

General Certificate of Secondary Education  
June 2006



**BUSINESS STUDIES SPECIFICATION A  
Foundation Tier**

3132/F

**F**

Thursday 15 June 2006 1.30 pm to 3.30 pm

**For this paper you must have:**

- a clean copy of the Case Study (enclosed)
- a 12-page answer book

You may use a calculator.

Time allowed: 2 hours

**Instructions**

- Use blue or black ink or ball-point pen.
- Write the information required on the front of your answer book. The *Examining Body* for this paper is AQA. The *Paper Reference* is 3132/F.
- Answer **all** questions.
- Do all rough work in the answer book. Cross through any work you do not want marked.

**Information**

- The maximum mark for this paper is 105.  
5 of these marks are for the Quality of Written Communication.
- The marks for questions are shown in brackets.
- You are reminded of the need for good English and clear presentation in your answers. All questions should be answered in continuous prose. Quality of Written Communication will be assessed in all answers.

**Advice**

- You are advised to spend no more than 35 minutes on **Section A**.

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**SECTION A**

Answer **all** questions in this section.

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**Total for this question: 12 marks**

- 1** Explain briefly the meanings of the following Business Studies terms and **give an example** of each. Your examples can be drawn from the Case Study or from any other source.
- (a) Employee *(3 marks)*
  - (b) Competitor *(3 marks)*
  - (c) Entrepreneur *(3 marks)*
  - (d) Planning permission *(3 marks)*

**Total for this question: 6 marks**

- 2**
- (a) What is meant by recruitment? *(2 marks)*
  - (b) Describe **two** ways in which Center Parcs might recruit the best staff to work at a holiday village. *(4 marks)*

**Total for this question: 6 marks**

- 3**
- (a) What is meant by quality control? *(2 marks)*
  - (b) Describe **two** reasons why a business needs to be concerned about the quality of its product. *(4 marks)*

**Total for this question: 6 marks**

- 4**
- (a) Give **two** reasons why a business might want to expand. *(2 marks)*
  - (b) Describe **two** difficulties that a business might have when it tries to expand. *(4 marks)*

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**SECTION B**

Answer **all** questions in this section.

Where appropriate, use examples from the Case Study to support your answers.

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**Total for this question: 14 marks**

**5** Page 6 of the Case Study tells us that Center Parcs is keen to attract customers, particularly at quiet times of the year. To find out what customers want, Center Parcs uses information from questionnaires filled in by guests (see page 8).

- (a) Describe **two** suitable ways in which Center Parcs might promote its holiday villages to **business** customers. (4 marks)
- (b) Apart from advertising, explain **two** ways in which Center Parcs could get more guests to visit during quieter times of the year. (4 marks)
- (c) Discuss whether using guest questionnaires is the best way for Center Parcs to find out how to improve its service. (6 marks)

**Total for this question: 14 marks**

**6** Center Parcs believes that good communication systems are needed to keep staff up to date (see page 9). Center Parcs also sees training as an important way of motivating staff.

- (a) Describe **two** ways in which senior managers at Center Parcs might communicate with their staff members. (4 marks)
- (b) Explain **two** areas of training that Center Parcs staff might give to new staff. (4 marks)
- (c) Discuss whether paying higher wages is the best way for Center Parcs to motivate its employees. (6 marks)

**Total for this question: 14 marks**

**7** Details of Center Parcs' finances can be found in **Figure 7** on **page 10**. Center Parcs needs money to pay for the new village it has planned (see page 4).

- (a) These two terms appear in Center Parcs' finances in **Figure 7**. Describe what each term means.
  - (i) Turnover
  - (ii) Liabilities (4 marks)
- (b) Calculate Center Parcs' total assets in 2005. (4 marks)
- (c) Center Parcs could either sell more shares or obtain a bank loan to raise the money for the new holiday village. Discuss each option and say which one you believe is better for Center Parcs. (6 marks)

**Turn over ►**

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**Total for this question: 14 marks**

- 8** Center Parcs is the main employer in the areas in which it operates (see **page 9**). The company feels that it needs to help these local communities. Some environmental groups do not like to see businesses like Center Parcs operate in the countryside. We are told on **page 6** that the number of guests that Center Parcs has depends on the strength of the economy.
- (a) Describe **two** ways in which Center Parcs helps the local communities where its villages are based. *(4 marks)*
- (b) Explain **two** reasons why environmental pressure groups might object to a new Center Parcs holiday village. *(4 marks)*
- (c) Discuss whether an increase in UK unemployment would affect Center Parcs' profits. *(6 marks)*

**Total for this question: 14 marks**

- 9** Imagine that Center Parcs discovered that another holiday company had announced plans to open a holiday village aimed at 'premium customers'. Center Parcs comes up with three plans with which it might deal with this new threat.

These plans are:

- to open more holiday villages
  - to increase customer loyalty to the Center Parcs brand
  - to change the prices which it charges its guests
- (a) Describe what is meant by 'premium customers'. *(2 marks)*
- (b) Center Parcs has come up with three plans with which it might tackle the threat of a new competitor. Choose **two** of these plans and explain how each might help Center Parcs to keep its share of the holiday market. *(6 marks)*
- (c) Discuss which of the ways that you have raised in (b) would be the more likely to help Center Parcs. *(6 marks)*

**END OF QUESTIONS**