



Oxford Cambridge and RSA

Wednesday 14 June 2023 – Morning

A Level Business

H431/03 The global business environment

Time allowed: 2 hours



You must have:

- the Resource Booklet

You can use:

- a calculator



Please write clearly in black ink. **Do not write in the barcodes.**

Centre number

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Candidate number

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First name(s)

Last name

INSTRUCTIONS

- Use black ink.
- Write your answer to each question in the space provided. You can use extra paper if you need to, but you must clearly show your candidate number, the centre number and the question numbers.
- Answer **all** the questions.
- Use the Resource Booklet to answer all the questions.

INFORMATION

- The total mark for this paper is **80**.
- The marks for each question are shown in brackets [].
- Quality of extended response will be assessed in questions marked with an asterisk (*).
- This document has **16** pages.

ADVICE

- Read each question carefully before you start your answer.

2 Explain **two** diseconomies of scale that Amazon might experience.

1

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2

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[4]

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4 Refer to Extract C.

Amazon's advertising expenditure increased by 59% from 2018 to 2020.

Calculate Amazon's advertising elasticity of demand between 2018 and 2020. Show your workings.

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Answer **[3]**

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7 There has been a huge increase in the number of Amazon employees in recent years.

Explain **two** ways Amazon could use workforce planning.

1

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2

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[4]

8 Old Dusty Books (ODB) is a small independent book retailer that has one shop and a growing online presence. ODB specialises in rare books and the owners are considering becoming one of Amazon's many global suppliers.

ODB uses a cost-plus approach to pricing with a 65% mark up.

(a) Recently, ODB purchased a set of classic novels from a seller in India, paying 5665 Indian Rupees (INR) at an exchange rate of £1=INR103.

One week later, ODB sold the same set of books to a buyer in the United States, when the exchange rate was £1=\$1.20.

Calculate the final selling price in US Dollars (\$). Show your workings.

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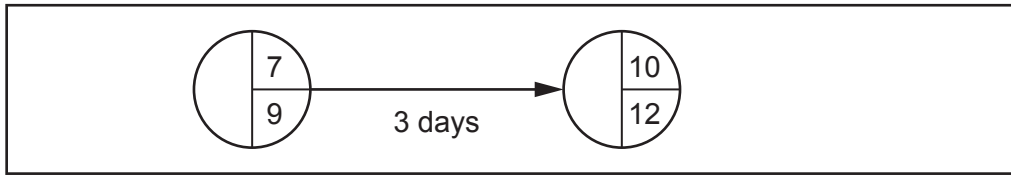
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Answer [3]

(b) The 'valuation stage' (produced below) is part of an overall critical path network diagram of ODB's operations.

Section of network diagram for ODB's supply chain (times are in days)



(i) Identify the latest finish time for this activity.

..... [1]

(ii) Calculate the total float for this activity.

..... [1]

9 Explain **one** qualitative factor which might affect project management in a business.

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..... [2]

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