



<https://xtremepape.rs/>

Section A

Answer **all** questions.

- 1 Chinmaya is intending to set up a business enterprise, but he has not considered which type of business organisation to choose.

(a) Explain the difference between a *business enterprise* and a *social enterprise*.

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..... [2]

(b) Explain **two** potential stakeholders in **your enterprise project**.

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..... [4]

(c) Explain **one** benefit of an enterprise operating as a partnership.

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..... [2]

(d) Explain **one** disadvantage of an enterprise operating as a partnership.

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..... [2]

[Total: 10]

2 After his conversation with Jiayi, Chinmaya decided to complete some market research.

(a) State **two** methods of primary research.

- 1
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- 2
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- [2]

(b) Explain **two** advantages of using websites as a method of secondary research in **your enterprise project**.

- 1
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- 2
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-
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- [4]

(c) Explain **two** potential negative effects on an enterprise if it does not deal effectively with its customers' complaints.

- 1
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-
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- 2
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-
-
- [4]

[Total: 10]

3 Jiayi showed Chinmaya a possible layout for a business plan.

(a) State **two** items usually included in the human resources section of a business plan.

- 1
- 2 [2]

(b) Explain **one** way that producing a business plan would have helped Chinmaya's enterprise.

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..... [3]

(c) Explain **one** reason why a business plan may need to be updated.

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(d) Explain **one** non-financial document, other than a business plan, that could have helped Chinmaya in his enterprise.

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[Total: 10]

- 4 Chinmaya thought that it was illegal for the newspaper employee to use his photos without permission. Jiayi explained that this was not illegal, but was unethical.

(a) Explain the difference between *legal responsibilities* and *ethical considerations*.

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..... [2]

(b) Explain **one** reason why the employee at the local newspaper might have decided to behave unethically.

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(c) Explain **one** area of legislation that could affect Chinmaya's enterprise. Use an example from the case study to support your answer.

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(d) Explain **one** action Chinmaya could take that would have a positive impact on his local community.

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..... [2]

[Total: 10]

- 5 Chinmaya needs to consider the potential costs and revenue before deciding if the ecommerce enterprise is worthwhile.

(a) Calculate Chinmaya's revenue if he sells 10 photos.

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..... [2]

(b) Calculate the total number of photos Chinmaya will need to sell to break even. Show your working using the following headings.

Fixed costs:	[1]
Variable cost of each photo sold:	[2]
Contribution of each photo sold:	[1]
Break-even number of photos:	[1]

(c) Explain **one** way Chinmaya could reduce the break-even number of photos he needs to sell.

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..... [3]

[Total: 10]

- (b)** Chinmaya intends to use his website and social media to advertise his proposed enterprise.

Evaluate whether using only online communication and social media as methods of marketing is the best decision for Chinmaya's proposed enterprise. You should consider other methods of marketing communication in your answer.

[illegible]

7 Now consider **your enterprise project**.

- (a) Analyse **two** actions that you could have taken which would have improved the success of the presentation given as part of **your enterprise project**. Use examples to support your answer.

..... [10]

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