

Candidate Name

Candidate Number

Centre Name

Centre Number

Paper 3: Business Studies

For Examination December 2023

(1 Hour 30 Minutes)

It is necessary to respond on the answer sheets provided alongside this question paper. Additionally, you must have a soft pencil (preferably of type B or HB), a clean eraser and a dark blue or black pen.

INSTRUCTIONS:

- You must write your name, candidate number, centre name and centre number on the answer sheets in the designated spaces.
- Attempt all the questions required using a dark blue or black pen.
- It is important to follow the instructions provided on the answer sheets.
- Do not use correction fluid.
- Avoid writing on any bar codes.

INFORMATION:

The total number of **marks for this paper is 84**. The number of marks assigned for every question or its parts is indicated within brackets []

Case Study

B&H Recovery Services have been operating for 5 years. It was formed when two friends (Barry and Harry) decided to set up a business and work together. Barry and Harry have been friends for over 10 years and always knew they wanted to go into business together.

B&H Recovery Services operates as a partnership with unlimited liability. They operate car and van recovery services within Kent and Surrey. Their reliance on technology is minimal, which is a cause of friction between the two as Barry is one for keeping things simple when it comes to recovering vehicles, whereas Harry favours a more modern and IT based approach to car and van recovery. Furthermore, Harry believes local competition is becoming more intense and an ICT led approach (e.g. - creating a website, having stronger online links with local garages) will prove beneficial in the medium to long term.

Forecasting is another issue within the business with little (if any) time spent on predicting busy peaks within the year. They currently have 6 trailers in operation and 2 in need of urgent repair, so these 2 have been taken out of service. The estimated repair time is 4 months. Due to a poor cash flow and poor techniques for managing budgets within the business, the owner does not have the money to repair the 2 trailers to legal standards.

At present, each of their trailers can recover and transport up to 4 cars weighing between 70 and 80kg. This is when they operate at full capacity. However, they now wish to expand their route to include Sussex and Essex. When setting up the business, the owner invested a significant amount of capital; the owner does not feel as if this has been recouped due to a number of costs and repairs required on assets within the business. One of the decisions the owner needs to make is whether to secure a bank loan, invest additional capital in their business or seek funding from money from local businesses or family and friends.

Brief

Use information located in the case study above, wherever possible, to respond to the following questions. Learners are advised to tailor their answers, as much as possible, to align with the information provided within the case study. However, learners can also include information which has been studied, and which may not appear in the case study, but can be used to amplify or contextualise their responses further, when responding to their questions.

(1a) Explore the features of internal and external sources of finance.

(4 marks)

2a) Examine the major factors which influence a budget.

(6 marks)

3a) Compare the purpose and basic features of working and start-up capital.

(4 marks)

4a) Compare major techniques to improve cash flow within the business.

(4 marks)

5a) Examine the importance of limited and unlimited liability.

(6 marks)

6a) Judge the role of forecasting in marketing.

(6 marks)

7a) Examine the role of a limitations and efficient marketing mix in a business.

(8 marks)

8a) Judge the advantages and disadvantages of detailed marketing plan.

(8 marks)

9a) Explore how a business adapts to competition and demographic changes.

(8 marks)

10a) Assess the relevance of digital technology in business and its evolution overtime.

(6 marks)

11a) Examine the role of demand and supply in determining market price.

(6 marks)

12a) Compare elements of the 4Ps and 4Cs of marketing.

(8 marks)

13a) Examine major types of strategies and promotional methods used in marketing mix model.

(6 marks)

14a) Examine the role of a limitations and efficient marketing mix in a business.

(4 marks)