

Case Study Pack for Paper 1 (M25)

Myt PLC (Myt)

Level7 Education



The new Paper 1 Case Study Pack

The new format of the Paper 1 Case Study Pack (CSP), first exams M24, includes the following:

- Glossary of key terms from the pre-release statement.
- Additional glossary of key terms relevant to the case study and the hotels industry.
- Two separate Paper 1 mock exams using the new assessment format (for reference and exam practise only).
- Full mark schemes for both mock exams.
- This comprehensive PowerPoint presentation that includes lesson activities, assessment advice, embedded videos (to provide additional context to the case study), additional exam-practice questions, and accompanying teachers' notes.

Over 1,200 IB World Schools have used our Paper 1 CSP in the past, and the feedback has been extremely positive.

For additional resources for the IB DP Business Management course, visit our [website](#).

The new Paper 1 – an overview

Paper 1 overview

Based on pre-released statement of around 200 words that provides the context and background for the unseen case study

Common paper for both SL and HL, **with no HL content**

Qualitative focus

Calculator permitted (there may be simple calculations in the exam)

No formulae sheet

Recommended 5 hours of research time

1 hour and 30 minutes exam (plus 5 minutes reading time)

35% weighting for SL, and 25% for HL

The new Paper 1 – an overview (cont'd)

Paper 1 overview (cont'd)

Command words indicate the level of skill that is being assessed in each question

Learning the command terms will help students to comprehend the demands of each question, improve the quality of their written answers, and time management

Assessment objectives:

- AO1 – Demonstration of knowledge and understanding
- AO2 – Demonstration of application and analysis
- AO3 – Demonstration of synthesis and evaluation
- AO4 – Demonstration of a variety of appropriate skills, specific to the subject.

Command terms (first exams M24)

- | | | |
|-----------------------|--------------------------------|--------------------------|
| 1. Define (AO1) | 11. Distinguish (AO2) | 21. Recommend (AO3) |
| 2. Describe (AO1) | 12. Explain (AO2) | 22. To what extent (AO3) |
| 3. Identify (AO1) | 13. Suggest (AO2) | 23. Annotate (AO4) |
| 4. List (AO1) | 14. Compare (AO3) | 24. Calculate (AO4) |
| 5. Outline (AO1) | 15. Compare and contrast (AO3) | 25. Complete (AO4) |
| 6. State (AO1) | 16. Contrast (AO3) | 26. Construct (AO4) |
| 7. Analyse (AO2) | 17. Discuss (AO3) | 27. Determine (AO4) |
| 8. Apply (AO2) | 18. Evaluate (AO3) | 28. Draw (AO4) |
| 9. Comment (AO2) | 19. Examine (AO3) | 29. Label (AO4) |
| 10. Demonstrate (AO2) | 20. Justify (AO3) | 30. Plot (AO4) |
| | | 31. Prepare (AO4) |

Command terms used since first exams M24

- | | | |
|-----------------------|--------------------------------|--------------------------|
| 1. Define (AO1) | 11. Distinguish (AO2) | 21. Recommend (AO3) |
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| | | 31. Prepare (AO4) |

Paper 1 – Assessment overview

- **Section A**
 - Answer **all** structured questions based on the case study.
 - The maximum score is **20 marks**.
 - All 5 units of the syllabus can be assessed, excluding the HL only topics.
- **Section B**
 - Answer **one** out of two extended response questions.
 - The maximum score is **10 marks**.
 - All 5 units of the syllabus can be assessed, excluding the HL only topics.
- Duration is 1 hour 30 mins.
- The total number of marks for Paper 1 (SL and HL) is **30 marks**.
- The overall weighting of Paper 1 for SL is 35% and 25% for HL.



Pre-release statement – *Myt PLC (Myt)*

Myt PLC (Myt) is a publicly held multinational company that manufactures non-alcoholic drinks. *Myt's* head office is in the US. *Myt* owns manufacturing factories on 6 continents. *Myt* has grown through internal and external growth. Initially, *Myt* manufactured just one drink: a root beer that was non-alcoholic, sweet, and carbonated. By 2020, *Myt* had developed its own large portfolio of over 30 different drinks, which it sells in bottles and cans. *Myt* uses social media influencers as part of its promotional strategy. Obesity and diabetes are two health issues that have been linked to drinks, many of which provide the entire recommended daily sugar intake for an adult in a single can. However, sugar substitutes used in diet drinks have also been linked to various health problems. Many of *Myt's* drinks are high in caffeine and sugar. In 2023, *Myt's* board of directors began a process of diversification, taking over: (i) *Lotssa Coffee (LC)*, a chain of coffee shops with over 4000 outlets across 35 countries, and (ii) *Honest Water (HW)*, a manufacturer of bottled drinking water. *Myt* announced plans to: (i) modernize and make its factories green, (ii) explore entering the healthy snacks market, (iii) utilize computer-generated avatars when creating advertisements, (iv) reduce caffeine and sugar levels in its products, and (v) improve its corporate social responsibility (CSR).

Try to find at least 10 key terms from the case study (there are at least 15)



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Student activities – Understanding of key terms

Identify and define all the **key terms** from the pre-release statement.

- Key terms can be explicitly tested in the Paper 1 exam
- Highlight all possible key terms.
- Define all of these in the context of the business.
- Each definition is worth up to **2 marks**.



Definitions – getting these right

- advertisements
- board of directors
- chain (of coffee shops)
- company
- corporate social responsibility
- diversification
- external growth
- green (factories)
- grown (growth) in size
- internal growth
- manufactures
- market development (entering new markets)
- portfolio (product portfolio)
- plans (business plans)
- pressure group
- products
- promotional strategy
- publicly held company
- recycling
- social media
- taking over (takeover)

Definitions – possible additional terms

- Ansoff's matrix – diversification, market development, and product development are all evident in *Myt PLC's* growth strategy.
- Brand positioning – *Myt PLC* moving toward healthier products and environmentally friendly processes.
- Capital expenditure vs. revenue expenditure for *Myt PLC*.
- Economies of scale (from mass production and a chain of coffee shops).
- Marketing mix – Product portfolio management, pricing methods for *Myt PLC's* drinks, place through *LC's* coffee shops, promotion via social media influencers.
- Stakeholder analysis – The impact of *Myt PLC's* decisions on its shareholders, customers, pressure groups, and local communities.

Definitions – possible additional terms

- Sustainability – Emphasis on CSR, green factories, healthier product offerings, and potential recycling efforts.
- SWOT analysis – Strengths (global presence), weaknesses (health concerns), opportunities (further diversification), and threats (health regulations).
- Target markets – Shifts toward healthier consumer segments with plans for reduced sugar and caffeine products.
- Vertical and horizontal integration – Taking over *Lotssa Coffee* (forward vertical integration) and *Honest Water* (horizontal integration).



Student activities... context and content

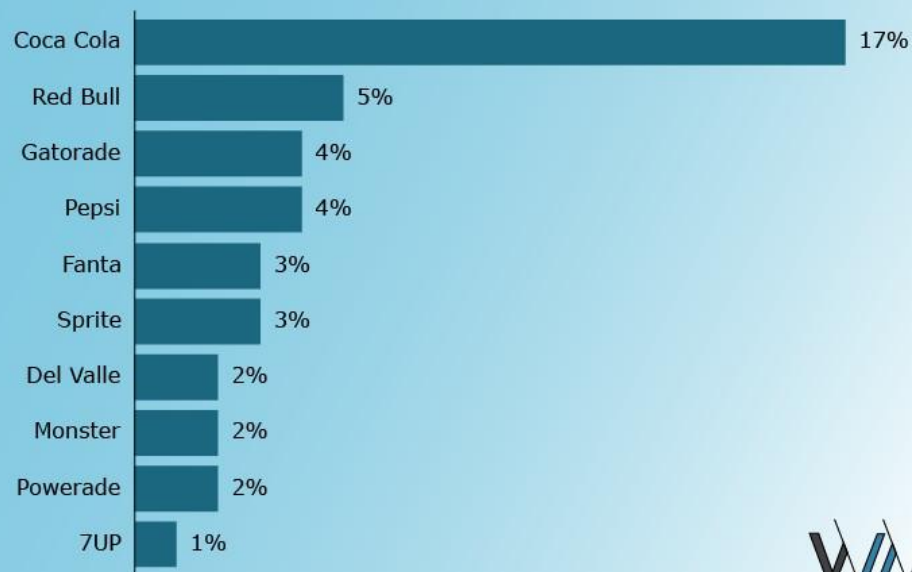
Create an A3 poster for one of the following:

- The use of avatars (computer-generated characters) for advertising.
- The marketing mix of large beverage producers such as Coca-Cola.
- Biodegradable packaging in the drinks manufacturing industry.
- Trends in the global carbonated drinks market.
- Trends in the global coffee market.
- Health issues and the non-alcoholic drinks industry.
- The world's best selling non-alcoholic drinks.
- Things you need to know about sugar substitutes (or students can choose to investigate diabetes, obesity, diet drinks, or healthy snacks).



GLOBAL SOFT DRINKS INDUSTRY

Top 10 Brands by Market Value* in 2022, in %

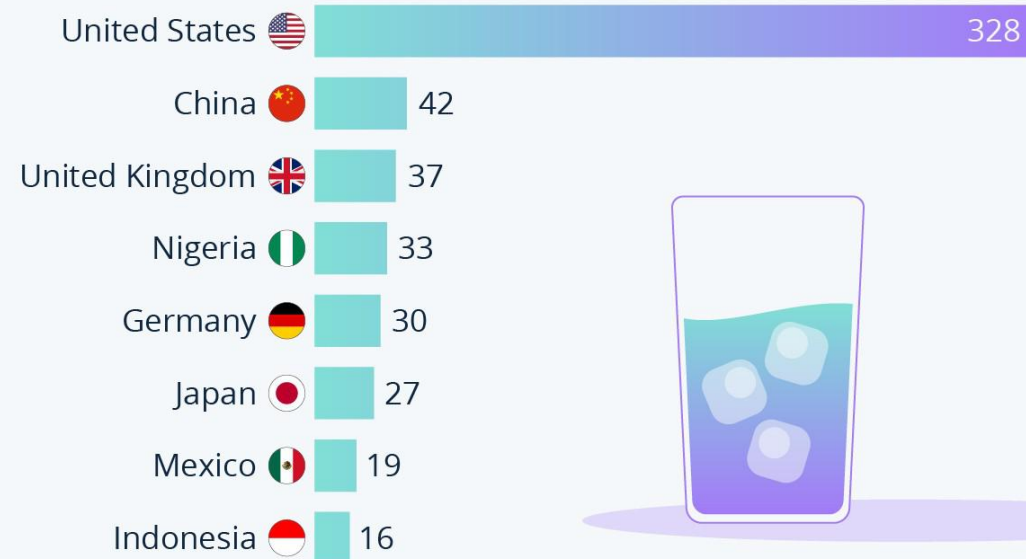


*in retail selling prices



The World's Largest Soft Drinks Markets

Estimated sales of non-alcoholic drinks by country in 2023 (in billion U.S. dollars)



Source: Statista Market Insights



statista

Additional student activities...

Read the pre-release statement – twice!

Use the margins to make note of relevant:

- Business management tools and theories (such as Ansoff's matrix).
- Decisions that need to be made (e.g., whether to enter the healthy snacks market).
- Individuals / key stakeholder groups (e.g., the board of directors).
- Constraints / Challenges / Threats / Limitations.
- Issues / Conflicts / Problems.
- Business opportunities.

Context: How It's Made: Soft Drinks



Context: How It's Made: Coca-Cola drinks



Student activities... context for the Paper 1 exam

Inquiry-based tasks

- What are healthy snacks?
- How are computer-generated avatars used in advertisements?
- What are the costs of running a drinks manufacturing business?
- How successful are sugar-free (diet) drinks in the industry?
- What are green factories?
- What are examples of CSR in the non-alcoholic drinks industry?
- What are the different recommended daily sugar intake amounts for different people?

Student activities... context for the Paper 1 exam

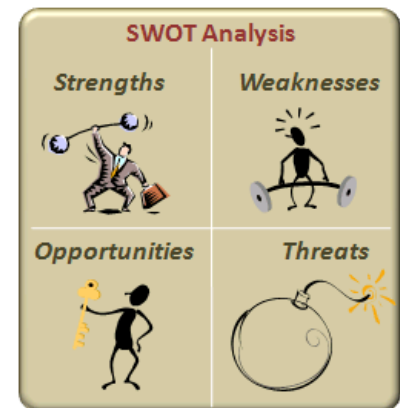
Investigate the corporate strategies of one of these leading competitors in the non-alcoholic drinks market:

- Coca-Cola Company (the largest rival in the industry, now focusing on healthier substitutes).
- PepsiCo (expansion into juices and plant-based drinks).
- Nestlé (ready-to-drink teas and premium coffee brands).
- Danone (dairy-free alternatives).
- Red Bull (market leader in the energy drinks sector).



Student activities...

- Prepare a SWOT analysis for *Myt PLC*, outlining the possible **opportunities** and **threats**.
- Produce this on large sheets of poster paper.
- Discuss how the SWOT analysis can be used by *Myt PLC*'s board of directors to formulate business strategy / decision making to maintain its profitability in the non-alcoholic beverages market.



Student activities...

- BMT – STEEPL analysis.
- Use the internet and any other sources to prepare a STEEPL analysis for *Myt PLC*.
- Use real-world data for the non-alcoholic drinks industry, as appropriate, to support your analysis.
- This can be useful for the 10-mark extended response question in Section B.



Exam practice questions (Section A, definitions)

- Define the term *publicly held company* (line 1). [2]
- Define the term *internal growth* (line 4). [2]
- Define the term *product portfolio* (line 6). [2]
- Define the term *promotional strategy* (line 7). [2]
- Define the term *diversification* (line 12). [2]
- Define the term *takeover* (line 12). [2]
- Define the term *corporate social responsibility* (line 20). [2]

Exam practice questions (2-mark questions)

- *Myt PLC* operates in the secondary sector. Describe the nature of business activity in the secondary sector. [2]
- State **two** parts of a typical business plan (line 15). [2]
- State **two** methods of internal growth (line 4) for *Myt PLC*. [2]
- Describe **one** advantage to *Myt PLC* of improving its corporate social responsibility (CSR) (line 20). [2]
- **Other than** takeovers (line 12), state **two** types of external growth that *Myt PLC* may have utilized. [2]
- Describe **one** role of human resource management (HRM) for a large multinational company like *Myt PLC*. [2]

Exam practice questions (4-mark questions)

- Describe **two** features of a publicly held company (line 1). [4]
- Describe **one** strength and **one** weakness of *Myt PLC*. [4]
- Explain **two** reasons why it might be important for *Myt PLC* to generate new revenue streams. [4]
- With reference to *Myt PLC* and *Lotssa Coffee*, explain the difference between secondary sector activities and tertiary sector activities. [4]
- Explain **two** advantages of *Myt PLC* being a publicly held company. [4]
- Explain the role of corporate social responsibility (CSR) (line 20) in large multinational companies such as *Myt PLC*. [4]

Exam practice questions (6-mark questions)

- Explain **two** advantages and **one** disadvantage for *Myt PLC* of using social media marketing as part of its promotional strategy (lines 6 - 7). [6]
- Analyse **three** ways in which external growth (line 4) could affect the profitability of *Myt PLC*. [6]
- Explain **two** strengths and **one** weakness facing *Myt PLC*. [6]
- With reference to STEEPLE factors, explain changes in the external environment that may have affected *Myt PLC*'s growth strategies. [6]
- Explain the factors that *Myt PLC* should consider when deciding on how to modernize and make its factories green (line 16). [6]
- Explain **one** way in which *Myt PLC* is potentially meeting its CSR objectives and **one** way in which it is not. [6]

Section A – sample set of exam questions

1. Define the term *diversification* (line 12). [2]
2. Define the term *corporate social responsibility (CSR)* (line 20). [2]
3. Describe **two** elements of a promotional strategy for *Myt PLC*'s product portfolio of more than 30 different drinks (lines 6 - 7). [4]
4. Explain **one** advantage and **one** disadvantage for *Myt PLC* of operating as a multinational company (line 1). [4]
5. Outline the importance of diversification (line 12) for *Myt PLC*. [2]
6. Explain **two** threats and **one** weakness of *Myt PLC*. [6]

Tackling the exam questions ...

For the 2-mark questions in Section A, students may be asked to:

- Define ...
- State two ...
- Describe one ...
- Outline one ...

Tackling the exam questions (Section A) ...

Examples of 2-mark questions:

- Define the term *advertisements* (line 18).
- State **two** roles of a board of directors (line 12).
- Other than coffee shops (line 13), state **two** types of businesses that operate in the tertiary sector.
- Describe **one** benefit to *Myt PLC* of using social media influencers as part of its promotional strategy (lines 6 - 7).
- Outline **one** reason why *Myt PLC* might want to expand its operations using external growth (line 4).
- Describe **one** suitable source of finance for *Myt PLC* to fund the modernization of its green factories (line 16).

Tackling the exam questions ...

For the 4-mark and 6-mark questions in Section A, students may be asked to:

- Explain ...
- Distinguish between ...
- Suggest ...
- Comment on...
- Analyse ...

Tackling the exam questions ...

For the 4-mark questions in Section A, students may be asked to:

- **Explain** why it is important for *Myt PLC* to improve its corporate social responsibility (CSR) (line 20).
- **Distinguish** between internal and external growth (line 4).
- **Suggest two** suitable sources of finance for *Myt PLC* if it decides to modernize and make its factories green (line 16).
- **Comment on** *Myt PLC*'s use of social media influencers as part of its promotional strategy (lines 6 - 7).
- **Analyse two** external threats facing *Myt PLC*.

Tackling the exam questions – An example...

Explain **two** reasons why it is important for *Myt PLC* to improve its corporate social responsibility (CSR) (line 20). [4 marks]

Possible reasons could include an explanation of:

- Enhancing brand image – Strengthening CSR initiatives can improve *Myt PLC*'s corporate reputation, making it more attractive to socially conscious consumers.
- Regulatory compliance – Proactively addressing environmental and ethical concerns helps *Myt PLC* comply with evolving regulations in the US, avoiding fines and legal issues.
- Sustainability – Reducing *Myt PLC*'s environmental impact (such as plastic waste of bottled drinking water) can lead to cost savings and long-term financial stability.
- Customer loyalty – A strong CSR strategy fosters trust, leading to higher customer retention rates and a competitive advantage in the non-alcoholic drinks market.

Tackling the exam questions ...

For the 6-mark questions in Section A, students may be asked to:

- Analyse the role of effective operations management at *Myt PLC*.
- Explain **one** advantage and **two** disadvantages of using loan capital to finance *Myt*'s plans to modernize and make its factories green (line 16).
- Use the Ansoff matrix to explain the challenges of *Myt PLC*'s diversification strategy of taking over *LC* and *HW* (lines 13 - 14).
- Explain **one** marketing and **one** financial strategy for *Myt PLC* to improve its profitability.
- Explain the importance of corporate social responsibility (CSR) (line 20) for the operations of *Myt PLC*.

Tackling the exam questions ...

For the 6-mark questions in Section A, students must demonstrate:

- An analysis of the relevant issues with good use of business management **tools** and **theories**.
- Use of appropriate **terminology** throughout the response.
- Make effective use of the stimulus material (**application**).

Tackling the exam questions (Section B)

For the 10-mark question in **Section B**, students must demonstrate:

- Clear focus on addressing the **demands of the question**.
- Relevant and accurate use of business management **tools and theories**.
- Relevant information from the **stimulus material** is integrated effectively to support the argument.
- Arguments are **substantiated** and **balanced**.
- Explanation of the **limitations** of the case study or stimulus material.

Tackling the exam questions ... “AT ABC” framework



Scoring top marks for the 10-mark question in **Section B**:

- **A**nswer the question in its entirety.
- **T**ools, theories, techniques, terminology used effectively.
- **A**pplication of the stimulus materials.
- **B**alanced (two-sided) arguments.
- **C**onclusion – substantiated with evidence and logical reasoning.



Tackling the exam questions ... Section B

- Each of the two questions will feature an AO3 command term.
- Some questions will ask students to evaluate a decision:
 - Provide at least two arguments for the option and two arguments against.
- Other questions will ask students to choose between two options:
 - Provide at least one argument for and one argument against **each** option.
- Use appropriate business management terminology throughout.
- Apply your response to the stimulus material (case study).
- Provide a conclusion that addresses potential future action or additional implications.
- Acknowledge the limitations of the stimulus (case study) that would otherwise strengthen the conclusion/discussion/recommendations.

Exam practice questions (Section B)...

- With reference to *Myt PLC*, discuss the importance of corporate social responsibility (CSR) (line 20). *[10 marks]*
- To what extent should environmental sustainability be a key strategic priority for *Myt PLC* as part of the company's growth strategy? *[10 marks]*
- Examine the impact of the external environment on the operations of *Myt PLC*. *[10 marks]*
- Evaluate the impact of changes in the external environment on *Myt PLC*'s profitability. *[10 marks]*
- Using the information in the case study, and your knowledge of business management, recommend whether *Myt PLC* should enter the healthy snacks market (line 17). *[10 marks]*

Tackling the 10-mark Paper 1 exam question ...

Relevant and accurate use of business management tools and theories.

- Refer to the **tools** and **theories** as stated and/or implied in the question.
- Demonstrate knowledge and understanding of the tools and theories.
- Include appropriate business management **terminology**.
- Use definitions from the case study as and where appropriate.

Tackling the 10-mark Paper 1 exam question ...

Relevant information from the stimulus material is integrated effectively to support the argument

- Apply the relevant business management tools, theories, and terminology to the case study organization (*Myt PLC*).
- Explain the situation and issues or challenges faced by the given organization.
- Ensure the examples used are appropriate and illustrative.
- Go beyond just mentioning “*Myt PLC*”.

Tackling the 10-mark Paper 1 exam question ...

Arguments are substantiated and balanced

- Present relevant and balanced arguments.
- Depending on the demands of the question:
 - Present strengths and weaknesses.
 - Consider opportunities and threats.
 - Compare and contrast.
- Justifying all arguments with evidence from the case study and knowledge of Business Management – do not allow examiners to question “why?”

Tackling the 10-mark Paper 1 exam question ...

Arguments are substantiated and balanced (cont'd...)

- Give a balanced (two-sided) consideration to the perspectives of a range of relevant stakeholders.
- Where appropriate, include **individuals** (by name) and **groups**.
- Consider the perspectives of both internal and external stakeholders of the organization.

Tackling the 10-mark Paper 1 exam question ...

Explanation of the limitations of the case study or stimulus material

- What do the stimulus information and data not show?
- Consider correlation vs causation.
- Consider implications on the organization's:
 - Finances.
 - Human resources.
- Think in an original and critical way.

Evaluation framework (1) – DEAD & DEADER

- **Definitions**
- **Examples**
- **Advantages**
- **Disadvantages**
- **Evaluation**
- **Recommendation(s)**



Evaluation framework (2) – DATE & SLAP

The **DATE** rule

- **D**efinition(s)
- **A**pplication
- **T**ools and theories
- **E**valuation

The **SLAP** rule

- **S**takeholders
- **L**ong term vs. short term
- **A**ssumptions
- **P**riorities

Final top tips!

- Avoid copying large chunks of the case study, even if these are in quotation marks.
- Avoid memorizing answers to predicted questions, as this can hinder the ability to address the actual exam questions effectively.
- Information and quantitative data presented in the case study must be used to support your arguments.
- Application is crucial in Paper 1. For the 10-mark question, a purely theoretical response will typically earn 4 marks or fewer.
- Show original thought in your conclusion and evaluation – do not simply repeat a list of advantages and disadvantages.
- For the 10-mark question, answer the question in its entirety.
- Refer to the command term for each question when writing the answers.

Review Questions ...

1. Can quantitative questions appear in the Paper 1 exam?
2. Are students provided with a formulae sheet in the Paper 1 exam?
3. Do students need a calculator for this exam?
4. Are there any AO3 questions in Part A of the Paper 1 exam?
5. What is examined in Section B?
6. What are the total number of marks for Paper 1?
7. What is the weighting of the Paper 1 exam for SL? HL?
8. How long does the IB recommend that schools should spend on the pre-release statement?

Review Questions ... and answers

1. Can quantitative questions appear in the Paper 1 exam? **Yes**
2. Are students provided with a formulae sheet in the Paper 1 exam? **No**
3. Do students need a calculator for this exam? **Not required but permitted**
4. Are there any AO3 questions in Part A of the Paper 1 exam? **No**
5. What is examined in Section B? **An AO3 extended response question**
6. What are the total number of marks for Paper 1? **30 marks**
7. What is the weighting of the Paper 1 exam for SL? **35%** HL? **25%**
8. How long does the IB recommend that schools should spend on the pre-release statement? **5 hours**



All the best for the Paper 1 examination!