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6803863505

BUSINESS STUDIES **0450/22**

Paper 2 Case Study **February/March 2021**

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. Any blank pages are indicated.

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[Turn over

1 **(a)** Explain **two** advantages and **two** disadvantages of being a sole trader.

Advantage 1: .....

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Advantage 2: .....

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Disadvantage 1: .....

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Disadvantage 2: .....

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..... [8]

(b) Consider the **two** orders for ST products in Appendix 2. Which order should ST accept? Justify your answer using relevant calculations.

Order A: .....

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Order B: .....

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Conclusion: .....

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..... [12]

2 **(a)** Explain **two** ways Saanvi can increase the added value of ST products.

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation:.....

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(b) To expand the business in the future ST need to decide whether to change from niche marketing to mass marketing.

Consider the advantages of both methods. Which method should ST use? Justify your answer.

Niche marketing: .....

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Mass marketing: .....

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Recommendation: .....

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3 **(a)** Explain **two** benefits to ST of having well-motivated employees.

Benefit 1: .....

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Explanation: .....

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Benefit 2: .....

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Explanation: .....

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(b) ST need to recruit a new Operations Manager. Consider the advantages and disadvantages of the **three** applicants in Appendix 3. Which of the applicants should ST employ? Justify your answer.

Aarav: .....

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Vivaan: .....

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Sai: .....

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Recommendation: .....

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4 **(a)** Explain **four** reasons why high quality is important to ST.

Reason 1: .....

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Reason 2: .....

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Reason 3: .....

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Reason 4: .....

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(b) Consider how the following **two** changes might affect ST. Which change is likely to have the most effect on ST's revenue? Justify your answer.

- The business cycle in country Z moves into a slump
- The government of country Z focuses on reducing unemployment

The business cycle in country Z moves into a slump: .....

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The government of country Z focuses on reducing unemployment: .....

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Conclusion: .....

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