0/01
Pearson Edexcel
Level 3 GCE

Total Marks

Economics B
Advanced
PAPER 1: Markets and how they
work

Wednesday 15 May 2024 – Morning

Time: 2 hours

In the boxes below, write your name,
centre number and candidate number.

Surname					
Other names					
Centre Number					
Candidate Number					

YOU MUST HAVE

Nil

YOU WILL BE GIVEN

Data Booklet

INSTRUCTIONS

Answer ALL questions.

Answer the questions in the spaces provided in this Question Paper or on the separate data sheets – there may be more space than you need.

Turn over

INFORMATION

The total mark for this paper is 100.

The marks for EACH question are shown in brackets – use this as a guide as to how much time to spend on each question.

Calculators may be used.

There may be spare copies of some data sheets in case you need them.

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.

Answer ALL questions.

SECTION A

**Read extracts A–E in the
Data Booklet before answering
Question 1.**

**Write your answers in the spaces
provided.**

Turn over

- 1. (a) Explain ONE reason why an increase in market share might be an important business objective for TUI.**

(4 marks)

Answer lines continue on the next page.

1. (a) continued.

(continued on the next page)

Turn over

1. continued.

(b) Using a supply and demand diagram, illustrate the impact on the market for global travel after travel restrictions have been removed for consumers.

There is space on pages 14 and 23 in the Data Booklet if you wish to use it.

(4 marks)

(continued on the next page)

Turn over

1. continued.

(c) Using Extract B in the Data

Booklet calculate, to two decimal places, the operating profit margin for TUI in Q3 2023.

You are advised to show your working.

(4 marks)

Answer lines continue on the next two pages.

Turn over

1. (c) continued.

Turn over

1. (c) continued.

(continued on the next page)

1. continued.

Many airlines are now investing in aircraft that are more fuel efficient and use low-carbon jet fuel in a bid to reach net-zero carbon emissions by 2050.

(continued on the next page)

1. continued.

(d) Using a supply and demand diagram, analyse the likely impact on the market for air travel of improvements in aircraft technology.

There is space on pages 15 and 24 in the Data Booklet if you wish to use it.

(6 marks)

Answer lines continue on the next page.

Turn over

1. (d) continued.

(continued on the next page)

Turn over

1. continued.

(e) Discuss the likely impact of the wildfires in Rhodes on TUI's break-even level of output.

(8 marks)

Answer lines continue on the next four pages.

Turn over

1. (e) continued.

Turn over

1. (e) continued.

Turn over

1. (e) continued.

Turn over

1. (e) continued.

(continued on the next page)

Turn over

1. continued.

(f) Assess the possible benefits of market mapping for TUI.

(10 marks)

Answer lines continue on the next five pages.

1. (f) continued.

1. (f) continued.

Turn over

1. (f) continued.

1. (f) continued.

1. (f) continued.

(continued on the next page)

1. continued.

(g) Using Extract D in the Data Booklet, assess the possible impact of changes in UK interest rates on holiday firms such as TUI.

(12 marks)

Answer lines continue on the next six pages.

Turn over

1. (g) continued.

1. (g) continued.

Turn over

1. (g) continued.

1. (g) continued.

1. (g) continued.

1. (g) continued.

(continued on the next page)

1. continued.

(h) Assess the likely impact from the growth of the travel and tourism sector on aggregate demand (AD) in the UK.

(12 marks)

Answer lines continue on the next six pages.

Turn over

1. (h) continued.

1. (h) continued.

1. (h) continued.

Turn over

1. (h) continued.

Turn over

1. (h) continued.

1. (h) continued.

(Total for Question 1 = 60 marks)

TOTAL FOR SECTION A = 60 MARKS

SECTION B

**Read extract F in the Data Booklet
before answering Question 2.**

**Write your answer in the space
provided.**

2. Evaluate the effectiveness of indirect taxation on demerit goods to reduce childhood obesity in the UK.

(20 marks)

Answer lines continue on the next nine pages.

2. continued.

Turn over

2. continued.

Turn over

2. continued.

Turn over

2. continued.

Turn over

2. continued.

Turn over

2. continued.

Turn over

2. continued.

Turn over

2. continued.

Turn over

2. continued.

(Total for Question 2 = 20 marks)

TOTAL FOR SECTION B = 20 MARKS

Turn over

SECTION C

Read extract G in the Data Booklet before answering Question 3.

Write your answer in the space provided.

3. Evaluate the extent to which the use of technology might increase productivity for a firm.

(20 marks)

Answer lines continue on the next nine pages.

3. continued.

Turn over

3. continued.

Turn over

3. continued.

Turn over

3. continued.

Turn over

3. continued.

Turn over

3. continued.

Turn over

3. continued.

Turn over

3. continued.

Turn over

3. continued.

(Total for Question 3 = 20 marks)

TOTAL FOR SECTION C = 20 MARKS

TOTAL FOR PAPER = 100 MARKS

END OF PAPER