Cambridge Assessment International Education

Cambridge International AS & A Level

CANDIDATE NAME									
CENTRE NUMBER						CANDIDATE NUMBER			

2445765801

BUSINESS **9609/32**

Paper 3 Business Decision-Making **February/March 2023**

1 hour 45 minutes

You must answer on the question paper.

You will need: Insert (enclosed)

INSTRUCTIONS

- Answer **all** questions.
- Use a black or dark blue pen.
- 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 or correction fluid.
- Do **not** write on any bar codes.
- You may use an HB pencil for any diagrams, graphs or rough working.

INFORMATION

- The total mark for this paper is 60.
- 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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Answer **all** questions.

1 Analyse how **two** legal changes planned by the new government will impact FWB.

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2 Analyse **two** benefits to FWB of delegating more decision-making to van managers.

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3 **(a)** Assume FWB increases spending on promotion by 20% and the promotional elasticity of demand is 0.8. Calculate the percentage change in FWB's revenue.

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..... [1]

(b) Refer to lines 30–32. Calculate the estimated price elasticity of demand if FWB increases the price of coffee from $2.00 to $2.30.

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(c) Evaluate the usefulness of the concept of elasticity of demand to FWB when deciding on a new marketing mix.

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[12]

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4 **(a)** Refer to lines 47–49 and Table 1.1. Calculate the accounting rate of return (ARR).

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(b) Evaluate whether FWB should invest in enterprise resource planning (ERP).

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5 Evaluate the usefulness of FWB's accounting ratio analysis to its directors when making business decisions.

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