

**BUSINESS STUDIES** 

0450/02

Paper 2

May/June 2009

1 hour 45 minutes

Candidates answer on the Question Paper.

Additional Materials: Insert.

## **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

WANN. PAPAC Ambridge.com (a) Python Bicycles use batch production. Identify and explain disadvantage of batch production to Python Bicycles. Advantage: Explanation: Disadvantage: **Explanation:** [8]

	Q.	
(b)	The new owners want to increase the profitability of Python methods that could be used to increase the profitabil Recommend which method you think would be the mos recommendation.	hbridge com
	Method 1:	COM
	Method 2:	
	Method 3:	
	Recommendation:	
	[12]	

		20	
2	(a)	The number of employees leaving each year is high as wo their working conditions. Identify and explain <b>two</b> reasons wh the workers may be damaging for Python Bicycles.	mbridge.com
		Reason 1:	Se. COM
		Explanation:	
		Reason 2:	
		Explanation:	
		[8]	

	3	
(b)	Do you think that higher wages would be the most effective motivation of the employees at Python Bicycles? Justify your a	hbridge.com
		age.C
		OM
	[12]	

(a)	Before targeting a different market segment, Python Bicycles research. Explain to the Marketing Manager of Python Bi primary market research.	bridge.com
		COM
	[8]	

	and the second s	
(b)	Do you agree with the Marketing Manager that Python Bicy each of the elements of the marketing mix if children's bicyc Appendix 2). Justify your answers.	hbridge.com
	Element 1 of marketing mix:	Sei-COV
	Need to change this element?	77
	Element 2 of marketing mix:	
	Need to change this element?	
	Element 3 of marketing mix:	
	Need to change this element?	
	Element 4 of marketing mix:	
	Need to change this element?	
	[12]	- 1

(a)	A cash flow forecast is used by the company to help it with its why Python Bicycles would find a cash flow forecast useful.	ambridge.com
		e.com
	[8	3]

	28.	
(b)	Do you think Python Bicycles is in a strong financial position using information from Appendix 1 and the other case material	Cambridge.com
		age.C.
		OH
	[1	2]

5	(a)	Identify and explain <b>two</b> reasons why governments encourage (See Appendix 3).  Reason 1:	
		Reason 1:	V
			On I
		Explanation:	
		Reason 2:	
		Explanation:	
		[8]	

	93	
(b)	What do you think are the <b>four</b> most important factors that consider when deciding whether to export their bicycles? Justi	bridge.com
	Factor 1:	age
		OM
	Factor 2:	
	Factor 3:	
	Factor 4:	
	[12]	
	[12]	I

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