Cambridge International AS & A Level

Cambridge International Examinations
Cambridge International Advanced Subsidiary and Advanced Level

BUSINESS STUDIES **9707/13**

Paper 1 Short Answer and Essay **May/June 2015**

1 hour 15 minutes

No Additional Materials are required.

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READ THESE INSTRUCTIONS FIRST

An answer booklet is provided inside this question paper. You should follow the instructions on the front cover of the answer booklet. If you need additional answer paper ask the invigilator for a continuation booklet.

Section A
Answer **all** questions.
Section B
Answer **one** question.
You are advised to spend no more than 35 minutes on Section A.

The number of marks is given in brackets [ ] at the end of each question or part question.

This document consists of **2** printed pages, **2** blank pages and **1** insert.

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Section A (Short Answer)

Answer **all** questions.

1 **(a)** Define the term 'stakeholder'. [2]

(b) Briefly explain **two** ways a public limited company is accountable to its **shareholders**. [3]

2 **(a)** Define the term 'process innovation'. [2]

(b) Briefly explain **two** ways a manufacturing business could use process innovation to improve efficiency and effectiveness. [3]

3 Explain how cost data can be used to monitor and improve business performance. [5]

4 **(a)** Define the term 'management'. [2]

(b) Briefly explain **two** of Mintzberg's roles of management. [3]

Section B (Essay)

Answer **one** question only.

5 **(a)** Explain, with examples, the difference between 'above the line' and 'below the line' methods of promotion. [8]

(b) Discuss the importance of branding for effective product promotion. [12]

6 An international chain of coffee shops is planning to expand into a new country. Discuss the **factors** that could affect the decision on how to finance this investment. [20]

7 **(a)** Explain why a business might have a high rate of labour turnover. [8]

(b) Discuss how a cruise ship company could solve the problem of a high level of passenger complaints about poor customer service. [12]

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