

Cambridge International Examinations

Cambridge International Advanced Subsidiary and Advanced Level

BUSINESS STUDIES

9707/12

Paper 1 Short Answer and Essay

May/June 2014 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

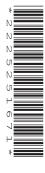
Answer all questions.

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.



Section A (Short Answer)

Answer all questions.

1	(a)	Define the term 'market segmentation'.	[2]
	(b)	Briefly explain two ways a hotel could segment the market for hotel accommodation.	[3]
2	(a)	State the formula for one accounting ratio that could be used to measure the liquidity business.	of a [2]
	(b)	Briefly explain two factors that could affect the profitability of a business.	[3]
3	Exp	plain why the objectives of a business could change over time.	[5]
4	(a)	Define the term 'value added'.	[2]
	(b)	Briefly explain two ways operations management could contribute to the success business.	of a [3]
		Section B (Essay)	
		Answer one question only.	
5	(a)	Explain the differences between McGregor's 'Theory X' and 'Theory Y'.	[8]
	(b)	Discuss the benefits of team working for production workers and managers.	[12]
6		cuss how a cell (mobile) phone manufacturer could assess the effectiveness of its mearch expenditure.	arket [20]
7	(a)	Explain how the effectiveness of the operations management function can be influence human resource management.	ed by [8]
	(b)	Discuss how the actions of competitors could influence the operations management decisof a car manufacturer.	sions [12]

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