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

Thursday 5 January 2023 GMT: 07:00 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 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.
- 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 |
| 1 | |
| 2 | |
| 3 | |
| 4 | |
| 5 | |
| 6 | |
| 7 | |
| 8 | |
| 9 | |
| 10 | |
| 11 | |
| 12 | |
| 13 | |
| 14 | |
| **TOTAL** | |

*Do not write outside the box*

## 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 product has a high market share in a high growth market.

According to the Boston Matrix, this product would be a:

**[1 mark]**

**A** Cash cow. ⬭

**B** Dog. ⬭

**C** Question mark/problem child. ⬭

**D** Star. ⬭

1

**0 2** Statement 1: market segmentation involves grouping people who share similar characteristics.

Statement 2: secondary marketing research involves collecting data first hand.

Choose **one** option below.

**[1 mark]**

**A** Statement 1 is false and statement 2 is false. ⬭

**B** Statement 1 is false and statement 2 is true. ⬭

**C** Statement 1 is true and statement 2 is false. ⬭

**D** Statement 1 is true and statement 2 is true. ⬭

1



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**0 3** Which of the following is most true of quantitative data in marketing research?

**[1 mark]**

**A** It describes why customers buy products. ⬭

**B** It is gathered through open-ended questions. ⬭

**C** It is often expressed as numbers. ⬭

**D** It usually gathers thoughts and opinions. ⬭

1

**0 4** **Table 1** shows sales data for **all** businesses in a market.

**Table 1**

| Business | Sales ($) |
|---|---|
| Business W | 35 m |
| Business X | 32 m |
| Business Y | 28 m |
| Business Z | 33 m |

Calculate the percentage market share for Business X.

**[2 marks]**

2

**Turn over for the next question**

*Do not write outside the box*

**0 5** A start-up business has collected marketing data which has a confidence level of only 68%.

Explain **one** possible drawback for this business of using this data.

**[3 marks]**

3

**0 6** Explain how a business acting in a more ethical way might impact on its level of customer retention.

**[3 marks]**

3

**0 7** Explain **one** benefit to a business of using penetration pricing when entering a competitive market.

**[3 marks]**

3

*Do not write outside the box*

**0 8** Managers have an important role within a business.

Explain **one** way that the actions of managers can improve the performance of a business.
**[3 marks]**

3

**Turn over for Section B**

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## Section B

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

**0 9** Analyse the benefit to a business of having a strong brand in a competitive market.

**[9 marks]**

Extra space

**9**

Do not write outside the box

**1 0** Analyse **one** advantage and **one** disadvantage of using multi-channel distribution to a retail business.

**[9 marks]**

Extra space

9

Do not write outside the box

**1 1** In the last 12 months, the three firm concentration ratio in the airline industry has changed from 90% to 70%.

Analyse the possible impact of this change on the profits of the three largest airlines.

**[9 marks]**

Extra space

9

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**Turn over for Section C**

**DO NOT WRITE ON THIS PAGE**
**ANSWER IN THE SPACES PROVIDED**

*Do not write outside the box*

## Section C

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

**1 2** A business based in China has decided to launch its product in the USA. It believes that primary marketing research would be a good method of gathering data to inform its marketing decisions.

Assess the arguments for and against this business using primary marketing research and make a judgement.

**[12 marks]**

*Do not write outside the box*

Extra space

12

*Do not write outside the box*

**1 3** A private limited company is growing rapidly. It is considering changing to a public limited company.

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

**[12 marks]**

*Do not write outside the box*

Extra space

12

Do not write outside the box

**1 4** Tapas Entrega plc (TE) is a profitable chain of food takeaways. This year, it is facing increasing competition. Should it continue to pay high dividends to shareholders?

Assess the arguments for and against paying high dividends and make a judgement.

**[12 marks]**

*Do not write outside the box*

Extra space

**12**

**END OF QUESTIONS**

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**ANSWER IN THE SPACES PROVIDED**

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| Question number | **Additional page, if required.**<br>**Write the question numbers in the left-hand margin.** |
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**ANSWER IN THE SPACES PROVIDED**

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