* 0000800000001 *

Cambridge Assessment International Education

Cambridge IGCSE™

CANDIDATE NAME

CENTRE NUMBER

CANDIDATE NUMBER

5054923739

BUSINESS STUDIES **0450/21**

Paper 2 Case Study **October/November 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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1 (a) Explain **four** reasons why a business might remain small.

Reason 1: ....

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Reason 2: ....

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Reason 3: ....

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Reason 4: ....

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.... [8]

(b) Consider the following **three** roles of packaging for CC's products. Which role is most important for CC? Justify your answer.

- Protecting the product
- Promoting the brand image
- Providing information about the product

Protecting the product: ....

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Promoting the brand image: ....

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Providing information about the product: ....

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Conclusion: ....

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.... [12]

2 **(a)** Explain **two** functions of management for CC's new manager.

Function 1: ....

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Explanation: ....

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Function 2: ....

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Explanation: ....

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.... [8]

(b) Consider how a decrease in interest rates and an increase in taxes in country P could affect CC. Which is likely to have the biggest effect on CC's profit? Justify your answer.

Decrease in interest rates: ....

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Increase in taxes: ....

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Conclusion: ....

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.... [12]

3 **(a)** Explain **two** benefits and **two** limitations of CC using batch production.

Benefit 1: ....

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Benefit 2: ....

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Limitation 1: ....

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Limitation 2: ....

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.... [8]

(b) Consider the **two** options for CC's new cookies outlined in Appendix 3. Which option should CC choose to produce? Justify your answer using appropriate calculations.

Option 1: ....

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Option 2: ....

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Recommendation: ....

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.... [12]

4 (a) Explain **two** reasons why CC might need finance.

Reason 1: ....

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Explanation: ....

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Reason 2: ....

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Explanation: ....

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.... [8]

(b) Consider the following **three** pricing methods CC could use for its existing products. Which pricing method should CC use? Justify your answer.

- Cost-plus
- Promotional
- Competitive

Cost-plus: ....

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Promotional: ....

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Competitive: ....

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Recommendation: ....

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.... [12]

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