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*5981200222*

**BUSINESS STUDIES** **0450/23**

Paper 2 Case Study **May/June 2024**

**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 **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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..... [8]

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**(b)** Using Appendix 1 and other information, consider the advantages and disadvantages to RF of the following **two** methods of promotion. Which method should Santhosh use to attract customers to RF? Justify your answer.

- 10% discount on a customer's first purchase
- Free delivery on all products purchased

10% discount on a customer's first purchase: .....

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Free delivery on all products purchased: .....

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Recommendation: .....

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..... [12]

**2** **(a)** Explain **two** business objectives Santhosh might have for RF.

Business objective 1: .....

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Explanation: .....

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Business objective 2: .....

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Explanation: .....

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**(b)** Consider the advantages and disadvantages of the following **three** sources of finance Santhosh could use when starting up RF. Which source should Santhosh use? Justify your answer.

- Owner's savings
- Microfinance
- Crowdfunding

Owner's savings: .....

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Microfinance: .....

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Crowdfunding: .....

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Recommendation: .....

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**3** **(a)** Using Appendix 2 and other information, explain **two** benefits and **two** limitations to Santhosh of using break-even analysis.

Benefit 1: .....

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Benefit 2: .....

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Limitation 1: .....

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Limitation 2: .....

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**(b)** Using Appendix 3 and other information, consider how the recession might affect RF's forecast sales and the availability of potential employees. Which is likely to have the most effect on RF? Justify your answer.

RF's forecast sales: .....

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Availability of potential employees for RF: .....

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Conclusion: .....

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**4** **(a)** Explain **two** benefits to RF of having a well-motivated workforce.

Benefit 1: .....

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Explanation: .....

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Benefit 2: .....

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Explanation: .....

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**(b)** Consider the following **three** methods Santhosh could use to communicate the daily work tasks to his employees. Which method should he use? Justify your answer.

- Telephone calls
- Face-to-face meetings
- Text messages

Telephone calls: .....

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Face-to-face meetings: .....

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Text messages: .....

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Recommendation: .....

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