



Rewarding Learning

General Certificate of Secondary Education
2019

Centre Number

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Candidate Number

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Business Studies

Unit 1

Starting a Business

MV18

[GBU11]

FRIDAY 24 MAY, MORNING

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.

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(g)** and **3(g)**.

Answer **all** questions

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

Micro business

Private limited company

Stakeholder

Public sector

Emma will need business resources for her shop.

(c) Explain **two** business resources that Emma will need.
[2 marks for each]

Business resource 1

Business resource 2

(e) Explain **two** factors that might influence the choice of location for Emma’s new premises. [2 marks for each]

Factor 1

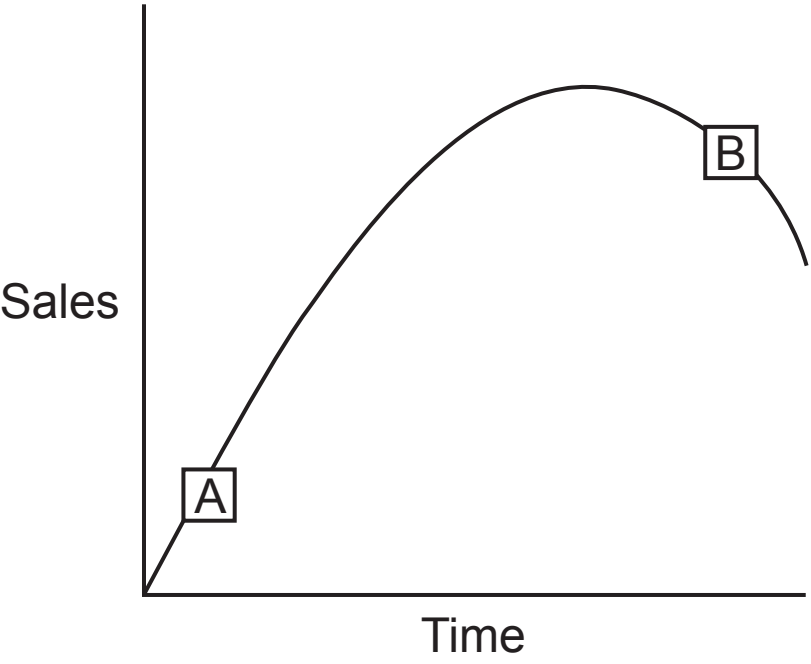
Factor 2

2 (a) Explain the term “secondary research”. [2 marks]

(b) Suggest the most suitable pricing policy for the following: [1 mark for each]

Situation	Pricing policy
Apple is launching a new phone	
Cadbury is launching a new chocolate bar	

(f) (i) Label the diagram of the product life cycle below.
[1 mark for each]



A _____
B _____

(ii) Discuss **two** extension strategies a business could use to extend the life cycle of its products.
[3 marks for each]

Strategy 1

Strategy 2

M&C produces a range of soft drinks and water and delivers its products throughout the UK and Europe. It uses both process and batch methods of manufacturing. For inventory control it uses the minimum inventory level. It has recently been awarded ISO 9001.

3 (a) Outline how M&C would use the minimum inventory level. [2 marks]

(b) Explain, **using an example**, how M&C might make use of process manufacturing. [3 marks]

(c) Explain, **using an example**, how M&C might make use of batch manufacturing. [3 marks]

M&C uses division of labour.

(d) Discuss **one** advantage and **one** disadvantage of using division of labour. [2 marks for each]

Advantage

Disadvantage

(f) What do the letters “HSE” stand for? Explain the role of the HSE. [4 marks]

HSE _____

Role _____

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

Total Marks	
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Examiner Number

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