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CANDIDATE NAME

CENTRE NUMBER

CANDIDATE NUMBER

3776597173

BUSINESS STUDIES **0450/23**

Paper 2 Case Study **May/June 2026**

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. Do **not** use correction fluid or tape.
- 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 **two** advantages for KH of using specialisation in the production process.

advantage 1 .....

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explanation .....

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advantage 2 .....

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explanation .....

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[8]

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(b) Consider the advantages and disadvantages for KH of using internal or external recruitment when recruiting a new operations manager. Should KH use internal or external recruitment? Justify your answer.

internal recruitment .....

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external recruitment .....

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recommendation .....

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2 **(a)** Explain **two** advantages and **two** disadvantages for a business of its managers using delegation.

advantage 1 .....

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advantage 2 .....

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disadvantage 1 .....

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disadvantage 2 .....

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(b) Using Appendix 2 and other information, consider the following **two** ways KH could contribute to sustainable development. Which way should KH choose to do first? Justify your answer.

- using solar panels to generate electricity
- only buying from suppliers which do not damage the environment

using solar panels to generate electricity .....

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only buying from suppliers which do not damage the environment .....

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recommendation .....

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3 **(a)** Explain **two** ways legal controls on marketing might affect KH.

way 1 .....

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explanation .....

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way 2 .....

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explanation .....

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(b) Consider the advantages and disadvantages for KH of selling in a niche market and in a mass market. Should KH change to selling in a mass market? Justify your answer.

selling in a niche market .....

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selling in a mass market .....

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conclusion .....

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4 **(a)** Explain **two** advantages and **two** disadvantages for KH of using batch production.

advantage 1 .....

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advantage 2 .....

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disadvantage 1 .....

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disadvantage 2 .....

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(b) Using Appendix 3 and other information, consider KH's financial position and that of its main competitor. Which business was in a better financial position in 2025? Justify your answer using suitable calculations.

KH's financial position .....

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main competitor's financial position .....

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conclusion .....

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