Please check the examination details below before entering your candidate information			
Candidate surname		Other names	
		<u> </u>	
Centre Number Candidate N	umber		
Pearson Edexcel International Advanced Level			
Time 2 hours	Paper reference	WBS11/01	
Business			
International Advanced Su	ubsidiary	'y	
UNIT 1: Marketing and people			
You must have:		Total Ma	arks
Source Booklet (enclosed)			
		11	

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 ▶





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 'consumer income'. (Extract A, line 3)	(2)

Vietjet Air has 80 planes. Each plane:

- · has 240 seats
- flies 3 flights a day
- is 88% full.

advised to show your working.		
		(4)



(c) Analyse two entrepreneurial motives Nguyen Thi Phuong Thao may have h when starting <i>Vietjet Air</i> .	ad
	(6)

d) Discuss how increased competition may affect airline passengers in Vio	etnam. (8)



(e) Assess the benefits to a business, such as <i>Vietjet Air</i> , of offering performance-related pay to its employees.	
	(10)



TOTAL FOR SECTION A = 30 MARKS

SECTION B

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

Write your answers in the spaces provided.

2	(a) Define the term 'unique selling point' (USP). (Extract E, line 6)	(2)
	In a country where <i>GoPro</i> sells its products the income elasticity of demand for cameras is 0.6. Average incomes increased by 5%.	
	(b) Using this data, calculate the percentage change in sales of <i>GoPro</i> cameras. You are advised to show your working.	
		(4)



(c) Analyse two benefits that a business, such as <i>GoPro</i> , may gain from the use of social media.	
	(6)



(d) Discuss the positive impact of ethical sourcing on a business such as <i>GoPro</i> .	(8)



as GoPro.	(10)
	(10)



(Total for Question 2 = 30 marks)



SECTION C

Read Extracts H and I in the Source Booklet before answering Question 3.

Write your answer in the space provided.

Richard Branson is well known for his democratic leadership style.

3	Evaluate the extent to which a democratic leadership style is the most appropriate for a business such as the <i>Virgin Group</i> .	or
	a basiness saen as the riigin eroup.	(20)



	(Total for Question 3 = 20 marks)
٦	OTAL FOR SECTION C = 20 MARKS TOTAL FOR PAPER = 80 MARKS



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Pearson Edexcel International Advanced Level

Time 2 hours

Paper reference

WBS11/01

Business

International Advanced Subsidiary UNIT 1: Marketing and people

Source Booklet

Do not return this Booklet with the question paper.

Turn over ▶









Sources for use with Section A

Extract A

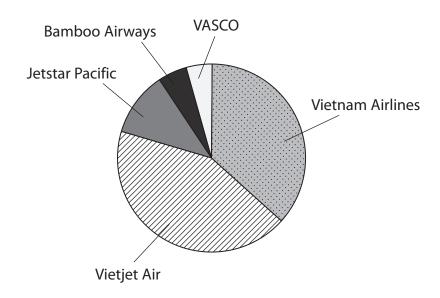
The growth of the airline market in Vietnam

Vietnam is one of the world's fastest-growing economies and its airline market is expanding due to rising consumer incomes in Vietnam and increased tourism. New airline businesses such as *Bamboo Airways* are now competing for the growing number of passengers.

5

Extract B

Market share of domestic flights in Vietnam



Extract C

The founder of *Vietjet Air*

Nguyen Thi Phuong Thao made history by becoming the only woman to have formed a major airline business. The success of *Vietjet Air* has made her the first self-made female billionaire and she is known as a workaholic.

The main reason for the success of *Vietjet Air* is keeping costs low by seating more passengers on its planes. Its planes have 240 seats compared to competitors that have 180 seats on similar planes. On average, *Vietjet Air*'s flights are 88% full.

5

However, Nguyen faces many challenges such as a competitive airline market, congested airports, and a shortage of pilots and engineers.

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Extract D

Working for Vietjet Air

Vietjet Air offers its employees extensive training, free flights and competitive salaries to help attract employees from around the world.

Vietjet Air has a performance related pay scheme with bonuses available every six months. These bonuses are dependent on the personal performance of employees.

During 2019, Vietjet Air recruited 1,696 employees including 284 pilots.

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3

Sources for use with Section B

Extract E

About GoPro

GoPro was started by Nick Woodman in 2002. He was looking for a way to film himself and his friends when they were surfing. He designed a small camera, which he fixed to a strap on his wetsuit. The business has grown internationally and now sells the GoPro cameras in over 100 countries. The cameras attach to helmets and sports equipment. This gave GoPro a unique selling point when it was first launched.

5

GoPro is committed to ethical sourcing. It requires suppliers to treat workers with respect by paying fair wages and providing safe working conditions. It does not allow the use of underage workers and requires that the manufacturing processes used do not damage the environment.

10

Extract F

From Product Orientation to Consumer Orientation

When *GoPro* started it used a product orientation approach. However, *GoPro* soon faced competition from other businesses such as *Sony* and *DJI*. Less expensive cameras became available in the market, and some customers were opting to simply take videos with their smartphones. In response to falling sales, *GoPro* conducted market research and developed a new range of cameras. These were aimed at a wider market, including firefighters, musicians, new parents and television broadcasters.

5

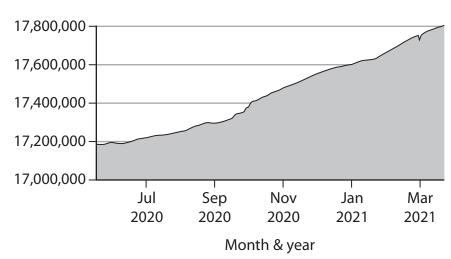
Extract G

Social Media

Users of *GoPro* cameras share their adventures and experiences on social media sites such as Instagram, YouTube and *Facebook*. *GoPro* organises sporting events around the world and participants upload their videos. The most viewed *GoPro* video, of a bicycle backflip, had over 134 million views.

5





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Sources for use with Section C

Extract H

The Virgin Group

The *Virgin Group* owns over 400 businesses and was founded by entrepreneur Richard Branson. *Virgin Group* businesses cover many sectors including travel, leisure, health, music, entertainment, media, financial services and space travel.

Not all the *Virgin Group* products have been a success. *Virgin Cola* was the most highly publicised product to fail. The drink was unable to compete with other dominant soft drinks businesses.

Virgin Pulse and *Virgin Digital*, that were formed to compete with *Apple's* iPod and iTunes, were also *Virgin Group* businesses that failed.

Extract I

About Richard Branson

Branson is well known for his democratic leadership style. He encourages his employees to apply their innovative ideas to the *Virgin Group*.

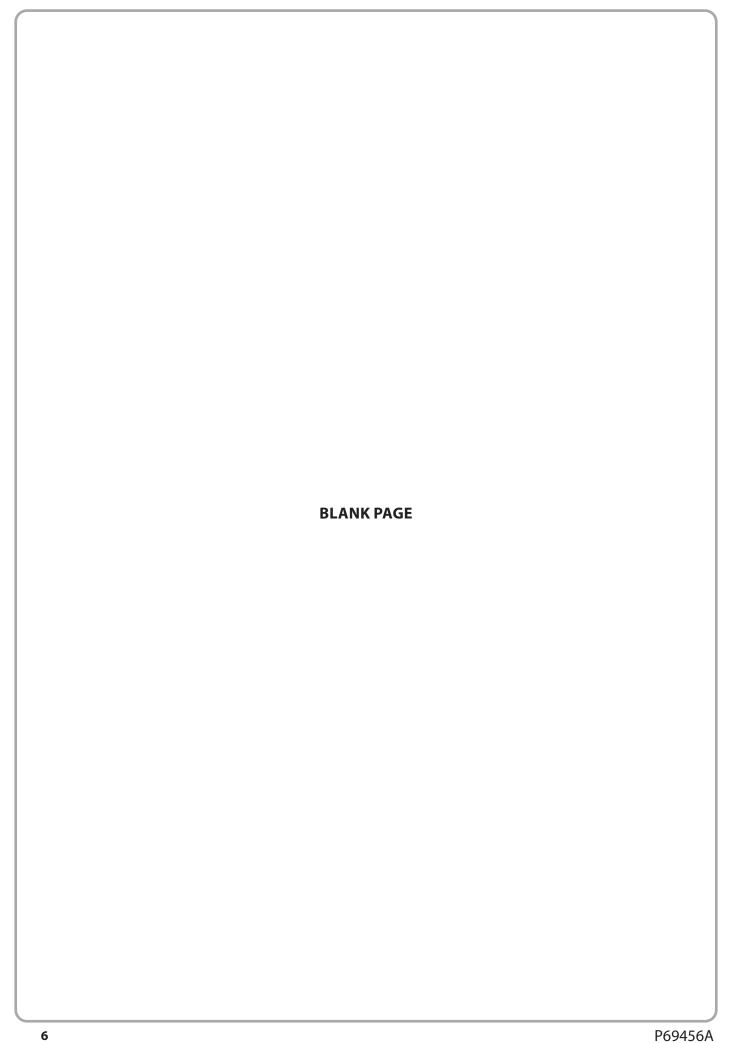
The *Virgin Group* businesses have flat organisational structures and are known for having a fun and friendly working environment. Branson encourages employees to give feedback and suggestions and believes in delegation of authority and teamwork.

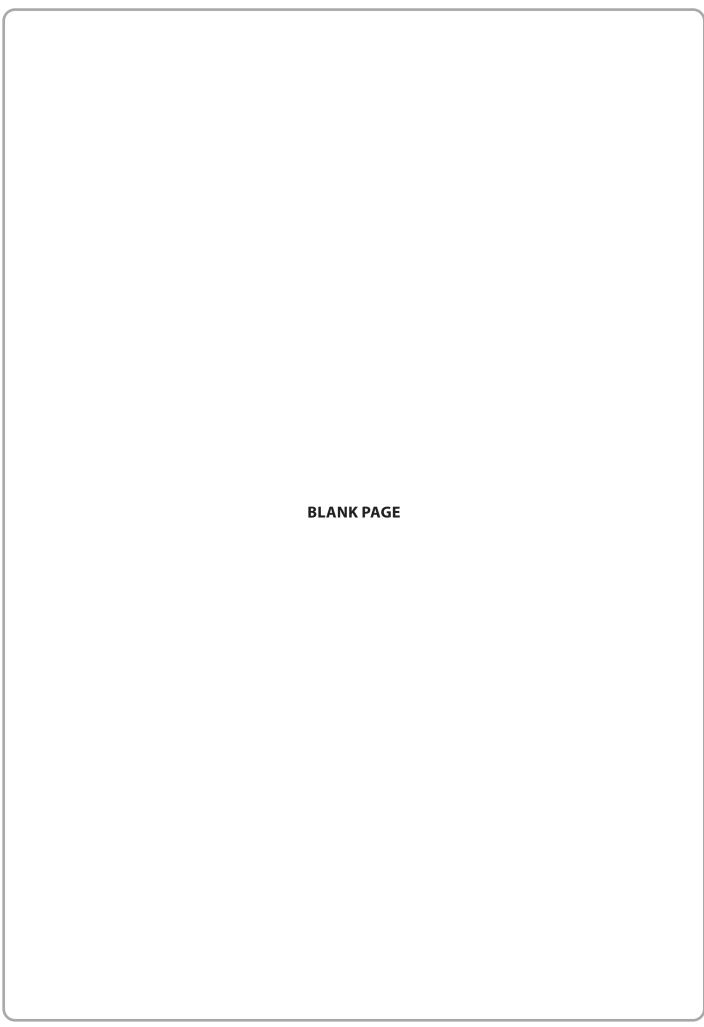
5

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Acknowledgements

Extract A adapted from: https://simpleflying.com/vietnam-start-up-airlines/

Extract B adapted from: https://e.vnexpress.net/news/business/industries/vietnam-airlines-affiliates-hold-over-half-of-local-aviation-market-3993039.html

Extract C adapted from: https://www.forbes.com/sites/forbesasia/2019/09/23/asias-power-businesswomen-2019-how-vietjets-nguyen-thi-phuong-thao-made-history-by-starting-and-running-her-own-airline/?sh=389a2f603e00

 $\textbf{Extract D} \ adapted \ from: \ https://ir.vietjetair.com/File_Upload/financial-information/annual-reports-root/annual-reports/AR_VIETJET_FINAL\%20seal\%202606\%20ENG.pdf$

Extract E adapted from: https://gopro.com/en/gt/about-us

Extract F adapted from: https://www.nbcbayarea.com/news/local/the-future-of-gopro-a-conversation-with-founder-ceonick-woodman/215018/

Extract G adapted from: https://socialmediadissect.com/dissecting-gopros-social-media-strategy/

Extract H adapted from: https://www.businessinsider.com/richard-branson-fails-virgin-companies-that-went-bust-2016-5?r=US&IR=T#virgin-cola-in-a-major-brand-extension-branson-launched-virgin-cola-in-1994-2

Extract I adapted from: https://www.industryleadersmagazine.com/lessons-that-richard-bransons-leadership-style-taught-us/

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