



Centre Number

71

Candidate Number

[Empty box for Candidate Number]

StudentBounty.com

General Certificate of Secondary Education
2013

Business Studies

Unit 1

Business Start Up

[GBS11]

MV18

TUESDAY 21 MAY, MORNING

TIME

1 hour 20 minutes, plus your additional time allowance.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

Write your answers in the spaces provided in this question paper.

Complete in blue or black ink only. **Do not write in pencil or with a gel pen.**

There should be enough space for your answers. If you do require more space, you may complete your answers on the extra lined pages at the back of this book.

Answer **all three** questions.

INFORMATION FOR CANDIDATES

The total mark for this paper is 75.

Figures in brackets printed at the end of each question indicate the marks awarded to each question or part question.

Quality of written communication will be assessed in questions **1(f)**, **2(b)** and **3(g)**.

Answer **all** questions

1 (a) Complete the following table: [8]

Business type	Number of owners	Who controls the business	Type of liability
Sole trader	[1]	[1]	[1]
Partnership	[1]	[1]	[1]
Private limited company (Ltd)	Minimum of 2	Shareholders	[1]
Public limited company (plc)	Minimum of 2	[1]	Limited liability

(b) Explain the term “limited liability”. [2]

Coca-Cola Company Mission Statement

- To refresh the world – in mind, body and spirit
- To inspire moments of optimism – through our brands and actions
- To create value and make a difference everywhere we engage

(c) Explain how a mission statement is helpful to a company such as Coca-Cola. [4]

(d) Suggest **two** aims that a company such as Coca-Cola might have, and explain how those aims might affect its business activity.

Aim [1] _____

Effect [2] _____

Aim [1] _____

Effect [2] _____

(e) Most businesses face competition. Identify and explain **two** indicators of the level of competition a business may face.

Indicator [2] _____

Indicator [2] _____

(f) Analyse **two** strategies that a business might use to manage competition. [6]

2

Richard Branson and Bill Gates are successful entrepreneurs.

(a) Explain what it means to be enterprising. [2]

(b) Identify and explain **two** characteristics of an entrepreneur. [6]

(c) Outline **two** reasons why the government encourages enterprise. [4]

3

Matty’s Munchies is a successful, small scale chocolate manufacturer. It uses primary market research, batch production and the Just-in-time method of stock control.

(a) Explain the Just-in-time method of stock control. [2]

(b) Evaluate batch production. [5]

(c) Explain market segmentation, and identify **two** ways Matty's Munchies could segment its market. [6]

(d) Discuss **one** advantage and **one** disadvantage of primary research for Matty's Munchies. [6]

Matty's Munchies have decided to launch a new chocolate bar aimed at young children.

(e) Identify and discuss a suitable pricing strategy for the new chocolate bar. [3]

(f) (i) Identify **one** factor which might affect the price of the new chocolate bar. [1]

(ii) Explain the relationship between price and demand. [2]

(g) Explain **one** impact that legislation would have on the promotion and **one** impact that legislation would have on the production of Matty’s Munchies. [4]/[4]

Impact on promotion: _____

Impact on production: _____

Extra page if required

THIS IS THE END OF THE QUESTION PAPER

Sources

Pg 4, Q1(b), The Coca-Cola Company Mission Statement: Source: © The Coca-Cola Company

For Examiner's use only	
Question Number	Marks
1	
2	
3	

Total Marks	
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Examiner Number

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