

Centre Number						Candidate Number				
Surname										
Other Names										
Candidate Signature										

For Examiner's Use	
Examiner's Initials	
Question	Mark
1	
2	
TOTAL	



General Certificate of Secondary Education  
June 2011

# Business Studies (Short Course)

# 413013

## Unit 13 Business Start Up

Friday 27 May 2011 1.30 pm to 2.30 pm

**You will need no other materials.**  
You may use a calculator.

### Time allowed

- 1 hour

### Instructions

- Use black ink or black ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions.
- You must answer the questions in the spaces provided. Do not write outside the box around each page or on blank pages.
- Do all rough work in this book. Cross through any work you do not want to be marked.

### Information

- The marks for questions are shown in brackets.
- The maximum mark for this paper is 40.
- You are reminded of the need for good English and clear presentation in your answers. Quality of Written Communication will be assessed in questions 1(c) and 2(e).



J U N 1 1 4 1 3 0 1 3 0 1

Answer **all** questions in the spaces provided.

**Total for this question: 16 marks**

**1** Read **Item A** and then answer the questions that follow.

### **Item A**

#### **Grooming Dogs**

Jane had worked in a bank for 20 years. She did not enjoy her job because she was tired of being told what to do by other people. So she was not upset when her branch was closed down and she lost her job. This gave Jane the chance to start up a dog-grooming business. Jane's sister, Debbie, had run a successful dog-grooming business and Jane had always dreamed of doing something similar, although she had no past experience.

After discussing the idea with her sister, Jane decided to start up her own luxury dog-grooming business. She will offer very good customer service, using high quality dog-grooming products and providing dog owners with refreshments whilst their dogs are being groomed.

In addition to her personal savings, Jane needs to raise an extra £3000 to start the business. She knows that she will need to show potential investors that the business can make a profit.



Source: *Getty Images*



**1 (a)** State **two** benefits to Jane of offering very good customer service.

1 .....

.....

2 .....

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(2 marks)

**1 (b)** Jane's market research shows that she can groom 120 dogs in the first month.  
Her total costs for that month would be £2000.

Calculate Jane's profit for the first month if she charges £20 per dog.  
Show your workings.

Profit for the first month: .....

Calculations: .....

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(4 marks)

**Question 1 continues on the next page**

**Turn over ►**





*Extra space* .....

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<b>16</b>

**Turn over for the next question**

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**Total for this question: 24 marks**

**2** Read **Item B** and then answer the questions that follow.

**Item B**

***Raymond's Bakery Ltd***

*Raymond's Bakery Ltd* is owned by Jenny Raymond. It bakes all its own bread and cakes. The business employs two part-time shop assistants. It is located in a small row of shops near a large industrial estate. However, since a large supermarket opened nearby, business has not been so good.

Jenny, who runs the business, has cut her costs as much as possible. This has meant that her assistants have not had a pay rise for two years and are now being paid the National Minimum Wage. Jenny is worried that her assistants are not enjoying their jobs as much as they did.

To help the business to survive, Jenny is considering starting a sandwich delivery service to the industrial estate. She has decided to conduct market research into the idea. If Jenny decides to go ahead with the sandwich delivery service, she plans to give her two shop assistants greater responsibility. She would make one responsible for sandwich sales and the other responsible for shop sales.



Source: Getty Images



2 (a) Jenny’s employees are protected by laws.

State **two** ways in which laws help to protect employees.

1 .....

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2 .....

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(2 marks)

2 (b) Jenny is planning to use job production when making the sandwiches.

Explain **one** benefit to Jenny of using job production instead of batch production.

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(2 marks)

2 (c) Identify **one** market research method **and** explain how Jenny could use it to find out whether there is enough demand to start the sandwich delivery service.

Method: .....

Explanation: .....

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(4 marks)

Extra space .....

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**2 (d)** Identify **two** elements of the marketing mix **and** explain how Jenny could use them when launching the sandwich delivery service.

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<b>24</b>

**END OF QUESTIONS**



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