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BUSINESS STUDIES

0450/23

Paper 2 Case Study

October/November 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.



- 1 (a) Explain how the following **four** users of MA's accounts might use the financial data in Appendix 1 to help make decisions:

Shareholders:

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Suppliers:

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Employees:

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Banks:

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[8]

(b) Consider the following **three** characteristics that may be required for entrepreneurs opening a shop located at the airport. Which is the most important characteristic for an entrepreneur to be successful? Justify your answer.

Risk taker:

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Creative:

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Optimistic:

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Conclusion:

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[12]

2 (a) Explain **two** methods that could be used to measure the size of MA's airport business.

Method 1:

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Explanation:

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Method 2:

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Explanation:

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[8]

(b) Consider how the motivation theories of Taylor and Herzberg could help MA to improve the motivation of the cleaners who work at the airport. Which theory is likely to be more useful to MA? Justify your answer.

Taylor:

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Herzberg:

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Recommendation:

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[12]

3 (a) Explain **two** benefits to MA of using the new technology outlined in Appendix 2.

Benefit 1:

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Explanation:

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Benefit 2:

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Explanation:

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[8]

(b) Consider the advantages and disadvantages of the following **three** methods of market research. Which would be the best method for MA to use to find out which shops passengers would use at the airport? Justify your answer.

- Online survey
- Sales data from existing shops at the airport
- Interviews at the airport

Online survey:

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Sales data from existing shops at the airport:

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Interviews at the airport:

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Recommendation:

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[12]

4 (a) Explain **four** factors that might affect the source of finance a business decides to use.

Factor 1:

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Factor 2:

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Factor 3:

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Factor 4:

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[8]

(b) Consider the opportunities and threats to MA due to increased globalisation. Do you think globalisation will help MA to increase profits? Justify your answer.

Opportunities:

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Threats:

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Conclusion:

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[12]

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