

4 Jergen Cosmetics makes a range of beauty products for women in country A. 'We are a market orientated company' said Klaus, the Managing Director. 'One of our business objectives is to increase sales turnover. We have just set up our own website and increased our marketing budget. Our country's economic growth is forecast to be 4% next year and this will guarantee our company's profitability.'

(a) What is meant by 'market orientated company'?

.....  
.....  
.....  
..... [2]

(b) What is meant by 'Managing Director'?

.....  
.....  
.....  
..... [2]

(c) Identify and explain **two** benefits to Jergen Cosmetics of setting business objectives.

Benefit 1: .....  
.....  
Explanation: .....  
.....  
Benefit 2: .....  
.....  
Explanation: .....  
..... [4]

(d) Identify and explain **two** benefits to Jergen Cosmetics of having its own website.

For  
Examiner's  
Use

Benefit 1: .....

.....

Explanation: .....

.....

.....

.....

Benefit 2: .....

.....

Explanation: .....

.....

.....

..... [6]

(e) Do you think that economic growth in country A will lead to increased profitability for Jergen Cosmetics? Justify your answer.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

..... [6]

3 Kipta manufactures a range of cleaning products. All products are made using batch production. The safety of workers is important as chemicals are used to make the products. Revenue is falling due to increasing competition. The owner plans to develop new products. She believes that market research would be useful to the successful introduction of any new products.

(a) What is meant by 'revenue'?

.....  
.....  
.....  
..... [2]

(b) Identify **two** features of batch production.

Feature 1: .....  
.....  
Feature 2: .....  
..... [2]

(c) Identify and explain **two** ways that Kipta could improve the safety of workers.

Way 1: .....  
.....  
Explanation: .....  
.....  
Way 2: .....  
.....  
Explanation: .....  
..... [4]

(d) Identify and explain **three** benefits for consumers of increased competition.

For  
Examiner's  
Use

Benefit 1: .....

.....

Explanation: .....

.....

Benefit 2: .....

.....

Explanation: .....

.....

Benefit 3: .....

.....

Explanation: .....

..... [6]

(e) How important is market research to the successful introduction of a new product?  
Justify your answer.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

..... [6]