

# 1 Natural Shampoos (NS)

NS is a private limited company set up by Saira and Chantal as a social enterprise. NS sells natural hair care products and focuses on customer (market) orientation. The main aims of Saira and Chantal include donating to local charities and improving gender equality in the workplace.

NS began by selling its products to small, independent businesses in country H. NS expanded its range slowly based on customer feedback, specific requests on its blog, and sales data. 5

NS explored additional finance opportunities required for expansion. NS approached John, who owns manufacturing facilities in country H and has significant marketing experience. He invested into NS in return for ownership of one third of the business. John's main aim is to increase long-term profits in order to maximise the return on his investment. 10

In the five years since John's investment, NS has become the market leader in country H for natural hair care products. NS products are now sold in major cosmetic retailers.

NS recently analysed its output in 2024 (see Table 1.1).

**Table 1.1 NS output data for 2024**

15

	Units
Actual output level	145 000
Capacity	150 000

Saira and Chantal have decided to employ a Marketing Manager for NS. Fig 1.2 shows an extract from the job advertisement. 20

Marketing Manager	
<ul style="list-style-type: none"><li>• Experience of growing brand awareness and using online channels of distribution.</li><li>• Using budgets to monitor the performance of marketing campaigns.</li><li>• Developing and maintaining relationships with external stakeholders.</li></ul>	25

**Fig 1.2 Extract from job advertisement for NS's new Marketing Manager**

- (a) (i) Identify **one** feature of a private limited company. [1]
- (ii) Explain the term *customer (market) orientation*. [3]
- (b) (i) Refer to Table 1.1. Calculate NS's capacity utilisation in 2024. [3]
- (ii) Explain **one** possible disadvantage to NS of high capacity utilisation. [3]
- (c) Analyse **two** selection methods that NS could use to choose a new Marketing Manager. [8]
- (d) Evaluate the most likely reason for conflict to arise between the owners of NS. [12]