

OXFORD CAMBRIDGE AND RSA EXAMINATIONS

Advanced Subsidiary GCE

BUSINESS STUDIES

2872

Business Decisions

Wednesday

12 JANUARY 2005

Afternoon

45 minutes

Additional materials:
Answer Booklet

TIME 45 minutes

INSTRUCTIONS TO CANDIDATES

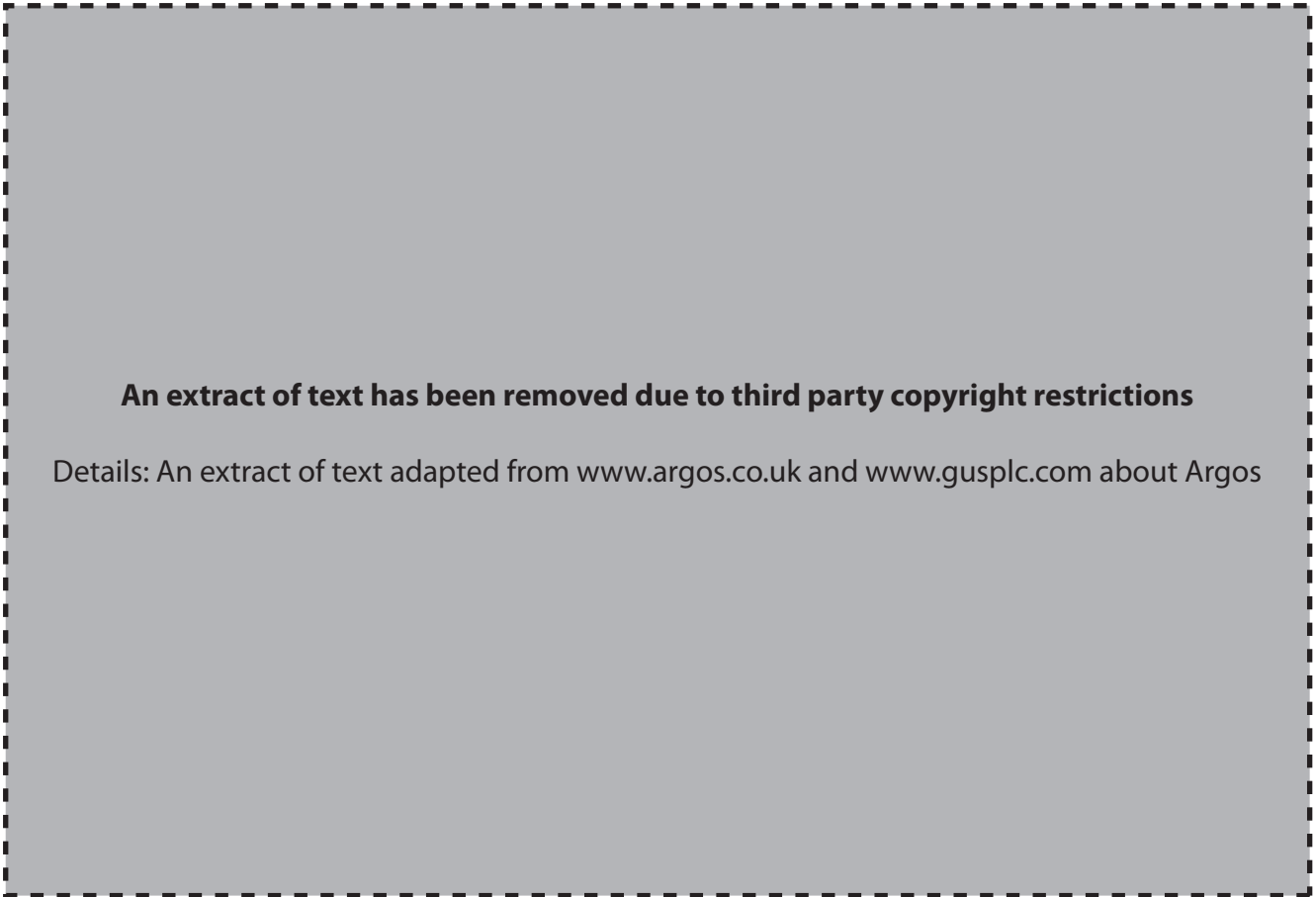
- Write your name, Centre number and candidate number in the spaces provided on the answer booklet.
- Answer **all** questions.
- If you use extra sheets of paper, fasten the sheets to the answer booklet.
- Read each question carefully and make sure you know what you have to do before starting your answer.

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 45.
- You will be awarded marks for the quality of written communication where an answer requires a piece of extended writing.

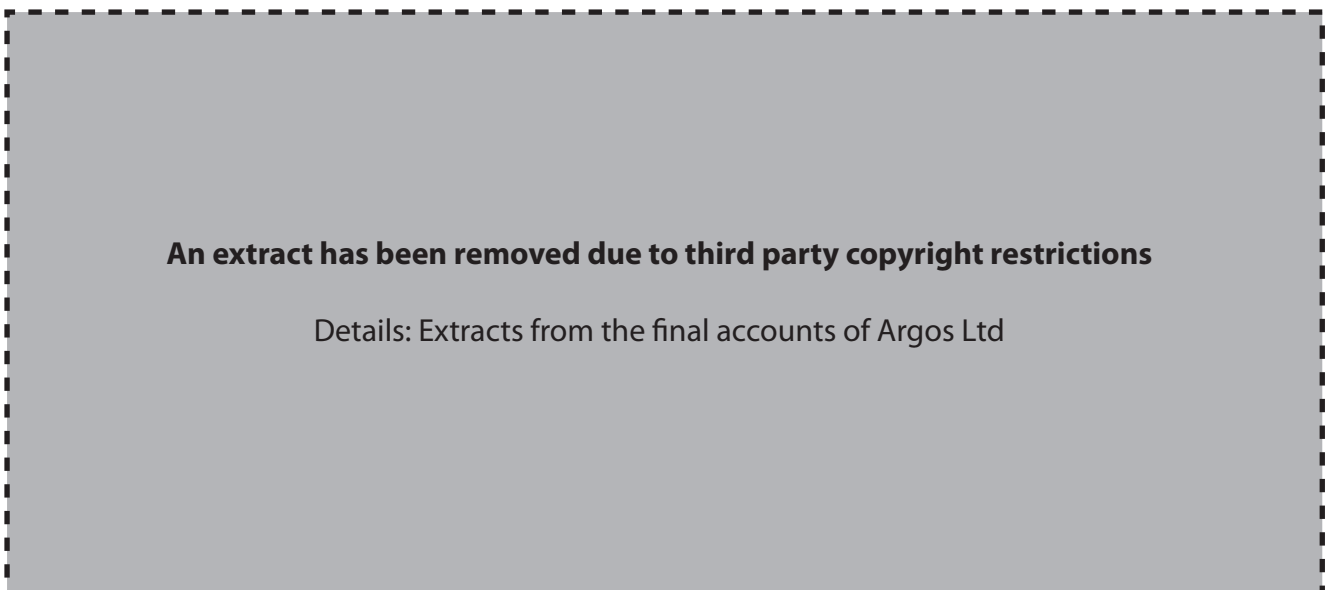
This question paper consists of 4 printed pages.

Extract 1



Adapted from www.argos.co.uk and www.gusplc.com (November 2003)

Figure 1
Extracts from the final accounts of Argos Ltd



Extract 2

An extract of text has been removed due to third party copyright restrictions

Details: An extract of text adapted from www.argos.co.uk about Argos employing extra staff at Christmas

Adapted from www.argos.co.uk

Extract 3

An extract of text has been removed due to third party copyright restrictions

Details: An extract of text adapted from the Sunday Times Business Section about how spending on the home is rising

Adapted from Sunday Times Business Section 26 October 2002

- 1 (a) Outline two channels of distribution that Argos uses. [4]
- (b) Argos uses varied channels of distribution. Analyse the implications of this for its stock control. [7]
- 2 Discuss how the wide product portfolio of Argos will influence the way in which it carries out its promotional activities. [8]
- 3 (a) Argos was successful in its campaign to recruit extra staff for Christmas 2003.
Calculate the percentage increase in the total number of people employed by Argos following the recruitment drive. [3]
- (b) Refer to Extract 2 above.
Discuss the workforce planning issues that arise from the seasonal nature of demand faced by Argos. [12]
- 4 With reference to Figure 1, evaluate the extent to which Argos' stakeholders would find the information in the final accounts useful for decision making. [9]

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