



**BUSINESS STUDIES  
PAPER 1**

**EXAMINER:** GL  
**MODERATOR:** LF / TG / UM

**DURATION:** 2 HOURS  
**MARKS:** 150 MARKS

**INSTRUCTIONS AND INFORMATION**

*Read the following instructions carefully before answering the questions:*

1. This question paper consists of THREE sections.

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions.

Answer any ONE of the two questions in this section.

2. Read the instructions for each question carefully and take note of what is required.
3. Number the answers correctly according to the numbering system used in this question paper.
4. Except where other instructions are given, answers must be in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as a guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME (minutes)
<b>A: Objective-type questions COMPULSORY</b>	1	30	20
<b>B: THREE direct/indirect type questions CHOICE: Answer any TWO.</b>	2	40	70
	3	40	
	4	40	
<b>C: TWO essay-type questions CHOICE: Answer any ONE.</b>	5	40	30
	6	40	
<b>TOTAL</b>		<b>150</b>	<b>120</b>

7. Begin the answer of EACH question on a NEW page.
8. You may use a non-programmable calculator.
9. Write neatly and legibly.

## SECTION A (COMPULSORY)

### QUESTION 1

1.1 Various options are provided as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1.1–1.1.5).

1.1.1 When government passes several laws that impose restrictions on business operations is relates to ....

- A Labour restrictions
- B Contemporary legal legislation
- C Political changes
- D Corporate governance

1.1.2 Money Lenders offer small loans to people who cannot get credit from banks. This is an example of a challenge of the ... environment.

- A market
- B macro
- C micro
- D primary

1.1.3 Healthy Sweets used ... pricing when they launched a new chocolate bar at a price below that of a similar chocolate bar already on the market.

- A penetration
- B competitive
- C discount
- D differential

1.1.4 Top Targets workers participated in a ... when they collectively refused to work.

- A lock-out
- B picketing
- C strike
- D go-slow

1.1.5 Groups of employees who work in different departments but who deal directly or indirectly with the same product or service.

- A Team dynamics
- B Total quality management
- C Work place forum
- D Quality circles

(5 x 2) (10)

1.2 Complete the following statements by using the word(s) provided in the list below. Write only the word(s) next to the question number (1.2.1–1.2.5)

Psychological pricing	Alliance	Demographics	Copyright	Mass production
Psychographics	Bait pricing	Acquisition	Batch production	Patent

- 1.2.1 The production of large amounts of standardised products in a constant flow.
- 1.2.2 Prices are usually set lower than the item’s cost price in order to attract customers into a shop to buy the product and other items.
- 1.2.3 Statistics of the population such as gender, age, race, level of education and level of income.
- 1.2.4 When a business buys another business at an agreed price.
- 1.2.5 It gives the creator of the product the right to prohibit other people from making or using their invention.
- (5 x 2) (10)

1.3 Choose a description from COLUMN B that matches a term in COLUMN A. Write only the letter (A–J) next to the question number (1.3.1–1.3.5)

COLUMN A		COLUMN B	
1.3.1	Dumping	A	The business makes sure the scheduling and production systems are running according to plan.
1.3.2	Inspection	B	A country exports illegal goods to another country.
1.3.3	Scheduling	C	Planning of the sequence in which the operation will take place.
1.3.4	Hedging	D	Prioritise certain jobs and determine which jobs need to be completed before the next one can start.
1.3.5	Economic crime	E	When money is obtained in an illegal manner for personal gain.
		F	Investing money in a way that its value overcomes inflation.
		G	Involves checking the quality of the process and the final product.
		H	Refers to a situation whereby businesses share information and develop professional contacts to benefit all the members in the network.
		I	Takes place through dishonest business dealings such as bribery.
		J	A country exports goods to another country a price that is much lower than the price it charges in its home market

(5 x 2) (10)  
**TOTAL SECTION A: 30**

## SECTION B

Answer ANY TWO questions in this section.

**NOTE:** Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, e.g. QUESTION 2 on a new page, QUESTION 3 on a NEW page etc.

### QUESTION 2 BUSINESS ENVIRONMENTS

2.1 Read the scenario below and answer the questions that follow.

#### **SASHA'S SPORTSWEAR (SS)**

Steven's Sportswear specialise in designing men's sportswear. SS has hired ten stylists who are always late for work. SS is situated in a location that has a high rate of unemployment and crime. The management of SS purchases material from JTY Suppliers who charge high prices for their material.

Use the table below as a GUIDE to answer QUESTION 2.1.1 to 2.1.3.

	<b>CHALLENGES 2.1.1</b>	<b>BUSINESS ENVIRONMENTS 2.1.2</b>	<b>EXTEND OF CONTROL 2.1.3</b>
1.			
2.			
3.			

2.1.1 Quote THREE challenges from SS from the scenario above. (3)

2.1.2 Classify SS's challenges according to the THREE business environments. (3)

2.1.3 State the extent of control SS has over EACH business environment names in QUESTION 2.1.2. (3)

2.2 Discuss the following challenges of the market environment.

2.2.1 Competition (4)

2.2.2 Changes in consumer behaviour (4)

2.3 Identify the socio-economic issues that are applicable to CTM Tiles in each statement below.

2.3.1 Ms. Fig, the administration manager, made unwanted sexual comments to her male colleague.

2.3.2 Some of the employees at CTM Tiles cannot read and write.

2.3.3 CTM currently has a shortage of water due to the drought and are unable to produce tiles as water is a crucial part of the production process.

2.3.4 Thailand brings cheaper excess products into the South African market and CTM Tiles cannot compete against these products.

(4 × 2 = 8)

2.4 Read the scenario below and answer the questions that follow.

**BONSAI BEAUTY (BB)**

Bonsai Beauty (BB) sells a variety of different skin care products. BB buys their product, already packaged, from Nirvana Manufacturers (NM). NM acquires raw materials from AJ's Aloe Farm.

2.4.1 Identify THREE business sectors from the scenario above. Motivate your answer by quoting from the scenario above.

Use the table below as a GUIDE to answer QUESTION 2.4.1

(9)

	<b>BUSINESS SECTOR</b>	<b>MOTIVATION</b>
1.		
2.		
3.		

2.4.2 Discuss the relationship between the primary, secondary and tertiary sectors.

(6)

**[40]**

**QUESTION 3 BUSINESS OPERATIONS**

- 3.1 Discuss the roles of the marketing function. (4)
- 3.2 Name any THREE categories of consumer goods. (3)
- 3.3 Read the scenario below and answer the questions that follow.

**BREW HAVEN (BH)**

Brew Haven sells its granulated coffee in decorative glass jars that can later be used as biscuit jars. The coffee jar is packaged alongside a packet of biscuits. Brew Haven changes the design of the glass jar each month in solidarity of different issues in South Africa.

- 3.3.1 Identify the THREE types of packaging used by Brew Haven. Motivate you answer by quoting from the scenario above. (9)

Use the table below as a GUIDE to answer QUESTION 3.3.1.

	<b>TYPE OF PACKAGING</b>	<b>MOTIVATION</b>
1.		
2.		
3.		

- 3.4 Elaborate on the requirements of a good trademark. (4)
- 3.5 Read the scenario below and answer the questions that follow.

**TECHWAVE SOLUTIONS (TS)**

Techwave Solutions plans to enter a crowded market by offering its product at a lower price than competitors.

- 3.5.1 Identify the pricing technique used by TS in the scenario above. (2)
- 3.5.2 List FOUR factors that influence pricing. (4)
- 3.6 Discuss the characteristics of batch production. (6)
- 3.7 Elaborate on the tasks carried out by the South African Bureau of Standards (SABS) to ensure quality. (8)

**[40]**

**QUESTION 4: MISCELLANEOUS**

**BUSINESS ENVIRONMENTS**

4.1 Discuss the impact the following socio-economic issues have on a business.

4.1.1 Low income levels (4)

4.1.2 Lack of skills (4)

4.2 Read the scenario below and answer the questions that follows.

**MEDI-MART (MM)**

Medi-Mart is one of the biggest pharmaceutical companies in the country. A sales representative at the company offers illegal kickbacks to doctors who prescribe a new medication. There have also been reports to management that the sales representative has made inappropriate sexual comments to female colleagues.

4.2.1 Identify the types of unethical misconduct in the scenario above. Motivate your answer by quoting from the scenario above. (6)

Use the table below as a GUIDE to answer QUESTION 4.2.1.

	<b>UNETHICAL MISCONDUCT</b>	<b>MOTIVATION</b>
1.		
2.		

4.3 Differentiate between a forward link and a backward link in relation to sectors. (4)

4.4 Discuss the purpose of the Labour Relations Act. (2)

## BUSINESS OPERATIONS

- 4.5 Discuss the THREE types of agents as a form of an intermediary. (9)
- 4.6 Read the scenario below and answer the questions that follow.

### GREENWAY GROCERIES (GG)

Greenway Groceries is a retailer that offers a variety of grocery items. They display the snacks and treats in the check-out isle. If a customer spends more than R500 at Greenway Groceries, they automatically stand a chance to win a car.

- 4.6.1 Identify the practical examples of sales promotions in the scenario above. Motivate your answer by quoting from the scenario above. (6)

Use the table below as a GUIDE to answer QUESTION 4.6.1.

	PRACTICAL EXAMPLE OF SALES PROMOTION	MOTIVATION
1.		
2.		

- 4.7 List THREE components of production costs. (3)
- 4.8 Define the term, *break-even point*. (2)

**[40]**

**TOTAL SECTION B: 80**



## SECTION C

### QUESTION 5 BUSINESS ENVIRONMENTS

A non-profit organization is lobbying for stronger environmental regulations, and they are meeting with legislators to persuade them to support their cause. They use data and research to make their case and engage with lawmakers through meetings, letters, and public events. Through their efforts, they hope to influence policy decisions that will protect the environment for future generations.

With reference to the above, write an essay on the following aspects:

- Advise on the reasons why businesses lobby.
- Explain THREE types of lobbying.
- Discuss the advantages of networking.
- Elaborate on the meaning of power relationships.

[40]

### QUESTION 6 BUSINESS OPERATIONS

A manufacturing company implements production control to ensure that products are made efficiently and effectively. They use tools like inventory management, scheduling, and quality control to monitor the production process and make adjustments as needed. By optimizing their production control, they can reduce waste, improve product quality, and increase profitability.

As an expert in production and workplace safety, write an essay on the following aspects:

- Discuss the aspects to consider during production control.
- Explain the characteristics of job production.
- Elaborate on the aspects to be considered in the workplace safety policy.
- Suggests ways a business can comply with the Occupational Health and Safety Act.

[40]

<b>TOTAL SECTION C:</b>	<b>40</b>
<b>GRAND TOTAL:</b>	<b>150</b>