Cambridge Assessment International Education

Cambridge International AS & A Level

BUSINESS **9609/21**

Paper 2 Data Response **October/November 2022**

1 hour 30 minutes

2625985914

You must answer on the enclosed answer booklet.

You will need: Answer booklet (enclosed)

INSTRUCTIONS

- Answer **all** questions.
- Follow the instructions on the front cover of the answer booklet. If you need additional answer paper, ask the invigilator for a continuation booklet.

INFORMATION

- The total mark for this paper is 60.
- The number of marks for each question or part question is shown in brackets [ ].

This document has **4** pages. Any blank pages are indicated.

© UCLES 2022

1 Drone Development (DD)

DD produces a range of drones, which are unmanned aircraft flown by remote control. These drones are used to help farmers identify whether their fields have enough water. They can also help farmers to see how fast crops are growing on large farms. The drones are individually designed using Computer Aided Design (CAD).

DD's mission statement is: 'To be the leading company in drone technology'.

DD's employees are skilled and highly motivated. This has enabled DD's managers to use a laissez-faire style of leadership.

The Research and Development (R&D) team at DD has developed a drone designed for high-volume production for the consumer market. The new drones will be called Robodz. Secondary research indicates that these drones can be used for taking aerial photographs and videos of sporting and other events, such as cycle races and outdoor parties. The drones will send photographs and videos directly to a user's smartphone. There are few competitors in this market even though demand is growing particularly from consumers in the 30–45 years age group.

The Marketing Director has done primary research into the consumer market for drones. The results are shown in Table 1.1.

Table 1.1: Important features of a drone for the consumer market (number of responses)

	Important	Quite Important	Unimportant
Price	16	4	10
Performance	30	0	0
Colour	15	5	10
Ease of use	18	2	10
Durability	12	11	7

Producing Robodz will mean changes in operations at DD:

- greater cooperation between the design, production and marketing departments
- each designer will have less opportunity for individual design
- more automation will be involved.

The Board of Directors has agreed to produce Robodz.

(a) (i) Define the term 'Computer Aided Design (CAD)' (line 4). [2]

(ii) Explain the term 'primary research' (line 15). [3]

(b) (i) Refer to Table 1.1. Calculate the total percentage of consumers who stated that 'ease of use' is either important or quite important. [3]

(ii) Explain **one** possible limitation of the Marketing Director's primary research. [3]

(c) Analyse **two** factors that could influence the leadership style used as DD moves into the production of Robodz. [8]

(d) Recommend a suitable marketing mix for the Robodz. Justify your recommendation. [11]

© UCLES 2022

2 Move Well (MW)

MW is a business that organises the transportation of people's possessions when they move from one house or apartment to another.

One of MW's corporate objectives is to achieve internal growth. MW has expanded rapidly from a local business to a national business. It now has locations in many major cities in country Q. Local success was built on customer recommendations. National success is a result of carefully targeted advertising and effective use of social media.

The growth of the business has put pressure on MW's cash flow. MW receives payment from customers one week after the house move is completed, which is, on average, one month after the house move was booked. MW's costs include rent, vehicle maintenance, fuel, local taxes, wages and advertising.

Following some successful years, there has been a large decline in MW's sales. This is due mainly to fewer people moving home in country Q. Each city location made a loss last year.

The Managing Director, John, has noticed that the housing market is growing in some other countries. He thinks there is an opportunity for a new location in country P. Table 2.1 shows the forecast costs and revenue for the new location in country P.

Table 2.1: Forecast costs and revenue for the new location in country P in year one

	($000)
Revenue	110
Direct costs	50
Indirect costs	20

Effie, the Operations Manager, would prefer to achieve cost savings rather than expand into another country. She thinks a lot of time is wasted due to uncoordinated information systems which are not kept up to date. MW currently keeps its customer records on paper. It also has three separate computer-based systems. Table 2.2 shows details of the computer systems.

Table 2.2: MW's computer systems

Computer system	Process
A	Tracks vehicles used on each home move
B	Records employee pay and other HR data
C	Produces accounts and other management information

(a) (i) Define the term 'corporate objectives' (line 3). [2]

(ii) Explain the term 'internal growth' (line 3). [3]

(b) (i) Refer to Table 2.1. Calculate the forecast profit margin for year one. [3]

(ii) Explain **one** method MW could use to improve its cash flow. [3]

(c) Analyse **two** benefits to MW of introducing process innovation to update its information systems. [8]

(d) Evaluate the factors that John needs to consider before opening the new location in country P. [11]

© UCLES 2022

BLANK PAGE

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (UCLES) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced online in the Cambridge Assessment International Education Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download at www.cambridgeinternational.org after the live examination series.

Cambridge Assessment International Education is part of Cambridge Assessment. Cambridge Assessment is the brand name of the University of Cambridge Local Examinations Syndicate (UCLES), which is a department of the University of Cambridge.

© UCLES 2022