

# 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

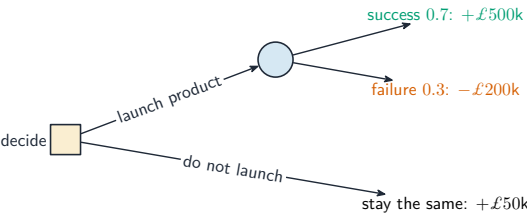
### ■ Strategy and SWOT

|          | helpful                                 | harmful                                  |
|----------|-----------------------------------------|------------------------------------------|
| internal | <b>Strengths</b><br>what it does well   | <b>Weaknesses</b><br>what it does poorly |
| external | <b>Opportunities</b><br>chances to grow | <b>Threats</b><br>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.<sup>[8]</sup>

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

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