3.6 SWOT Analysis and Choosing a Strategic Option: 10-minute Pack

AQA 7132 · Calculators not allowed · about 10 minutes

Total Marks

Name: _____ Date: ____ / ____ / _____

Answer ALL questions in the spaces provided. Full sentences are required for all explain, analyse and recommend questions. Show your working for any calculation.

1 Riverbend's sales grow from 1,200 units to 1,560 units after a pilot marketing push. Calculate the percentage growth in units sold. Show your working.

(Total for Question 1 is 2 marks)

2 State two external opportunities Riverbend Bikes could seek to exploit, given the case facts of growing low-carbon commuting demand and a sustainability award.

(Total for Question 2 is 2 marks)

3 Riverbend is considering two strategic options: Option A, invest £250,000 to build a national distribution network and expand production capacity; Option B, invest £120,000 in product R&D and premium branding to justify higher prices. State two pros of Option A and two pros of Option B, each as short bullet points.

(Total for Question 3 is 2 marks)

4 Explain one threat to Riverbend Bikes from the surge in imported cheap e-bikes, and how that threat might affect the firm's pricing or margins.

(Total for Question 4 is 3 marks)

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Mark scheme · 3.6 SWOT Analysis and Choosing a Strategic Option: 10-minute Pack

Question 1

method seen: (1,560 - 1,200) / 1,200	**M1**
30% cao	**A1**

Answer: 30%.

Question 2

identifies an opportunity, e.g. partnering with local councils on cycling schemes	**B1**
identifies a second opportunity, e.g. marketing the sustainability award to win corporate or commuter fleet contracts	**B1**

Answer: Any two, e.g. partner with councils on low-carbon commuting schemes; use the sustainability award to win fleet or corporate contracts.

Question 3

one pro for Option A, e.g. reduces the backlog and increases sales reach	**B1**
one pro for Option B, e.g. increases differentiation and allows premium pricing	**B1**

Answer: Option A pro: reduces backlog and widens market reach. Option B pro: increases product differentiation and supports premium pricing.

Question 4

identifies a threat, e.g. price competition from cheaper imports	**B1**
develops the effect, e.g. downward pressure on prices or loss of sales to lower-priced rivals	**B1**
links to an outcome, e.g. reduced profit margins or the need to cut costs or add value to remain competitive	**B1**

Answer: Cheap imports create price competition that can force Riverbend to lower prices or lose sales, which would squeeze profit margins and force cost reductions or increased investment in differentiation.

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