Pearson Edexcel Level 3 GCE

Friday 15 May 2026

Morning (Time: 1 hour 30 minutes)

Paper reference **8BS0/01**

Business

Advanced Subsidiary

PAPER 1: Marketing and People

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

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SECTION A

Read Extract A before answering Question 1.

Ex trac t A

Boots

The health and beauty retailer, Boots, which also operates pharmacies, is closing stores across the UK due to an increase in online shopping. The company has stated there will be no redundancies and staff will be offered work at nearby stores.

Boots increased its sales revenue by 13.4% in 2023. Its No7 brand is the UK's number 1 skincare brand, overtaking premium brands such as Clarins and Garnier. No7's new product is its Future Renew range, with a product selling every two seconds on launch day. The range achieved over half a million customer transactions in the first four weeks. Using the Boston matrix, Boots has identified the Future Renew products as stars in its produc t por tfolio.

Boots pharmacy sales also increased by 5.7%. Sales were driven by non-prescription medications for hayfever, pain relief and cold and flu. Boots sells own-brand remedies for these, as well as stocking alternatives, such as Lemsip, Beechams, Nurofen and Clarityn.

(Source: adapted from https://www.boots-uk.com/newsroom/news/strong-retail-sales-for-boots-drives-market-share-growth-for-a-ninth-consecutive-quarter/)

SECTION B

Read Extract B before answering Question 2.

Ex trac t B

US toy giant Hasbro combats falling sales

The toy market has been declining and sales of toys in the UK fell by 3% in 2023. Average toy prices increased from £9.15 in 2022 to £10.54 in 2023.

Hasbro is known for selling traditional games, such as Monopoly. It has attempted to increase sales by relaunching the Furby. The 1990s' toy sold over 40 million worldwide in the first 3 years after its launch. Hasbro implemented an extension strategy offering a smartphone app, which could translate Furby's sounds into English. The latest version, designed and launched for the Furby's 25th anniversary, is similar to the original model. It speaks on command and appears to 'learn' more, the more it's played with. It is programmed with over 600 phrases, jokes, songs, and responds to hugs and pats on the head.

Hasbro executive Kristin McKay stated, "Over the past few years, we've done a lot of primary market research to understand what kids would want to see in a new Furby."

Hasbro has also invested in video games development. In 2023 its video game Monopoly Go! reached $2 billion in sales within 10 months of being launched. Head of Digital Product Development, Dan Ayoub, said, "Hasbro's a 100-year-old company built on play. It's always been about entertaining people. Gaming is the main form of entertainment for a lot of people, and demand continues to grow. It makes sense for Hasbro to be in this market."

Hasbro faces tough competition in the video games market from established brands, such as Epic Games, which makes the popular game Fortnite.

(Source: adapted from https://metro.co.uk/2023/06/22/get-ready-for-a-hit-of-nostalgia-furby-is-back-for-2023-18996912/ and https://www.gamesindustr y.biz/hasbros-1-billion-bet- on-internal- game - development)

SECTION C

Read Extract C before answering Question 3.

Ex trac t C

Norfolk Farm Shop

The award-winning Goat Shed Farm Shop in Norfolk started life in a tiny wooden shack in the car park of a small cheesemaking business. Increasing demand for locally sourced food in 2020 led to the construction of a £250 000 building in 2021.

Owner Sam Steggles said, "The ethos of constantly responding to customer needs, including developing a café, cheese room and deli counter, had inspired consumer loyalty."

The business has grown by adding a restaurant. Sam is planning another expansion to double the size of the farm shop and include a new bakery counter.

Sam expects the business to employ an extra 15–20 people by the time building work is completed. This will increase the total workforce to 60, many of whom are paid hourly wages on zero-hour contracts. Sam will need to consider the value the new staff can bring to the business, as well as the costs involved.

(Source: adapted from https://www.edp24.co.uk/news/24261005.
goat-shed-farm-shop -nor folk- expands-new-butcher y/)