

Cambridge International Examinations Cambridge International Advanced Subsidiary and Advanced Level

## **BUSINESS STUDIES**

Paper 1 Short Answer and Essay

9707/13 October/November 2014 1 hour 15 minutes

No Additional Materials are required.

#### **READ THESE INSTRUCTIONS FIRST**

An answer booklet is provided inside this question paper. You should follow the instructions on the front cover of the answer booklet. If you need additional answer paper ask the invigilator for a continuation booklet.

Section A Answer all questions.
Section B Answer one question.
You are advised to spend no more than 35 minutes on Section A.
The number of marks is given in brackets [] at the end of each question or part question.

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## Section A (Short Answers)

# Answer all questions.

1	(a)	Define the term 'market research'.	[2]
	(b)	Briefly distinguish between desk (secondary) methods and field (primary) methods of mar research.	ket [3]
2	(a)	State <b>two</b> functions of a manager.	[2]
	(b)	Briefly explain <b>two</b> ways in which human needs could be satisfied at work.	[3]
3		n the aid of <b>two</b> examples, explain how the objectives of one group of business stakehold d conflict with those of another group.	ers [5]
4	(a)	Define the term 'working capital'.	[2]
	(b)	Briefly distinguish between revenue expenditure and capital expenditure.	[3]

# Section B (Essay)

## Answer **one** question only.

- **5** (a) Explain the benefits to a railway company of using price discrimination for ticket sales. [8]
  - (b) Discuss why a business could use different pricing strategies during the life of a product or service. [12]
- 6 Discuss the factors a large manufacturing business should consider before relocating its operations to another country. [20]
- 7 (a) Explain the strengths and weaknesses of a 'co-operative' legal structure for business. [8]
  - (b) Discuss how ethics may influence the activities of a business. [12]

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