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| Centre Number       |  |  |  |  |  | Candidate Number |  |  |  |  |
| Surname             |  |  |  |  |  |                  |  |  |  |  |
| Other Names         |  |  |  |  |  |                  |  |  |  |  |
| Candidate Signature |  |  |  |  |  |                  |  |  |  |  |

|                     |      |
|---------------------|------|
| For Examiner's Use  |      |
| Examiner's Initials |      |
| Question            | Mark |
| 1                   |      |
| 2                   |      |
| 3                   |      |
| TOTAL               |      |



General Certificate of Secondary Education  
June 2010

# Business Studies

# 413001

## Unit 1 Setting up a Business

Friday 28 May 2010 1.30 pm to 2.30 pm

**You will need no other materials.**  
You may use a calculator.

### Time allowed

- 1 hour

### Instructions

- Use black ink or black ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions.
- You must answer the questions in the spaces provided. Do not write outside the box around each page or on blank pages.
- Do all rough work in this book. Cross through any work you do not want to be marked.

### Information

- The marks for questions are shown in brackets.
- The maximum mark for this paper is 60.
- You are reminded of the need for good English and clear presentation in your answers. Quality of Written Communication will be assessed in questions 1(d), 2(d) and 3(d).



J U N 1 0 4 1 3 0 0 1 0 1

Answer **all** questions in the spaces provided.

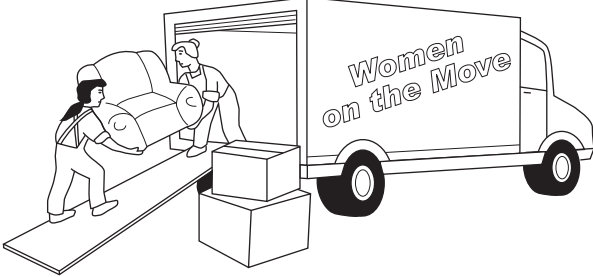
**Total for this question: 21 marks**

**1** Read **Item A** and then answer the questions that follow.

**Item A**

**Women on the Move**

Emily's family has just moved house. She noticed that the removal business that helped them to move house used all male employees. She is considering whether there is an opportunity for her and her friend, Isabella, to start up a local removal business. They could call the business 'Women on the Move' and set up as a partnership. It is also possible that one of Isabella's relatives would lend the two friends some money to buy a suitable van.



**1 (a)** State and explain **one** reason why Emily might want to start up her own business.

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(2 marks)



**1 (b)** Emily and Isabella are planning to set up their business as a partnership.  
Explain **two** benefits to them of setting up the business as a partnership.

Benefit 1 .....

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Benefit 2 .....

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(4 marks)

*Extra space* .....

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**Question 1 continues on the next page**

**Turn over ►**



**1 (c)** Emily and Isabella are considering carrying out some market research before they start up the business.

State and explain **two** methods of market research that they could use to help them see whether their business is likely to succeed.

Method 1 .....

Explanation .....

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*Extra space* .....

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Method 2 .....

Explanation .....

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(6 marks)

*Extra space* .....

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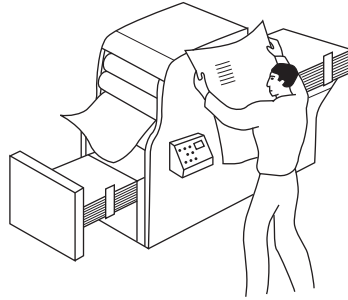
Total for this question: 20 marks

2 Read **Item B** and then answer the questions that follow.

**Item B**

**Expresso Printing Ltd**

*Expresso Printing Ltd* is a small family business based in a unit on an industrial estate. They produce leaflets, newsletters, posters and other printed items.



*Expresso Printing Ltd* is considering buying a new computerised colour printer and taking on two new employees to help to increase sales. *Expresso Printing Ltd* is also aware that the market is becoming far more competitive. Its business customers are cutting back on their spending on advertising and *Expresso Printing Ltd* has many rivals offering similar services.

2 (a) List **three** different ways in which *Expresso Printing Ltd* could advertise for the two new employees.

- 1 .....
- .....
- 2 .....
- .....
- 3 .....
- .....

(3 marks)



2 (b) The following advertisement has been used to attract people to apply for the two new jobs.

**Excellent Jobs at Espresso Printing Ltd**

Want a great job? Young, fit and keen?

This **must** be the job for you.

Brilliant wages, good holidays and lots of fringe benefits.

Call us on 0119 145256 for more details.

You **know** it makes sense.

Explain **two** features of the advertisement that make it unsuitable.

Feature 1 .....

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Feature 2 .....

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(4 marks)

Extra space .....

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Question 2 continues on the next page

Turn over ►



**2 (c)** Explain **two** ways that *Expresso Printing Ltd* could motivate its two new employees.

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(4 marks)

*Extra space* .....

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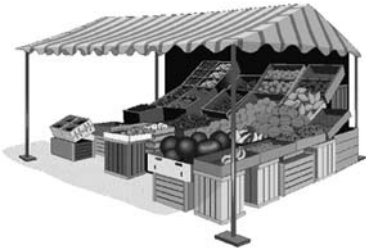
**Total for this question: 19 marks**

**3** Read **Item C** and then answer the questions that follow.

**Item C**

**Good for Us**

*Good for Us* grows organic fruit and vegetables which it has been selling from a local market stall for over five years.



Last year it made a good profit but this year its profits have been falling. The prices of *Good for Us* products are a little more expensive than those of non-organic products. Nearby supermarkets are also now selling a much larger range of organic products.

In order to increase its profits, *Good for Us* is considering lowering the prices of all its products.

**3 (a)** Explain **one** possible reason why the profits of *Good for Us* might have decreased.

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(2 marks)



3 (b) Explain **two** possible effects on *Good for Us* of lowering its prices.

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(4 marks)

Extra space .....  
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3 (c) *Good for Us* prides itself in providing good customer service.  
Explain **two** ways in which *Good for Us* could provide good customer service.

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(4 marks)

Extra space .....  
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Question 3 continues on the next page

Turn over ►



