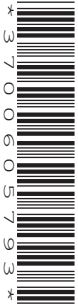


Cambridge International AS & A Level

BUSINESS**9609/41**

Paper 4 Business Strategy

May/June 2026**1 hour 15 minutes**

You must answer on the enclosed answer booklet.

You will need: Answer booklet (enclosed)

INSTRUCTIONS

- Answer **all** questions.
- Follow the instructions on the front cover of the answer booklet. If you need additional answer paper, ask the invigilator for a continuation booklet.

INFORMATION

- The total mark for this paper is 40.
- The number of marks for each question or part question is shown in brackets [].

This document has **4** pages. Any blank pages are indicated.

App Hazard (AH)

AH is a private limited company. It is a software business that specialises in messaging apps for smartphones. AH's most popular app is called Rotate which is free to download and use. AH makes revenue by selling advertising space on Rotate to businesses. AH releases new software updates for Rotate regularly.

Timeline of AH

2025	July	AH's managing director presents a SWOT analysis (see Appendix 1) at the annual general meeting (AGM). AH develops a new version of Rotate, version 5.0. This is the biggest change to the software since it was launched. It contains a critical security update. Rotate version 5.0 passes AH's quality control.
2025	August	AH releases Rotate version 5.0 on 1 August. Many complaints are received (see Appendix 2). Rotate becomes a major news story. The board of directors eventually calls an emergency board meeting on 15 August. The operations director assures the board that version 5.1 will be released within five days to resolve the issues. The board agrees to inform customers and the media about version 5.1 and to increase the number of customer service advisors. The marketing director believes that AH should issue a public apology. Rotate version 5.1 is released and solves the issues.
2025	September	Many news agencies continue to contact AH about Rotate 5.0. The marketing director resigns from her job and gives an interview to a global news agency (see Appendix 3).
2025	October	A number of industry experts advise customers to delete Rotate from their smartphone. One of AH's main competitors advertises their messaging app as 'safer than Rotate'. Advertising revenue from Rotate falls by 50%. Use of Rotate falls for the first time since its launch.
2025	November	The board of directors dismisses the managing director and operations director from AH.
2025	December	A new managing director is recruited and is interviewed by a technology magazine (see Appendix 4).
2026	January	Rotate is removed from online stores and will no longer be supported by AH.

Developing a marketing strategy

AH has developed a new messaging app called Candlestick. Candlestick has more features than any of AH's competitor products and testing has been very positive. The new marketing director has been told to develop an appropriate marketing strategy to successfully launch the Candlestick app.

Appendix 1: SWOT analysis of AH in July 2025

Strengths	Weaknesses
• Rotate has over 1bn users globally. • the Rotate brand name is valued at over \$2bn.	• AH has very few customers in Asia. • AH is not forecast to make a profit until 2026.
Opportunities	Threats
• an Asian firm has offered a strategic alliance to develop a software app designed for the Asian market.	• 93% of AH's revenue comes directly from Rotate. • increasing number of security threats targeting smartphones.

Appendix 2: data about complaints received after Rotate version 5.0 is released in August 2025

- The number of complaints received by AH increases by 500%.
- Main issues involve:
 - Data security – contact and banking data is being stolen from smartphones.
 - Rotate stops working and forces the smartphone to power down.
 - Messages being sent to the wrong person.
- AH's customer service advisors are overwhelmed and customer waiting times increase from 8 minutes to 3 hours.

Appendix 3: extract from an interview given by former marketing director of AH in September 2025

'It was a disaster waiting to happen. I tried to make the managing director aware of the problems, but he would not listen and that is why I had to resign.

I have no confidence in the future of the business.'

Appendix 4: extract from an interview with the new managing director in December 2025

'AH apologises for the disruption caused by Rotate 5.0. We have decided to remove the Rotate app from all online stores in 30 days and will be releasing our new messaging app next year.'

Answer **both** questions.

- 1 Evaluate the effectiveness of AH's crisis management strategy between July 2025 and January 2026. [20]
- 2 Advise AH on an appropriate marketing strategy to successfully launch the Candlestick app. [20]

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