Cambridge
O Level

Cambridge Assessment International Education
Cambridge Ordinary Level

CANDIDATE NAME	
CENTRE NUMBER	
CANDIDATE NUMBER	

3422912521

BUSINESS STUDIES **7115/22**

Paper 2 **October/November 2019**

1 hour 30 minutes

Candidates answer on the Question Paper.

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

Write your centre number, candidate number and name in the spaces at the top of this page.
Write in dark blue or black pen.
You may use an HB pencil for any diagrams, graphs or rough working.
Do not use staples, paper clips, glue or correction fluid.
DO **NOT** WRITE IN ANY BARCODES.

Answer **all** questions.
The Insert contains the case study.
The businesses described in this question paper are entirely fictitious.

At the end of the examination, fasten all your work securely together.
The number of marks is given in brackets [ ] at the end of each question or part question.
The total number of marks for this paper is 80.

This document consists of **9** printed pages and **3** blank pages.

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[Turn over

1 **(a)** Identify and explain **two** ways QC can create added value for its new service.

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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..... [8]

(b) Consider the advantages and disadvantages of the following **three** ways QC could research the market for wedding catering. Which way will give the most accurate results about the market? Justify your answer.

Questionnaire about the wedding catering market carried out by QC: .....

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Questionnaire about the wedding catering market carried out by a market research agency:....

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Government statistics on the number of weddings in country Z: .....

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Conclusion: .....

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2 **(a)** Neil and the part-time employees are both stakeholders in QC.

Identify and explain:

- **one** objective that will be the same for both these stakeholders
- **one** objective for Neil that will conflict with an objective of the part-time employees.

Same objective: .....

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Explanation: .....

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Conflicting objective: .....

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Explanation: .....

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(b) Consider the advantages and disadvantages of the following **three** leadership styles Jin and Neil could use. Recommend which one they should use as QC expands further. Justify your answer.

Autocratic: .....

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Democratic: .....

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Laissez-faire: .....

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Recommendation: .....

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3 **(a)** Neil and Jin need to tell employees about the new service.

Identify and explain **one** advantage and **one** disadvantage of using email for this communication.

Advantage: .....

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Explanation: .....

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Disadvantage: .....

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Explanation: .....

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(b) Using Appendix 3 and other information provided, consider the costs, revenue and profit of the **two** options. Which is the best option for QC to choose? Justify your answer.

Option 1: .....

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Option 2: .....

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Conclusion: .....

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4 **(a)** Identify and explain **two** ways Neil and Jin could improve QC's cash flow.

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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(b) Consider the possible effects on QC of the following **three** changes. Which change is likely to have the biggest effect on QC's profit? Justify your answer.

Increase in income tax: .....

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Appreciation of country Z's currency: .....

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Country Z's business cycle enters the boom stage: .....

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Conclusion: .....

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