

CAMBRIDGE INTERNATIONAL EXAMINATIONS  
General Certificate of Education  
Advanced Level

**BUSINESS STUDIES**

**9707/04**

Paper 4 Essays

May/June 2003

Additional Materials: Answer Booklet/Paper

**1 hour 30 minutes**

**READ THESE INSTRUCTIONS FIRST**

If you have been given an Answer Booklet, follow the instructions on the front cover of the Booklet.  
Write your Centre number, candidate number and name on all the work you hand in.  
Write in dark blue or black pen on both sides of the paper.  
Do not use staples, paper clips, highlighters, glue or correction fluid.

Answer **two** questions.  
At the end of the examination, fasten all your work securely together.  
The number of marks is given in brackets [ ] at the end of each question or part question.

- 1 “The training of workers is an unnecessary business cost.”
- (a) To what extent do you agree with this statement?
- (b) Evaluate the methods a business might use to train its staff. [10]
- 2 (a) Discuss how a manufacturer of shoes might segment the market for its products. [8]
- (b) Evaluate the usefulness to businesses of market segmentation. [12]
- 3 Evaluate the appropriateness to a bakery of flow production. [20]
- 4 (a) Why do businesses depreciate their fixed assets? [8]
- (b) Evaluate **two** methods a business might use to depreciate fixed assets. [12]
- 5 (a) Why might a computer manufacturer want to forecast demand for its products? [10]
- (b) Evaluate the usefulness to the computer manufacturer of time series analysis. [10]
- 6 Evaluate the usefulness to the management of a manufacturing business of establishing and analysing budgets. [20]