OXFORD

INTERNATIONAL
AQA EXAMINATIONS

Please write clearly in block capitals.

Centre number | | | | | | Candidate number | | | | |

Surname _____

Forename(s) _____

Candidate signature _____

I declare this is my own work.

INTERNATIONAL AS
BUSINESS

Unit 1: Business and Markets

Wednesday 5 January 2022 07:00 GMT Time allowed: 1 hour 30 minutes

Materials

For this paper you must have:
- a calculator, which you are expected to use where appropriate.

Instructions
- Use black ink or black ball-point pen.
- Fill in the boxes at the top of the 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.
- If you need extra space for your answer(s), use the lined pages at the end of this book. Write the question number against your answer(s).
- All working must be shown.
- Do all rough work in this book. Cross through any work you do not want to be marked.
- You may **not** use an English dictionary.

Information
- The marks for questions are shown in brackets.
- The maximum mark for this paper is 80.

Advice
- You may use a bilingual dictionary.

For Examiner's Use	
Question	Mark
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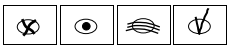
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Section A

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

Only **one** answer per question is allowed.

For each question completely fill in the circle alongside the appropriate answer.

CORRECT METHOD  WRONG METHODS 

If you want to change your answer you must cross out your original answer as shown. 

If you wish to return to an answer previously crossed out, ring the answer you now wish to select as shown. 

0 1 A business used a sampling method where all members of the population had an equal chance of being selected.

Which method of sampling is this?

[1 mark]

A Quota ⬭

B Random ⬭

C Secondary ⬭

D Stratified ⬭

1

0 2 Which element of the marketing mix focuses on the layout of a store?

[1 mark]

A People ⬭

B Physical environment ⬭

C Process ⬭

D Product ⬭

1

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0 3 Which of the following is a characteristic of ordinary share capital (equity)?

[1 mark]

A Dividends are guaranteed. ⬭

B Dividends may vary from year to year. ⬭

C Dividends must increase each year. ⬭

D Dividends will always be $0. ⬭

1

0 4 The following data refers to LMH plc and the market in which it operates.

Table 1: Data for LMH plc and its market

Dividend paid per share	$1.80
Revenue	$3 600 000
Market price per share	$25

Use the data in **Table 1** to calculate the dividend yield.

[2 marks]

2

Turn over for the next question

Do not write outside the box

0 5 Explain **one** advantage to a retail store of remaining as a family business.

[3 marks]

3

0 6 Explain how key performance indicators (KPIs) may be used to improve the competitiveness of a business.

[3 marks]

3

0 7 Explain **one** way that a small business may benefit from operating as a co-operative.

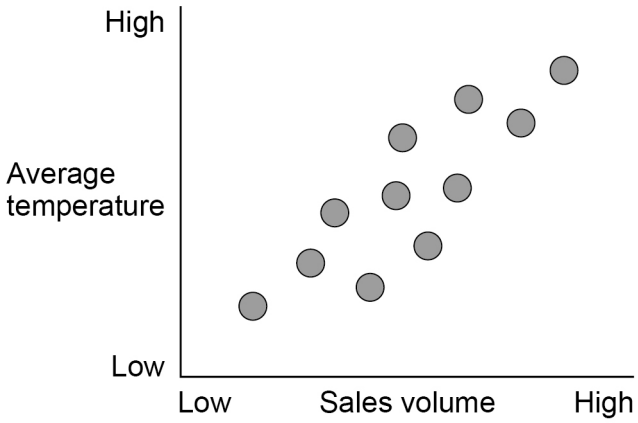
[3 marks]

3

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0 8

Figure 1: Sales data for product A



Explain **one** way that a retailer of product A may benefit from using the data in **Figure 1**.

[3 marks]

3

Turn over for Section B

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Section B

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

0 9 The average level of income in a country is increasing.

Analyse the possible impact of this on a luxury hair salon in this country.

[9 marks]

Extra space

9

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1 0 A business operates in a market where barriers to entry have increased.

Analyse the possible impact of this on its profits.

[9 marks]

Extra space

9

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1 1 A café is facing increasing competition from new cafés in the area. It is losing market share.

Analyse the marketing decisions it could make to recover its market share.

[9 marks]

Extra space

9

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Turn over for Section C

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ANSWER IN THE SPACES PROVIDED

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Section C

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

1 2 Zach Sheng owns a gym as a sole trader. He is looking to expand by opening another gym. He is considering changing the business to become a private limited company. Is this a good idea?

Assess the arguments for and against the business becoming a private limited company and make a judgement.

[12 marks]

Do not write outside the box

Extra space

12

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1 3 An online retailer sells a wide range of clothes, gifts and accessories. The finance director believes that price is the most important element of its marketing mix when selling online. Do you agree with the finance director?

Assess the arguments for and against and make a judgement.

[12 marks]

Do not write outside the box

Extra space

12

Turn over ►

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1 4 A business is experiencing decreasing customer numbers. Currently, its main promotion is through leaflet advertising. It is considering switching to using **only** social media. Is this a good idea?

Assess the arguments for and against switching to using only social media to promote the business and make a judgement.

[12 marks]

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Extra space

12

END OF QUESTIONS

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