



Cambridge International AS & A Level

BUSINESS

9609/13

Paper 1 Short Answer and Essay

May/June 2021

1 hour 15 minutes



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 [].

This document has **4** pages. Any blank pages are indicated.

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 'stakeholders'. [2]
(b) Explain **two** responsibilities of a stakeholder group. [3]
- 2 (a) Define the term 'economies of scale'. [2]
(b) Explain **two** possible causes of diseconomies of scale. [3]
- 3 Explain why cost-based pricing might be an effective pricing strategy for a small business. [5]
- 4 (a) Define the term 'labour turnover'. [2]
(b) Explain **two** ways in which the recruitment and selection process of a business could help to improve labour turnover. [3]

Section B (Essay)

Answer **one** question only.

- 5 (a) Analyse the possible disadvantages to a business of changing from batch production to flow production. [8]
(b) Discuss the benefits to a clothing business of holding buffer inventory rather than using a Just in Time (JIT) inventory system. [12]
- 6 Discuss the view that product differentiation is the only way for a business to ensure success in a highly competitive technology industry. [20]
- 7 (a) Analyse the benefits to an entrepreneur of using micro-finance as a source of start-up capital. [8]
(b) Discuss the usefulness of accounting ratios to a business considering entry into new markets. [12]

BLANK PAGE

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (UCLES) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced online in the Cambridge Assessment International Education Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download at www.cambridgeinternational.org after the live examination series.

Cambridge Assessment International Education is part of the Cambridge Assessment Group. Cambridge Assessment is the brand name of the University of Cambridge Local Examinations Syndicate (UCLES), which itself is a department of the University of Cambridge.