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Economics B

Advanced

**Paper 3: The economic environment
and business**

Friday 15 June 2018 – Morning

Time: 2 hours

Paper Reference

9EB0/03

You must have:

Insert (enclosed)

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 100.
- 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 ►

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Answer ALL questions.

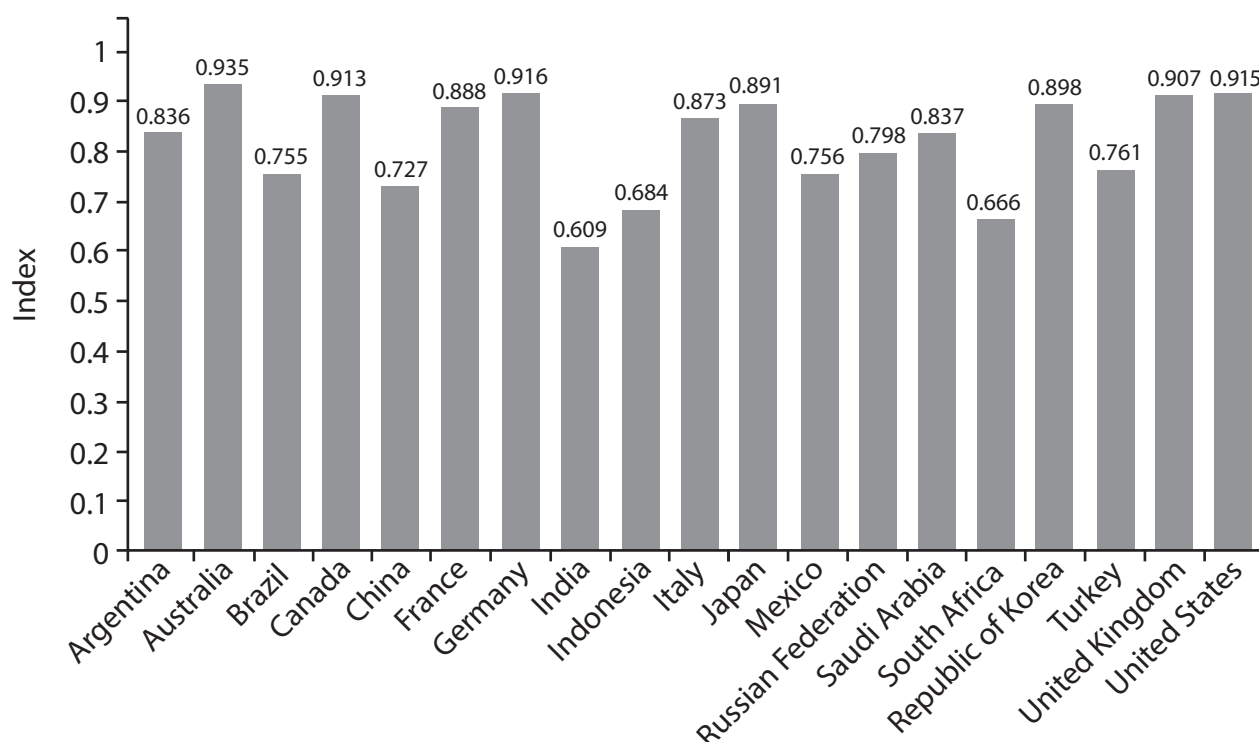
SECTION A

Read the following extracts (A to D) and Figures 1, 2, 3 and 4 before answering Question 1.

Write your answers in the spaces provided.

Extract A

Human Development Index (HDI) of G20 countries



(Source: adapted from © 2012-2015 GOVERNMENT OF INDIA)

Extract B

History of containers

In 1955, Malcom P. McLean, a transport entrepreneur from the USA, bought a steamship company with the idea of transporting entire truck trailers with their cargo still inside. He realised it would be much simpler and quicker to have one container that could be lifted from a vehicle directly on to a ship without first having to unload its contents.

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His idea was that efficiency could be vastly improved by using the same container, with different forms of transport during its journey. Containers could be moved easily between ships, trucks and trains. This would simplify the whole logistical process. Eventually, this idea led to a revolution in cargo transportation and international trade over the next 50 years.

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(Source: adapted from © 2017 World Shipping Council)



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Extract C

Responding to the challenges of an ageing population

For the first time in human history, an ageing population could mean that the population will stop growing in most of the world. The European Commission expects that by 2060 Germany's population will shrink by one-fifth, and the number of people of working age will fall from 54 million in 2010 to 36 million in 2060. China's labour force peaked in 2012, due to income-driven demographic trends. A smaller workforce will place a greater emphasis on productivity for driving growth and may cause us to rethink the economy's potential.

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Proportion of elderly is increasing

Global population by age group, % ● 0–14 ● 15–64 ● 65+

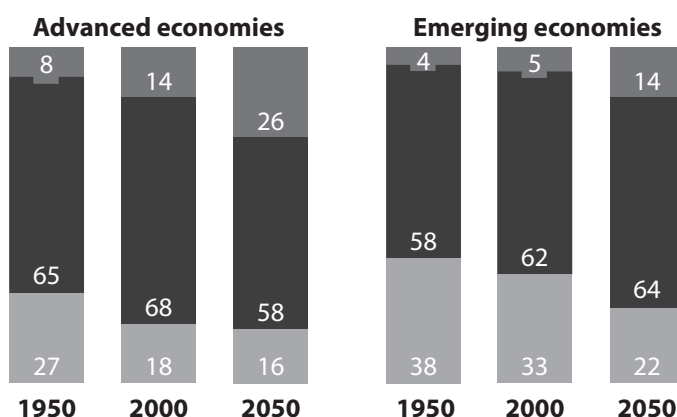


Figure 1

Global life expectancy is increasing



AN AGEING WORKFORCE

The share of **older workers** (age 55+) will increase dramatically

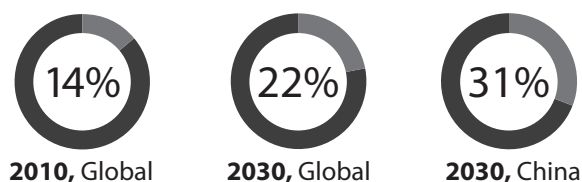


Figure 2

(Source: adapted from © 1996-2017 McKinsey & Company)



Extract D**The age of urbanisation**

There has been a shift of economic activity to emerging markets such as China and to cities within those markets. These emerging markets are going through industrial and urban revolutions at the same time, shifting the centre of the world economy east and south at a speed never before witnessed.

5

As recently as the year 2000, 95% of the Fortune Global 500 – the world's largest international companies including *Airbus*, *IBM*, *Nestlé*, *Shell* and *The Coca-Cola Company* to name but a few – had headquarters in developed economies. By 2025, China will be home to more large companies than either the United States or Europe. We expect nearly half of the world's largest companies – defined as those with revenue of \$1bn or more – to have their headquarters in emerging markets.

10

Perhaps equally important, the focus of economic activity is shifting within these markets. The global urban population has been rising by an average of 65 million people annually during the past three decades, the equivalent of adding seven Chicagos a year, every year. Nearly half of global GDP growth between 2010 and 2025 will come from 440 cities in emerging economies – 95% of them small- and medium-size cities that many Western executives may not even have heard of and could not point to on a map. For example, in 2010, we estimated that the GDP of Tianjin in China was around \$130bn, making it equal to Stockholm, the capital of Sweden. By 2025, we estimate that the GDP of Tianjin will be around \$625bn – equal to the GDP of Sweden.

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Emerging economies are becoming major forces

By 2025, emerging economies will grow **75%** faster than developed nations

Emerging economies are taking a larger share of the world economy

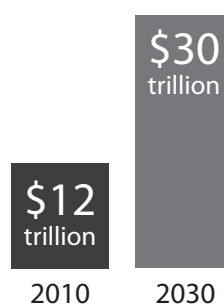


Figure 3

Growth of the urban consumer class

150% increase

in **annual consumption** in emerging markets, 2010 to 2030



620 million

people exited poverty in the last 20 years

Figure 4

(Source: adapted from © 1996-2017 McKinsey & Company)



- 1 (a) Using Extract A, discuss the use of HDI as an indicator of growth.

(8)

The Human Development Index (HDI) is a composite measure of development rather than just growth. It combines three strands: income, measured by GNI per capita (PPP); health, measured by life expectancy at birth; and education, measured by mean and expected years of schooling. Each country scores between 0 and 1, and the higher the value, the more developed the country.

This makes HDI useful because it captures qualitative as well as quantitative aspects of development and allows countries to be ranked. Extract A shows Australia, a developed economy, scoring 0.935, while India, a developing economy, scores only 0.609, so HDI clearly separates rich and poor G20 members. If a country's growth is used to fund schools and hospitals, its HDI will rise, so HDI shows whether growth is actually improving people's lives.

However, HDI has weaknesses as an indicator of growth. GDP or GNI growth is the change in real output, whereas HDI changes slowly because life expectancy and schooling take years to respond, so it is a poor short-run measure of growth. Data from some developing countries may also be unreliable. GNI per capita is an average and takes no account of income distribution. Saudi Arabia has a relatively high HDI of 0.837, yet gender inequality is high and wealth is concentrated in the hands of a few. Argentina has almost the same score, 0.836, but is a very different society. HDI also ignores political freedom, gender equity and environmental damage, which many argue a more human-centred index should include.

Overall, HDI is a better indicator of development than GDP alone, but it should be used alongside real GDP growth rates and measures such as the Gini coefficient rather than as a measure of growth on its own.



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- (b) Assess the importance of transport and communication to the increase in globalisation over the last 50 years.

(10)

Globalisation is the growing integration and interdependence of the world's economies through increased trade in goods and services, flows of capital (FDI), movement of labour and the spread of technology and ideas.

Improvements in transport have been central to this. Extract B explains how Malcom McLean's container, introduced in 1955, meant one container could be lifted from a truck straight on to a ship and then on to a train without unloading its contents. This dramatically reduced loading times, labour costs, damage and theft, so the cost of shipping goods fell sharply. Lower transport costs make trade viable over long distances, which allows countries to specialise according to comparative advantage and trade the surplus, raising world output and leading to a revolution in cargo transportation and international trade over 50 years. Cheaper air travel has also made it much easier for business people to travel, visit suppliers and expand their businesses abroad, and air freight allows perishable and high-value goods to be traded globally.

Communication has developed even faster. The internet, mobile phones and the digital economy mean firms can communicate instantly and cheaply with suppliers and customers anywhere and access global markets at all times. This allows MNCs to coordinate global supply chains, outsource services such as call centres to India and sell online to consumers worldwide, again spreading globalisation.

However, other factors have also been important. Trade liberalisation, with the GATT and then the WTO reducing tariffs and quotas, has broken down trade barriers. Political change, such as the breakdown of the Soviet Empire and the opening up of China after 1978 and its entry to the WTO in 2001, brought billions of workers and consumers into the global economy. The rise of MNCs with true global reach, such as Walmart, the world's biggest MNC, and increased flows of FDI following capital market liberalisation,



have also allowed economies to develop and trade.

Nevertheless, these factors are closely linked. Without cheap containers and instant communication, lower tariffs and the opening of China would have had much less effect, because trade would still have been too costly and MNCs could not manage global supply chains. Equally, better transport alone would not have spread globalisation if trade barriers had remained high. On balance, transport and communication have been the most important enabling factor, but their impact depended on trade liberalisation and political change happening at the same time.



(c) Assess the impact of demographic change on the global labour force.

(12)

Demographic change is the way the size, structure and make-up of a population changes over time, through birth rates, death rates and migration. Extract C shows that the age structure of the world's population is changing as people live longer and have fewer children.

Global life expectancy has risen from 47 years in 1950 to 69 years in 2014 and is forecast to reach 76 years by 2050, an increase of seven years. Figure 1 shows the share of the population aged 65+ in advanced economies rising from 8% in 1950 to 26% by 2050, and in emerging economies from 4% to 14%. Most of these people will be retired, so the share of the population of working age (15 to 64) in advanced economies falls from 68% in 2000 to 58% in 2050. This means the global labour force is ageing: the share of workers aged 55+ is expected to increase from 14% in 2010 to 22% in 2030 globally, and to 31% in China.

If these trends continue, the productive labour force will shrink. Germany, which relies heavily on manufacturing, faces its working age population falling from 54 million in 2010 to 36 million in 2060, a 33% fall, and China's labour force has already peaked in 2012. A smaller labour supply shifts the labour supply curve left, raising wage rates and firms' costs, and may cause skills shortages and falling output. With fewer workers supporting more retired people, the dependency ratio rises, so taxes may rise to fund pensions, reducing incentives to work. Labour is a derived demand, so an older population will also change the type of labour demanded: demand for health care and care workers will increase, while demand in other sectors may fall, causing occupational immobility problems.

Older workers may also be less geographically and occupationally mobile and less familiar with new technology, which could reduce productivity just as Extract C says a smaller



workforce places a greater emphasis on productivity for driving growth.

However, the impact may be less serious than it seems. Emerging economies still have a much younger population; India has a growing population with a large share under 25. If migration is allowed to take place from young to ageing countries, it may mitigate the global problem, although migration currently faces political obstacles. Countries such as the UK are raising the retirement age, which maintains the productive population, and older workers bring experience. Technology, automation and AI may also compensate for the lack of labour by raising productivity, and higher female participation rates can increase the labour force.

Overall, demographic change will reduce the size and increase the average age of the labour force, particularly in advanced economies and China, and the short-run impact is likely to be skills shortages and rising costs. In the long run, the overall impact depends on how individual countries react, through migration policy, retirement ages and investment in productivity-raising technology.



- (d) Evaluate the implications of the growing economic power of emerging markets for individuals and firms.

(20)

An emerging market is an economy experiencing rapid industrialisation and sustained high rates of real GDP growth, such as China and India. Extract D shows that economic power is shifting east and south at a speed never before witnessed. Figure 3 shows emerging economies will grow 75% faster than developed nations and their share of the world economy will rise from one third today to one half by 2025.

For individuals in emerging markets the implications are largely positive. Figure 4 shows 620 million people have exited poverty in the last 20 years, and annual consumption in emerging markets is forecast to increase by 150%, from \$12 trillion in 2010 to \$30 trillion in 2030. Rising real incomes mean consumers can spend more to improve their standard of living, often on goods with income elastic demand such as cars, fashion, luxury and hi-tech goods. As local firms grow, consumers have more choice, more innovative goods and lower prices. Workers benefit from more jobs and higher wages in cities.

However, rapid growth also has costs for individuals. The urban population is rising by 65 million people a year, the equivalent of seven Chicagos, which can lead to congestion, pollution, poor housing and rising inequality between urban and rural areas. In developed economies, individuals may lose jobs as manufacturing and some services move to lower cost emerging markets, although they may gain from cheaper imports.

For firms, growing emerging markets create huge opportunities. The GDP of Tianjin is forecast to rise from \$130bn in 2010 to \$625bn in 2025, more than four times larger and equal to the GDP of Sweden. This creates demand for European businesses that supply materials and services to infrastructure projects, often financed by FDI. Western firms facing saturated home markets can increase sales and profits by entering these markets, gain economies of scale and extend the product life cycle of products that are



in decline at home. Firms can also cut costs by locating production where labour is cheaper.

On the other hand, economic growth in emerging markets leads to the growth of their own businesses, which become competitors. In 2000, 95% of the Fortune Global 500 had headquarters in developed economies, but by 2025 nearly half of the world's largest companies are expected to be based in emerging markets, and China will be home to more large companies than the United States or Europe. Examples include Huawei, Haier and Lenovo in China, and Infosys and the Tata Group in India. These MNCs compete not only in emerging markets but in Western markets too, so Western businesses may lose market share and face pressure on prices and profit margins.

Local businesses also have an advantage as they understand their market, culture and consumers better and are best placed to take advantage of it. Even well established brands such as Apple have suffered at the hands of locally based competitors in China, such as Huawei and Xiaomi. Extract D notes that 95% of the 440 fastest growing cities are small and medium-size cities that many Western executives have not heard of, so Western firms may misjudge where the opportunities are.

There are also risks: emerging markets can be politically unstable, have weaker legal protection of intellectual property and volatile exchange rates, and growth forecasts made in 2010 for 2025 may prove optimistic if, for example, Chinese growth slows.

In conclusion, the growing economic power of emerging markets is mostly positive for individuals within them, through higher incomes and falling poverty, while the effects on individuals in developed economies are mixed. For firms it is both an opportunity and a threat. The extent of the benefit depends on the individual business and how it responds: Western firms that adapt their products and enter the fast-growing cities early are likely to gain, while those that ignore these trends risk being left behind by new emerging market MNCs. In the long run, the shift is likely to increase competition



globally, which benefits consumers most of all.

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(Total for Question 1 = 50 marks)

TOTAL FOR SECTION A = 50 MARKS



SECTION B

Read the following extracts (E to G) and Figure 5 before answering Question 2.

Write your answer in the space provided.

Extract E**Indian cycle brand *Hero* opens Global Design Centre in Manchester**

Hero Cycles is an Indian multinational company and one of the world's biggest manufacturers of bicycles, producing over 5.5 million bicycles a year. In the UK, it supplies major retailers such as *Halfords*, *Argos* and *Tesco*.

Despite Brexit, *Hero Cycles* has opened a £2m Global Design Centre in Manchester, near the National Velodrome, the home of British cycling. The decision to choose Manchester, which has the biggest student population of any city in Europe, was taken in 2016. A number of other cities across Europe were considered for the design centre, including London, Amsterdam, Copenhagen and Berlin. 5

Mr Pankaj Munjal, Chairman and Managing Director of *Hero Cycles*, said "with major expansion plans in Europe, this design centre will help us produce technology and design to cater to differentiated products to suit the needs of different European markets. Our strategy is to develop British brands here in the UK, build them and export them across Europe, Africa and India and to increase the value of our Indian-based bicycle brands." 10 15

Hero Cycles was founded in 1956 and is privately owned by the Munjal family. In 2016 the company launched three successful takeover bids.

- The first was for UK bicycle manufacturer *Avocet*. *Avocet* aims to become the market leader in European bicycle distribution. It supplies Viking and Coyote bicycles to the mass-market, and in early 2017, along with *Hero*, released five new bike brands: De-Novo is a children's brand; Riddick is a mountain bike brand; Ryedale produces women's Dutch-style roadsters; Simmonsohn produces tandems and, as the name suggests, Lectro is an e-bike (electric bike) brand. 20
- Next came *Firefox Cycles*, an Indian manufacturer. With *Firefox's* acquisition, *Hero Cycles* now holds the dominant position in the rapidly growing premium segment, while also leading the mass market segment with over 45% market share. 25
- Finally, it acquired a majority stake in Sri Lanka's leading bicycle manufacturer, *BSH Ventures*. The move will strengthen the company's manufacturing presence in the subcontinent and help *Hero Cycles* raise its share in the international sales of Indian bicycle companies to close to 30%. 30

(Sources: adapted from © 2017 IndiaGB News and © 2017 The Hindu Business Line)



Extract F**Boris Johnson promises tariff-free import of Indian bikes after Brexit**

Foreign secretary Boris Johnson has suggested that Indian bicycle manufacturers will be able to export to the UK tariff-free after Brexit. Since June 2006, the regular import duty rate on bicycles entering the European Union (EU) from outside Europe has been 14%.

Speaking to Indian business leaders, Johnson said it is "time to stick up for free trade". The Guardian reports that Johnson believes that Britain and India could do a lot more trade together. He suggested that India starts by relaxing its 150% tariff on imported whisky.

5

(Source: adapted from © NewBay Media 2017)



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Extract G

European Union (EU) bicycle sales - percentage share by country 2015

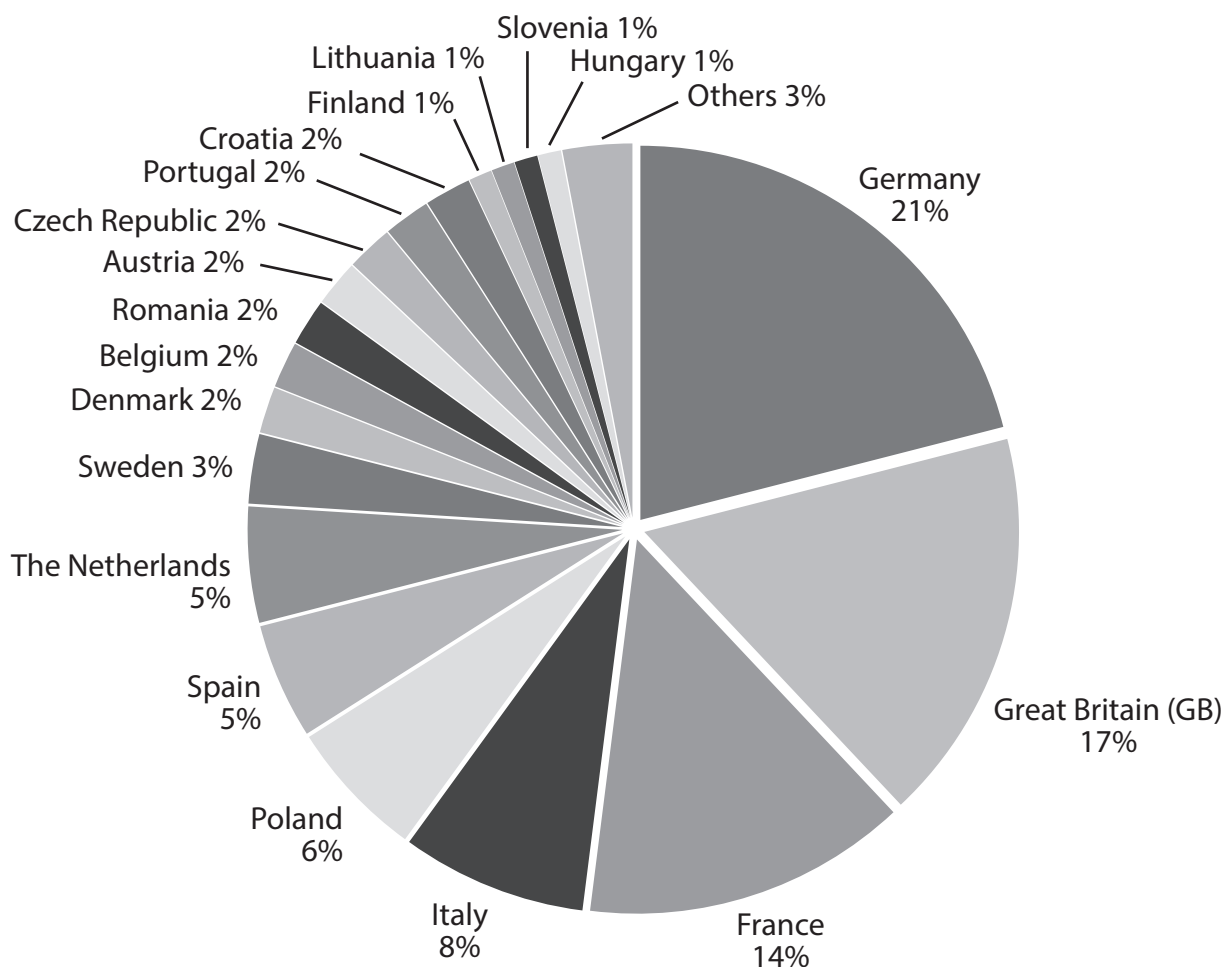


Figure 5

- 20,751,000 bicycles and e-bikes are now sold annually across Europe, with 13,000,000 of these produced from outside EU member states.
- The majority of bicycle and e-bike production comes from Italy (2,344,000 or 18%), Germany (2,186,000 or 17%) and Portugal (1,904,000 or 14%).
- Bicycle and e-bike sales figures for 2015 are as follows; Germany – 4,350,000, GB – 3,514,000, France 2,996,000, Italy – 1,654,000, Poland – 1,190,000.
- GB's parts and accessories production is worth €35m. By comparison, market leader Italy's is worth €474m.
- The Netherlands has the highest average bicycle sale price in Europe at €914, followed by Denmark at €650, Spain at €481, Austria at €450 and Luxembourg at €450. Slovenia, Malta, Latvia and Croatia have the lowest at €110. In the UK it is €300.
- European sales of electric bikes reached 1,357,000, up 19.13% on 2014. Germany remains the largest market by unit sales at 40% of the volume sold, or 535,000 units in 2015.

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(Source: adapted from © 2017 Cycling Industry News)

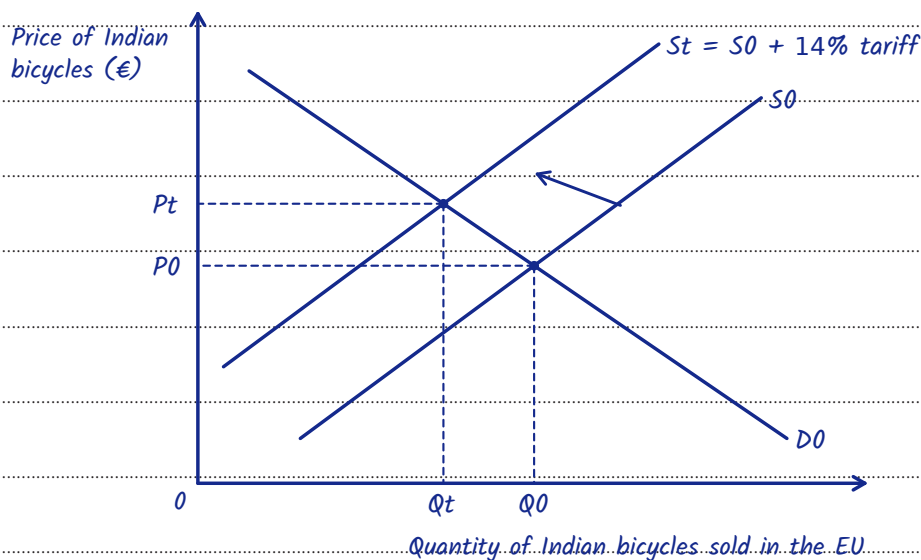


2 The European Union (EU) imposes a tariff of 14% on bicycles entering the EU from outside Europe. (Extract F)

(a) Using a suitable diagram, discuss the impact of this tariff on sales of Indian bicycles imported into the EU.

(8)

A tariff is a tax on imported goods. The 14% EU tariff raises the cost of supplying each Indian bicycle to the EU market, so the supply curve of Indian bicycles shifts to the left (upwards by the tariff), from S_0 to S_t , as shown in the diagram below.



The higher price, from P_0 to P_t , causes a contraction in quantity demanded, so sales of Indian bicycles in the EU fall from Q_0 to Q_t . EU consumers may switch to EU-made bicycles from Italy, Germany or Portugal, which do not pay the tariff, and the EU government gains tariff revenue.

However, the impact depends on the price elasticity of demand. If demand is price inelastic, sales fall only slightly and most of the tariff is passed on to consumers.

Indian bicycles are produced with low labour costs, so even with a 14% tariff they may still be cheaper than EU bicycles and sales may hardly change. Extract G shows that 13,000,000 of the 20,751,000 bicycles sold in Europe, about 63%, are produced outside the EU, which suggests the tariff has not been very effective at reducing imports. Hero



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could also avoid the tariff by producing inside the EU through Avocet. Therefore the tariff is likely to reduce sales of Indian bicycles only slightly.



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- (b) Assess the benefits of market segmentation for the global bicycle manufacturer Avocet.

(10)

Market segmentation is dividing a market into groups of customers with similar characteristics or needs, such as age, gender, income, interests or the use they make of the product, so that a business can target each group with a different marketing mix.

Avocet, with Hero, segments the bicycle market by the type of bicycle needed by the consumer. In early 2017 it released five brands: De-Novo for children, Riddick mountain bikes, Ryedale women's Dutch-style roadsters, Simmonsohn tandems and Lectro e-bikes, while it also supplies Viking and Coyote bikes to the mass market.

The main benefit is that by designing a bicycle specifically targeted at the needs of each user, Avocet is more likely to please the customer and make the sale. A mountain biker wants suspension and strength while a commuter wants comfort, so a tailored product adds value. This makes it possible to build good customer relationships and brand loyalty, and makes demand more price inelastic. The more precisely the segment is defined, the greater the scope for premium pricing, which increases revenue and profit margins. Segmentation also lets Avocet target fast-growing segments: European e-bike sales reached 1,357,000 in 2015, up 19.13% on 2014, so Lectro can grow quickly.

Having several brands spreads risk and helps Avocet towards its aim of becoming the market leader in European bicycle distribution.

However, there are costs. Segmenting the market makes economies of scale more difficult to achieve, because different bikes need different components that are bought and produced in smaller quantities, raising average costs. Advertising and promotion need to be specially tailored to each segment, and market research must be carried out for each segment and kept up to date, which is costly. Some segments, such as tandems, are very small niches and may not be profitable, and having five new brands could confuse consumers or cannibalise sales of Viking and Coyote.



On balance, the benefits are likely to outweigh the costs. Mass market advertising would be expensive and wasteful, and Avocet still makes mass market bikes, so it can gain economies of scale there while earning higher margins in the premium segments. As part of Hero, one of the world's largest manufacturers, it can share components to keep costs down. The benefit depends on each segment being large enough to be profitable, which is most likely in growing segments such as e-bikes.



(c) Assess Hero Cycles' decision to open its Global Design Centre in Manchester.

(12)

Hero Cycles chose Manchester for its £2m Global Design Centre above London, Amsterdam, Copenhagen and Berlin. Location decisions depend on factors such as access to markets, skilled labour, costs and government incentives.

There are strong reasons for the choice. Choosing a UK location means Hero is in the same country as Avocet, which it took over in 2016, so design can be closely linked to Avocet's brands, and Hero's strategy is to develop British brands in the UK and export them to Europe, Africa and India. Avocet aims to become the market leader in European bicycle distribution, and the UK has strong trading and distribution links with Europe. Great Britain is a proven market, with the second largest share of EU bicycle sales at 17%, or 3,514,000 bikes in 2015. Manchester has the biggest student population of any city in Europe, so it can provide skilled graduates in design and technology, and being near the National Velodrome, the home of British cycling, gives access to expertise and a strong brand image. Costs such as rents and wages are lower than in London, and Manchester may have offered a better incentive than its rivals. English is widely spoken in India, making communication with head office more straightforward.

However, there are risks. Despite Brexit, Hero chose the UK, but if the UK leaves the EU without a trade deal, bicycles made in the UK could face the same 14% EU tariff as those from India. This would raise the selling price of Hero's British brands in Europe and may reduce sales or profitability, and there may also be barriers to recruiting EU designers.

Other locations may have been better. Germany has the largest share of EU sales (21%, or 4,350,000 bikes), is one of the largest producers (2,186,000 bikes) and has 40% of the electric bike market, a rapidly growing segment in which Hero is developing Lectro, so Berlin could have been a better choice. Italy is the market leader in parts



and accessories, worth €474m, nearly 14 times the UK's €35m. In terms of a lucrative market, the Netherlands has the highest average sale price at €914 compared with only €300 in the UK, which suits a premium design strategy.

Overall, Manchester appears a good decision in the short run, because of the link with Avocet, the skilled graduate labour supply and a large proven market, and design work, unlike manufacturing, does not itself face tariffs. However, whether it is a good decision in the long run depends on the UK's future trading relationship with the EU, which is yet to be determined.



- (d) Evaluate the extent to which Hero Cycles should adapt its marketing strategy for global markets.

(20)

A marketing strategy is how a business approaches the successful selling of its products to its customers, using the marketing mix of product, price, promotion and place. A global firm can use a standardised (global) strategy, selling the same product with the same marketing everywhere, or adapt its strategy to each market, often described as 'think global, act local' (glocalisation).

Hero Cycles started in the Indian market, where low prices were likely to have been important in gaining market share and products were basic but rugged. It now leads the Indian mass market segment with over 45% market share. However, it has since taken over Avocet in the UK, Firefox Cycles in India and a majority stake in BSH Ventures in Sri Lanka. These businesses operate in different markets with different requirements, and if the marketing strategy is not adjusted they may lose sales.

There are strong reasons to adapt. By joining with Avocet, Hero has moved into the European market, where consumers have higher incomes, already expect reasonably sophisticated bicycles and may be prepared to pay premium prices. Hero may therefore have to produce better quality bicycles for some markets, such as e-bikes and mountain bikes, which is why it has opened a Global Design Centre to produce differentiated products to suit the needs of different European markets. Even within the EU there is considerable variation in the average price of a bicycle, from €914 in the Netherlands to €110 in Slovenia, Malta, Latvia and Croatia. Hero will have to adjust its pricing strategy accordingly to be competitive in the lower priced countries, but if it charges too low a price in countries such as the Netherlands its bikes may be seen as cheap and of poor quality. Promotion must also be carefully thought out: what sells a bicycle on the Indian subcontinent, where it is a basic means of transport, may not work in the EU, where cycling is often a leisure, fitness or lifestyle choice, due to cultural differences.



Developing British brands to export also suggests Hero sees value in a British image in some markets.

However, adaptation has costs. By adapting the marketing strategy to fit each market, Hero cannot take full advantage of economies of scale in production and promotion, and so may experience higher average costs. Market research must be carried out in each market, and a single global brand image is harder to build. A standardised strategy would be cheaper and could suit products such as basic mass market bikes, where consumers' needs are similar across countries.

On the other hand, other bicycle manufacturers face the same situation, so adapting does not leave Hero at a cost disadvantage. Hero is already one of the world's biggest manufacturers, producing over 5.5 million bicycles a year, so it may already enjoy purchasing economies of scale in buying components. It can standardise components behind the scenes while adapting the visible product, price and promotion, so it may be more important to carefully adapt the marketing strategy to maximise sales.

In conclusion, Hero should adapt its marketing strategy to a large extent, particularly in pricing, product range and promotion, because European, Indian and African customers differ greatly in income, tastes and the purpose for which they buy bicycles. However, the extent to which it needs to adapt depends on the market, its objectives and the nature of the product: in the Indian and African mass markets a largely standardised, low-cost strategy may still work best, while in premium European segments a highly adapted strategy is essential to achieve its objective of growth in Europe.



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TOTAL FOR SECTION B = 50 MARKS
TOTAL FOR PAPER = 100 MARKS



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