UNITS 1 AND 2

Humanities Department
Year 11 Business Management and Enterprise

Semester 1 Examination, 2020

Question/Answer Booklet

BUSINESS MANAGEMENT AND ENTERPRISE

UNIT 1

Fix student label here

Student Name: _____

Time allowed this paper
Reading for time before commencing work: ten minutes
Working time: two adf a half hours

Materials required/recommended for this paper
To be provided by the supervisor
This Question/Answer booklet

To be provided by the candidate
Standard items: pens (blue/black preferred), pencils (including coloured), sharpener, correction tape/fluid, eraser, ruler, highlighters

Special items: non-programmable calculators approved for use in this examination.

Important note to candidates
No other items may be taken into the examination room. It is **your** responsibility to ensure that you do not have any unauthorised notes or other items of a non-personal nature in the examination room. If you have any unauthorised material with you, hand it to the supervisor **before** reading any further.

Structure of this paper

Section	Number of questions available	Number of questions to be answered	Suggested working time (minutes)	Marks available	Percentage of examination
Section One: Short answer	6	6	90	60	60
Section Two: Extended response	3	2	60	40	40
					100

Instructions to candidates

1. The rules of conduct of Christ Church Grammar School assessments are detailed in the Reporting and Assessment Policy. Sitting this examination implies that you agree to abide by these rules.

2. Write your answers in this Question/Answer booklet preferably using a blue/black pen. Do not use erasable or gel pens.

3. You must be careful to confine your responses to the specific questions asked and to follow any instructions that are specific to a particular question.

4. Supplementary pages for planning/continuing your answers to questions are provided at the end of this Question/Answer booklet. If you use these pages to continue an answer, indicate at the original answer where the answer is continued, i.e. give the page number.

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Section One: Short answer 60% (60 Marks)

This section has **six** questions. Answer **all** questions. Write your answers in the spaces provided.

Supplementary pages for planning/continuing your answers to questions are provided at the end of this Question/Answer booklet. If you use these pages to continue an answer, indicate at the original answer where the answer is continued, i.e. give the page number.

Suggested working time: 90 minutes.

Question 1 (10 marks)

(a) Describe **two** national standards that are necessary for contracts of employment. (4 marks)

(b) Explain **one** key element of a contract and one legal requirement of contract. (6 marks)

Question 2 **(10 marks)**

The way in which products are communicated, presented and accessed determines whether a person sees enough value in that product, in order to commit themselves to becoming a customer.

(a) Explain the concept of marketing. (3 marks)

(b) Explain the purpose of the competitor analysis in a marketing plan. (3 marks)

(c) Discuss how businesses use competitor profiling to determine competitor product range, prices and marketing strategies. (4 marks)

Question 3 **(10 marks)**

Pricing strategies are determined according to what the particular market conditions allow. Prices can be set so products can aggressively compete or be determined according to brand expectation. Whatever the case may be, it's the customer's perception of value that helps determine the pricing of a product.

(a) Explain **two** pricing strategies you believe technology-based companies would use as part of their marketing mix. (6 marks)

(b) Describe **two** Key Performance Indicators (KPIs) that would be used to evaluate marketing objectives. (4 marks)

Question 4 **(10 marks)**

In 2019, a well-known technology company was sued by the Australian Competition and Consumer Commission (ACCC) over advertising claims made about the water-resistance of its mobile phones. The advertisement depicted people swimming in pools and surfing in the ocean with the phones, claiming they were water-resistant up to 1.5 metres deep for 30 minutes. It was alleged the advertisement misrepresented the phone quality, making them appear suitable for all types of conditions when clearly, they were not.

(a) Identify and describe the type of consumer law that would relate to misleading and deceptive conduct. (3 marks)

(b) Identify and describe consumer rights and protections that relate to a product or service being hazardous to the health of customers. (3 marks)

(c) Describe **two** methods a business could use to improve its public image. (4 marks)

Question 5 **(10 marks)**

Management is about getting things done with and through other people. Its goal is to make organisations perform the way they are supposed to. An organisation is a group of people who are structured so that they may perform various activities in a productive and efficient way.

(a) Using an example, explain a type of organisational structure that is designed to operate in a purposeful manner. (4 marks)

(b) Analyse how the levels of management relate to the features of the chain of command, span of control and delegation. (6 marks)

Question 6 **(10 marks)**

The consumer is king! This is a commonly used expression but what actually makes consumers tick? One way of finding out is by looking at ourselves because, as it turns out, each and every one of us is a consumer. Why do you buy the things you buy? What factors influence your purchases? Do changes in society impact on the things you buy? All of these questions reflect issues relating to buying behaviour. A customer acts in a way that reflects their needs and expectations.

(a) Explain, using an example, how businesses use customer profiling to determine customer needs and expectations. (3 marks)

(b) Outline **two** strategies that businesses use to manage customer relationships. (4 marks)

(c) Explain **one** key feature of the market research process in order to better understand customers. (3 marks)

End of Section One

Section Two: Extended Answer **40% (40 Marks)**

This section contains **three** questions. You must answer **two** questions. Write your answers on the pages provided following Question 9.

You may make reference to other relevant case studies you have studied during the year.

Suggested working time: 60 minutes.

Question 7 **(20 marks)**

Teagan, who has a passion about environmental sustainability, has created a fashion label called Eco-Just Wear. They manufacture and sell clothing for both males and females whose lifestyles embrace the value of ecological sustainability. Teagan prides herself on the fact that her business, Eco-Just Wear, practices energy efficiency and waste management to reduce pollution when manufacturing. She believes that there is customer value in this idea and therefore she wants to incorporate this into her marketing strategy. Teagan also creates designs on her products that incorporate messages relating to environmental issues, such as climate change. She has seen the rise of environmental activism and as an entrepreneur wants to contribute in her own unique way. She understands that public image and marketing are very much connected in terms of attracting the ultimate stakeholder, the customer.

- Discuss the positive and negative impacts on Eco-Just Wear's business image in terms of **two** environmental issues. (8 marks)

- Evaluate the marketing mix elements of Product and Promotion you think Teagan should consider in determining her strategy to create and keep customers. (8 marks)

- Advise Teagan on the most suitable option for her business in terms of Place. (4 marks)

Question 8 **(20 marks)**

A business model can be simplified into two fundamental basic functions – 'making' and 'selling'. These two functions must operate together in an effort to create value for customers. On the 'selling' side businesses need to know and understand their customer segment. Channels of distribution can then be opened so that products and services can be accessed efficiently by the customer. Additionally, the maintenance of customer relationships encourages repeat business and builds customer loyalty. A key positive financial outcome of the 'selling' aspect of a business model is the revenue stream which could be in the form of sales and fees.

On the 'making' 'side of the business model, key areas include production and operational activities as well as the acquisition and use of resources. Skills and labour are also required to perform specific job tasks as a result. A negative aspect of the 'making' side of a business model is that it costs money. These costs can involve purchasing assets, accessing loans from banks, paying workers and other expenditures.

- Justify the **two** most suitable economic factors that would impact on a business model. (4 marks)
- Analyse how the acquisition and maintenance phases of the employment cycle would apply to a business model. (8 marks)
- Evaluate the establishment of **two** types of business ownership from the business model perspective of 'making' and 'selling'. (8 marks)

Question 9 **(20 marks)**

Dean wants to start a childcare business in Western Australia but he's not sure about where he should physically locate. He's not even sure what he should name the business. However, one thing he does know is that the childcare business is one of the fastest growing industries in Australia and he wants to take advantage of this. He needs to understand the segment of the potential market he wants to target. He understands that the physical presence of the business is another essential component in attracting a sustainable customer base. Dean is also aware that without an online and social media presence, it may be hard for him to find new customers. He needs urgent technology advice.

- Describe **two** characteristics of market segmentation Dean would need to consider in creating his childcare business. (6 marks)
- Propose **two** marketing element ideas relating to the physical presence of the business so that Dean creates and keeps a customer base. (6 marks)
- Advise Dean on **two** relevant technologies to facilitate promotional activities for his business. (8 marks)

End of questions

See next page

Question number _____

Question number _____

Question number _____

Question number _____

Question number _____

Question number _____

Supplementary page

Question number: _____

Supplementary page

Question number: _____

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