

Assessment Schedule – 2020

Business Studies: Demonstrate understanding of strategic response to external factors by a business that operates in a global context (91380)

Assessment Criteria

Notes to Markers: guidance for awarding Achievement, Merit, or Excellence

Explaining states **what** the answer is to the question asked, then expands by giving the reason(s) **why** the “what” occurs or links ideas to provide a coherent rationale.

Fully explaining develops the explanation with further expansion of **how** the situation / action could impact on potential business or stakeholder goals, or a particular outcome. This will generally relate to effects, advantages, disadvantages, and / or consequences.

Evaluating examines in detail by comparing and contrasting or identifying relationships to explain the impacts, effects, and consequences of interacting factors in the business, plus strategic responses or solutions, and to provide a justified recommendation or draw justified conclusions on the significance or likely success of the factors / responses / solutions. This should include reference to alternative courses of action or new information to further support the decision that has not already been established in earlier parts of the question, such as long-term impact or sustainability of the business.

All parts of the answer should be read as a whole before awarding a grade.

Part	Sample Evidence
(a)	<p><u>Fully explain ONE likely future impact on how the business is perceived in the market when it demonstrates the value of manaakitanga in its operations, including ONE consequence for market share.</u></p> <p>Manaakitanga means to be a good host. If <i>Purini</i> demonstrated manaakitanga by having a specialist staff member to greet customers when they arrive at the shop, it would improve the customer experience (Stated). This is because the staff member would introduce the different flavours and explain the special price offers to the customer. The specialist staff member could also learn repeat customers’ favourites and tailor the service to suit those customers’ needs (Explained). The impact of this is that customers would choose to buy their ice cream at <i>Purini</i>. This is because they would feel valued by <i>Purini</i>. This would lead to increased market share, through repeat business and positive comments from customers about the quality of the service offered by <i>Purini</i>. This would be especially true if the competitor, <i>Juanita’s Ice Creams</i>, does not practise the value of manaakitanga in their dealings with customers (Fully explained).</p>
(b)	<p><u>Evaluate a strategic response (excluding manaakitanga) that a business could implement to ensure that it meets society’s expectations with respect to sustainability.</u></p> <p>Strategic response <i>Purini</i> could decide to buy its fruit only from organic orchardists. This is a strategic response because the cost of organic fruit is much higher, due to the high cost of organic pesticides. It also affects two departments at <i>Purini</i> – the operations department, which must check that the orchardists live up to their promise of being organic, and the marketing department, which makes sure that the website and other marketing tools publicise the fact that the fruit in the ice cream is organic (size and scope) (Explained).</p> <p>Positive impact The decision to promote <i>Purini’s</i> use of only organic fruit in its ice cream would lead to an increase in popularity of <i>Purini</i> ice cream (Stated). This is because customers would feel that the <i>Purini</i> ice cream is healthy and better for them than other brands, like <i>Juanita’s</i>, that do not have organic and chemical-free fruit (Explained). The impact of this is that brand awareness for <i>Purini</i> ice cream would rise, along with sales and (potentially) profits (Fully explained).</p>

(b) cont'd	<p>Negative impact There is a cost incurred by <i>Purini</i> in promoting the organic nature of the fruit in the ice cream (Stated). This is because <i>Purini</i> would need to employ a member of the marketing team to write adverts, update the website, and make social media posts as part of promoting the organic nature of the fruit in the ice cream (Explained). The impact of this is that promotional expenses would rise and profits for <i>Purini</i> could fall (Fully explained).</p> <p>Justified conclusion <i>Purini</i> should change to using only organic fruit in its ice cream, as the increased brand awareness from this change will create long-term increases in income that will outweigh the smaller increase in promotional expenses. Much of the promotional work would need to be done in the initial period after going organic, and afterwards, tools such as the website would need only relatively small amounts of maintenance.</p> <p>New information Also, <i>Purini</i> would be seen to be meeting its goal of growing its operations in a way that benefits the environment by using ingredients which do not involve chemicals or impact negatively on the environment.</p>
(c)	<p><u>Name ONE government or non-government agency (public or private sector organisation) that might support your chosen business and help it to develop new markets overseas, and fully explain ONE likely benefit to the business of working with that agency, including the impact on profit.</u></p> <p>If <i>Purini</i> was to ask an international connections organisation such as <i>Kea Connect</i> for assistance, they could develop relationships with suppliers, e.g. logistics firms, to transport their ice cream to the malls in cities like Hong Kong (Stated). This is because <i>Kea Connect</i> is a non-government agency whose role is to use its networks of Kiwi businesses already operating in markets such as Hong Kong to help businesses new to that market to make connections and set up their supply chain and begin to build a customer base (Explained). The impact of this is that <i>Purini</i> would be able to quickly connect with trusted suppliers (e.g. logistics firms that Kiwi businesses operating in Hong Kong can rely upon), thus reducing the risk of experiencing poor service and/or delays. With reliable supply, the new market could be serviced effectively. This should lead to a successful market introduction, and to a customer base being established as a platform to increase sales. As <i>Kea Connect</i> provides a free service, there are no costs involved and profits will not be reduced by accessing this support (Fully explained).</p>
(d)	<p><u>Evaluate a strategic response that a business could implement to ensure that cultural intelligence is demonstrated through its marketing strategy.</u></p> <p><i>Selected business: Allbirds (casual shoes)</i></p> <p>Strategic response Managers at <i>Allbirds</i> want their marketing strategy to demonstrate cultural intelligence as they enter different Middle Eastern markets, e.g. they want to sell their merino shoes in Dubai. They would ensure this happens by contracting a team of local marketing consultants from Dubai (Stated). This is a strategic response, because it is a major initiative involving several team members, and their salary costs would be high, as they would need to be contracted for a long time (several years) for the marketing team to embed the cultural protocols within the marketing strategy (size and timeframe) (Explained).</p> <p>Positive impact Contracting a local marketing firm would ensure that the marketing campaign is likely to succeed (Stated). This is because the Dubai marketing firm would be able to ensure that the marketing strategy (e.g. the promotional materials on the website) avoided mistakes with cultural protocols that might offend the Dubai market, e.g. not translating the website into Arabic (Explained). The impact of this is that <i>Allbirds'</i> marketing strategy would be successful, and as a result, the target market in Dubai would be more inclined to buy its shoes, and sales would rise (Fully explained).</p> <p>Negative impact Finding the right firm to supply the marketing consultants would take time (Stated). This is because <i>Allbirds</i> would not want to rush this choice, as a protocol mistake with advertising could have a lasting impact on the presence of <i>Allbirds</i> in this market. To avoid this, <i>Allbirds</i> would need to spend time researching and interviewing before deciding on the best firm to hire the consulting team (Explained). The impact of this is that <i>Allbirds</i> would incur costs for this research, thus increasing expenses and potentially reducing profit for the owners of <i>Allbirds</i> (Fully explained).</p>

<p>(d) cont'd</p>	<p>Justified conclusion</p> <p>This process may well take time and require finance, and therefore will increase expenses in the short term. However, the cost of making a mistake with cultural protocol could be long-term for <i>Allbirds</i> in the Dubai market. It is therefore worth the initial expense for <i>Allbirds</i> to ensure a smooth and successful entry into the new market.</p> <p>New information</p> <p>Another advantage for <i>Allbirds</i> in hiring a local marketing consulting team is that customers would see that <i>Allbirds</i> employs locals. This would be hugely popular with the local market, as <i>Allbirds</i> would be seen as helping to create economic growth in Dubai. This would make them even more sustainable in the Dubai market.</p>
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Evidence

Achievement	Achievement with Merit	Achievement with Excellence
<p>Explains:</p> <ul style="list-style-type: none"> the effect on the customer experience if manaakitanga is demonstrated ONE consequence for future market share if manaakitanga is demonstrated how the socially sustainable strategy is a strategic response ONE positive impact of the strategic response to ensure social sustainability ONE negative impact of the strategic response to ensure social sustainability how that agency can support the business the impact on profit of working with the agency how a strategy that a business could implement to ensure that cultural awareness is demonstrated is a strategic response ONE positive impact of the strategic response to ensure that cultural intelligence is demonstrated through the marketing strategy of the business ONE negative impact of the strategic response to ensure that cultural intelligence is demonstrated through the marketing strategy of the business. <p>(Answers will typically state relevant examples, business knowledge, and / or Māori business concepts.)</p>	<p>Fully explains:</p> <ul style="list-style-type: none"> ONE likely impact on how the business is perceived in the market when it demonstrates the value of manaakitanga in its operations, including ONE consequence for future market share ONE positive impact of the strategic response to ensure the business meets society's expectations with respect to sustainability ONE negative impact of the strategic response to ensure the business meets society's expectations with respect to sustainability ONE likely benefit to the business of working with the agency, including the impact on profit ONE positive impact of the strategic response to ensure that cultural intelligence is demonstrated through the marketing strategy of the business ONE negative impact of the strategic response to ensure that cultural intelligence is demonstrated through the marketing strategy of the business. <p>(Answers will typically include relevant examples, business knowledge, and / or Māori business concepts.)</p>	<p>Evaluates:</p> <ul style="list-style-type: none"> a strategic response (excluding manaakitanga) that a business could implement, to ensure that it meets society's expectations regarding social sustainability a strategic response that a business could implement to ensure that cultural intelligence is demonstrated through its marketing strategy. <p><i>AND</i></p> <p>New information is used to support the conclusion / recommendation.</p> <p>(Answers will typically integrate relevant examples, business knowledge, and / or Māori business concepts.)</p>

N1	N2	A3	A4	M5	M6	E7	E8
Very little Achievement evidence.	Some Achievement evidence, partial explanations.	Most Achievement evidence.	Nearly all Achievement evidence.	Some Merit evidence.	Most Merit evidence.	Some Excellence evidence. One part may be weaker.	All Excellence evidence.

N0 = No response; no relevant evidence.

Cut Scores

Not Achieved	Achievement	Achievement with Merit	Achievement with Excellence
0 – 2	3 – 4	5 – 6	7 – 8