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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.

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

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]

- (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.

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.

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.

- 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.

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]

- (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.

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.

Reason 1:

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Explanation:

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Reason 2:

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Explanation:

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[8]

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

Drink A:

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Drink B:.....

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Recommendation:.....

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[12]

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