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Please check the examination details below before entering your candidate information

Candidate surname	Other names

Centre Number | Candidate Number

Pearson Edexcel International Advanced Level

Time 2 hours

Paper reference **WBS11/01**

Business

International Advanced Subsidiary
UNIT 1: Marketing and people

You must have:
Source Booklet (enclosed)

Total Marks

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 in Sections A, B and C.
- 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.*
- Calculators may be used.

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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SECTION A

Read Extracts A to D in the Source Booklet before answering Question 1.

Write your answers in the spaces provided.

1 (a) Define the term 'competitive advantage'. (Extract A, line 5)

(2)

A retailer increased the price of the *Apple* smartphone by 8%. It has a price elasticity of demand (PED) of –0.5.

(b) Explain how the data above is likely to affect the revenue of the retailer.

(4)

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(c) Analyse **two** elements of the marketing mix that are important for the sale of smartphones.

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The folding smartphone is a niche product.

(d) Discuss the likely benefits to a business of selling a niche product, such as the folding smartphone.

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(e) Assess the importance for *Realme* of increasing its market share in the smartphone market.

(10)

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(Total for Question 1 = 30 marks)

TOTAL FOR SECTION A = 30 MARKS

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SECTION B

Read Extracts E and F in the Source Booklet before answering Question 2.

Write your answers in the spaces provided.

2 (a) Define the term 'entrepreneur'. (Extract E, line 2)

(2)

(b) Explain **one** pricing strategy that *Mr Cory's Cookies* may have used when the business started.

(4)

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(c) Analyse **two** methods that *Mr Cory's Cookies* may have used to build its brand.

(6)

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(d) Discuss the advantages for *Mr Cory's Cookies* of using test marketing as a method of market research.

(8)

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(e) Assess the decision by *Mr Cory's Cookies* to use only online retailing to sell its cookies.

(10)

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(Total for Question 2 = 30 marks)

TOTAL FOR SECTION B = 30 MARKS

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SECTION C

Read Extracts G to J in the Source Booklet before answering Question 3.

Write your answer in the space provided.

Toyota has a vision of meeting challenging goals, maintaining its market share and fully engaging with the passion and talent of its employees.

3 Evaluate the extent to which a flexible workforce may help *Toyota* achieve its vision.

(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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Pearson Edexcel International Advanced Level

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Source Booklet
Do not return this Booklet with the question paper.

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Sources for use with Section A

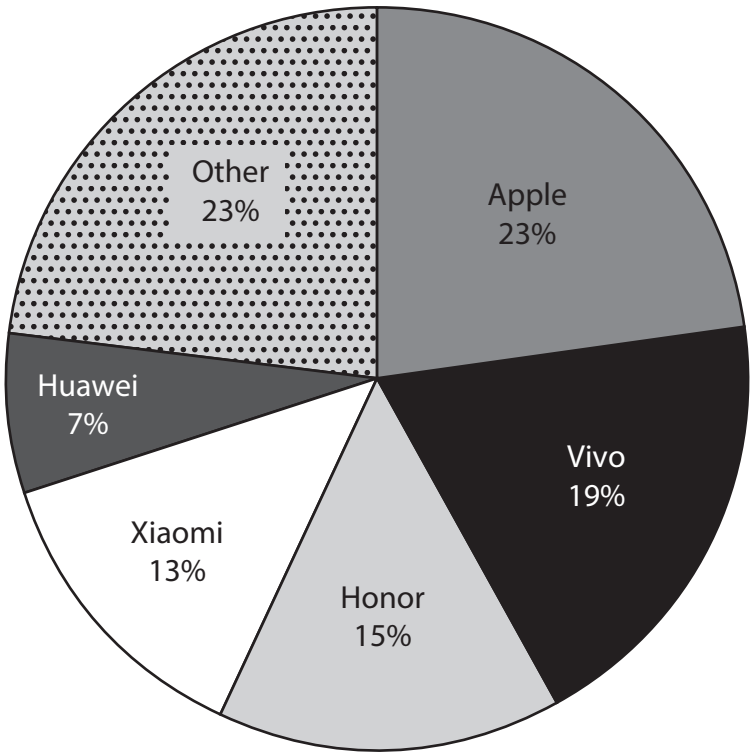
Extract A

China's smartphone market

In 2021, the sale of smartphones in China decreased by 9% due to component shortages and lower consumer spending. Smartphone users in China are now keeping their devices longer before upgrading to new models. However, sales of *Apple* smartphones increased due to its new camera and 5G features giving it a competitive advantage. 5

Extract B

Market share of smartphone sales in China 2021



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Extract C

The folding smartphone is likely to remain a niche product

In 2021, 1.3 billion smartphones were sold globally. Seven million of these were folding models. This represents 0.5% of the smartphone market. It is predicted that by 2025, this share could rise to 1.8%. One of the most popular folding phones is the Samsung Galaxy Z Flip3, priced at over $1 000.

Extract D

Realme* aims to compete with *Apple* and *Samsung

Realme is a Chinese business that started in 2018. It manufactures and sells smartphones. *Realme* has been successful in markets where consumers are seeking high specification phones and fashionable designs at a low price. It is now the second-largest smartphone provider in India.

In 2021, *Realme* launched its smartphones in Europe and other regions outside of China in an attempt to increase its 6% global market share. It sold 20 million smartphones in 2021, an increase of 48% from the previous year. In comparison, *Apple* sold 80 million smartphones in the period of October to December 2021. *Realme* aims to sell 85 million smartphones in 2022.

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Sources for use with Section B

Extract E

Mr Cory's Cookies

Young entrepreneur Cory Nieves is also known as Mr Cory. When he was five years old he started selling hot chocolate in his neighbourhood to raise money to buy a car for his family. Cory then began selling lemonade and cookies to increase the buying options for his loyal customers.

His passion and entrepreneurial spirit, combined with a love of treats, led him to be the owner of *Mr Cory's Cookies* at six years old. Cory's mother, Lisa, spent many months learning how to bake the cookies. She then test marketed each batch in the local area. The business became famous in the local community for Cory's chocolate chip cookies, which continue to be the best seller. The product line has expanded, and the cookies are manufactured using only natural and high-quality ingredients. The cookies are now only available online.

Due to the publicity he received as a young entrepreneur, Cory has had many television appearances and has worked with large companies and brands such as *Mercedes Benz*, *Ralph Lauren*, *TOMS* and *Macys*. In addition, he has worked with non-profit organisations such as the *Children's Aid Society*.

Extract F

The value of *Mr Cory's Cookies*

The sweets and snacks market is extremely competitive and the market is growing. In 2021 Cory Nieves was 17 years old and the value of his business had increased to $1 500 000.

Value of *Mr Cory's Cookies* (2018–2021)

Year	Value
2018	$100 000
2019	$500 000
2020	$900 000
2021	$1 500 000

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Sources for use with Section C

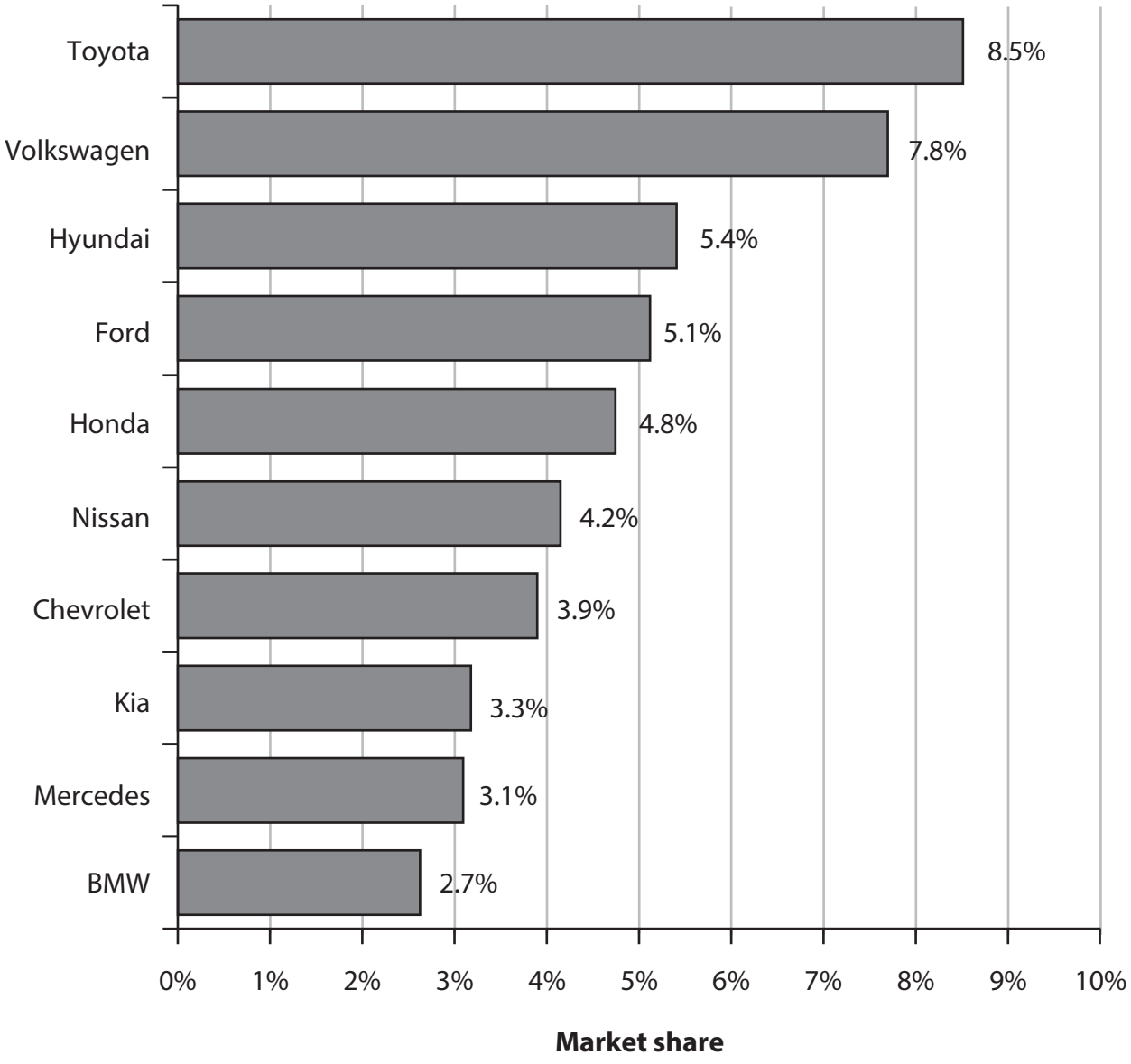
Extract G

About *Toyota*

Toyota is a Japanese car manufacturer. It has 52 factories in 27 countries. Its vehicles are sold in more than 160 countries. The total number of employees in 2021 was 366,000. The vision of the business is to meet challenging goals and maintain its market share by engaging the talent and passion of its employees. 5

Extract H

Global automotive market share in 2020, by brand



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Extract I

Flexible working in Japan

Toyota plans to increase the number of Japanese employees working on a flexible basis. The plan aims to allow 7,800 senior employees, including technical and clerical workers, to choose their own work times. The employees will have the option of coming into the office for only a few hours a week and then working from home.

Extract J

In 2019, *Toyota* was voted one of the UK's best businesses to work for

Toyota was recognised for creating a rewarding and flexible working environment. Its flexible working programme includes options to work part-time and flexible hours.

University graduates have an 18-month training programme to develop their skills in different areas of the business. They rotate between different departments including sales, marketing, planning and social media.

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Acknowledgements

Extracts A and B adapted from: https://www.cnbc.com/2022/01/27/apple-china-iphone-maker-hits-record-market-share-claims-nopoint1-spot.html

Extract C adapted from: www.malaymail.com/news/tech-gadgets/2022/02/18/for-now-the-folding-smartphone-segment-is-likely-to-remain-a-niche-market/2042342

Extract D adapted from: https://www.cnbc.com/2022/02/23/chinas-realme-to-launch-first-high-end-smartphone-overseas.html

Extract E adapted from: https://mrcoryscookies.com/pages/our-story

Extract F adapted from: https://www.dicytrends.com/mr-corys-cookies-net-worth-age-instagram-parents/

Extract G adapted from: https://www.toyota.co.uk/world-of-toyota/careers/tgb-history

Extract H adapted from: https://www.statista.com/statistics/316786/global-market-share-of-the-leading-automakers/

Extract I adapted from: https://www.japantimes.co.jp/news/2017/08/02/business/corporate-business/toyota-eyes-expanding-number-workers-eligible-flexible-hours/

Extract J adapted from: https://media.toyota.co.uk/toyota-gb-shares-the-love-as-employees-vote-it-one-of-britains-best-companies-to-work-for/