

CAMBRIDGE INTERNATIONAL EXAMINATIONS  
General Certificate of Education  
Advanced Level

**BUSINESS STUDIES**

**9707/04**

Paper 4 Essays

October/November 2003

Additional Materials: Answer Booklet/Paper

**1 hour 30 minutes**

**READ THESE INSTRUCTIONS FIRST**

If you have been given an Answer Booklet, follow the instructions on the front cover of the Booklet.  
Write your Centre number, candidate number and name on all the work you hand in.  
Write in dark blue or black pen on both sides of the paper.  
Do not use staples, paper clips, highlighters, glue or correction fluid.

Answer **two** questions.

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.

- 1 (a) Evaluate the importance to a business of setting objectives. [8]  
(b) Discuss why different stakeholder groups might have conflicting objectives. [8]
- 2 (a) Analyse how managers might assess the effectiveness of communication within a business. [10]  
(b) Evaluate the importance of informal communication to business efficiency. [10]
- 3 A multi-national company is about to launch a new camera in your country.  
Discuss a marketing strategy the company might use to achieve a successful launch. [20]
- 4 “Product quality guarantees a successful business.”  
To what extent do you agree with this statement? [20]
- 5 (a) Why might profitable businesses have cash flow problems? [8]  
(b) Evaluate **three** methods managers might use to improve the cash flow of a business. [12]
- 6 (a) Analyse why a car manufacturer might **not** use flow production techniques. [8]  
(b) Evaluate the usefulness to a food manufacturer of lean production methods. [12]