

Pearson Edexcel International Advanced Level

Extra Assessment Material

Time: 2 hours

Paper Reference **WBS12/01**

Business
International Advanced Subsidiary/Advanced Level
Unit 2: Managing business activities

Source Booklet

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Sources for use with Section A

Extract A

Malaysia introduces a tourism tax of RM10 per night

Tourists staying at hotels in Malaysia will be charged RM10 (Malaysian Ringgit) (\$2.30) per person, per night, as a tourism tax.

"We will impose a RM10 flat rate from the most expensive five-star to budget hotels for foreign tourists. Malaysians will be exempt from the tax across all classifications of hotels," the Tourism and Culture Minister announced in parliament. 5

He added that the government estimates a revenue of RM211m (almost \$50m) a year based on an average occupancy rate of 60% of the 237,390 rooms currently registered with the government.

The planned tourism tax has been controversial in Malaysia, especially as owners of the hotels will be responsible for the collection and administration of the tax. In spite of marketing campaigns to encourage more customers, market research suggests that the average occupancy rate may fall to 50% as a result of the tourism tax. 10

Extract B

The Longhouse

Riz and Liyanna met in college, where Riz studied business management and Liyanna studied hospitality. They set up a business partnership and took over ownership of *The Longhouse*, a budget hotel offering accommodation near the busy Chinatown area of Kuala Lumpur, Malaysia. They share the workload with two full-time members of staff. 5

The Longhouse has 14 rooms and has free WiFi throughout the hotel as well as free tea, coffee and drinking water. There is a shared bathroom with hot showers, a shared lounge and kitchen where a washing machine is available. Guests can check in between 7am and midnight.

The Longhouse is only a short distance from many tourist attractions, shopping malls, markets and numerous restaurants. It is across the road from the nearest of the new public transport metro stations, making a stay at *The Longhouse* even more convenient than before. 10

Each foreign guest will pay a tourism tax of RM10 in addition to the nightly charge of RM35 per person at *The Longhouse*. 15

Sources for use with Section B

Extract C

The pupusa: an ancient food in a small package

It might be hard to believe that a corn flour tortilla measuring 10cm in diameter filled with shredded meats, vegetables, refried beans or melted cheese could become a national dish. However, for the pupusa of El Salvador, that is the case.

These thick tortillas are made by hand from corn masa flour, rolled into a ball, stuffed with a variety of fillings, flattened and then cooked on a grill. 5

Pupusas have been eaten for centuries in the Central American country of El Salvador. Today, carts sell pupusas on street corners in every town and there are also many pupuserías, a type of restaurant specialising in them.

Arminda Rojas is both owner and cook in her pupusería in the El Salvadorian town of Apaneca, in the west of the country. She works hard in hot conditions, as the grill needs to be kept at a high temperature during opening hours. Although only a small restaurant, Arminda's pupusería has a few plastic chairs and tables where customers can sit to eat their pupusa or they can take it away. 10

"I added the furniture to stand out from my competition," Arminda told us. It only increased her operating expenses in 2017 to \$1,050. Even the low price of \$0.50 per pupusa still generated a gross profit of \$8,250 for Arminda in 2017. 15

The town of Apaneca is popular with visitors to El Salvador, largely due to its location on the 'Ruta de las flores' (Route of the flowers), which is famous for its beautiful flowers, freshly ground coffee and colourful buildings. Tourists and locals alike provide custom for Arminda and she is very busy around midday and in the early evening. 20

Extract D

Tortilla revival in Mexico City

A tortilla is a thin rounded bread, made from maize flour. *Maizajo*, a new tortillería (tortilla-making factory), supplies 35 restaurants around Mexico City with 250kg of tortillas a day. While most tortillas sold in Mexico City are made from maize sourced from large-scale farms, *Maizajo* only sources native maize directly from small-scale farms. 5

In cities, restaurants purchase mass-produced tortillas due to lack of time and space to make their own. *Maizajo* mass produces tortillas using flow production. Its small workforce require only a short period of training to operate the machinery and they are often willing to work overtime.



Sources for use with Section C

Extract E

A small sustainable family business

Bryce Cunningham runs *Mossgiel Farm* in Ayrshire, Scotland. The father of two took over his family business in 2014 and in 2018 became registered as an organic dairy farm.

Mossgiel Farm is a small-scale business that only supplies households in the local area and 30 cafes. However, Bryce has built a strong brand and there is a lot of potential to increase sales from using a more environmentally friendly way of farming. 5

Bryce wants to stop using the plastic packaging normally used to contain milk. He wants to provide miniature metal milk containers for the cafes he supplies and glass bottles for his household customers, both of which can be recycled.

In order to do this and become the UK's first plastic-free organic dairy farm, Bryce needs to raise extra finance to buy 63,000 glass milk bottles. He still requires £2 500 if he is to reach his £10 000 crowdfunding target. 10

Acknowledgements

Extract A adapted from: <https://www.channelnewsasia.com/news/asia/malaysia-revises-tourism-tax-to-a-flat-rate-of-rm10-per-night-9064496>

Extract B adapted from: <http://www.kualalumpurhoteldesks.com/hotel/1989680-the-longhouse-kuala-lumpur.en.html>

Extract C adapted from: © The Greeley Tribune Greeley, Colorado.

Extract D adapted from: <https://culinarybackstreets.com/cities-category/mexico-city/2018/corn-again/>

Extract E adapted from: This man is about to become the UK's first plastic-free organic dairy farmer by Josh Barrie © iNews July 2018

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