Cambridge International Examinations
Cambridge International Advanced Level

CANDIDATE NAME

CENTRE NUMBER

CANDIDATE NUMBER

4383037099

BUSINESS **9609/32**

Paper 3 Case Study **May/June 2018**

3 hours

Candidates answer on the Question Paper.

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name in the spaces at the top of this page. If you need additional answer paper ask the invigilator for a continuation booklet.
Write in dark blue or black pen.
You may use an HB pencil for any diagrams, graphs or rough working.
Do not use staples, paper clips, glue or correction fluid.
DO **NOT** WRITE IN ANY BARCODES.

Section A
Answer **all** questions.
Section B
Answer **one** question.
You are advised to spend no more than 40 minutes on Section B.

Refer to the Insert for the case study for this Paper.

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.

This document consists of **19** printed pages, **1** blank page and **1** Insert.

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Section A

Answer **all** questions in this section.

1 Analyse the likely positive and negative impact on DA of having a decentralised organisational structure.

[10]

2 **(a)** Refer to Appendix 1. Calculate as at 20 April 2018:

(i) dividend yield

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....[3]

(ii) price earnings ratio.

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....[5]

(b) Using your results to **2(a)** and any other relevant information, recommend whether potential investors should buy shares in DA. Justify your recommendation.

[12]

3 Discuss the extent to which the adoption of lean production techniques will solve DA's current operational problems.

[16]

4 **(a)** Refer to Appendix 2. Calculate:

(i) promotional elasticity of demand for the DA range of walking boots if spending on promotion is increased from $200 000 to $300 000

....[3]

(ii) price elasticity of demand for the DA Explorer boot if price is reduced from $200 to $180.

....[3]

(b) Use your results to **4(a)** and any other relevant information. Discuss the importance of marketing planning to the success of DA's entry into the market for walking boots.

[12]

5 Assume DA decides to go ahead with strategy 1.

Discuss the extent to which the data in Appendix 5 and other external factors could influence DA's success in country B.

[16]

Section B

Answer **one** question from this section.

6 Discuss whether strategic choice techniques can eliminate risk from the strategic decisions that the directors of DA have to make.

7 Evaluate the extent to which contingency planning might help DA achieve its long-term aims and objectives.

Write the question number here: ....

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