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 10 May 2023 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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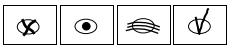
Section A

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 What will a business in the **tertiary** sector be most likely to focus on?

[1 mark]

A Extracting raw materials from the ground ⬭

B Farming of crops such as wheat ⬭

C Manufacturing items such as textiles and food ⬭

D Selling a product to another business or the end consumer ⬭

1

0 2 Which of the following is most likely to be an objective of a **marketing** department?

[1 mark]

A Improve liquidity through sale of assets ⬭

B Increase capacity utilisation ⬭

C Increase customer retention ⬭

D Reduce labour turnover ⬭

1

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0 3 A business sells a product with a price elasticity of demand of –0.8 in 2023.

Which of the following is **true**?

[1 mark]

A Demand is perfectly elastic in 2023 ⬭

B Demand is price elastic in 2023 ⬭

C Demand is price inelastic in 2023 ⬭

D Demand is unitary elastic in 2023 ⬭

1

0 4 **Table 1** shows data from a business and its market in 2021.

Table 1: 2021 Data

Units sold	320 000
Selling price	$15
Market size	$9 250 000

In 2022:
- units sold increased by 11%
- selling price remained the same
- market size decreased by 5%.

Calculate the sales value for the business in 2022.

[2 marks]

2

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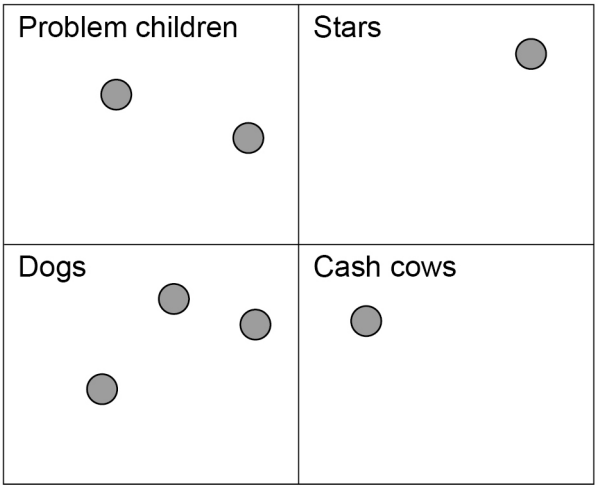
0 5 Explain **one** benefit of increased market capitalisation for a software development company.

[3 marks]

3

0 6 **Figure 1** shows a Boston Matrix for a business. The circles represent the products that it sells.

Figure 1



Explain **one** action this business could take to improve its performance in the long term.

[3 marks]

3

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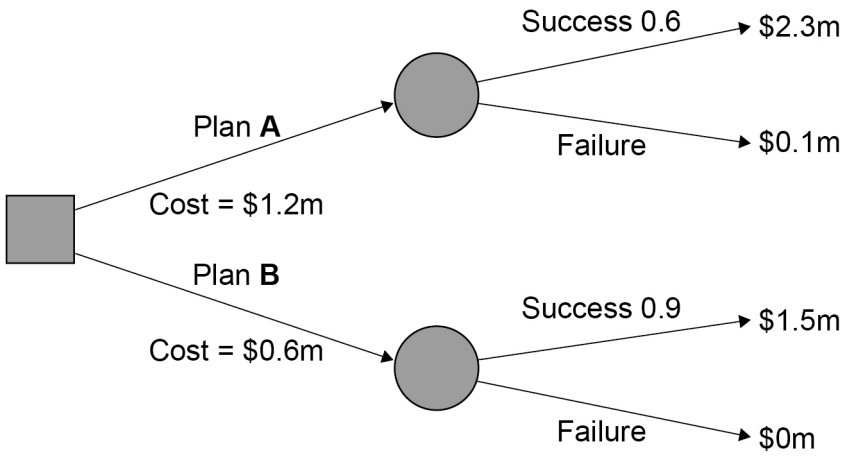
0 7 Explain **one** difficulty of data mining to a global business.

[3 marks]

3

0 8 **Figure 2** shows a decision tree. The net gain for **Plan A** is $0.22m.

Figure 2



Using the decision tree:

- calculate the net gain for **Plan B**
- based on your calculation, state which option the business should take.

[3 marks]

3

Turn over ►

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Section B

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

0 9 Analyse how **two** elements of the marketing mix may differ when selling business-to-business (B2B) compared to business-to-consumer (B2C).

[9 marks]

Extra space

9

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1 0 A small business is launching a new product.

Analyse **one** benefit and **one** problem of it producing a sales forecast.

[9 marks]

Extra space

9

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1 1 Analyse how a gym could use digital technology to improve its relationship marketing.

[9 marks]

Extra space

9

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Section C

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

1 2 A luxury watch manufacturer has decided to launch a new range of watches at a low price to attract a wider target market. Is this a good idea?

Assess the arguments for and against and make a judgement.

[12 marks]

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Extra space

12

Turn over ►

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1 3 A global business is facing increasing levels of local competition in a number of countries. It is considering investing time to create a new marketing plan. Is this a good idea?

Assess the arguments for and against and make a judgement.

[12 marks]

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Extra space

12

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1 4 Silver Stream plc is an online streaming service offering movies and documentaries. It has decided to invest this year's profits into new product development rather than paying dividends to shareholders.

Assess the arguments for and against this decision and make a judgement.

[12 marks]

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Extra space

12

END OF QUESTIONS

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