

# Exam Study Guide for IB Business Management Paper 1 (May 2025) – Myt PLC

This document provides an in-depth breakdown of the **Myt PLC case study**, covering:

1. **Company overview** and industry context.
  2. **Deep analysis of the case study excerpt** with business theory applications.
  3. **Key IB Business Management concepts and their applications** (e.g., corporate growth, marketing, operations).
  4. **Links to key analytical frameworks** (SWOT, STEEPLE)
  5. **Use of real-world business parallels** to enhance understanding.
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## 1. Myt PLC Case Excerpt

*This is exactly what is released by the IB.*

Myt PLC (Myt) is a publicly held multinational company that manufactures non-alcoholic drinks. Myt's head office is in the United States (USA). Myt owns manufacturing factories on six continents.

Myt has grown in size 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:

- Lotssa Coffee (LC), a chain of coffee shops with over 4000 outlets across 35 countries
- Honest Water (HW), a manufacturer of bottled drinking water.

Myt announced plans to:

- Modernize and make its factories green.
- Explore entering the healthy snacks market.
- Utilize computer-generated avatars when creating advertisements.
- Reduce caffeine and sugar levels in its products.
- Improve its corporate social responsibility (CSR).

## Key Takeaway

- Myt PLC is a multinational company specializing in the production of non-alcoholic beverages.
- Headquartered in the United States, Myt has a global presence with manufacturing facilities on six continents.
- The company has grown both internally by expanding its product line and externally through acquisitions, most recently entering the coffee shop and bottled water markets.

## 2. Key Points

1. **Industry:** Non-alcoholic beverages.
2. **Headquarters:** United States.
3. **Global Presence:** Factories on six continents.
4. **Product Range:** Over 30 different drinks, including carbonated beverages.
5. **Recent Acquisitions:**
  - a. **Lotssa Coffee:** A coffee shop chain with over 4,000 outlets across 35 countries.
  - b. **Honest Water:** A bottled water manufacturer.
6. **Current Challenges:** Addressing health concerns related to high sugar and caffeine content, and increasing focus on sustainability and corporate social responsibility.

## 3. Key Business Concepts and Their Applications to Myt PLC

Growth and Expansion Strategies
<ol style="list-style-type: none"><li>1. <b>Internal Growth:</b> Developing a diverse product portfolio (30+ drinks).</li><li>2. <b>External Growth:</b> Acquisition of Lotssa Coffee and Honest Water.</li><li>3. <b>Diversification:</b> Plans to enter the healthy snacks market.</li></ol>
How to apply this
<ol style="list-style-type: none"><li>1. Use the <b>Ansoff Matrix</b> to analyze Myt's diversification strategy.</li><li>2. Evaluate the effectiveness of Myt's internal and external growth strategies.</li></ol>

Marketing Strategies
<ol style="list-style-type: none"><li>1. <b>Promotional Techniques:</b> Using social media influencers and computer-generated avatars.</li><li>2. <b>Consumer Behavior:</b> Responding to rising demand for healthier, low-sugar alternatives.</li></ol>
How to apply this
<ol style="list-style-type: none"><li>1. Analyze the impact of using social media influencers on brand image and sales.</li><li>2. Evaluate the ethical considerations of using computer-generated avatars in marketing.</li></ol>

Corporate Social Responsibility (CSR)
<ol style="list-style-type: none"><li>1. <b>Factory Modernization:</b> Plans to make factories more sustainable.</li><li>2. <b>Product Reformulation:</b> Efforts to reduce sugar and caffeine levels.</li><li>3. <b>Environmental Impact:</b> Addressing recycling and biodegradable packaging.</li></ol>
How to apply this
<ol style="list-style-type: none"><li>1. Use the <b>Triple Bottom Line</b> framework to evaluate Myt's CSR initiatives.</li><li>2. Analyze the potential impact of green factory modernization on costs and brand reputation.</li></ol>

## 4. Key Terminology and Definitions

Term	Definition
Avatar	A computer-generated figure used in marketing and advertising.
Biodegradable	A material that can break down naturally without harming the environment.
Chain	A group of businesses operating under a single brand.
Pressure Group	An organization that seeks to influence company decisions.
Recycling	The process of converting waste materials into reusable products.
Social Media Influencer	An individual who promotes products to their followers online.

## 5. Key Analytical Frameworks

### SWOT Analysis for Myt PLC

#### Strengths

- Strong global presence
- Diverse product range
- Effective digital marketing

#### Opportunities

- Diversification into healthier products
- CSR-driven factory modernization

#### Weaknesses

- High sugar and caffeine content
- Potential negative health impact

#### Threats

- Health-related criticisms
- Regulatory pressures
- Competition from healthier brands

## STEEPLE Analysis for Myt PLC

Social	Rising health consciousness among consumers.
Technological	Use of avatars in marketing and potential AI-driven customer engagement.
Economic	Potential impact of economic downturns on sales.
Environmental	Increasing demand for eco-friendly packaging and processes.
Political	Regulatory pressures to reduce sugar and caffeine content.
Legal	Compliance with health and safety regulations.
Ethical	Concerns about the impact of sugary drinks on public health.

## 6. Next Steps

1. Now that you've **fully broken down** the case study and **explored its connections** to IB Business Management concepts, your next step is to apply your understanding in an exam-style setting.
2. Head to the second document where you can test yourself with a predicted case study extension, followed by practice questions, and mark schemes.