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**BUSINESS**

**9609/12**

Paper 1 Short Answer and Essay

**February/March 2017**

**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.



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

**Section A (Short Answer)**

Answer **all** questions.

- 1 (a) Define the term 'market research'. [2]  
(b) Briefly explain the limitations to a business of using secondary market research information. [3]
- 2 (a) Define the term 'working capital'. [2]  
(b) Briefly explain the difference between revenue expenditure and capital expenditure. [3]
- 3 Explain why a mission statement might be important for a multinational business. [5]
- 4 (a) Define the term 'economies of scale'. [2]  
(b) Briefly explain **two** causes of **diseconomies** of scale. [3]

**Section B (Essay)**

Answer **one** question only.

- 5 (a) Analyse the strengths and weaknesses of a 'public limited company' legal structure for business. [8]  
(b) Discuss how ethics may influence the decisions of private sector banks. [12]
- 6 'Maslow's theory of motivation can ensure success for all businesses.'  
Discuss this statement. [20]
- 7 (a) Analyse the importance of a Unique Selling Point (USP) to a mobile (cell) phone manufacturer. [8]  
(b) Discuss how a retail business could improve customer relations. [12]

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