



T-LEVELS
THE NEXT LEVEL QUALIFICATION

ASSESSMENT 3 CORE

1.9, 1.10, 1.11

**URSULINE HIGH SCHOOL
ET-FOUNDATION.CO.UK**

Assessment 3: 1.9, 1.10, 1.1 (55 MARKS)

1.9 Impacts of current and emerging digital technologies

1. “high speed Internet” should be written “high-speed internet”

07	Which of the following would be classified as an external opportunity for a UK supermarket chain that also offers online shopping?	
	A A German supermarket chain plans to open stores in the UK	☐
	B An increase in staff wages	☐
	C An increase in the number of UK households with high speed Internet connection	☐
	D A high customer satisfaction rating for its online shopping website	☐
		[1 mark]

2.

06	Technological development directly supports innovation by:	
	A Helping to add new features to products	☐
	B Increasing the price of products	☐
	C Reducing business costs	☐
	D Increasing the complexity of products	☐
		[1 mark]

1.10 Organisational culture and values

3. “10%” and “5%” should be written “10 per cent” and “5 per cent”.

In all instances, the full stop should be inside the closing quotation mark.

0	1
Which of the following is an example of a vision statement ?	
A 'Achieving a 10% increase in annual profits this year'.	☐
B 'Inflation is forecasted to increase in 2019'.	☐
C 'Offering customers the best shopping experience'.	☐
D 'Operating costs fell by 5% in 2017'.	☐
[1 mark]	

1.11 The different methods and channels through which organisations communicate

4.

0	4
What would be the main reason for businesses marketing internally within an organisation?	
A To provide competitors with information	☐
B To provide support to the supply chain	☐
C To satisfy customers' needs and wants	☐
D To provide information and communicate with employees	☐
[1 mark]	

5.

The answers to this question should not have concluding full stops.

0 2

A smoothie bar located in a university town and targeting 18–25 year olds wants to **communicate effectively with customers**.

What would be the **most** appropriate way?

A Adverts placed in national newspapers.

☐

B Leaflets posted through doors in the local town.

☐

C Meetings with local competitors.

☐

D Messages and videos on social media accounts such as Instagram.

☐

[1 mark]

1.9 Impacts of current and emerging digital technologies

6.

0 9

A business has innovated by developing a smart phone with a significantly longer battery life than its competitors.

Identify **one** method that could be used to **protect the innovation** and explain how this protection might benefit the business.

[3 marks]

1.10 Organisational culture and values

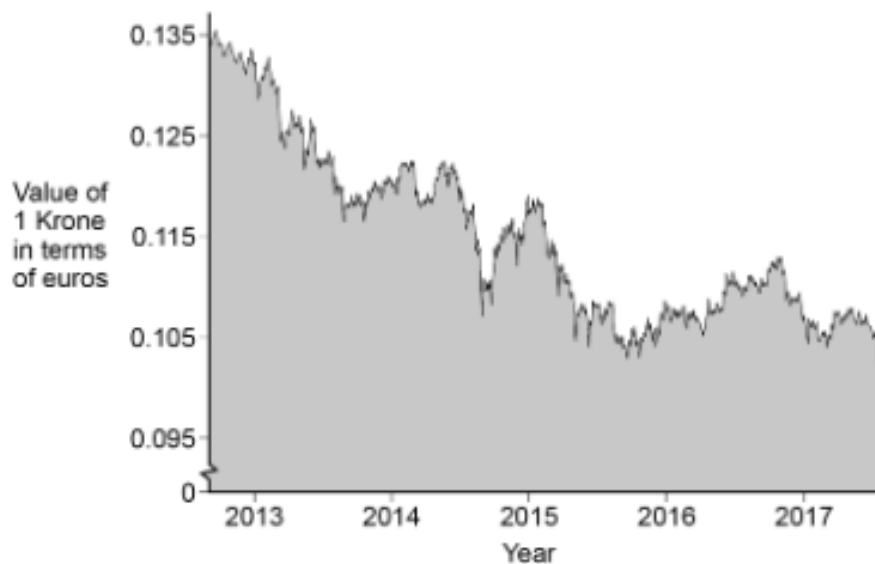
7. This question was used in the previous paper. Part of the question is obscured by the slide reference.

Lego

The Lego Group is one of the largest manufacturers and retailers of play material in the world. It is a private limited company based in Denmark that is wholly owned by the Kristiansen family. The company's product range includes Lego, Lego Duplo, Lego Star Wars and Lego Friends.

Lego has been investing heavily in recent years; this has reduced the funds available for dividends. It is building new facilities in China and Mexico as part of its strategy to locate production nearer its markets. The company also invests significantly in attempts to spot consumer trends through market research and in new product development. Each year, new product launches account for approximately 60% of the company's sales.

The company's profits are calculated in the Danish currency, the Krone. Given that it is a global business selling in over 130 countries and buying resources from around the world, the company's profits depend partly on exchange rates. A significant proportion of its sales are in Europe.



The company's mission statement is to 'Inspire and develop the builders of tomorrow'. Its culture is based on openness, trust and its core values of 'Creativity, Imagination, Fun, Learning, Quality and Care'. Lego's managers say that its continued success is made possible by the culture of the business and that it is important to take actions to help ensure employees share this culture.

Analyse the actions managers at Lego might take to help ensure that its employees share the culture of the business.

Do n
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1.9 Impacts of current and emerging digital technologies

8.

Read **Item A** and then answer question **1 7**.

Item A

The UK market for vending services

Vending machines are situated in a variety of locations such as offices, schools, hospitals and shopping centres. The size of these machines ranges from small 'desktop' models (such as those used for vending hot drinks) to larger floor-standing 'tower' models. Some 'tower' models are stocked with a variety of snacks and/or drinks, while others are stocked with chilled foods.

Businesses offering vending services supply, maintain and stock the machines. They receive revenue from users buying products sold by their machines. In turn, these businesses buy their products, to stock machines, from food and drinks manufacturers such as Nestlé.

Some businesses restrict their target market to specific parts of the UK. This localisation is perhaps due to the complexity of stocking, maintaining and repairing machines. For example, operatives must quickly re-stock machines, carry out routine maintenance and collect cash. Creating a nationwide network of machines, and servicing them, requires a considerable investment in human and physical resources.

Innovation is one way in which businesses might improve their competitive position. This might be in terms of dominating a niche market. Alternatively, it might be a way in which a follower becomes a challenger. Examples of recent 'tower' machine innovations include:

- contactless payment, where customers can buy from the machine using their bank card or smart phone
- auto-reporting, where the machine instantly communicates breakdowns and low stock-levels to the business providing the vending service
- a large touch screen, which enhances the user-interface and could generate advertising revenue
- a camera, which enables the machine to gather anonymous marketing data and suggest purchases based on the perceived age and sex of the user.

Innovation by food and drinks manufacturers can also be used by businesses providing vending services. The introduction of the 'coffee pod' system is one example, as used by Nespresso vending machines.

1 7

How significant is **innovation** for businesses aiming to improve their competitive position in the UK market for vending services?

Use **Item A** to justify your answer.

[15 marks]

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[illegible]

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