

Cambridge International AS & A Level

BUSINESS

Paper 1 Short Answer and Essay

February/March 2020

1 hour 15 minutes

9609/12



You must answer on the enclosed answer booklet.

You will need: Answer booklet (enclosed)

INSTRUCTIONS

- Section A: answer **all** questions.
- Section B: answer one question.
- Follow the instructions on the front cover of the answer booklet. If you need additional answer paper, ask the invigilator for a continuation booklet.

INFORMATION

- The total mark for this paper is 40.
- The number of marks for each question or part question is shown in brackets [].

This document has 4 pages. Blank pages are indicated.

Section A (Short Answer)

Answer **all** questions.

You are advised to spend no more than 35 minutes on Section A.

1	(a) Define the term 'Product Life Cycle'.	[2]
	(b) Explain two ways a business could extend a product's life cycle.	[3]
2	(a) Define the term 'diversity' in a workforce.	[2]
	(b) Explain two benefits to a business of employing a diverse workforce.	[3]
3	Explain how better management of trade receivables and trade payables can improve cash f	⁻ low. [5]
4	(a) Define the term 'external economies of scale'.	[2]

(b) Explain two internal economies of scale. [3]

Section B (Essay)

Answer one question only.

5	(a)	Analyse the advantages of using different methods to measure the size of a business.	[8]
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- (b) Discuss whether a partnership is the best legal structure for an accountancy business. [12]
- 6 'Using the Internet for marketing is essential to the success of a smartphone retailer.'Do you agree with this statement? Justify your view. [20]
- 7 (a) Analyse the benefits to a business of motivating its employees. [8]
 - (b) Discuss whether a salary is the best payment method for motivating employees of a shoe retailer. [12]

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