



General Certificate of Secondary Education
2025

Centre Number

--	--	--	--	--

Candidate Number

--	--	--	--

Business Studies

Unit 1

Starting a Business

MV18

[GBU11]

FRIDAY 9 MAY, AFTERNOON

Time

1 hour 30 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.

You must answer the questions in the spaces provided.

Do not write on blank pages.

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

Answer **all three** questions.

Information for Candidates

The total mark for this paper is 90.

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 **2(f)** and **3(d)(ii)**.

Answer **all** questions

1 Marcella has been successfully operating her beauty, health and well-being business, Serenity, with her husband and daughter for over 20 years. Serenity employs three full-time and two part-time employees to satisfy the demands of its clients.

(a) (i) Identify **two** suitable aims for Serenity.

[1 mark for each]

1. _____

2. _____

(ii) Identify and explain **two** entrepreneurial characteristics that could be displayed by the owners of Serenity. [3 marks for each]

1. _____

2. _____

(b) Explain how Serenity would use the following **two** business resources. [2 marks for each]

Land _____

Capital _____

(c) (i) What type of business ownership is Serenity?
[1 mark]

(ii) What size of business is Serenity? [1 mark]

(iii) Explain the type of liability for the owners of Serenity. [2 marks]

(iv) Explain **one** advantage of this type of business ownership. [2 marks]

(d) (i) Identify **two** stakeholders of Serenity.

[1 mark for each]

1. _____

2. _____

(ii) Discuss how the aims of these **two** stakeholders in question **(d) (i)** may be different. [4 marks]

2 Marcella prides herself on the marketing that is carried out each year for Serenity to make it as successful as it is.

(a) Explain the term marketing. [2 marks]

(b) Explain a method of market research that Marcella could use. [2 marks]

(c) Marcella is very aware of the increasing costs of production.

Discuss how this factor could affect price in Serenity.
[2 marks]

(d) (i) Marcella uses promotion in Serenity.

Describe **two** examples of sales promotion that Marcella could use. [2 marks for each]

Example 1 _____

Example 2 _____

(ii) List **two** ways Marcella could segment the market for Serenity. [1 mark for each]

1. _____

2. _____

(f) Marcella is facing increased competition from other businesses (new and existing) in relation to the prices charged, the product/services offered, effective customer service and promotion.

Analyse the following strategies that Serenity might use to manage competition. [2 marks for each]

Pricing _____

Product/service _____

Effective customer service _____

Promotion _____

3 (a) Explain the following terms: [2 marks for each]

First in, first out _____

Tertiary production _____

Batch manufacturing _____

Specialisation _____

EFQM _____

(b) Marcella is keen to achieve ISO 9001 quality standard for Serenity.

(i) Explain the quality standard ISO 9001. [2 marks]

(ii) Explain the term quality assurance and its importance to Serenity. [2 marks for each]

Explanation _____

Importance _____

(c) Explain **two** roles of the Health and Safety Executive (HSE) to Serenity. [4 marks]

(d) Staff at Serenity are extremely busy with appointments for all the services it offers to its clients on a daily basis. Marcella must ensure that Serenity is following Health and Safety legislation.

(i) Identify **two** Health and Safety rights and responsibilities of Marcella, as an employer.
[1 mark for each]

1. _____
2. _____

Blank Page

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

Total Marks	
--------------------	--

Examiner Number

Permission to reproduce all copyright material has been applied for.
 In some cases, efforts to contact copyright holders may have been unsuccessful and CCEA will be happy to rectify any omissions of acknowledgement in future if notified.