

FOR OFFICIAL USE

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KU DM

Total

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**4200/401**

NATIONAL  
QUALIFICATIONS  
2007

MONDAY, 14 MAY  
9.00 AM – 10.00 AM

**BUSINESS  
MANAGEMENT  
STANDARD GRADE**  
Foundation Level

**Fill in these boxes and read what is printed below.**

Full name of centre

Town

Forename(s)

Surname

Date of birth

Day Month Year

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Scottish candidate number

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Number of seat



- 1 Read each question carefully.
- 2 Attempt **all** the questions.
- 3 All answers are to be written in this answer book.
- 4 Do **not** write in the margins.
- 5 Before leaving the examination room you must give this book to the invigilator. If you do not, you may lose all the marks for this paper.



**[BLANK PAGE]**

Marks

1.

	Pepsi make a range of soft drinks to appeal to all ages. It always needs to know what its customers want.	
<b>Source: <a href="http://www.pepsi.co.uk">www.pepsi.co.uk</a></b>		

KU	DM
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(a) Identify **2** methods of market research that Pepsi could use.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2

(b) (i) What functional area in Pepsi would be responsible for collecting the information?

\_\_\_\_\_

1

(ii) What functional area in Pepsi would be responsible for making the drink?

\_\_\_\_\_

1

(c) Suggest **2** methods that Pepsi could use to advertise its products.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2


[Turn over

Marks

KU	DM
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2.

**Below is a history of Debenhams plc**

	<p>1778      The company was <b>owned and run by two people</b>— Clarke and Debenham.</p> <p>1905      The company became <b>Debenhams Ltd</b> and had many shops across the UK.</p> <p>Today      The company is called <b>Debenhams plc</b> and sells its shares on the stock market.</p>
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**Source: www.debenhams.com**

(a) Using the information above, state what type of Business Organisation Debenhams was in each year.

Use the word bank below.

<i>Private Limited Company</i>	<i>Partnership</i>	<i>Public Limited Company</i>
--------------------------------	--------------------	-------------------------------

<b>1778</b>	
<b>1905</b>	
<b>Today</b>	

3

(b) Suggest **2** pieces of information that Debenhams could have on their website.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

2

Marks

3.

### Morrisons buys Safeway



Supermarket chain Morrisons plc has bought its rival Safeway for £3 billion. Safeway and Morrisons will become one company.



Source: Adapted from BBC News Online, 8 March 2004

	KU	DM
1		
2		
2		

(a) What is the name given to Morrisons buying control of Safeway?

\_\_\_\_\_

(b) Give 2 possible reasons why Morrisons decided to buy Safeway.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

(c) Suggest 2 sources of finance that may have helped Morrisons buy Safeway.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

[Turn over



Marks

KU	DM
----	----

**4. (continued)**

- (c) From the list below, tick **2** ways in which IKEA could compete with MFI.

Reduce store opening hours	
Advertise more	
Offer lower quality products	
Give customers discounts when the store opens	

2

**[Turn over**

5.

Marks & Spencer are recruiting extra staff for the Christmas period.

**Source: [www.marksandspencer.com](http://www.marksandspencer.com)**



Marks

	KU	DM
1		
2		
1		
1		

(a) Give **one** reason why Marks & Spencer has decided to employ more staff over Christmas.

---



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(b) Give **2** reasons why someone may want to work for Marks & Spencer.

1 

---

---

2 

---

---

(c) What functional area in Marks & Spencer will be responsible for giving out application forms for these jobs?

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(d) Name **one** type of training Marks & Spencer will give to its new Christmas staff.

---




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Marks

6.



Walkers have been making crisps in the UK since 1948 and use 17,000 lorry loads full of potatoes every year.

**Source: [www.walkers.co.uk](http://www.walkers.co.uk)**

- (a) Using the word bank below, label the stages of production for a packet of crisps.

Input	Process	Output
-------	---------	--------

Finished packets are boxed for selling.	
Potatoes arrive in factory.	
Potatoes are washed, sliced and cooked.	

- (b) Walkers buy potatoes from their suppliers. Identify 2 features of a good supplier.

1 \_\_\_\_\_  
\_\_\_\_\_

2 \_\_\_\_\_  
\_\_\_\_\_

- (c) Walkers check their crisps at every stage of the production process. Suggest 2 reasons why they do this.

1 \_\_\_\_\_  
\_\_\_\_\_

2 \_\_\_\_\_  
\_\_\_\_\_

3

2

2

**[Turn over**

7.



PDSA raises funds from members of the public for sick and injured pets.



Source: [www.pdsa.org.uk](http://www.pdsa.org.uk)

Marks

	KU	DM
1		
2		
1		

(a) What type of organisation is PDSA?

\_\_\_\_\_

(b) Suggest **2** ways in which PDSA could raise funds.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

(c) Other than raise funds, suggest **one** other aim that PDSA may have.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Marks

8.

Lime Tree Ltd has branches across Scotland. The Managing Director, Nisha Patel, needs to communicate with all staff regularly. Some staff travel long distances each week to meet with her.



	KU	DM
1		
2		
2		

(a) Suggest a method of communication that Nisha could set up to stop staff having to travel long distances.

\_\_\_\_\_

(b) Suggest **2 other** methods of communication that Nisha could use to keep in touch with her staff.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

(c) Give **one** advantage and **one** disadvantage of using **electronic** methods of communication.

Advantage \_\_\_\_\_

\_\_\_\_\_

Disadvantage \_\_\_\_\_

\_\_\_\_\_

**[Turn over**

Marks

9.

## UK Mail Order Catalogues

### The best in UK Home Shopping







KU	DM
1	
2	
2	

(a) What is mail order shopping?

---



---

1

(b) Suggest **2** ways in which mail order shopping companies can attract new customers.

1 \_\_\_\_\_

---

2 \_\_\_\_\_

---

2

(c) Give **one** advantage and **one** disadvantage of mail order shopping for the customer.

Advantage \_\_\_\_\_

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Disadvantage \_\_\_\_\_

---

2







## ACKNOWLEDGEMENTS

Question 1 – Logo and article are adapted from [www.pepsi.co.uk](http://www.pepsi.co.uk). Permission sought from Britvic Soft Drinks Ltd.

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