

Please write clearly in block capitals.

Centre number

Candidate number

Surname

Forename(s)

Candidate signature

I declare this is my own work.

INTERNATIONAL A-LEVEL

BUSINESS

Unit 3: Business Strategy

Wednesday 29 May 2024

07:00 GMT

Time allowed: 1 hour 45 minutes

Materials

- For this paper you must have:
- the insert (enclosed)
 - a calculator, which you are expected to use where appropriate.

Instructions

- Use black ink or black ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions.
- You must answer the questions in the spaces provided.
Do not write outside the box around each page or on blank pages.
- If you need extra space for your answer(s), use the lined pages at the end of this book. Write the question number against your answer(s).
- All working must be shown.
- Do all rough work in this book. Cross through any work you do not want to be marked.
- You may **not** use an English dictionary.

Information

- The marks for questions are shown in brackets.
- The maximum mark for this paper is 80.

Advice

- You may use a bilingual dictionary.

For Examiner's Use	
Question	Mark
1.1	
1.2	
1.3	
1.4	
1.5	
2.1	
2.2	
2.3	
2.4	
2.5	
TOTAL	



Section A

Answer **all** questions in the spaces provided.

Read **Source One: Zhao plc** in the **insert booklet** and then answer the questions.

0 1 . 1

Using the data in **Table 1**, calculate the gearing ratio for Zhao plc in 2023.

[3 marks]

3

0 1 . 2

With reference to the Ansoff Matrix, analyse the risk involved for Zhao plc when developing the electric vehicle.

[4 marks]

4



[9 marks]

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9



The Marketing Director prioritised the shareholders (**Figure 1**) when making decisions regarding the turnaround plan. Was this a good idea?

[12 marks]

[illegible]

Do not write
outside the
box

Extra space

Turn over ►



Some directors of Zhao plc feel the biggest reason for the company's strategic drift is a lack of investment in new technology. Do you agree?

[12 marks]

[illegible]

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outside the
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Turn over ►



Section B

Answer **all** questions in the spaces provided.

Read **Source Two: Doubles** in the **insert booklet** and then answer the questions.

0 2 . 1

Using **Table 2**, calculate the Average Rate of Return (ARR) for Doubles if it invests in a new loyalty card.

[3 marks]

3

0 2 . 2

Some employees at Milsons are resistant to the merger.

With reference to Kotter and Schlesinger, analyse **one** way that Milsons may overcome this resistance.

[4 marks]

4



Analyse **two** problems that the managers of Doubles may face when trying to change the culture of Milsons.

[illegible][illegible]

9



If Doubles and Milsons merge, the owners of Doubles feel the biggest change to Porter's five forces will be the bargaining power of suppliers. Do you agree?

[12 marks]

[illegible]

Extra space



Rather than merging, some employees want the business to grow organically through the creation of a loyalty card. Is this a good idea?

[12 marks]

[illegible]

END OF QUESTIONS

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box*

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ANSWER IN THE SPACES PROVIDED**



