Section I

20 marks

Attempt questions 1 – 20

Use the multiple choice answer sheet for Questions 1 – 20

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1. A business has a range of products across the product life cycle.
   Which marketing strategy could be adopted to increase profits for the business in the short term?
   (A) Eliminate non-performing products.
   (B) Research new distribution channels.
   (C) Increase the product research and development budget.
   (D) Use a discount pricing policy on the full range of products.

2. Which of the following is an output from the operations processes of a business?
   (A) Gantt charts.
   (B) Customer service.
   (C) Human resources.
   (D) Sequencing and scheduling.

3. What is one benefit of global branding?
   (A) It can be recognised in many markets.
   (B) It better suits a production approach to marketing.
   (C) It is a marketing strategy designed for every market.
   (D) It is a customised product that can be used in many markets.

4. A business is relocated to a new manufacturing plant that recycles all water and reduces energy usage considerably.
   What are the likely impacts of the relocation for the business?
   (A) An increase in both environmental impacts and operating costs.
   (B) A decrease in both environmental impacts and operating costs.
   (C) A decrease in environmental impacts and an increase in operating costs.
   (D) An increase in environmental impacts and a decrease in operating costs.

5. A manufacturing business has recently changed its marketing strategy to include e-marketing.

   What external influence may have led to this?

   (A) Increased staffing costs.

   (B) Underperforming retail sales.

   (C) The recent employment of a computer expert.

   (D) The inability to differentiate its brand from competitors.

6. A restaurant has changed its menu because a large number of migrants have moved into the area.

   What influence on marketing led to this change?

   (A) Economic.

   (B) Government.

   (C) Psychological.

   (D) Sociocultural.

7. What information can a business use to monitor and control its marketing plan?

   (A) SWOT analysis.

   (B) Cash flow statement.

   (C) Market share analysis.

   (D) Balance sheet figures.

8. Many Australian businesses have expanded overseas in the last 20 years.

   What marketing role does this best represent?

   (A) Mass.

   (B) Positioning.

   (C) Social.

   (D) Strategic.

9. An international clothing manufacturer has closed its Australian manufacturing plant and relocated to Indonesia.

   What are the likely effects of this decision on the business?

   (A) Increased wage costs and increased employment in Australia.

   (B) Decreased wage costs and decreased employment in Australia.

   (C) Decreased wage costs and increased employment in Australia.

   (D) Increased wage costs and decreased employment in Australia.

10. What is the strategic role of operations management?
    (A) The long term effect of managing operations effectively.
    (B) Allocating resources so the business meets customer's needs.
    (C) Ensuring that management have formal qualifications in an effort to maximise profitable decision making.
    (D) To minimise wastage and operating costs.

11. An Australian business decides to change its distribution channel so that its products are strictly limited.
    Which channel has management does this best describe?
    (A) Selective.
    (B) Exclusive.
    (C) Intensive.
    (D) Minimal.

12. What does 'legal compliance' refer to?
    (A) The need for operations management to meet community expectations.
    (B) The need for management to impose fines on employees for wastage of resources.
    (C) The need for management to consider their actions.
    (D) The need for operations management to obey local and international laws.

13. A business has been accused of 'selling under the guise of research'.
    Which of the following terms best suits this practice?
    (A) Market research.
    (B) Sugging.
    (C) Best practice.
    (D) Trade practices.

14. The operations management team have been told that they need to change the existing process layout.
    What is it that they have to change?
    (A) The organisation of the work flow.
    (B) The machinery in the production line.
    (C) The way in which they train their staff.
    (D) The combination of inputs.

15. What is another term for ‘performance objectives’?
    (A) Output.
    (B) Quality assurance.
    (C) Benchmarks
    (D) Transformation processes.

16. If a business wants to increase market share, which pricing strategy would be best?
    (A) Skimming
    (B) Competition based
    (C) Penetration
    (D) Market

17. In operations management, what does logistics involve?
    (A) The coordination of the supply chain so that all aspects flow as they are needed, in the quantity required, as cheaply as possible.
    (B) The movement of finished goods to the market place.
    (C) The coordination of human resources to obtain maximum efficiency.
    (D) The movement of business activity offshore to improve profit levels.

18. To which market do wholesalers and retailers belong?
    (A) Resource.
    (B) Mass.
    (C) Niche.
    (D) Intermediate.

19. Which of the following inventory management systems reduces the cost of holding stock?
    (A) LIFO
    (B) JIT
    (C) FIFO
    (D) TQM

20. Which of the following practices would demonstrate social responsibility by a business?
    (A) Sustainable development and recycling.
    (B) Recycling and reusing resources.
    (C) Family friendly programs and using local employees where possible.
    (D) Sustainable development and offering traineeships to young people.

Section II

30 marks

Attempt questions 21 – 22

Answer the questions in the spaces provided.

Question 21 – 15 marks

A chain of fast food restaurants, 'WHATABURGER' has entered the Australian market, establishing restaurants in 20 locations across Sydney and Melbourne. The marketing team have started an intensive advertising campaign using social media sites.

(a) Outline ONE marketing objective of 'WHATABURGER'. (2 marks)

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(b) Identify a possible target market for this business. (1 mark)

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(c) Outline ONE ethical issue that may arise from the advertising campaign. (2 marks)

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Question 21 continued on the next page.

(d) Recommend an alternative promotional campaign for 'WHATABURGER". (4 marks)

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(e) Why is it important for the management of 'WHATABURGER' to consider people, processes and physical evidence in the establishment of there restaurants? (6 marks)

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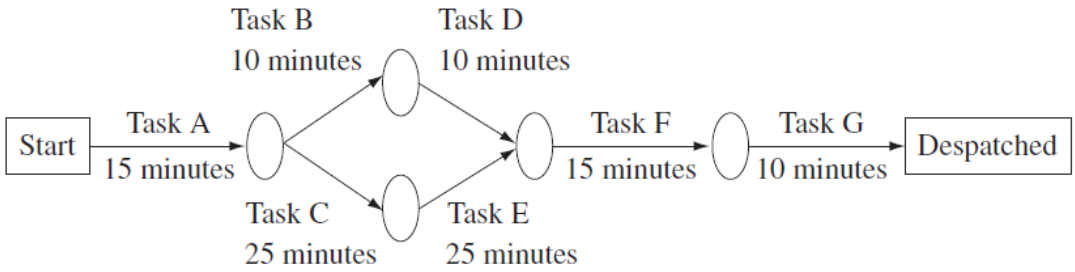
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Question 22 – 15 marks

(a) ICAN Pty Ltd assembles motors from imported parts. The diagram below shows the sequencing of tasks in the assembly of the motors.



(i) Calculate the critical path for ICAN Pty Ltd. (1 mark)

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(ii) Why would ICAN Pty Ltd use a sequencing tool such as the one shown? (3 marks)

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(b) Identify TWO types of resistance to operations and production changes. (2 marks)

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Question 22 continues on next page

(c) Explain how operations managers overcome these types of resistance to change. (4 marks)

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(d) Analyse the role of quality management in operations management. (5 marks)

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Section III

20 marks

Attempt question 23

Write your answer in the booklet provided. Extra booklets are available.

In your answer you will be assessed on how well you:

- Demonstrate knowledge and understanding relevant to the question
- Apply the hypothetical business situation
- Communicate using relevant business terminology and concepts
- Present a sustained, logical and cohesive response in the form of a business report

X-PRO is a leading Australian manufacturer of wakeboards. One of the business's new boards has been successfully launched in Australia and X-PRO now plans to expand to North and South America.

The senior managers of X-PRO are seeking advice on the following aspects of their international expansion:

- Maintaining production quality

-Options for global marketing

-Integration of their global and local activities

You have been employed as a consultant to prepare a report for X-PRO.

In your report, propose and justify effective operational and marketing strategies that X-PRO could implement to achieve success in the global market.

Student Name:_____

BUSINESS STUDIES
2012 HSC HALF-YEARLY EXAM
Marking Guidelines

Section I

1	**D**	2	**B**	3	**A**	4	**B**	5	**B**	6	**D**	7	**C**	8	**D**	9	**B**	10	**B**
11	**B**	12	**D**	13	**B**	14	**B**	15	**C**	16	**C**	17	**B**	18	**D**	19	**B**	20	**C**

Section II

Q21(a) Outline ONE marketing objective of 'WHATABURGER'

Criteria	**Marks**
• Outlines an objective of marketing	2
• Identified an objective of marketing	1

Answers may include:
Increase market share, expand product mix, maximise customer service

Q21(b) Identify a possible target market for this business

Criteria	**Marks**
• Identifies an appropriate target market	1

Answers may include:
Teenagers, males aged 16-24, young families

Q21(c) Outline an ethical issue that may arise from the advertising campaign

Criteria	**Marks**
• Outlines an ethical issue	2
• Identifies an ethical issue	1

Answers may include:
Advertising to children, health concerns

Q21(d) Recommend an alternative promotional campaign for 'WHATABURGER'

Criteria	**Marks**
• Recommends an alternative promotional campaign	3 - 4
• Suggests an alternative promotional campaign	2
• Identifies a promotional method	1

Answers may include:
More selective form of advertising campaign
Publicity/public relations
Sales promotion eg coupons
Sponsorship

Q21(e) Why is it important for the management of 'WHATABURGER' to consider people, processes and physical evidence in the establishment of their restaurants?

Criteria	Marks
• Provides detailed reasons why people, processes and physical evidence are important when establishing 'WHATABURGER"	5 - 6
• Provides some reasons why people, processes and physical evidence are important when establishing a business	3 - 4
• Identifies characteristics of people, processes and physical evidence	2 - 1

Answers may include:
People refers to the quality of the interaction between the customers and those within the business who will deliver the service – staff training and customer service
Processes refers to the flow of activities a business will follow in its delivery of a service – ability to provide a quality product at the price customers can afford
Physical evidence refers to the environment in which the service will be delivered – ability to carry out the service eg signage, logo, website to create an image of value and excellence

Q22a (i) Calculate the critical path for ICAN Pty Ltd

Criteria	Marks
• Correctly calculates the critical path	2

Answers may include:
90 minutes

Q22a (ii) Why would ICAN Pty Ltd use a sequencing tool such as the one shown?

Criteria	Marks
• Provides a detailed reason/s for using the sequencing tool	3
• Provides a reason for using the sequencing tool	2
• Identifies a reason	1

Answers may include:
Provides information on what tasks need to be done, how long each takes and what order they need to be done it. Gives the business direction and organisation to operations processes, provides coordination and enables a means of control.

Q22 (b) Identify TWO types of resistance to operations and production changes

Criteria	Marks
• Identifies TWO types of resistance	2
• Identifies ONE type of resistance	1

Answers may include:
Financial costs - purchasing new equipment, redundancy payments, retraining, reorganizing plant layout
Psychological costs - inertia

Q22 (c) Explain how operations managers overcome these types of resistance to change

Criteria	Marks
• Explains how resistance to change can be overcome	4
• Describes how resistance to change can be overcome	3
• Outlines how resistance to change can be overcome	2
• Identifies a way to manage change	1

Answers may include:
Management being proactive rather than reactive, identify the need for change, communicate with staff, make use of change agents, sett achievable goals

Q22 (d) Analyse the role of quality management in operations management.

Criteria	Marks
• Analyses the role of quality management in operations management	5
• Explains the role of quality management in operations management	4
• Describes the role of quality management	3
• Outlines the role of quality management	2
• Identifies types of quality management	1

Answers may include:
Quality management ensures consistency, reliability, safety and fitness for purpose of products.
Types include: quality control, quality assurance, quality improvement and total quality management.
Quality management important to meet customer expectations and loyalty

Section III 20 marks

You have been employed as a consultant to X-PRO.
In your report, PROPOSE and JUSTIFY effective operational and marketing strategies that X-PRO could implement to achieve success in the global market.

Criteria	Marks
• Demonstrates comprehensive knowledge and understanding related to the question, using relevant terminology, concepts and information provided • Puts forward for consideration, with detailed supporting arguments, effective operational and marketing strategies that X-PRO could implement to achieve success in the global market • Presents a sustained, logical and cohesive response in the form of a business report	17 – 20
• Demonstrates knowledge and understanding related to the question, using relevant terminology, concepts and information provided • Puts forward for consideration, with some supporting arguments, effective operational and marketing strategies that X-PRO could implement to achieve success in the global market • Presents a well-organised response in the form of a business report	13 - 16
• Demonstrates some knowledge and understanding related to the question using some relevant terminology, concepts and information provided • Provides characteristics and features of effective operational and marketing strategies that X-PRO could implement to achieve success in the global market • Presents a response using features of a business report	9 - 12
• Demonstrates limited knowledge and understanding using limited terminology, concepts and information • Provides some characteristics and features of operational and/or marketing strategies • Includes some features of a business report	5 - 8
• Refers to business information • May refer to operational and/or marketing strategies • Uses basic terminology	0 - 4

Answers could include information not specifically drawn from the syllabus which still has validity in terms of the question asked.

Operations strategies

- performance objectives – quality
- quality management
    - control
    - assurance
    - improvement
- global factors – economies of scale

Marketing strategies

- place/distribution
    - distribution channels
    - channel choice – intensive, selective, exclusive
    - physical distribution issues – transport, warehousing, inventory
- global marketing
    - global branding
    - standardisation
    - customisation
    - global pricing
    - competitive positioning