



Cambridge
International
AS & A Level

Cambridge International Examinations
Cambridge International Advanced Subsidiary and Advanced Level

BUSINESS STUDIES

9707/13

Paper 1 Short Answer and Essay

May/June 2015

1 hour 15 minutes

No Additional Materials are required.

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.

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

2

Section A (Short Answer)

Answer **all** questions.

- 1 (a) Define the term 'stakeholder'. [2]
(b) Briefly explain **two** ways a public limited company is accountable to its **shareholders**. [3]
- 2 (a) Define the term 'process innovation'. [2]
(b) Briefly explain **two** ways a manufacturing business could use process innovation to improve efficiency and effectiveness. [3]
- 3 Explain how cost data can be used to monitor and improve business performance. [5]
- 4 (a) Define the term 'management'. [2]
(b) Briefly explain **two** of Mintzberg's roles of management. [3]

Section B (Essay)

Answer **one** question only.

- 5 (a) Explain, with examples, the difference between 'above the line' and 'below the line' methods of promotion. [8]
(b) Discuss the importance of branding for effective product promotion. [12]
- 6 An international chain of coffee shops is planning to expand into a new country. Discuss the **factors** that could affect the decision on how to finance this investment. [20]
- 7 (a) Explain why a business might have a high rate of labour turnover. [8]
(b) Discuss how a cruise ship company could solve the problem of a high level of passenger complaints about poor customer service. [12]

BLANK PAGE

BLANK PAGE

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (UCLES) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced online in the Cambridge International Examinations Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download at www.cie.org.uk after the live examination series.

Cambridge International Examinations is part of the Cambridge Assessment Group. Cambridge Assessment is the brand name of University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.