

Write your name here

Surname

Other names

Centre Number

Candidate Number

**Edexcel GCE**

# Business Studies

**Advanced**

**Unit 4A: Making Business Decisions**

Thursday 24 January 2013 – Morning

**Time: 1 hour 30 minutes**

Paper Reference

**6BS04/01**

**You must have:**

Insert containing all source material (enclosed)

Total Marks

## Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Answer **all** the questions in Section A and Section B.
- Answer the questions in the spaces provided  
– *there may be more space than you need.*
- You may use a calculator.

## Information

- The total mark for this paper is 80.
- The marks for **each** question are shown in brackets  
– *use this as a guide as to how much time to spend on each question.*
- Quality of written communication will be taken into account in the marking of your response to Questions 7 (a) and 7 (b) in Section B. These questions are indicated with an **asterisk\***  
– *you should take particular care on these questions with your spelling, punctuation and grammar, as well as the clarity of expression.*
- Candidates are expected to be familiar with Evidence A to I for this paper before the examination.

## Advice

- Read each question carefully before you start to answer it.
- Keep an eye on the time.
- Try to answer every question.
- Check your answers if you have time at the end.

Turn over ►

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P 4 2 1 3 2 R A 0 1 1 6

**PEARSON**

## SECTION A

**Evidence A to I was pre-issued before the date of the examination.**

**Using ALL the evidence and your own knowledge, answer all six questions (total 30 marks).**

**Time allowed (35 minutes).**

### Additional Evidence J



### Superdry: Customers on the move

Superdry online marketing manager Cass Heaphy says the fashion retailer is seeing growth in its mobile traffic\* and sees this channel of distribution as a potential source of competitive advantage. Superdry has already launched an iPhone app, and a mobile-optimised version of its website is also in development. It is part of the business's corporate strategy of expanding its online sales to complement its store opening programme.

5

Heaphy says: "What's clear is that for younger consumers mobile internet is almost the weapon of choice".

Getting the checkout and payment processes right for customers transacting via their mobile phones is crucial with the channel growing in popularity so quickly. Heaphy explains: "Last year, 4% of our online traffic was mobile, and less than 1% of our UK online revenue was from mobile. In April this year, about 8.6% of our traffic and 4.52% of our UK online revenue is from mobile".

10

Customers making purchases via the iPhone app can use PayPal or use credit and debit cards, and Heaphy says that for customers with touchscreen smartphones, the simplicity of the PayPal payment process makes for an easier user experience.

15

\*Traffic = number of times the site is visited

(Source: adapted from *Retail Week*, 3 June 2011)



1 What is meant by the term 'competitive advantage'? (See Additional Evidence J, line 3)

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**(Total for Question 1 = 2 marks)**

2 What is meant by the term 'corporate strategy'? (See Additional Evidence J, line 5)

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**(Total for Question 2 = 2 marks)**



**3** Using Ansoff's Matrix, explain Superdry's decision to launch a mobile phone sales option (Additional Evidence J).

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**(Total for Question 3 = 4 marks)**



**4** Explain how **one** stakeholder group might be affected by the implementation of SuperGroup’s Corporate Social Responsibility policy (Evidence G).

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**(Total for Question 4 = 4 marks)**

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- 5 The following information could be used to help Superdry's managers perform an investment appraisal of their decision to buy the lease of the Regent Street store (Evidence I).

**Table 1**

<b>Year</b>	<b>Net Cash Flow</b>
0	- £12m
1	£2m
2	£3m
3	£3m
4	£4m
5	£5m

- (a) Using the data in Table 1, calculate the **Payback Period** and the **Average Rate of Return**.

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(b) Comment on the results of your calculations.

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**(Total for Question 5 = 8 marks)**

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To assist with the planning of re-fitting the Regent Street store to ‘open towards the end of the financial year’ the company could use **Critical Path/Network analysis (CPA)** (Evidence I).

6 Assess the likely value of CPA in planning such a project.

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(Total for Question 6 = 10 marks)

**TOTAL FOR SECTION A = 30 MARKS**



**SECTION B**

**Decision-making report**

**Using ALL the evidence and your own knowledge, answer both parts of the question (total 50 marks).**

**Time allowed (55 minutes).**

**\*7** (a) Assess the likely importance of the mission statement (Evidence B) to SuperGroup.

**(20)**

Dotted lines for writing.



Handwriting practice area with 25 horizontal dotted lines.



Handwriting practice area with 20 horizontal dotted lines.



\* (b) Evaluate SuperGroup's decision to take over CNC.

(30)

A series of horizontal dotted lines for writing the answer.



Handwriting practice area with 20 horizontal dotted lines.



(Total for Question 7 = 50 marks)

**TOTAL FOR SECTION B = 50 MARKS**  
**TOTAL FOR PAPER = 80 MARKS**



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