



Oxford Cambridge and RSA

Wednesday 14 October 2020 – Morning

A Level Business

H431/02 The UK business environment

Time allowed: 2 hours



You must have:

- the Resource Booklet

You can use:

- a calculator



Please write clearly in black ink. **Do not write in the barcodes.**

Centre number

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Candidate number

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First name(s)

Last name

INSTRUCTIONS

- Use black ink.
- Write your answer to each question in the space provided. You can use extra paper if you need to, but you must clearly show your candidate number, the centre number and the question numbers.
- Use the Resource Booklet to answer the questions in **Section B**.
- Answer **all** the questions.

INFORMATION

- The total mark for this paper is **80**.
- The marks for each question are shown in brackets [].
- Quality of extended response will be assessed in questions marked with an asterisk (*).
- This document has **16** pages.

ADVICE

- Read each question carefully before you start your answer.

2
Section A

Answer **all** the questions.

- 1 Complete the following Ansoff's Matrix by filling in the names of the **two** unshaded quadrants.

		Market	
		Existing	New
Product	Existing		Market Development
	New	Product Development	

[2]

- 2 State **two** sampling methods which a business may use when carrying out market research.

1

2

[2]

- 3 The following table shows some production data for a business.

Month	Number of full-time employees	Total units of output
March	420	3528
February	430	3440

Calculate the labour productivity for March. Show your workings.

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Answer = [2]

4 Explain **two** possible reasons why a business may produce a business plan.

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[4]

5 A zero hours contract is one example of a flexible working practice.

Other than a zero hours contract, explain **two** flexible working practices which may be used by a business.

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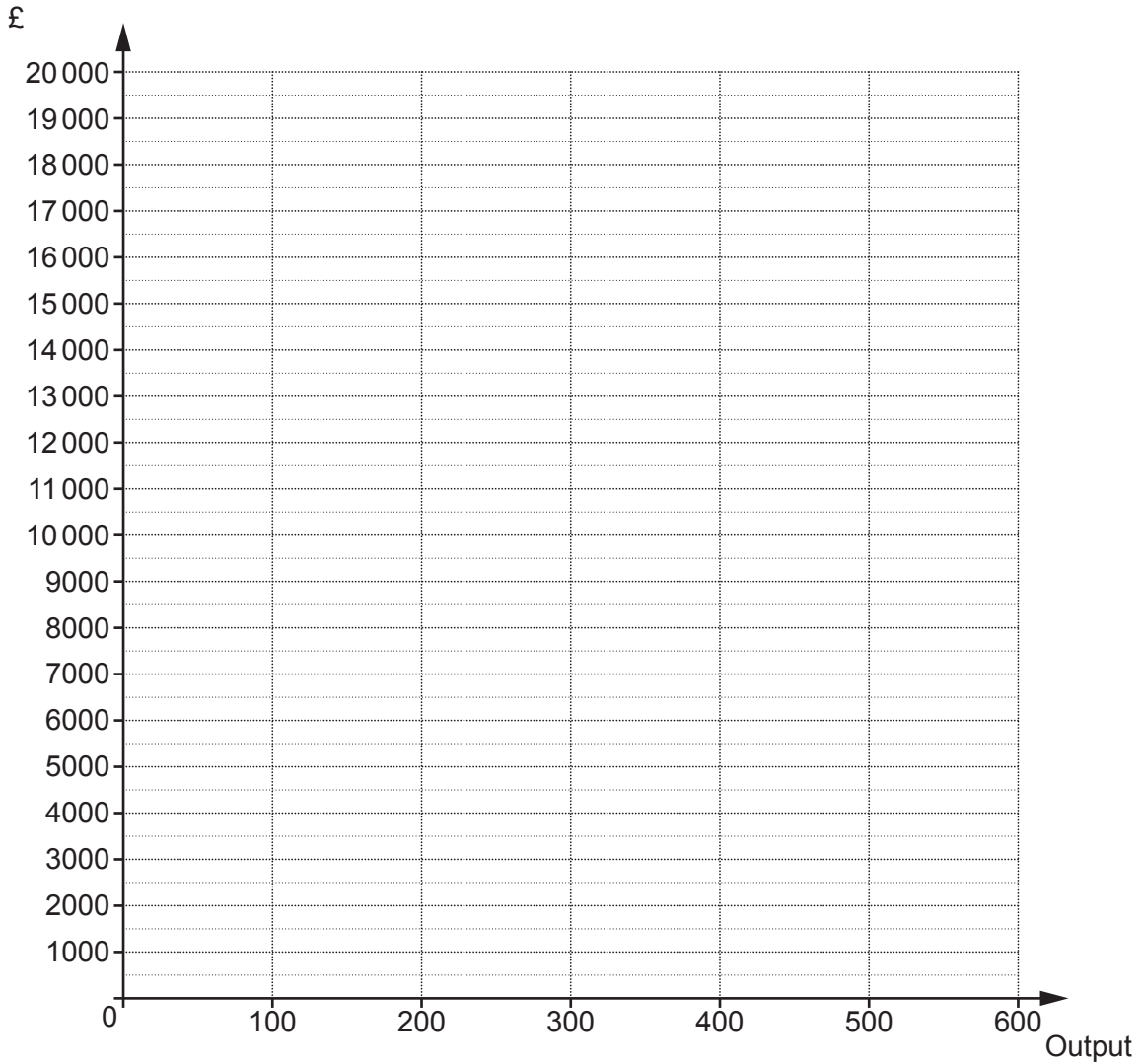
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[4]

6 A business has the following cost and price data:

- Fixed costs = £6 000
- Variable costs = £10 per unit
- Price = £25 per unit

Construct a break-even graph in the space below. You must identify the break-even level of output **and** label any lines drawn.



[4]

7 Define the term 'trading bloc'.

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[2]

Section B

Answer **all** the questions.

Use the information provided in the **Resource Booklet** to answer the following questions.

8 Analyse **one** consequence for Domino's of its market share shown in **Fig. 1**.

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..... [4]

9 Analyse **one** way in which seasonal or cyclical variations may affect Domino's ability to forecast its future sales.

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..... [4]

10 Evaluate the influence of changes in social factors on Domino's operations management. **[9]**

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11 (a) Refer to Tables 1 & 2.

(i) Calculate Domino's current ratio for 2017.

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Answer = [2]

(ii) Calculate Domino's stock turnover period for 2017.

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Answer = [2]

(b)* Evaluate the financial position of Domino's. [15]

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12 Evaluate the disadvantages for a **franchisee** of owning a Domino's franchise. **[9]**

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END OF QUESTION PAPER

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