Cambridge Assessment International Education

Cambridge International AS & A Level

BUSINESS **9609/22**

Paper 2 Business Concepts 2 **May/June 2025**

1 hour 30 minutes

You must answer on the enclosed answer booklet.

You will need: Answer booklet (enclosed)

INSTRUCTIONS

- Answer **all** questions.
- 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 60.
- The number of marks for each question or part question is shown in brackets [ ].

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

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1 Town Trucks (TT)

TT is a private limited company in country J. TT has contracts to deliver products to secondary, tertiary and quaternary sector businesses.

QZ is one of the largest manufacturers in country J and plans to outsource its supply chain management. A contract has been agreed between TT and QZ based on the following cost and revenue data (see Table 1.1). TT's Sales Manager has forecast that TT will make 5 000 deliveries with the new contract.

Table 1.1 Cost and revenue forecast for the QZ contract

	$
Direct costs (average per delivery)	5
Total indirect costs	9 000
Total revenue	40 000

TT employs 120 drivers. The majority of these drivers are white men aged between 40 and 60. A national newspaper has recently criticised the truck industry in country J for not having diversity and equality in the workplace.

Klide, the Marketing Manager, has been set an objective to increase TT's revenue. He has decided to target small online retailers. TT will pick up individual products from the small online retailers and deliver them to households. This would require a new fleet of smaller trucks but has the potential to increase TT's revenue. Klide plans to use digital promotion to target these small online retailers.

(a) (i) Identify **one** business activity within the quaternary sector. [1]

(ii) Explain the term *supply chain management*. [3]

(b) (i) Refer to Table 1.1 and other information. Calculate TT's forecast total profit from the QZ contract. [3]

(ii) Explain **one** reason why TT needs accurate cost information. [3]

(c) Analyse **two** advantages to TT of improving diversity and equality in the workplace. [8]

(d) Evaluate the usefulness of digital promotion to TT when targeting small online retailers. [12]

2 Personalised Blankets (PB)

Kaia left university with a degree in textile design. Using her entrepreneurial qualities, Kaia set up PB as a sole trader. Her current objective is to break even.

Kaia uses job production to make blankets which are personalised with a picture. Each customer logs into the PB website and chooses the size of blanket. The customer then uploads a picture that they want printed onto the blanket. *5*

Many of Kaia's customers buy the blankets as gifts for special occasions.

Kaia has employed a social media influencer to promote her blankets. The influencer will be paid a salary of $250 a week and a 5% commission on revenue that comes directly from the influencer. Fig 2.1 shows the revenue that came directly from the social media influencer in February. *10*

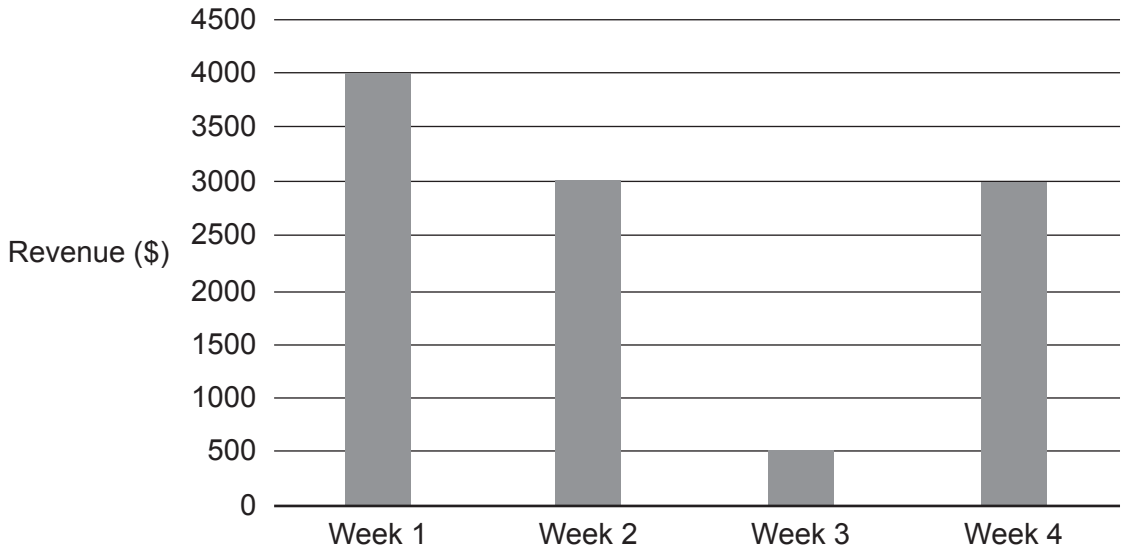

Fig. 2.1 Revenue directly from the social media influencer in February

Kaia would like to relocate PB to larger premises. She is applying for external sources of finance, and she has written a five-year business plan to support her applications.

(a) (i) Identify **one** external source of finance. [1]

(ii) Explain the term *business plan*. [3]

(b) (i) Refer to Fig. 2.1 and other information. Calculate the total payment to the social media influencer in February. [3]

(ii) Explain **one** disadvantage to Kaia of using a commission payment method. [3]

(c) Analyse **one** advantage and **one** disadvantage to Kaia of using job production. [8]

(d) Evaluate the most likely reason for Kaia's objectives to change over the next five years. [12]

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