Cambridge Assessment International Education

Cambridge IGCSE™

CANDIDATE NAME									
CENTRE NUMBER						CANDIDATE NUMBER				

0405906743

ENTERPRISE **0454/13**

Paper 1 **May/June 2022**

1 hour 30 minutes

You must answer on the question paper.

You will need: Insert (enclosed)

INSTRUCTIONS

- Answer **all** questions.
- Use a black or dark blue pen. You may use an HB pencil for any diagrams or graphs.
- Write your name, centre number and candidate number in the boxes at the top of the page.
- Write your answer to each question in the space provided.
- Do **not** use an erasable pen or correction fluid.
- Do **not** write on any bar codes.

INFORMATION

- The total mark for this paper is 100.
- The number of marks for each question or part question is shown in brackets [ ].
- You should have received a copy of the case study before the examination. A copy of the case study is provided with this question paper as an insert.

This document has **16** pages. Any blank pages are indicated.

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Section A

Answer **all** questions.

1 Kathy completed market research before starting her enterprise.

(a) Define the following terms:

(i) *primary research*

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..... [2]

(ii) *secondary research.*

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..... [2]

(b) Identify **one** example from the **case study** of each of the following:

(i) primary research .....

..... [1]

(ii) secondary research .....

..... [1]

(c) Explain **two** disadvantages of primary research.

1 .....

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2 .....

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..... [4]

[Total: 10]

2 Kathy worked alone and used her own enterprise skills when organising Kathy's Wool Dyeing Kits.

(a) Explain **one** benefit to Kathy of working alone. Use an example from the case study to support your answer.

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..... [2]

(b) Explain **one** problem to Kathy of working alone. Use an example from the case study to support your answer.

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..... [2]

(c) Explain how the use of **two** enterprise skills affected the success or failure of **your enterprise project**. Use examples to support your answer.

Enterprise skill 1 .....

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Enterprise skill 2 .....

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..... [6]

[Total: 10]

3 Kathy calculated the cost of producing each kit and estimated a selling price.

(a) State the formula used to calculate break-even.

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..... [1]

(b) Calculate the profit Kathy could make for each kit sold. Show your working.

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..... [3]

(c) Explain **one** impact on Kathy's Wool Dyeing Kits enterprise if the cost of delivery were to increase. Use an example from the case study to support your answer.

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..... [3]

(d) Explain how **one** financial document could help Kathy when operating her enterprise. Use an example from the case study to support your answer.

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..... [3]

[Total: 10]

4 Kathy decided to produce a leaflet because the weaving groups were in different parts of the country.

(a) State **one** purpose of marketing for:

(i) customers

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..... [1]

(ii) an enterprise.

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..... [1]

(b) State **two** examples of marketing communications, other than leaflets.

1 .....

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2 .....

..... [2]

(c) Explain **one** advantage and **one** disadvantage for Kathy of using leaflets as her method of marketing. Use an example from the case study to support each explanation.

Advantage .....

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Disadvantage .....

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..... [6]

[Total: 10]

5 Kathy planned to negotiate with her suppliers.

(a) State **two** factors that should be considered when planning a negotiation.

1 .....

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2 .....

..... [2]

(b) Explain **one** way you measured the success of a negotiation in **your enterprise project**.

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..... [2]

(c) Explain how **two** objectives you set affected the operation of **your enterprise project**.

Objective 1 .....

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Objective 2 .....

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..... [6]

[Total: 10]

Section B

Answer **all** questions.

6 **(a)** Kathy planned to buy stock for her new enterprise using trade credit, paying her suppliers within 30 days.

Discuss the advantages and disadvantages of trade credit to a new enterprise. You should consider the effects on **either**:

- Kathy

or

- the suppliers.

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(b) Kathy knows that the wool dyeing kit market is competitive.

Evaluate the importance of **two** of the following to the long-term success of Kathy's Wool Dyeing Kits enterprise:

- ensuring fast delivery
- dealing with customer complaints
- developing new products.

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[15]

[Total: 25]

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7 Now consider **your enterprise project**.

(a) An action plan generally contains five headings.

Analyse the importance of any **two** of these headings to the operation of **your enterprise project**.

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(b) Enterprises can be affected by many factors. These include:

- changes in technology
- limited finance
- rules and regulations
- the needs or wants for the product.

Evaluate the importance of **two** factors to the success or failure of **your enterprise project**. You may refer to the factors listed above or other factors in your answer.

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[Total: 25]

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