



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
International General Certificate of Secondary Education

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CANDIDATE
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NUMBER

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BUSINESS STUDIES

0450/02

Paper 2

May/June 2009

1 hour 45 minutes

Candidates answer on the Question Paper.
Additional Materials: Insert.

* 1 2 8 6 9 0 0 1 8 9 *

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.
Write in dark blue or black pen.
Do not use staples, paper clips, highlighters, glue or correction fluid.
DO NOT WRITE IN ANY BARCODES.

Answer **all** questions.
The Insert contains the case study.
The businesses described in this question paper are entirely fictitious.

At the end of the examination, fasten all your work securely together.
The number of marks is given in brackets [] at the end of each question or part question.

For Examiner's Use	
1	
2	
3	
4	
5	
Total	

This document consists of **11** printed pages, **1** blank page and **1** insert.

- 1 (a) Python Bicycles use batch production. Identify and explain disadvantage of batch production to Python Bicycles.

Advantage:

.....

Explanation:

.....

.....

.....

.....

Disadvantage:

.....

Explanation:

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.....

[8]

(b) The new owners want to increase the profitability of Python methods that could be used to increase the profitability. Recommend which method you think would be the most profitable. Recommendation.

Method 1:

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Method 2:

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.....

Method 3:

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.....
.....

Recommendation:

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.....
.....



- 2 (a) The number of employees leaving each year is high as well as their working conditions. Identify and explain **two** reasons why the workers may be damaging for Python Bicycles.

Reason 1:

.....

Explanation:

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Reason 2:

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Explanation:

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.....

[8]

(b) Do you agree with the Marketing Manager that Python Bicycles should change each of the elements of the marketing mix if children's bicycles are to be successful (see Appendix 2). Justify your answers.

Element 1 of marketing mix:

Need to change this element?

.....

.....

.....

.....

Element 2 of marketing mix:

Need to change this element?

.....

.....

.....

Element 3 of marketing mix:

Need to change this element?

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.....

.....

Element 4 of marketing mix:

Need to change this element?

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.....

.....

..... [12]



5 (a) Identify and explain **two** reasons why governments encourage
(See Appendix 3).

Reason 1:

.....

Explanation:

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.....

Reason 2:

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Explanation:

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[8]

(b) What do you think are the **four** most important factors that you consider when deciding whether to export their bicycles? Justify your answer.

Factor 1:

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Factor 2:

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Factor 3:

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Factor 4:

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