Cambridge Assessment International Education

Cambridge International AS & A Level

BUSINESS **9609/12**

Paper 1 Short Answer and Essay **February/March 2020**

1 hour 15 minutes

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You must answer on the enclosed answer booklet.

You will need: Answer booklet (enclosed)

INSTRUCTIONS

- Section A: answer **all** questions.
- Section B: answer **one** question.
- Follow the instructions on the front cover of the answer booklet. If you need additional answer paper, ask the invigilator for a continuation booklet.

INFORMATION

- The total mark for this paper is 40.
- The number of marks for each question or part question is shown in brackets [ ].

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Section A (Short Answer)

Answer **all** questions.

You are advised to spend no more than 35 minutes on Section A.

1 **(a)** Define the term ‘Product Life Cycle’. [2]

(b) Explain **two** ways a business could extend a product’s life cycle. [3]

2 **(a)** Define the term ‘diversity’ in a workforce. [2]

(b) Explain **two** benefits to a business of employing a diverse workforce. [3]

3 Explain how better management of trade receivables **and** trade payables can improve cash flow. [5]

4 **(a)** Define the term ‘external economies of scale’. [2]

(b) Explain **two** internal economies of scale. [3]

Section B (Essay)

Answer **one** question only.

5 **(a)** Analyse the advantages of using different methods to measure the size of a business. [8]

(b) Discuss whether a partnership is the best legal structure for an accountancy business. [12]

6 ‘Using the Internet for marketing is essential to the success of a smartphone retailer.’

Do you agree with this statement? Justify your view. [20]

7 **(a)** Analyse the benefits to a business of motivating its employees. [8]

(b) Discuss whether a salary is the best payment method for motivating employees of a shoe retailer. [12]

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