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0450/23

May/June 2023

1 hour 30 minutes

You must answer on the question paper.

You will need: Insert (enclosed)

- 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.

- 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.

1 (a) Explain **four** reasons why a business might become a multinational company.

Reason 1:

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Reason 2:

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Reason 3:

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Reason 4:

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[8]

- (b) Consider the advantages and disadvantages of the following **three** methods of promotion RR could use in the new markets. Which would be the most suitable method for RR to use? Justify your answer.

- Television
- Billboards
- Sponsorship of a sports team

Television:

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Billboards:

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Sponsorship of a sports team:

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Recommendation:

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[12]

2 (a) Explain **two** problems RR might experience as it expands.

Problem 1:
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Explanation:
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Problem 2:
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Explanation:
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[8]

(b) Consider **three** methods RR could use to communicate the expansion plans to its employees. Which method should RR choose? 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]

3 (a) Explain **one** responsibility of each of the following in RR:

Directors:
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Managers:
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Supervisors:
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Production employees:
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[8]

(b) Consider the advantages and disadvantages of the following **two** methods RR could use to increase the productivity of its employees. Which method should RR choose? Justify your answer.

- Introducing new technology
- Increasing training

Introducing new technology:

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Increasing training:

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Recommendation:

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[12]

4 (a) Explain **one** opportunity and **one** threat to RR of using ecommerce.

Opportunity:

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Explanation:

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Threat:

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Explanation:

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[8]

(b) Using Appendix 3 and other information, consider whether RR’s Managing Director should be concerned about the financial performance of the business. Justify your answer using suitable calculations.

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Conclusion:

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[12]

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