



GCE A LEVEL

A510U30-1



MONDAY, 9 JUNE 2025 – AFTERNOON

BUSINESS – A level component 3
Business in a Changing World

2 hours 15 minutes

A510U301
01

ADDITIONAL MATERIALS

A WJEC pink 16-page answer booklet.

INSTRUCTIONS TO CANDIDATES

Use black ink or black ball-point pen. Do not use gel pen or correction fluid.

Answer **all** questions in Section A.

Answer **one** question from Section B.

You are advised to spend no more than:

- 80 minutes on Section A
- 55 minutes on Section B

Write your answers in the separate answer booklet provided, following the instructions on the front of the answer booklet.

Use both sides of the paper. Write only within the white areas of the booklet.

Write the question number in the two boxes in the left-hand margin at the start of each answer, for example

1	1
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Leave at least two line spaces between each answer.

INFORMATION FOR CANDIDATES

The number of marks is given in brackets at the end of each question or part-question.

You are reminded of the need for good English and orderly, clear presentation in your answers.

SECTION A

Answer **all** the questions in this section.

1. Read the information below and answer the questions that follow.

Background

Apple Computers was founded in the US in 1976 by Steve Jobs and Steve Wozniak. The aim was simple: to make computers small enough that people could have them in their homes and offices. They built the first Apple computer, Apple 1, in Steve Jobs' garage. Their next computer, Apple 2, was a big development in the computer industry with the introduction of the first ever colour graphics. Sales increased from \$7.8 million in 1978 to \$117 million in 1980, the year Apple became a public limited company.

Steve Jobs left Apple in 1985 to pursue other projects. By 1997, Apple was struggling due to competition from Microsoft. Steve Jobs returned to lead Apple and set about making significant changes. One of the strategies was to make a deal with Microsoft to create a Mac version of its Office software. This increased the use of Apple computers by businesses. In addition, a range of new products were developed, including the iBook laptop and the iPod MP3 player, which became the leading personal music device on the market. Under the leadership of Steve Jobs, Apple became one of the biggest technology hardware companies on the planet.

Product development

Although Apple had been a successful computer brand, the business made a bold move to enter the mobile phone handset market with the iPhone, which launched in 2007. The iPhone was very popular and was followed by another addition to the portfolio, when the iPad computer tablet was launched in 2010. Amongst other product developments, the Apple Watch was added to the portfolio in 2014 to enter the "wearable technology" market. These products are frequently updated with new versions as technology progresses. In addition to hardware, Apple also offers software programs including Apple TV, Apple Music and Apple Pay.

Apple's movement into these new markets highlights its ability to forecast consumer needs and wants and to change with the times. Technology markets are known as fast-moving and businesses can rise and fall very quickly depending on the strategic decisions they make.

Outsourcing to India

Apple outsources part of its microchip manufacturing operation to a variety of businesses, with much of the outsourced manufacturing taking place in China. Apple has received criticism for not manufacturing in the US as other economies are benefiting from Apple's success.

Apple has been manufacturing some iPhone devices in India since 2017. In 2022, Apple began to shift much more of its outsourced manufacturing from China to India. This decision was a significant change to its manufacturing operation. By 2025, a quarter of all iPhone devices could be produced in India.

The move away from China as a manufacturing base was part of a strategy to reduce risk in global supply chains. Global businesses are increasingly adopting a strategy which involves sourcing from more than one country to minimise supply chain disruption. This trend towards multiple sourcing has benefited countries such as India, Vietnam and Mexico.

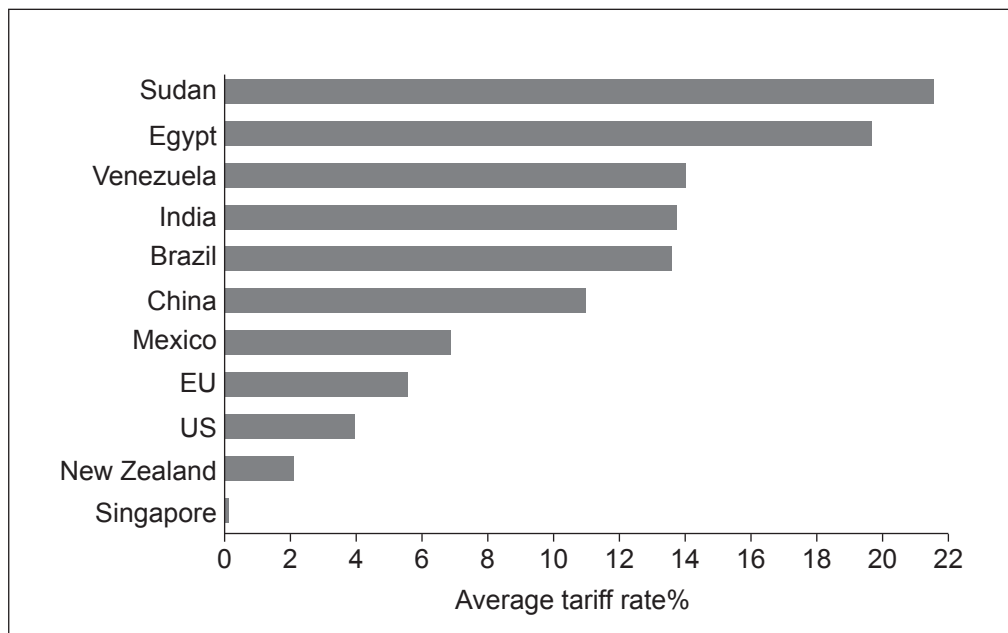
India's industrial growth

India, which is Asia's third largest economy, has been working hard to position itself as an attractive manufacturing and exporting hub for multinationals. It has a large domestic market and high levels of low-cost labour. With GDP growth in the range of 6-7% and inflation that is lower than many other parts of the world, India has attracted a lot of trade and now exports goods and services worth more than £350bn, approximately a third more than the previous decade.

Protectionism v free trade

In the 1990s, India signed free trade agreements to improve market access and boost its economy. This benefited employment of domestic workers. However, more recently, India's use of tariffs (as seen in **Figure 1**) has contributed to a trade surplus, exporting more than it imports. India's trade regulations are also described as complex and bureaucratic. Some trade remains difficult with high tariffs on imports, including Harley-Davidson motorcycles and American whiskey. Many foreign businesses have complained about India's growing protectionism.

Figure 1: India's tariffs are among the highest in the world



Environment

Businesses are under increasing pressure to act in an environmentally friendly way. Many businesses are pledging to become carbon neutral, which focuses on reducing their negative impact through environmentally friendly policies such as planting trees, reducing production emissions and reducing waste. Apple has announced its target of becoming carbon neutral across its entire business and manufacturing supply chain by 2030. This target means its devices will have had “zero climate impact” at the time of sale.

Apple’s potential suppliers would have to commit to being 100% renewable for their Apple production within 10 years. Other large technology businesses have committed to similar targets. Microsoft arguably has gone further by promising to be carbon negative by 2030 and, by 2050, to have removed the same amount of carbon as it has ever emitted. Amazon has set a target to go carbon neutral by 2040. Businesses often promote that their targets are years ahead of the global climate change targets set by the Intergovernmental Panel on Climate Change. However, the environmental campaign group, Greenpeace, considers technology businesses to be amongst the most profitable companies in the world and therefore have a responsibility to act quickly.

Apple acknowledges its plan involves investment in new eco-friendly projects to compensate for some continued use of carbon-emitting fuels. It intends to reduce emissions from its current carbon footprint by a further 75% before the 2030 deadline. It also points to the fact that some energy use, for example the fuel used in long-haul flights to transport goods to market, cannot be easily swapped for a greener alternative. More than 70 of Apple’s existing suppliers have already committed to using 100% renewable energy for work on its products by 2030.

Other efforts announced by Apple include:

- increased use of recycled raw materials in its own products
- new solar panel projects in Scandinavia, to power its own data centres
- the development of a carbon-free aluminium smelting process
- investment in environmental projects, including work to restore mangrove trees and shrubs on Colombia’s coastline and woodland-grassland areas in Kenya
- work on eco-friendly energy projects to benefit local communities around the world.

1	1	Explain the possible impacts of India’s protectionist measures on businesses.	[8]
1	2	Evaluate the usefulness of the Ansoff matrix to Apple.	[10]
1	3	Discuss the arguments for and against Apple outsourcing production.	[10]
1	4	Evaluate the importance of leadership on the employees, shareholders and customers of a business.	[10]
1	5	Consider the impact on Apple of implementing environmental targets and policies.	[12]

SECTION B

Answer **one** question from this section.

Answer **either** question 2 (

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 and

3	2
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or 4 (

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 and

4	2
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2. Globalisation

2	1
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 Explain the factors that have contributed to the globalisation of food manufacturing businesses. [10]

2	2
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 Discuss the view that globalisation will always have a positive impact on UK businesses. [20]

3. Technology

3	1
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 Explain how technology may be used in the marketing of fast-food businesses. [10]

3	2
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 Evaluate the impact of technological factors on businesses and their stakeholders. [20]

4. Legal and political factors

4	1
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 Explain the legislation that may impact businesses in the supermarket industry. [10]

4	2
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 Evaluate the relationship between government and businesses. [20]

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