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General Certificate of Secondary Education June 2006

# BUSINESS STUDIES (SPECIFICATION B) Paper 3 Higher Tier





Thursday 22 June 2006 9.00 am to 10.15 am

You will need no other materials.

Time allowed: 1 hour 15 minutes

### **Instructions**

- Use blue or black ink or ball-point pen.
- Fill in the boxes at the top of this page.
- Answer all questions.
- Answer the questions in the spaces provided.
- Do all rough work in this book. Cross through any work you do not want marked.
- If you need additional space, you should continue your answers at the end of this book, indicating clearly which question you are answering.

## **Information**

- The maximum mark for this paper is 105.
- The marks for questions are shown in brackets.
- You should use examples wherever appropriate to support your explanations or arguments.
- You will be awarded up to 5 marks for the Quality of your Written Communication, including spelling, punctuation and grammar.

For Examiner's Use									
Number	Number Mark Numbe								
1									
2									
Total (Column 1)									
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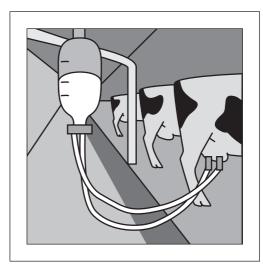
## Answer all questions in the spaces provided.

1

## Milk Campaign – Targets teenage girls

Milk is produced on thousands of different sized farms throughout the country. In 2005 the milk producers launched a £3m campaign to encourage teenage girls to drink more milk. The campaign included cinema, radio and magazine advertising.

They also gave away samples of milk and yoghurts in supermarkets across the country. The idea of targeting teenage girls was prompted by market research which found that 75% of girls between the ages of 10 and 20 were consuming less milk products than recommended by health experts.



in what is meant by the term target market.
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Explain why the milk producers would want to identify a target market before launching a £3m campaign.

e	encouraging teenage girls to consume more milk products. Justify your choice	es.
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(d)	Describe the advantages to milk producers of joining together for the marketing of their products.
	(9 marks)

34

2

#### Glackin Glade Golf Club

Glackin Glade Golf Club Ltd was established by Phil Scorpio 20 years ago. It was built on a large 150 acre site, 10 miles away from a medium sized town.

The site now includes an 18-hole golf course and a club house containing a shop, bar and restaurant. It also includes a small hotel in need of modernisation. The Golf Club has a large membership with many members visiting at least once a week. Its nearest competitor is 25 miles away.

The Golf Club employs 14 full-time members of staff as well as some young part-time staff at the weekends. Phil manages the Golf Club himself and employs an assistant manager to look after the hotel, shop, restaurant and bar.

As the Golf Club is doing well, Phil now believes that the time is right to develop the hotel. It currently has 15 bedrooms but there are outbuildings that could be developed to provide a further 10 bedrooms.

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(c) Glackin Glade Golf Club Ltd is considering two options in order to finance the development. Obtaining a Mortgage Using a combination of selling some surplus land and using retained profit Compare the advantages and disadvantages of both of these options. Explain and justify which you think would be the best method.

(12 marks)

Following the development of the Hotel, Phil is keen to appoint a separate Hotel Manager. Phil had drawn up an advertisement for the new job of Hotel Manager.

GLACKIN GLADE GOLF CLUB LTD are looking for a HOTEL MANAGER

To manage our recently modernised and expanded hotel.

Excellent salary and fringe benefits package offered. You must be prepared to work as part of a team in this luxury complex.

Contact Phil Scorpio on 01911 117711

Describe the possible advantages and disadvantages of team working at Glackin Glad Golf Club Ltd. Explain and justify whether they should continue with this method of working.
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