Cambridge International Examinations
Cambridge International General Certificate of Secondary Education

CANDIDATE NAME	

CENTRE NUMBER						CANDIDATE NUMBER					

ENTERPRISE **0454/11**

Paper 1 **May/June 2015**

1 hour 30 minutes

Candidates answer on the Question Paper.

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.
Write in dark blue or black pen.
Do not use staples, paper clips, glue or correction fluid.
DO **NOT** WRITE IN ANY BARCODES.

Answer **all** questions.

Each candidate should have received a copy of the case study prior to the examination.
A clean copy of the case study has been provided with this Question Paper.

The businesses described in this Question Paper are entirely fictitious.
Your answers must be based on the case study and your own enterprise experience and knowledge.

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.

The syllabus is approved for use in England, Wales and Northern Ireland as a Cambridge International Level 1/Level 2 Certificate.

This document consists of **12** printed pages, **4** blank pages and **1** Insert.

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CAMBRIDGE International Examinations

Section A

Answer **all** the questions.

1 The storeowners said that they did not know of other methods they could use to advertise their stores.

(a) **(i)** List **two** methods of mass media advertising.

1 .....

2 ..... [2]

(ii) Identify **two** advantages and **two** disadvantages for **one** of the methods of mass media advertising you have identified in **(a)(i)**.

Method of mass media advertising chosen .....

Advantages .....

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Disadvantages .....

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..... [4]

(b) List **two** electronic methods of advertising.

1 .....

2 ..... [2]

(c) The local storeowners act as a business network. What is meant by a business network?

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..... [2]

[Total: 10]

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2 Mzengi and Mia realised that there was an opportunity for a cheap advertising service in the local area.

(a) State **two** ways that opportunities for enterprise might arise.

1 .....

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2 .....

..... [2]

(b) Identify **two** ways of being enterprising at home.

1 .....

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2 .....

..... [2]

(c) With reference to an entrepreneur you have studied, explain how they have used **two** skills to be effective as an entrepreneur.

1 .....

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2 .....

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..... [6]

[Total: 10]

3 Mzengi and Mia completed some research before starting their enterprise.

(a) Using an example of **each**, outline the difference between primary and secondary research.

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..... [4]

(b) Explain how **your enterprise project** used each of the following to help the enterprise.

(i) primary research

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..... [3]

(ii) secondary research

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..... [3]

[Total: 10]

4 The friends received complaints and knew that they must deal with them to retain customers.

(a) Describe **two** actions an enterprise should take to deal with complaints.

1 .....

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2 .....

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..... [4]

(b) Explain **two** reasons why Mzengi and Mia need to retain their existing customers.

1 .....

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2 .....

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.....[6]

[Total: 10]

5 Mzengi wanted to pay close attention to the financing of MM Newsletter.

(a) Explain why an enterprise might fail due to poor cash flow.

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..... [4]

(b) Explain **two** possible effects on **your enterprise project** of **not** keeping accurate financial records.

1 .....

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2 .....

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..... [6]

[Total: 10]

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Section B

Answer **all** the questions.

Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 6(a).

6 **(a)** Mzengi and Mia did not produce a business plan at the start of their enterprise.

Discuss how the production of a business plan would have helped the long-term success of their new enterprise. [10]

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Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 6(b).

(b) Mzengi and Mia organised their enterprise as a partnership.

Evaluate whether a partnership was the most appropriate type of business organisation for Mzengi and Mia's enterprise. Justify your recommendation. [15]

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Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 7(a).

7 **(a)** Mzengi prepared to negotiate a loan with his father.

Using examples from **your enterprise project**, discuss how you tried to ensure the success of your negotiations. [10]

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Use the case study, your own enterprise experience and your knowledge of enterprise to answer Question 7(b).

(b) Mzengi and Mia did not communicate effectively.

Using examples of internal **and** external communication, evaluate the effectiveness of the methods of communication that you used in **your enterprise project**. [15]

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[Total: 25]

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