Cambridge Assessment International Education

Cambridge International AS & A Level

BUSINESS **9609/12**

Paper 1 Short Answer and Essay **February/March 2022**

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.

1 **(a)** Define the term ‘marginal cost’. [2]

(b) Explain **two** uses of break-even analysis. [3]

2 **(a)** Define the term ‘commission’. [2]

(b) Explain **two** disadvantages to a business of using empowerment to motivate its employees. [3]

3 Explain the problems a sole trader might have if they change the legal structure to a partnership. [5]

4 **(a)** Define the term ‘customer (market) orientation’. [2]

(b) Explain **two** limitations to a business of using market segmentation. [3]

Section B (Essay)

Answer **one** question only.

5 **(a)** Analyse the benefits of using internal sources of finance for business growth. [8]

(b) Discuss whether the published accounts of a luxury hotel provide a good measure of the performance of the business. [12]

6 ‘The most effective way for a loss-making retail clothing business to survive is to change the price element of its marketing mix.’

Discuss whether you agree with this statement. [20]

7 **(a)** Analyse factors that might determine the relocation of a business. [8]

(b) Discuss whether flexibility of operations might improve the sales of a toy manufacturing business. [12]

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