Cambridge Assessment International Education

# Cambridge O Level

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|---|---|---|---|---|---|---|---|---|---|
| CANDIDATE NAME | | | | | | | | | |
| CENTRE NUMBER | | | | | | CANDIDATE NUMBER | | | | |

*4628926697*

**BUSINESS STUDIES** **7115/22**

Paper 2 Case Study **October/November 2023**

**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 of using specialisation when producing SSE's products.

Advantage 1: .....

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Explanation: .....

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Advantage 2: .....

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Explanation: .....

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**(b)** Consider the advantages and disadvantages of the following **two** methods of market research SSE could use when entering new markets in other countries. Which method of market research should SSE use? Justify your answer.

- Primary market research
- Secondary market research

Primary market research: .....

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Secondary market research: .....

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Recommendation: .....

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**2** **(a)** Explain **four** factors a business should consider when choosing which source of finance to use for expansion.

Factor 1: .....

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Factor 2: .....

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Factor 3: .....

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Factor 4: .....

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**(b)** Consider the advantages and disadvantages of the following **two** options for SSE to distribute its products in the new markets in other countries. Which option should SSE choose? Justify your answer.

- Sell direct to customers using SSE's website
- Sell to large sports retailers in other countries

Sell direct to customers using SSE's website: .....

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Sell to large sports retailers in other countries: .....

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Recommendation: .....

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**3** **(a)** Explain **one** advantage and **one** disadvantage to SSE of using internal recruitment for its new managers.

Advantage: .....

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Explanation: .....

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Disadvantage: .....

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Explanation: .....

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**(b)** Consider how the following **three** barriers could make communication less effective between SSE's head office in country Z and its new factories in other countries. Which barrier would be the easiest to overcome? Justify your choice.

- Problem with the medium used
- Problem with the sender
- Problem with the receiver

Problem with the medium used: .....

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Problem with the sender: .....

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Problem with the receiver: .....

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Conclusion: .....

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**4** **(a)** Explain **four** ways the break-even chart in Appendix 3 might be helpful to SSE.

Way 1: .....

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Way 2: .....

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Way 3: .....

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Way 4: .....

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**(b)** Consider how each of the following **three** changes may affect SSE. Which change is likely to have the greatest effect on SSE's profit? Justify your answer.

- A depreciation in the currency of country Z
- An import tariff introduced on sports helmets imported into country Z
- Quotas introduced on sports helmets in countries where SSE sells its products

A depreciation in the currency of country Z: .....

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An import tariff introduced on sports helmets imported into country Z: .....

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Quotas introduced on sports helmets in countries where SSE sells its products: .....

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Conclusion: .....

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..... [12]

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