Cambridge Assessment International Education

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CENTRE NUMBER						CANDIDATE NUMBER				

BUSINESS STUDIES **0450/13**

Paper 1 Short Answer and Data Response **October/November 2025**

1 hour 30 minutes

You must answer on the question paper.

No additional materials are needed.

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 [ ].

This document has **12** pages. Any blank pages are indicated.

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[Turn over

1 KPX manufactures computers. The business imports 60% of its raw materials. The Operations Director is considering ways to use lean production methods in KPX's factory. The Finance Director is reviewing KPX's financial data to calculate the value of its expenses. An extract is shown in Table 1.1.

Table 1.1

Extract from KPX's financial data for 2024 ($ million)	
Revenue	750
Cost of sales	360
Gross profit	390
Profit	90

(a) Identify **two** reasons why a business might import raw materials.

View solution

Reason 1: .....

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Reason 2: .....

..... [2]

(b) Calculate KPX's expenses in 2024. Show your working.

View solution

Working: .....

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Final answer: ..... [2]

(c) Outline **two** ways KPX's Finance Director could use the financial data in Table 1.1.

View solution

Way 1: .....

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Way 2: .....

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..... [4]

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(d) Explain **two** methods of lean production KPX could use.

View solution

Method 1: .....

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Explanation: .....

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Method 2: .....

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Explanation: .....

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..... [6]

(e) Explain **two** reasons why profit is important for a business. Which reason is likely to be the most important? Justify your answer.

View solution

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2 Max is an entrepreneur who wants to start up a business selling books. He has decided to use ecommerce. Max has been told there is government support for start-up businesses. He will use market research to help make business decisions. Max knows it is important for a new business to build customer loyalty.

(a) Define 'entrepreneur'.

View solution

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..... [2]

(b) Identify **two** reasons why governments support start-up businesses.

View solution

Reason 1: .....

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Reason 2: .....

..... [2]

(c) Outline **two** opportunities for Max's business of using ecommerce.

View solution

Opportunity 1: .....

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Opportunity 2: .....

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..... [4]

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(d) Explain **two** ways Max could use market research to help make business decisions.

View solution

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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(e) Explain **two** ways a business could build customer loyalty. Which is likely to be the best way for a new business to use? Justify your answer.

View solution

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3 STB is a public limited company. It uses job production to build houses. In 2024 the business built 13 500 houses. STB has many stakeholder groups including its 5000 employees. The Managing Director knows business activity can affect the environment and that there are many reasons why a business should respond to environmental pressures. She also wants to know how economic growth might affect STB.

(a) Identify **two** ways business activity can affect the environment.

View solution

Way 1: .....

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Way 2: .....

..... [2]

(b) Identify **two** reasons why a business should respond to environmental pressures.

View solution

Reason 1: .....

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Reason 2: .....

..... [2]

(c) Outline **two** ways economic growth might affect STB.

View solution

Way 1: .....

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Way 2: .....

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(d) Explain **two** benefits to STB of using job production.

View solution

Benefit 1: .....

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Explanation: .....

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Benefit 2: .....

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Explanation: .....

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(e) Do you think employees are the most important stakeholder group for a manufacturing business? Justify your answer.

View solution

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4 ZPR is a business in the tertiary sector. It has 1 restaurant which has 20 employees. The Human Resources Manager is preparing a job description as ZPR needs 2 new chefs. He said: 'I need to advertise the job vacancies externally. ZPR will use a range of financial rewards as it can be difficult to recruit employees.' The manager knows there are many factors for a business to consider when deciding who to recruit.

(a) Define 'tertiary sector'.

View solution

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(b) Define 'job description'.

View solution

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(c) Identify **four** financial rewards a business could use.

View solution

Reward 1: .....

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Reward 2: .....

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Reward 3: .....

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Reward 4: .....

..... [4]

(d) Explain **two** ways ZPR could use to advertise its job vacancies externally.

View solution

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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..... [6]

(e) Explain **two** factors a business should consider when deciding who to recruit. Which factor is likely to be the most important for a tertiary sector business? Justify your answer.

View solution

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