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CAMBRIDGE
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CANDIDATE NAME

CENTRE NUMBER

CANDIDATE NUMBER

4307380858

BUSINESS STUDIES **0450/21**

Paper 2 Case Study **May/June 2026**

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. Do **not** use correction fluid or tape.
- 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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1 **(a)** Explain **four** characteristics of 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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(b) Consider the advantages and disadvantages of the following **three** sources of finance Ashanti could use for the new equipment. Which source should she use? Justify your answer.

- owners' savings
- bank loan
- leasing

owners' savings .....

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bank loan .....

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leasing .....

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recommendation .....

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2 **(a)** Explain how the following **two** sections of a business plan could help Ashanti when starting her business.

- market research
- human resources

market research .....

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explanation .....

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human resources .....

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explanation .....

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(b) Using Appendix 1 and other information, consider the following **two** elements of the marketing mix for Ashanti's new shop. Would these be suitable as part of the marketing mix for the new shop? Justify your answer.

- price – using competitive pricing
- promotion – using social media

price – using competitive pricing .....

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promotion – using social media .....

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conclusion .....

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3 **(a)** Explain **two** ways the business cycle in country X going into the boom stage is likely to affect YC.

way 1 .....

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explanation .....

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way 2 .....

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explanation .....

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(b) Using Appendix 3 and other information, consider the **two** product ranges Ashanti could choose to sell. Which product range should Ashanti choose? Justify your answer using break-even calculations.

- product range A
- product range B

product range A .....

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product range B .....

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recommendation .....

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4 **(a)** Explain **four** legal controls over employment that may benefit Ashanti's employees.

legal control 1 .....

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legal control 2 .....

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legal control 3 .....

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legal control 4 .....

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(b) Consider the following **two** methods Ashanti could use to motivate YC's employees. Which method should Ashanti use? Justify your answer.

- commission
- paying a higher wage than competitors

commission .....

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paying a higher wage than competitors .....

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recommendation .....

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