**5.** The supply of bananas from the Caribbean fell by 20% in 2010. Which **one** factor is **least likely** to have caused this?

1. A devastating hurricane in the Caribbean
2. The price of bananas fell the year before
3. A steady increase in world incomes
4. Lack of fruit pickers in the Caribbean

*Explain why your answer is correct (1 + 3 marks)*

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**6.** An outward shift in the demand for housing resulted in house prices rising by 10% between 2009 and 2010. Which **one** of the following is **least likely** to have caused this increase?

1. There was a general expectation that house prices would increase
2. There was a recession
3. There have been more buyers than sellers
4. Interest rates fell to a very low level

*Explain why your answer is correct (1 + 3 marks)*

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1. (a) High street retailer, Marks and Spencer, has become more market orientated in recent years.  
   Each of the following is a likely benefit of market orientation, **except (1)**
2. Sales revenue increases
3. Advertising costs might fall
4. Customer loyalty increases
5. Producers can sell what they want

Answer [ ]

(b) Explain your answer. **(3)**

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**Marvin – Mr Motivator!**

As a teenager, Marvin Burton battled with his weight. By the time Marvin left school he was 16 stone (100 kgs), so he decided to work in the fitness industry to try and help overcome his weight problem. Marvin worked in a number of roles from gym receptionist, aerobics instructor, personal trainer, to the Director of Fitness on a cruise ship – teaching and training over 2,000 passengers!

As an essential part of his professional development, Marvin studied and often undertook training in areas such as sports massage therapy, diet and nutrition and anatomy.

In 2008, Marvin started his own fitness company, Advanced Conditioning Ltd. He often worked with professional sports people on a one-to-one basis. Marvin also ran group exercise classes. Since much of his work required him to be flexible, he set up an office at home. When Marvin needed a fitness studio or large equipment for his clients, he simply hired it, often from well known health club chains, such as Virgin Active.

Since 2011, Marvin has teamed up with four other self-employed professional sports trainers, a masseur and a chef, to provide exclusive well-being stay away breaks. The team, operating collectively as Fitness Retreat Ltd, hire luxury countryside venues such as The Lindens, in Dorset. The Lindens is a fabulous 18th century manor house which has a heated swimming pool, all-weather tennis courts and acres of amazing woodland and gardens – the perfect setting for a great fitness getaway.

Fitness Retreat Ltd offers its breaks across the UK for four or seven days. Those who attend learn about exercise, nutrition, motivation, recovery and general well-being. The team use well-proven methods to achieve great results in weight loss and fat burn. There have been many happy clients who achieved their targets.

One client, sales manager Lucy Adamson, commented: “I wanted to lose two stone for my wedding. I tried for a long time but found it hard. When I started work with Marvin it seemed as though we didn’t have to do all of the things that I was trying. I looked forward to the sessions and the weight came off easily”

Marvin is first and foremost an international fitness educator, working as a consultant to all major health chains and a number of sports clubs. “I call him the Guru, he’s a legend and makes me laugh. I can’t believe how much he knows” said Matt Richards of Derby County Football Club.

When business is quiet – which is rare these days – Marvin writes educational material and trains other trainers.

Assess whether or not an increase in unemployment might affect Fitness Retreat Ltd. (8)

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**Evidence A**

Globalisation in action - Imagine a Tesco branch where the staff shout out their wares, packaging is ripped off as a matter of course and meat is squeezed to see if it is still warm and therefore fresh. These are just some of the oddities to Western eyes that greet the visitor in Tesco branches all over China. Tesco is an aggressive player in this emerging market. It first entered China in 2004 through a 50:50 joint venture with a local chain called Hymall or “Happy Shopper.” It now has 62 stores, employs 21,000 people and has a turnover approaching £1 billion. Analysts believe it may soon overtake the UK as Tesco‟s biggest market.

The traditional philosophy of Tesco is “our only mantra is customer demand.” This takes on a whole new meaning in China where the fresh food section is – well, fresh. Dozens of species of fish swim around in their tanks, while live tortoises have their own enclosures. There is a brisk line in live turtles too. However, this does not go down well with animal rights activists who claim their shells are ripped off and they are left alive in agony.

Then pig faces jostle with squid alongside more traditional Chinese products such as huge vats of rice and seaweed.

In a country where less than 2% of the population own a car, Tesco lays on free public transport to its front doors. There is also free water, free mobile phone charging points and free delivery of larger appliances that won’t fit on the bus home.

Over the next five years, Tesco plans to spend £2 billion in the development of 80 Chinese shopping centres – with a Tesco store at the heart of each. At 40 million square feet, these will outstrip their entire UK floor space.

1. Assess the extent to which Tesco’s market orientation is the key to its success (Evidence A). (8)

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