Cambridge IGCSE

Cambridge International Examinations
Cambridge International General Certificate of Secondary Education

CANDIDATE NAME			
CENTRE NUMBER		CANDIDATE NUMBER	

7848564794

BUSINESS STUDIES **0450/23**

Paper 2 **May/June 2017**

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 on all the work you hand in.
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 business described in this question paper is entirely fictitious.

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.
The total number of marks for this paper is 80.

The 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 and **1** Insert.

DC (NF) 134407/3

CAMBRIDGE
International Examinations

[Turn over

1 (a) Identify and explain **two** types of tertiary businesses which provide services that SC is likely to use.

Type 1: ....

....

Explanation: ....

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Type 2: ....

....

Explanation: ....

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.... [8]

(b) Consider how each of the **three** following changes might affect sales of SC's products. Which change is likely to have the biggest effect on sales? Justify your answer.

Decrease in interest rates: ....

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Increase in petrol prices: ....

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New legal control to reduce pollution by limiting use of private cars for several days each week:

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Conclusion: ....

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.... [12]

2 (a) Identify and explain **two** reasons why SC employees might want to join a trade union.

Reason 1: ....

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Explanation: ....

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Reason 2: ....

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Explanation: ....

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.... [8]

(b) Explain the following **three** factors SC will have to consider when marketing its products in foreign markets. Which factor do you think is the most important to achieve high export sales? Justify your answer.

Competition: ....

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Consumer needs: ....

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Channels of distribution: ....

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Conclusion: ....

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.... [12]

3 **(a)** Identify and explain **one** advantage and **one** disadvantage of making each product to the exact requirements of the customer.

Advantage: ....

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Explanation: ....

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Disadvantage: ....

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Explanation: ....

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.... [8]

(b) Consider the advantages and disadvantages of **two** methods SC could use to ensure the quality of its products. Recommend the best method for SC to use. Justify your answer.

Method 1: ....

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Method 2: ....

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Recommendation: ....

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.... [12]

4 (a) Identify **four** methods SC could use to communicate with its stakeholders. Explain an example of when it could be used for each method.

Method 1: ....

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Example of when used: ....

....

Method 2: ....

....

Example of when used: ....

....

Method 3: ....

....

Example of when used: ....

....

Method 4: ....

....

Example of when used: ....

.... [8]

(b) Refer to Appendix 2. Calculate the profitability of SC for **both** years.
Would you recommend a potential shareholder to buy shares in SC? Justify your answer.

.... [12]

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