Cambridge Assessment International Education

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CANDIDATE NAME									
CENTRE NUMBER						CANDIDATE NUMBER				

BUSINESS STUDIES **0450/21**

Paper 2 Case Study **May/June 2020**

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.
- You may use a calculator.

INFORMATION

- The total mark for this paper is 80.
- The number of marks for each question or part question is shown in brackets [ ].
- The insert contains the case study.

This document has **12** pages. Blank pages are indicated.

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[Turn over

1 **(a)** Explain **four** characteristics that make Simon a successful entrepreneur.

View solution

Characteristic 1: .....

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Characteristic 2: .....

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Characteristic 3: .....

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Characteristic 4: .....

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..... [8]

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(b) Explain the **three** main methods of production FJ could use to produce its products in the factory. Which method should FJ use? Justify your answer.

View solution

Method 1: .....

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Method 2: .....

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Method 3: .....

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Recommendation: .....

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..... [12]

2 **(a)** Explain **one** advantage and **one** disadvantage to Simon of using crowd-funding as a source of finance for FJ.

View solution

Advantage: .....

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Explanation: .....

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Disadvantage: .....

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Explanation: .....

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..... [8]

(b) Consider the following **three** methods of market research Simon used. Which do you think is the best method to use when deciding which product to produce? Justify your answer.

View solution

- Online questionnaire
- Accessing government population data
- Focus group

Online questionnaire: .....

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Accessing government population data: .....

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Focus group: .....

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Conclusion: .....

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..... [12]

3 **(a)** Explain **four** ways an increase in government spending may affect a business.

View solution

Way 1: .....

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Way 2: .....

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Way 3:.....

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Way 4: .....

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..... [8]

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(b) Referring to Appendix 2, consider the suitability of the **three** applicants for the position of manager. Which applicant should Simon select? Justify your answer.

View solution

Joe: .....

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Zabeen:.....

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Jim: .....

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Recommendation: .....

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..... [12]

4 **(a)** Explain **two** reasons why profit is important to FJ.

View solution

Reason 1: .....

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Explanation: .....

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Reason 2: .....

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Explanation: .....

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..... [8]

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(b) Consider the **two** products outlined in Appendix 3. Which product should FJ produce? Justify your answer using relevant calculations.

View solution

Drink A: .....

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Drink B:.....

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Recommendation:.....

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