Cambridge Assessment International Education

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CANDIDATE NAME									
CENTRE NUMBER						CANDIDATE NUMBER				

BUSINESS STUDIES **0450/23**

Paper 2 Case Study **October/November 2023**

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. Any blank pages are indicated.

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[Turn over

1 **(a)** Explain **four** differences between a partnership and a limited company.

View solution

Difference 1: .....

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Difference 2: .....

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Difference 3: .....

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Difference 4: .....

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..... [8]

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(b) Consider **three** leadership styles that Benjy could use when managing BB. Which leadership style should Benjy use? Justify your answer.

View solution

Leadership style 1: .....

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Leadership style 2: .....

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Leadership style 3: .....

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Recommendation: .....

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..... [12]

2 **(a)** Explain **four** methods of primary market research Benjy could use to find out if there is a demand for BB's services.

View solution

Method 1: .....

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Method 2: .....

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Method 3: .....

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Method 4: .....

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..... [8]

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(b) Consider the following **three** pricing methods Benjy could use for BB's products. Which pricing method should be used? Justify your answer.

View solution

- Cost-plus
- Penetration
- Skimming

Cost-plus: .....

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Penetration: .....

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Skimming: .....

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Recommendation: .....

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..... [12]

3 **(a)** Explain **one** benefit and **one** limitation for BB of using job production.

View solution

Benefit: .....

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Explanation: .....

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Limitation: .....

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Explanation: .....

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(b) Using Appendix 2 and other information, consider the **two** options for BB's first house. Which house should Benjy choose to build? Justify your answer.

View solution

House A: .....

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House B: .....

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Recommendation: .....

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4 **(a)** Using Appendix 3 and other information, explain **two** ways the depreciation in the exchange rate may affect BB.

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]

(b) Consider the following **three** reasons why profit will be important to BB. Which reason is likely to be the most important? Justify your answer.

View solution

- Reward for risk-taking
- Source of finance
- Way to measure the success of the business

Reward for risk-taking: .....

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Source of finance: .....

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Way to measure the success of the business: .....

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Conclusion: .....

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..... [12]

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