

Write your name here

Surname

Other names

Centre Number

Candidate Number

**Edexcel Diploma**

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# Retail Business

**Level 2**

## **Unit 1: Exploring Retail**

Friday 7 June 2013 – Morning

**Time: 1 hour 15 minutes**

Paper Reference

**RB201/01**

**You do not need any other materials.**

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

### **Information**

- The total mark for this paper is 50.
- 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.
- Keep an eye on the time.
- Try to answer every question.
- Check your answers if you have time at the end.

*Turn over ▶*

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**PEARSON**

**Answer ALL questions.**

***Lulz Cat***

*Lulz Cat* is a catalogue based retail business selling jokes and other novelty items such as hand buzzers. The business is owned by Mr Fawkes. He is a sole trader who runs the company from his home.

After running the company successfully for two years, Mr Fawkes is keen to expand his business into a new retail channel, in partnership with his friend Mr Catesby.

Mr Fawkes believes that before the expansion he needs to analyse the current economic environment.



**Answer questions 1(a) to 1(e) which relate to *Lulz Cat*.**

- 1 (a) State **two** possible disadvantages to Mr Fawkes of being a sole trader.

(2)

1 .....

2 .....

- (b) Other than catalogues, state **two** retail channels that might be suitable for the expansion of *Lulz Cat*.

(2)

1 .....

2 .....

- (c) Outline what is meant by the term **partnership**.

(2)

.....  
.....  
.....

- (d) State **two** benefits to Mr Fawkes of forming a partnership.

(2)

1 .....

2 .....



- (e) Outline **two** economic issues that Mr Fawkes should consider before expanding his business.

(4)

1.....

.....

.....

2.....

.....

.....

**(Total for Question 1 = 12 marks)**



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P 4 2 0 1 9 A 0 5 1 6

### ***Movies on the Move***

*Movies on the Move* operates a series of vending machines at mainline railway stations where busy commuters can rent DVDs and video games quickly and easily.

The business employs three teams of employees:

- 1) operatives who fill the vending machines with new titles and remove old stock. They have to travel from station to station and keep track of the stock
- 2) call centre employees who deal with customers, answering phone calls and handling complaints
- 3) administrative employees who process returned DVDs and assign tasks to operatives.



**Answer questions 2(a) to 2(d) which relate to *Movies on the Move*.**

- 2 (a) State **two** forms of discrimination.**

(2)

1 .....

2 .....

- (b) State **two** measurable criteria which could be used to analyse the performance of *Movies on the Move* employees.**

(2)

1 .....

2 .....

- (c) Describe how *Movies on the Move* employees might use the following skills:**

(4)

- 1 Problem solving**

.....  
.....  
.....  
.....  
.....

- 2 Organisation**

.....  
.....  
.....  
.....  
.....



*Movies on the Move* uses customer feedback to monitor the performance of staff.

- (d) Describe **two** methods of obtaining customer feedback that could be used by *Movies on the Move*.

(4)

1 .....

2 .....

**(Total for Question 2 = 12 marks)**



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P 4 2 0 1 9 A 0 9 1 6

### ***Sweeter Confections***

*Sweeter Confections* sell a range of chocolates and sweets through a chain of shops.

The managing director, Kim Gordon, wants to increase the turnover of the business. She thinks that TV adverts for their new products will help to achieve this because they reach a large audience.

Allan Douglas, the marketing director of *Sweeter Confections* feels that TV advertising is a risk because it is so expensive. He has carried out some market research to find out if there is a relationship between the hours spent watching TV and the amount of money children spend on sweets. He distributed 50 questionnaires to children in branches of *Sweeter Confections*.



**Answer questions 3(a) to 3(d) which relate to *Sweeter Confections***

**Question 3 (a) must be answered with a cross in a box . If you change your mind about an answer, put a line through the box  and then mark your new answer with a cross .**

- 3 The results of Allan's questionnaire are shown below in Figure 1.

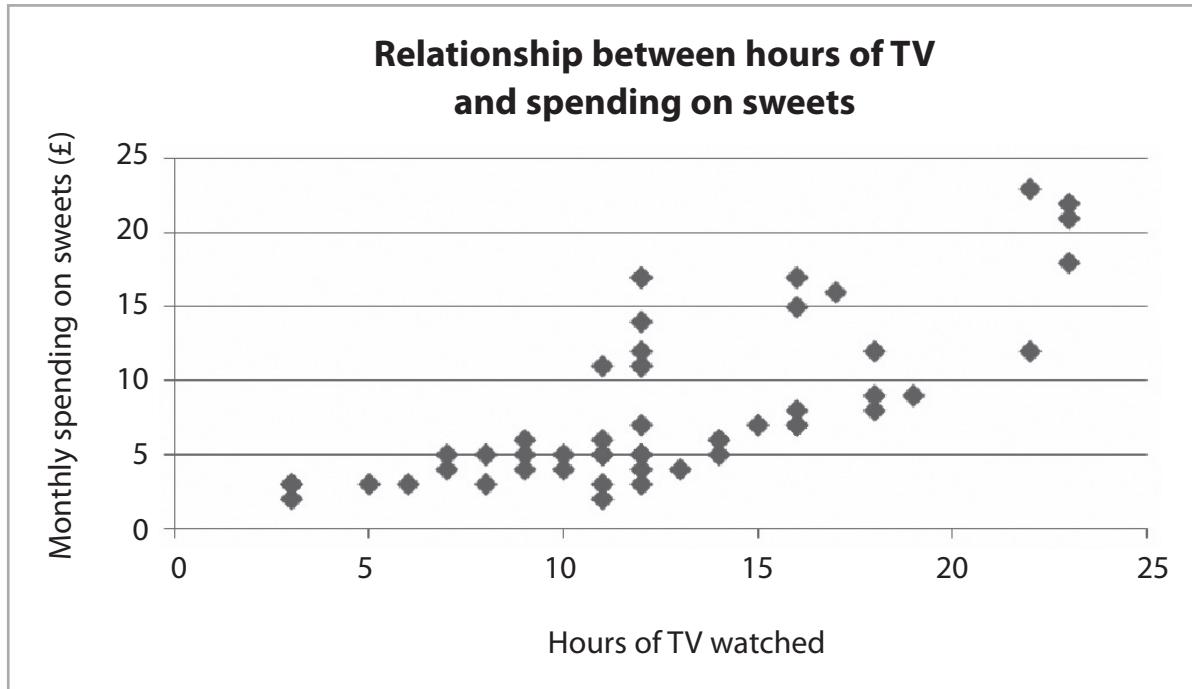


Figure 1

- (a) How has Allan presented his data?

(1)

A	Scatter graph	<input checked="" type="checkbox"/>
B	Line graph	<input type="checkbox"/>
C	Bar chart	<input type="checkbox"/>
D	Frequency chart	<input type="checkbox"/>



- (b) Referring to the information in Figure 1, describe the relationship between the hours spent watching TV and the amount of money children spend on sweets.

(2)

- (c) Explain why **sampling** should be considered carefully by *Sweeter Confections* when using market research to make a decision.

(4)



(d) Analyse the importance of risk taking to *Sweeter Confections* when promoting new products.

(6)

**(Total for Question 3 = 13 marks)**



### ***Onstyle Carpets***

*Onstyle Carpets* is a British company who specialise in selling carpets. They have 300 employees in the UK.

They have been successful in operating in the UK for a number of years and are planning to open a new store in France.

The managers of *Onstyle Carpets* have been researching the tastes of households in France and different potential sites for their new store. They have chosen an out of town site for the new store.



**4** (a) Using a standard definition of company size, state the size of *Onstyle Carpets*.

(1)

(b) Explain why *Onstyle Carpets* might have selected an out of town location for their new store.

(4)

(c) Evaluate the importance for *Onstyle Carpets* of understanding the tastes of local customers when opening a store in a different country.

(8)



**(Total for Question 4 = 13 marks)**

**TOTAL FOR PAPER = 50 MARKS**

