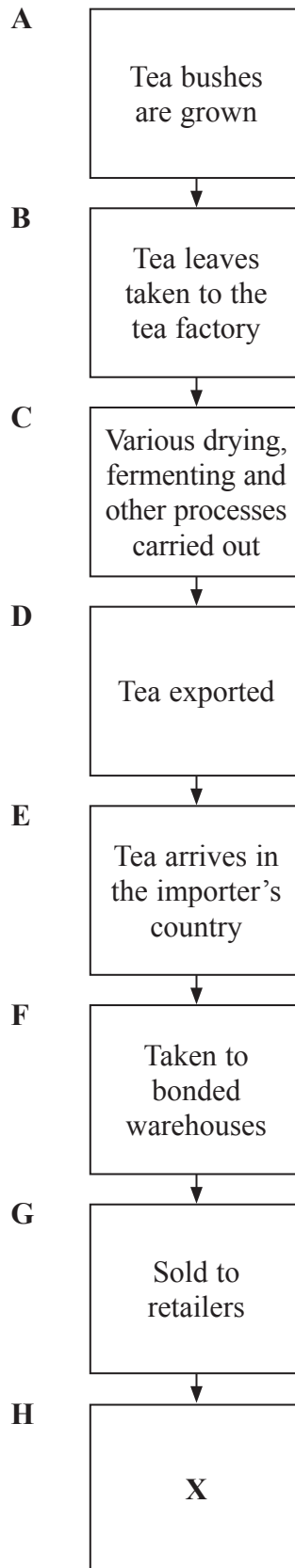


Answer ALL questions

1. The following diagram shows a production chain for tea.



Using the diagram, answer the following questions.

(a) Name the production stage for the activity labelled:

(i) A (1)

(ii) C (1)

(iii) Identify the person indicated by the X.
..... (1)

(b) Describe what is meant by the terms:

(i) Imports
.....
.....
..... (2)

(ii) Exports.
.....
.....
..... (2)

(c) (i) Why are bonded warehouses important to a tea importer?

.....
.....
.....
.....
..... (3)



(ii) Why are bonded warehouses important to a tea importer who then re-exports the tea?

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.....

(3)

(d) Describe how the tea would be distributed from the bonded warehouse to the retailer.

.....
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.....

(2)

(e) Explain how a tea planter might use:

(i) Banking

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.....
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.....
.....
.....
.....

(4)

(ii) Communications.

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.....
.....
.....
.....

(3)



(f) The tea factory, a private limited company, uses specialisation in carrying out its processes.

(i) State **three** features of a private limited company.

.....
.....
.....
.....

(3)

(ii) How does specialisation benefit the factory owner?

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.....

(3)

(iii) Identify **two** problems that come from specialisation.

.....
.....
.....
.....

(2)

(Total 30 marks)

Q1

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2. The following advertisement has been placed in a local newspaper.

LAKES SHOPPING OUTLET

1 October 2010

GRAND OPENING

at 9.00 am

of this new branch of

BETTER SUPERMARKETS

Own brands
Local produce
Loyalty cards

Special promotions on offer

DO NOT MISS OUT

(a) (i) State **three** features of a supermarket.

.....

.....

.....

.....

.....

(3)

(ii) Why would a supermarket advertise in a local newspaper?

.....

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.....

(3)



(iii) Why do many shoppers use supermarkets?

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(4)

(b) Apart from advertising, supermarkets use a variety of special offers and selling techniques to promote their stores.

(i) State **three** types of special promotional offers a supermarket can give to its customers.

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.....
.....

(3)

(ii) Why do supermarkets sell many 'own brand' goods?

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.....

(3)



(c) On the day the supermarket opened, Mrs Hall bought a pack of tomatoes that were not fresh.

Identify the actions that Mrs Hall could take with the supermarket.

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(3)

(d) Why do you think **each** of the following is likely to increase supermarket sales?

(i) Selling local farmers' produce.

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.....

(3)

(ii) Giving loyalty cards to customers.

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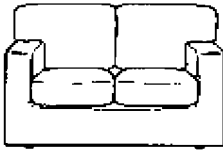
(3)

(Total 25 marks) **Q2**




3. Sofa Sales Ltd is a mail order company that sells sofas. Below is one of its advertisements.

Stylish sofas at low prices



was £420 now £300
Free delivery
21 days' home trial

For a copy of our FREE colour brochure



123456

Sofa Sales Ltd

(a) (i) Calculate how much a customer would save if they bought the sofa as shown in this advertisement.

.....
.....
.....

(2)

(ii) What is meant by *21 days' home trial*?

.....
.....
.....

(2)

(b) Sofa Sales Ltd accepts credit cards and debit cards in payment for the furniture. Hire purchase is offered for the more expensive items. Cheques and postal orders are not accepted.

Why does Sofa Sales Ltd accept credit cards as a method of payment?

.....
.....
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(3)



(c) Discuss why Sofa Sales Ltd would prefer customers to pay for goods by debit card rather than credit card.

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(4)

(d) (i) How do cheques and postal orders differ from each other as a means of payment?

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(4)

(ii) Explain why Sofa Sales Ltd does not accept cheques.

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(3)



(e) Analyse the advantages and disadvantages to customers of buying goods on hire purchase.

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(7)

Q3

(Total 25 marks)

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TOTAL FOR PAPER: 80 MARKS

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