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**Business Educators Western Australia (Inc)**

**2018**

**Question/Answer Booklet**

Disclaimer: This exam was written in 2018 to comply with the SCSA ATAR Business Management and Enterprise syllabus at that time. It is strongly advised that teachers check this exam against the current year’s syllabus to ensure that all items comply.

It is provided in Word format so that you can edit as appropriate.

**BUSINESS MANAGEMENT AND ENTERPRISE**

**YEAR 12 ATAR UNIT 3**

Student Name:

School:

**Time allowed for this paper**

Reading time before commencing work: Ten minutes

Working time for paper: Three 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, pencils, eraser, correction fluid/tape (if allowed), ruler, highlighters.

Special items: Nil.

# 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**

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| --- | --- | --- | --- | --- | --- |
| Section | Number of questions available | Number of questions to be attempted | Suggested working time (minutes) | Marks  available | Percentage of Exam |
| Section One  Short Answer | 6 | 6 | 100 | 60 | 60 |
| Section Two  Extended Answer | 3 | 2 | 80 | 50 | 40 |

*For markers’ use only*

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| Section/Question | Marks allocated | Marks achieved | Allocated weighting | % achieved |
| ***Short answer – attempt THREE questions*** |  |  |  |  |
| 1 | 10 |  |  |  |
| 2 | 10 |  |  |  |
| 3 | 10 |  |  |  |
| 4 | 10 |  |  |  |
| 5 | 10 |  |  |  |
| 6 | 10 |  |  |  |
| **Total Marks Allocated** | 60 |  | **60%** |  |
| ***Extended answer – attempt TWO questions*** |  |  |  |  |
| 7 | 25 |  |  |  |
| 8 | 25 |  |  |  |
| 9 | 25 |  |  |  |
| **Total Marks Allocated** | 50 |  | **40%** |  |
| **EXAM TOTAL** |  |  | **100%** |  |

**Section One: Short Answer 60 Marks**

This section has **six (6)** questions. Answer all **six (6)** questions. Write your answers in the space provided.

Spare pages are included at the end of this booklet. They can be used for planning your responses and/or as additional space if required to continue an answer.

* + Planning: If you use the spare pages for planning, indicate this clearly at the top of the page.
  + Continuing an answer: If you need to use the space to continue an answer, indicate in the original answer space where the answer is continued, i.e. give the page number. Fill in the number of the question(s) that you are continuing to answer at the top of the page.

Suggested working time for this section is 100 minutes.

**Question 1** **(10 marks)**

Freshmax distributes high quality organic fruit and vegetables and is considering venturing into the global market.

1. Explain how consumer purchasing and spending patterns drive global business development (3 marks)

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1. Describe two (2) incentives used by the host country and home government for international trade. (4 marks)

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**Question 2** **(10 marks)**

In order to sustain a successful and competitive global presence, businesses must constantly review their innovation strategies if they are to improve on their current product, services and processes.

1. Describe the role of innovation for improving processes, products and services. (4 marks)

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1. Explain two (2) factors that can impact on the success of innovation. (6 marks)

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## Question 3 (10 marks)

Margaret River based food company Sauceebox have been successfully manufacturing and selling ‘bushtucker’ style foods to the restaurant industry for a number of years. The company draws on the indigenous food traditions from the local area when developing its products, which are now attracting attention from the global market.

1. With reference to the case study, analyse the impact of globalisation on the domestic market. (3 marks)

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**Question 4** **(10 marks)**

Electroharmonix manufactures electrical components used in a variety of applications, from computers to micro-wave ovens. The company is seeking to expand its operations into New Zealand and beyond, both in terms of selling its products and sourcing raw materials. The company is aware of the many free trade agreements (FTA’s) that have been put in place, and is considering the impacts these may have on its expansion plans.

1. Describe the features and role of the ANZCERTA Free Trade Agreement. (4 marks)

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1. Discuss the benefits and challenges to Australian owned businesses as a result of Free Trade Agreements (FTAs) (6 marks)

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**Question 6 (10 marks)**

In this increasingly competitive global environment, businesses are constantly faced with the need to adapt to changing market demands and conditions. Success depends to a large extent on the ability of business to recognise the need to change and how to successfully they manage change throughout the business.

1. Discuss how the competitors as an external factor drives change in a global environment. (4 marks)

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1. Comment on the role of e-commerce in a global environment. (3 marks)

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1. Discuss the importance of managing diversity as a strategy for business growth. (3 marks)

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## End of Section One

**Section Two: Extended Answer 50 marks**

This section contains **three (3)** questions. You must answer **two (2)** questions. Write your answers in the space provided in **report format or an essay**. Students can make reference to other relevant case studies covered during the year to support their answers.

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**Question 8 (25 marks)**

Juvela is a Perth based company specialising in gluten free products to the growing food allergy market. The company has successfully expanded across the continent with branches in Adelaide, Melbourne, Sydney and Brisbane. Juvela is a well-established brand name in the market associated with high quality products using local ingredients. In an attempt to develop his business globally, Slim Margins, Chief Executive Officer (CEO), is considering opening branches in South East Asia and well as expanding into the USA market. These markets are already very competitive with a number of well-established businesses.

Marketing Manager Dylan DeCosta is reviewing the company’s marketing strategy and is concerned about whether the brand will successfully transfer to the global market. He feels that different markets require a different approach and some form of adaptation will be necessary. He is unsure that the company’s use of pictures of wheat free products and the slogan ‘good and go’ will connect with Asian customers in particular. Slim, who has spent years building and developing the brand disagrees and feels that having a standardised global brand would be the most appropriate strategy.

Slim is preparing a report to his management team assessing the feasibility of successfully taking the brand into the global environment.

You have been asked to help Slim by preparing a business report or essay addressing the following:

* Describe two (2) benefits of global branding for Juvela. (4 marks)
* Explain two (2) factors that determine the feasibility of Slim expanding. (6 marks)
* Comment on the standardisation and adaptation options for this global brand when applying elements of the marketing mix. (10 marks)
* Recommend whether the business should standardise or adapt if it expands its business globally providing a rationale for your response. (5 marks)

**First extended response question selected:**

**Second extended response question selected:**