Cambridge IGCSE

Cambridge International Examinations
Cambridge International General Certificate of Secondary Education

CANDIDATE NAME									
CENTRE NUMBER						CANDIDATE NUMBER				

BUSINESS STUDIES **0450/23**

Paper 2 **October/November 2018**

1 hour 30 minutes

Candidates answer on the Question Paper.

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name in the spaces at the top of this page.
Write in dark blue or black pen.
You may use an HB pencil for any diagrams, graphs or rough working.
Do not use staples, paper clips, glue or correction fluid.
DO **NOT** WRITE IN ANY BARCODES.

Answer **all** questions.
The Insert contains the case study.
The businesses described in the question paper are entirely fictitious.

At the end of the examination, fasten all of your work securely together.
The number of marks is given in brackets [ ] at the end of each question or part question.
The total number of marks for this paper is 80.

This syllabus is approved for use in England, Wales and Northern Ireland as a Cambridge International Level 1/Level 2 Certificate.

This document consists of **9** printed pages and **3** blank pages.

CAMBRIDGE International Examinations

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[Turn over

1 **(a)** Identify and explain **two** ways HH could create a brand image.

View solution

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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..... [8]

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(b) Consider the advantages and disadvantages of the following **two** niche markets Harry could target to increase HH's revenue. Recommend which niche market Harry should target. Justify your answer.

View solution

Additional business customers: .....

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Tourists who want to view areas of natural beauty: .....

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Recommendation: .....

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..... [12]

2 **(a)** Identify and explain **two** reasons why working capital is important to HH.

View solution

Reason 1: .....

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Explanation: .....

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Reason 2: .....

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Explanation: .....

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(b) Consider the **two** options for HH's additional helicopter. Recommend which option Harry and Fred should choose. Justify your answer.

View solution

Option A: .....

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Option B: .....

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Recommendation: .....

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3 **(a)** Identify and explain **two** ways Harry and Fred could use the Internet to help them manage HH.

View solution

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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(b) Consider the advantages and disadvantages of the following **three** options for employing a new pilot for HH. Recommend the best option to choose. Justify your answer.

View solution

Harry trains a new employee himself: .....

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Harry sends a new employee to college for training: .....

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Harry employs a ready trained pilot: .....

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Recommendation: .....

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4 **(a)** Harry and Fred have produced a business plan for the expansion of HH.

Identify and explain **two** contents of a business plan that Harry and Fred could find useful as HH expands.

View solution

Business plan – Content 1: .....

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Explanation: .....

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Business plan – Content 2: .....

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Explanation: .....

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(b) Consider how the following **three** legal controls might affect HH. Which legal control is likely to have the biggest effect on HH's profit? Justify your answer.

View solution

The risks of flying must be displayed on all advertisements: .....

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The minimum wage is increased by 10%: .....

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A new environmental tax is introduced of $1 per km per tourist: .....

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Conclusion: .....

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