Cambridge Assessment International Education

# Cambridge International AS & A Level

CANDIDATE NAME

CENTRE NUMBER

CANDIDATE NUMBER

*6601978891*

**BUSINESS** **9609/31**

Paper 3 Case Study **May/June 2020**

**3 hours**

You must answer on the question paper.

You will need: Insert (enclosed)

**INSTRUCTIONS**
- Section A: answer **all** questions.
- Section B: answer **one** question.
- 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 100.
- The number of marks for each question or part question is shown in brackets [ ].
- The insert contains the case study.

This document has **20** pages. Blank pages are indicated.

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Answer **all** questions in Section A and answer **one** question in Section B.

You are advised to spend no more than 40 minutes on Section B.

## Section A

Answer **all** questions in this section

**1** Analyse the benefits to JGS of outsourcing.

[10]

**2** **(a)** Refer to Table 1 and lines 24–26. Calculate the:

**(i)** average seasonal variation for quarter 3

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**(ii)** forecast sales for quarter 3 in 2021, assuming a forecast trend of $86 560.

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**(b)** Refer to lines 20–21. Calculate the income elasticity of demand (YED) of the residents of country K for JGS tours.

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**(c)** Refer to your answers to **2(a)** and **(b)** and any other information. Discuss whether sales forecasts based on past sales of JGS are likely to be accurate.

[12]

**3** JGS is planning to increase the number of employees. Recommend an appropriate organisational structure for JGS. Justify your recommendation.

[16]

4 (a) Refer to Table 2. Calculate the:

(i) number of customers needed for a tour to break even

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(ii) total contribution from a tour with two customers

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(iii) profit or loss from a tour with two customers.

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**(b)** Refer to your answers to **4(a)** and any other information. Recommend whether a tour should go ahead with only two customers booked on it. Justify your recommendation.

[12]

5 Discuss whether JGS should maintain high standards of corporate social responsibility (CSR).

[16]

## Section B

Answer **one** question in this section

6 Evaluate whether the decision tree calculation in Table 3 is sufficient for JGS to make a strategic choice between Option 1 and Option 2.

7 Evaluate the significance of contingency planning for JGS as it prepares to implement its future strategies.

Write the question number here: ..........

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