

General Certificate of Secondary Education
June 2007



**BUSINESS STUDIES SPECIFICATION A
Foundation Tier**

3132/F

F

Thursday 14 June 2007 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 to be marked.

Information

- The maximum mark for this paper is 105.
Five of these marks will be awarded for using good English, organising information clearly and using specialist vocabulary where appropriate.
- The marks for questions are shown in brackets.

Advice

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

SECTION A

Answer **all** questions in this section.

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) Logo *(3 marks)*

(b) Headquarters *(3 marks)*

(c) Core business *(3 marks)*

(d) Merger *(3 marks)*

Total for this question: 6 marks

2 (a) What is meant by a partnership? *(2 marks)*

(b) Describe **two** advantages that a partnership might have over a sole trader. *(4 marks)*

Total for this question: 6 marks

3 (a) What is meant by batch production? *(2 marks)*

(b) Describe **two** benefits to a business of using batch production. *(4 marks)*

Total for this question: 6 marks

4 (a) What is meant by discrimination? *(2 marks)*

(b) Describe **two** ways in which a business might stop discrimination in the workplace. *(4 marks)*

SECTION B

Answer **all** questions in this section.

Total for this question: 14 marks

5 We are told in the Case Study that:

- many customers have a Boots Advantage Card (page 6)
 - people are starting to buy Boots products on-line (page 6)
 - Boots has recently tried to become involved in other areas of business (page 5).
- (a) Describe **two** ways in which the Advantage Card scheme might help Boots. *(4 marks)*
- (b) Explain **two** reasons why Boots might want to get even more people to buy its products on-line. *(4 marks)*
- (c) Discuss whether Boots should move into other areas of business or concentrate on its chemist stores. *(6 marks)*

Total for this question: 14 marks

6 On page 10 of the Case Study it says that Boots needs to keep its employees motivated if it is to do well. Boots has taken the unusual step of paying its employees to study in their own time.

- (a) Describe **two** methods that Boots might use to motivate its employees. *(4 marks)*
- (b) Explain **two** advantages to Boots of having a well-motivated workforce. *(4 marks)*
- (c) Discuss whether you believe that Boots should pay its employees to study. *(6 marks)*

Total for this question: 14 marks

7 It says on page 7 of the Case Study that Boots is using ICT to help it to become more efficient. This means that Boots is able to make more profit. As a result, Boots is able to give some of this money to charity – see page 11 of the Case Study.

- (a) Describe **two** ways in which Boots may use ICT to save money. *(4 marks)*
- (b) Explain **two** ways in which **its customers** could benefit from Boots' use of ICT. *(4 marks)*
- (c) Discuss whether it is a good idea for Boots to give large amounts of money to charity. *(6 marks)*

Turn over ►

Total for this question: 14 marks

8 Details of Boots' finances can be found in Table 1 on page 9 of the Case Study.

- (a) Using the information for 2004 and 2005, calculate the change in:
- (i) turnover;
 - (ii) retained profit. *(4 marks)*
- (b) Explain **two** actions which its **competitors** could take that might cause Boots' profits to change. *(4 marks)*
- (c) Discuss whether the best way for Boots to increase its profits is to charge more for its goods. *(6 marks)*

Total for this question: 14 marks

9 Boots recognises that most of its customers are women (see pages 6 and 12 of the Case Study). Imagine Boots is thinking about increasing the number of male customers.

- (a) List **two** suitable methods that Boots might use to encourage more men to buy its products. *(2 marks)*
- (b) Explain how both of these methods could increase the number of its male customers. *(4 marks)*
- (c) Discuss whether you believe that Boots should worry about trying to attract more men when it has so many female customers. *(8 marks)*

END OF QUESTIONS