Section I

20 marks

Attempt Questions 1 – 20

Use the multiple choice answer sheet for questions 1 – 20

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1. Primary Pharmaceuticals has priced their new drug at a high price in its introductory phase.
   Which pricing strategy is this an example of?

   (a) Loss Leader
   (b) Price points
   (c) Price skimming
   (d) Price penetration

2. Which of the following are examples of operational performance objectives?

   (a) Cost, speed and profit
   (b) Speed, profit and quality
   (c) Profit, quality and cost
   (d) Quality, cost and speed

3. Baby Bunting has contracted a company in Malaysia to manufacture their products. To complete the contract the company must meet a pre-established set of manufacturing criteria and standards.
   Which of the following describes this practice?

   (a) Benchmarking
   (b) Quality control
   (c) Quality assurance
   (d) Total quality management

4. A business sends emails to customers from its database to inform them of special offers and competitions.
   Which elements of the promotion mix is the business using?

   (a) Publicity and personal selling
   (b) Personal selling and relationship marketing
   (c) Relationship marketing and sales promotion
   (d) Sales promotion and publicity

5. What is the role of operations management?

    (a) Sourcing funds from either debt or equity sources
    (b) The development of newly hired staff using on the job training
    (c) Determining which products need to be made
    (d) Transforming inputs into outputs while focusing on improving efficiency

6. A business produces a magazine for model aeroplane enthusiasts.
   Which approach has the business used to select its target market?

    (a) Demographic approach
    (b) Mass marketing approach
    (c) Niche marketing approach
    (d) Market segmentation approach

7. A large furniture manufacturing company has decided to make changes to its operations due to the implementation of the Clean Energy Act and because they have noticed that global consumers are demanding similar products.
   Which two factors have influenced the business's operations?

    (a) Globalisation and legal regulations
    (b) Legal regulations and quality expectations
    (c) Environmental sustainability and globalisation
    (d) Quality expectations and environmental sustainability

8. A clothing manufacturer sells its label at major department stores.
   Which of the following distribution channels are they using?

    (a) Exclusive
    (b) Intensive
    (c) Physical
    (d) Selective

9. A global pizza company changes the pizza sizes and toppings for each country in which it operates.
   What is this an example of?

    (a) Customisation
    (b) Standardisation
    (c) Global branding
    (d) Global consumers

10. For an Australian importer, which of the following would be classified as an opportunity in a SWOT analysis?

    (a) Highly trained staff
    (b) Increased competition
    (c) Strong management skills
    (d) Appreciation of the Australian dollar

11. A factory manager is deciding the best order in which to complete tasks.
    Which operation process is being carried out?

    (a) Monitoring
    (b) Scheduling
    (c) Sequencing
    (d) Task design

12. In winter, the number of beach lifeguards employed by a local council is reduced.
    What has influenced the transformation process in this situation?

    (a) Variation in demand
    (b) Variation in visibility
    (c) Variety
    (d) Volume

13. Free samples of a breakfast cereal are given to supermarket customers to try.
    For which stage of the product life cycle is this most likely to be an appropriate strategy?

    (a) Establishment
    (b) Growth
    (c) Maturity
    (d) Post-maturity

14. Which of the following is the correct sequence for an operations process?

    (a) Facilities – controls – waste
    (b) Materials – design – product
    (c) Information – services – improvement
    (d) Human resources – planning – customers

15. Tyro Total Care has decided to market their health care service to the aged.
    Which term best describes this marketing strategy?

    (a) Research
    (b) Setting objectives
    (c) Situational analysis
    (d) Segmentation

Use the following information to answer Questions 16 and 17.

Extract from marketing report for Star Car Pty Ltd

	Star Car Sales in each country ($)		*Star Car's % of the car market in each country*	
	2010	*2011*	*2010*	*2011*
Country A	10 million	12 million	10	12
Country B	10 million	12 million	10	10
Country C	10 million	10 million	10	8
Country D	10 million	8 million	10	6

Note: The price of cars remained unchanged from 2010 to 2011.

16. In 2011 Car Star Pty Ltd's main marketing objective was to take sales away from its competitors.
    In which country was this objective least effective?

    (a) A
    (b) B
    (c) C
    (d) D

17. For the period 2010 to 2011, which of the following statements is true?

    (a) The size of the total car market in each country did not change
    (b) In Country A, both the total car market and Star Cars' market share increased
    (c) In Country B, both the total car market and Star Cars' market share did not change
    (d) In Country C, the total car market increased and Star Cars' market decreased

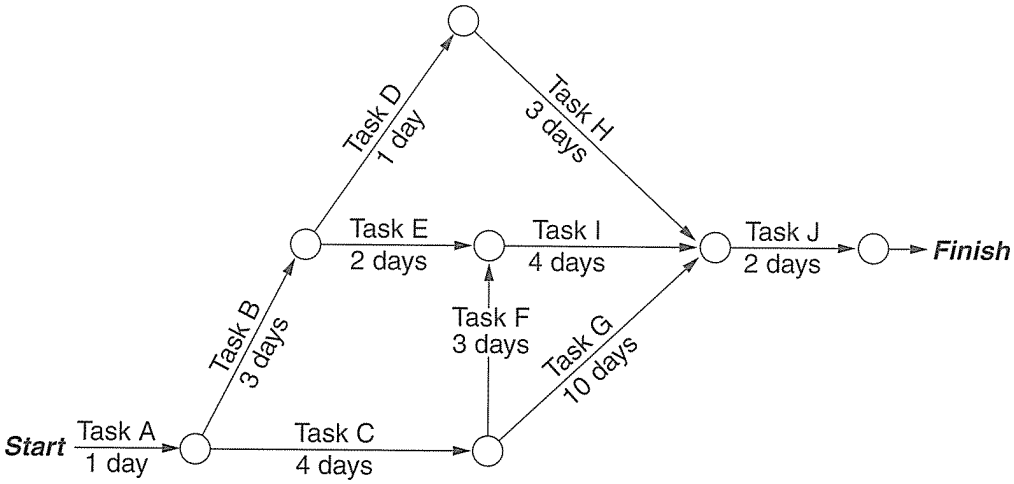
18. A local cinema asks customers for their postcode when they purchase their tickets. This information is used to plan a marketing campaign.
    Which of the following best describes this process?

    (a) Market distribution
    (b) Service differentiation
    (c) Primary data collection
    (d) Secondary data collection

19. Which of the following best describes selling-oriented marketing?

(a) Using aggressive advertising to persuade customers to purchase products
(b) Satisfying the current and future preferences of customers to ensure long term success
(c) Pursuing production efficiencies to deliver quality products at prices that attract customers
(d) Enhancing the quality of working life to motivate staff to deliver high quality goods and services

20. The diagram below shows the critical path analysis for a project.



What is the minimum number of days needed to complete the project?

(a) 10
(b) 12
(c) 17
(d) 33

Section II

30 marks

Attempt Questions 21 and 22

Answer ALL questions in the spaces provided. These spaces provide guidance for the expected length of response.

Question 21 (15 marks)

(a) Why is market research important in the marketing process? (2 marks)

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(b) What is the role of positioning in the development of marketing strategies? (3 marks)

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(c) Define branding. (2 marks)

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(d) Why is branding important? Use examples to support your answer. (4 marks)

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(e) How can e-marketing lead to a competitive advantage? (4 marks)

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Question 22 (15 marks)

Georgia is a project manager who co-ordinates tradespeople such as plumbers, painters, electricians and tilers to remove old kitchens and install new ones. She has encountered timing and scheduling issues in coordinating the on-site activities.

(a) Name ONE transformed resource and ONE transforming resource used in the installation of new kitchens. (2 marks)

TRANSFORMED RESOURCE: _____

TRANSFORMING RESOURCE: _____

(b) Explain how the use of technology may improve the efficiency of **this** business. (3 marks)

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(c) How would a Gantt Chart assist Georgia better manage the transformation process in **this** business? (4 marks)

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(d) How might customer service and warranties be used to improve sales for Georgia's business? (6 marks)

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Section III

20 marks

Answer the question in a writing booklet. Extra writing 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

Question 23 (20 marks)

ZAP Pty Ltd employs 100 people in its Sydney factory and supplies small electrical appliances to three major retail stores throughout Australia. Management have noted that sales have been declining over the past two years.

An increase in customer complaints and warranty claims has also occurred.

You have been employed by ZAP Pty Ltd to prepare a report for management on the issues outlined above.

In your report, recommend strategies for marketing and operations that ZAP Pty Ltd could implement to improve its business performance.

Student Name:_____

YEAR 12 BUSINESS STUDIES
2013 HALF-YEARLY EXAM
Marking Guidelines

Section I

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

Section II

Q21(a) Why is market research important in the marketing process?

Criteria	**Marks**
• Defines market research and gives reason/s why it is important to the marketing process	2
• Defines market research	1

Answers may include:

Market research is the process of collecting, recording and analyzing information concerning a specific marketing problem.

It is important because it enables management to make informed decisions related to solving the problem

Provides knowledge of customer needs

Q21(b) What is the role of positioning in the development of marketing strategies?

Criteria	**Marks**
• Defines positioning and relates positioning to the development of marketing strategies	3
• Defines positioning and mentions the marketing strategies	2
• Defines positioning OR outline marketing strategies	1

Answers may include:

Positioning refers to the techniques used by a business to create an image or identity for the product compared with the image of a competitor

4 P's will need to be developed around what the image has been determined to be

Q21(c) Define branding

Criteria	**Marks**
• Defines branding	2
• Provides some information about branding	1

Answers may include:

Branding refers to a name, term, symbol or design that identifies a product and distinguishes it from its competition

Q21(d) Why is branding important? Use examples to support your answer.

Criteria	Marks
• Provides detailed reasons why branding is important and uses examples to support the reasons	3 - 4
• Provides reason/s why branding is important. NO example/s provided	2
• Provides an example of branding	1

Answers may include:
Enables brand recognition by customers; can lead to customer loyalty
Distinguishes a business from their competition
eg. Golden arches for McDonalds, purple for Cadbury,

Q21(e) How can e-marketing lead to a competitive advantage?

Criteria	Marks
• Provides detailed reasons as to how e-marketing can lead to a competitive advantage	3-4
• Provides description of e-marketing or competitive advantage without making links	2
• Provides definitions of terms	1

Answers may include:
E-marketing refers to the practice of using the internet to perform marketing activities
Increase in size of market/access to customers
Decreases advertising costs
Increases access to information by the customers

Q22(a) Name ONE transformed resource and ONE transforming resource used in the installation of new kitchens

Criteria	Marks
• Correctly names one transformed and one transforming resource used in the installation of new kitchens	2
• Correctly names one transformed OR one transforming resource used in the installation of new kitchens	1

Answers may include:
Transformed: paint, tiles, new kitchen cupboards, sink, oven (customer needs, materials, information)
Transforming: painter, tiler, plumber, labourer, kitchen designer (human resources, tools)

Q22(b) Explain how the use of technology may improve the efficiency of this business

Criteria	Marks
• Shows the relationship between technology and improvements in the efficiency of Georgia's business	3
• Describes some technologies technologies that may be used in Georgia's business and may relate these to efficiency	2
• Identifies technologies that may be used in Georgia's business but does not relate to efficiency	1

Answers may include:
CAD and CAM – more efficient design of kitchens (time saving, reduce lead times)
Mobile technologies to improve communication between different groups of workers

Q22 (c) How would a Gantt Chart assist Georgia to better manage the transformation process in this business?

Criteria	Marks
• Defines Gantt Chart and give details reasons how one would lead to better management of the transformation process in Georgia's business	3-4
• Refers to Gantt chart and processes but does not make links	2
• Defines Gantt chart OR refers to transformation processes	1

Answers may include:
Time allocation – starting and finishing asks
Scheduling tasks in order of completion

Q22 (d) How might customer service and warranties be used to improve sales for Georgia's business

Criteria	Marks
• Provides detailed reasons how customer service and warranties could be used to improve sales in Georgia's business	3-4
• Refers to customer service and warranties but does not make links to improving sales in Georgia's business	2
• Defines customer service and warranties	1

Answers may include:
Customer service and warranties may lead to greater customer satisfaction/referral to others
Reputation, meet needs of consumers, competitive advantage over other businesses.

Section III 20 marks

You have been employed as a consultant to ZAP Pty Ltd.
In your report, recommend strategies for marketing and operations that the business could implement to improve its business performance.

Criteria	Marks
• Demonstrates comprehensive knowledge and understanding related to the question, using relevant terminology, concepts and information provided • Provides **detailed reasons** in favour of **effective** operational and marketing strategies that **ZAP Pty Ltd** could implement to **improve business performance** • 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 • Provides **reasons** in favour of **effective** operational and marketing strategies that **ZAP Pty Ltd** could implement to **improve business performance** • 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 **reasons** in favour of **effective** operational **OR** marketing strategies that **ZAP Pty Ltd** could implement (may relate to improving performance) • Provides **characteristics** of **effective** operational and marketing strategies that ZAP Pty Ltd could implement • 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 or processes • 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 the following information:

Operations strategies

- performance objectives – quality
- new product design and development
- supply chain management
- outsourcing (*)
- technology
- inventory management (*)
- quality management
    - control
    - assurance
    - improvement
- overcoming resistance to change (*)
- global factors (*)

Marketing strategies

- product
    - branding
    - packaging
- price
    - pricing strategies – skimming, penetration,
    - pricing methods – cost, market, competition based
    - price/quality interaction
- promotion
    - promotion mix – advertising, relationship marketing
    - communication process
- place/distribution
    - distribution channels
    - channel choice – intensive, selective, exclusive
    - physical distribution issues – transport, warehousing, inventory

(*) – These points, although from the syllabus, are difficult to apply to the stimulus material given. Other operations strategies were more easily, and appropriately, suited to improving the performance of the business given the problems the business was facing.

Strong relationships between the theory and ZAP Pty Ltd were needed throughout the report.