



Cambridge
International
AS & A Level

Cambridge International Examinations
Cambridge International Advanced Subsidiary and Advanced Level

BUSINESS STUDIES

9707/11

Paper 1 Short Answer and Essay

May/June 2015

1 hour 15 minutes

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

An answer booklet is provided inside this question paper. You should follow the instructions on the front cover of the answer booklet. If you need additional answer paper ask the invigilator for a continuation booklet.

Section A

Answer **all** questions.

Section B

Answer **one** question.

You are advised to spend no more than 35 minutes on Section A.

The number of marks is given in brackets [] at the end of each question or part question.

This document consists of **2** printed pages, **2** blank pages and **1** insert.

2**Section A (Short Answer)**

Answer **all** questions.

- 1** **(a)** Define the term 'leadership'. [2]
 (b) Briefly explain **one** style of business leadership. [3]
- 2** **(a)** Define the term 'business relocation'. [2]
 (b) Briefly explain **two** factors that could cause a business to relocate. [3]
- 3** Explain how a manufacturing company could finance its expansion. [5]
- 4** **(a)** Define the term 'franchise'. [2]
 (b) Briefly explain **two** benefits for an entrepreneur of becoming a franchisee. [3]

Section B (Essay)

Answer **one** question only.

- 5** **(a)** Explain why a new business should be more concerned about cash flow than making a profit. [8]
 (b) Discuss the advantages and disadvantages for a new business of using an overdraft as a way of managing its cash flow. [12]
- 6** Discuss the factors that would indicate that a retail business has effective human resource management. [20]
- 7** **(a)** Explain the differences between niche marketing and mass marketing. [8]
 (b) Discuss the view that marketing is only about the advertising and selling of products and services. [12]

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