

**Tuesday 22 January 2013 – Afternoon**

**AS GCE BUSINESS STUDIES**

**F292/01 Business Functions**

Candidates answer on the Question Paper.

**OCR supplied materials:**

- Clean copy Case Study

**Other materials required:**

- A calculator may be used

**Duration: 2 hours**



Candidate forename		Candidate surname	
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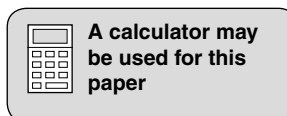
Centre number						Candidate number				
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**INSTRUCTIONS TO CANDIDATES**

- Write your name, centre number and candidate number in the boxes above. Please write clearly and in capital letters.
- Use black ink. HB pencil may be used for graphs and diagrams only.
- Answer **all** the questions. You should not need to spend more than 30 minutes on Section A.
- Read each question carefully. Make sure you know what you have to do before starting your answer.
- Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).
- Do **not** write in the bar codes.

**INFORMATION FOR CANDIDATES**

- The number of marks is given in brackets [ ] at the end of each question or part question.
- The total number of marks for this paper is **90**.
- Your Quality of Written Communication will be assessed in questions marked with an asterisk (\*).
- This document consists of **20** pages. Any blank pages are indicated.



**Section A**

Answer **all** questions.

Question 1 does **not** relate to the HHL case study.

1 (a) State **two** possible benefits to a firm of it growing in size.

- 1 .....
- 2 ..... [2]

(b) Identify **two** methods used for investment appraisal.

- 1 .....
- 2 ..... [2]

(c) 'Place' is one of the four Ps of the marketing mix. State what is meant by the term 'place'.

- .....
- .....
- .....
- ..... [2]

(d) The table below shows incomplete budgeting data for a coffee shop. Complete the missing data in the unshaded boxes. [4]

	Forecast (£)	Actual (£)	Variance (£)	Favourable/Adverse
Sales revenue	6000	5820		Adverse
Labour costs	4000		210	Favourable
Rent paid	1000	1100	100	
Other costs		640	40	Adverse

(e) Explain **two** advantages to a business of having a narrow span of control.

Advantage 1 .....

.....

.....

.....

Advantage 2 .....

.....

.....

.....

[4]

(f) Outline **one** advantage and **one** disadvantage to a firm of using benchmarking to improve quality.

Advantage .....

.....

.....

.....

Disadvantage .....

.....

.....

.....

[4]

**Section B**

Answer **all** questions.

Questions 2–5 are based on the HHL case study. Your answers should make specific reference to the issues facing HHL.

- 2 (a) Nicole Lau has managed to find out that 108 new customers were gained during the promotional pricing campaign in Yorkshire (**see Table 3**).

Calculate the price elasticity of demand for the Yorkshire region.

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**[4]**



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