Cambridge International AS & A Level

Cambridge International Examinations
Cambridge International Advanced Subsidiary and Advanced Level

BUSINESS **9609/12**

Paper 1 Short Answer and Essay **May/June 2016**

1 hour 15 minutes

No Additional Materials are required.

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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.

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Section A (Short Answer)

Answer **all** questions.

1 **(a)** Define the term 'entrepreneur'. [2]

(b) Briefly explain **two** reasons why new businesses often fail. [3]

2 **(a)** Distinguish between random sampling and quota sampling. [2]

(b) Briefly explain **two** limitations of market research sampling. [3]

3 Explain the costs and benefits to a business of a decision to hold low levels of inventory. [5]

4 **(a)** Distinguish between a 'job description' and a 'person specification'. [2]

(b) Briefly explain **two** ways in which employees can participate in business decision making. [3]

Section B (Essay)

Answer **one** question only.

5 **(a)** Analyse the importance for a business of distinguishing between revenue expenditure and capital expenditure. [8]

(b) Discuss the benefits and drawbacks to a business of using **only** internal sources of finance to fund expansion. [12]

6 'The 4Cs marketing model is more useful for a retail business than the 4Ps marketing model.'

Do you agree with this statement? Justify your view. [20]

7 **(a)** Analyse the importance to a large business of setting corporate objectives. [8]

(b) Discuss how a large food retailer, with many shops, could effectively communicate corporate objectives to its workforce. [12]

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