

6.2 Business strategy

Name: _____ Class: _____ Date: _____

Total: 29 marks

KEY WORDS strategy 战略 • swot analysis SWOT 分析 • business strategy 企业战略
 • strategic management 战略管理 • competitive advantage 竞争优势

Objective

Build the skills to answer exam questions on **business strategy** 企业战略 — what strategy and **strategic management** 战略管理 mean, **competitive advantage** 竞争优势, and the planning tool **SWOT analysis** SWOT 分析.

You must be able to:

- explain what a strategy is and how it builds competitive advantage
- carry out and read a **SWOT analysis**
- analyse and evaluate the usefulness of strategic planning tools

1 Worked examples

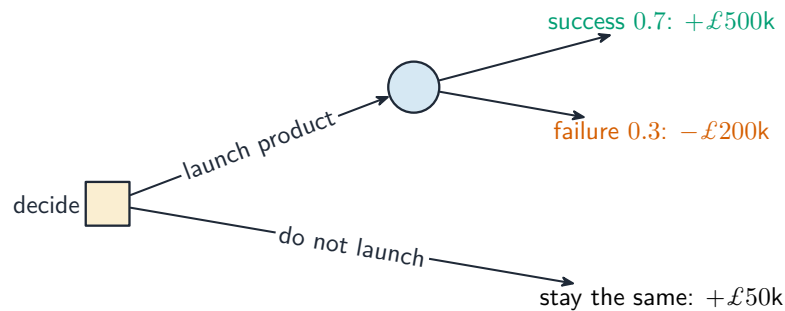
■ Strategy and SWOT

	helpful	harmful
internal	Strengths what it does well	Weaknesses what it does poorly
external	Opportunities chances to grow	Threats dangers it faces

Use strengths to take opportunities; fix weaknesses and guard against threats

- **Strategy:** a long-term plan to reach the firm's main objectives.
- **Competitive advantage:** a reason customers choose you over rivals — lower cost or a better product.
- **SWOT:** Strengths and Weaknesses (internal) + Opportunities and Threats (external).

- Other planning tools weigh choices by their likely outcomes — e.g. a **decision tree**.



A decision tree: another planning tool that values each option by its expected outcome

Answer shapes: AO1 + AO2 + AO3 (reasoning chain) + AO4 (a supported judgement *in context*).

2 Practice

2.1 Define the term *strategy*. [2]

2.2 State what the letters of **SWOT** stand for. [2]

2.3 State the difference between a *strength* and an *opportunity* in a SWOT analysis. [2]

3 Exam-style questions

3.1 Explain one benefit to a business of carrying out a SWOT analysis. [3]

3.2 Analyse two ways a business could build a **competitive advantage** over its rivals. [8]

3.3 Evaluate the usefulness of SWOT analysis to a business planning its future strategy. [12]