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NEW ZEALAND QUALIFICATIONS AUTHORITY
MANA TOHU MĀTAURANGA O AOTEAROA

SUPERVISOR'S USE ONLY

Level 3 Business Studies, 2012

91380 Demonstrate understanding of strategic response to external factors by a business that operates in a global context

2.00 pm Monday 3 December 2012
Credits: Four

Check that the National Student Number (NSN) on your admission slip is the same as the number at the top of this page.

You should attempt ALL the questions in this booklet.

Refer to relevant business knowledge and/or Māori business concepts in your answers.

If you need more room for any answer, use the extra space provided at the back of this booklet.

Check that this booklet has pages 2–15 in the correct order and that none of these pages is blank.

YOU MUST HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION.

ASSESSOR'S USE ONLY		Achievement Criteria			
Achievement		Achievement with Merit		Achievement with Excellence	
Demonstrate understanding of strategic response to external factors by a business that operates in a global context.	<input type="checkbox"/>	Demonstrate in-depth understanding of strategic response to external factors by a business that operates in a global context.	<input type="checkbox"/>	Demonstrate comprehensive understanding of strategic response to external factors by a business that operates in a global context.	<input type="checkbox"/>
Overall level of performance (all criteria within a column are met)					<input type="checkbox"/>

You are advised to spend 60 minutes answering the questions in this booklet.

QUESTION ONE: Multinational Businesses

Use the information in the boxes and your business knowledge to answer the following questions.

Pizza Truck NZ (PTNZ) is a premium fast-food franchise that started up in Wellington in 2004. Encouraged by other multinational restaurant chains, the business strategy has been to establish its brand and outlets in Australia (Phase 1 in 2013) and then south-east Asia (Phase 2 in 2015).

- (a) Explain ONE external factor that has encouraged the growth of multinational businesses in recent years.

(b) Fully explain the impacts of multinational companies on businesses in host nations.

- ONE way in which multinational companies can benefit businesses in host nations
- ONE way in which multinational companies can harm businesses in host nations.

(c) A strategic response means a business-wide reaction at multiple levels (size, scope, time frame). Evaluate a strategic response that *PTNZ* could implement to counter the negative marketing campaign.

- explain the suggested strategic response to the negative marketing campaign
- fully explain ONE possible positive and ONE negative impact to the business of the response
- come to a justified conclusion on the likely success of the strategic response.

QUESTION TWO: Changes in the Global Marketplace Caused By the Internet and Social NetworkingASSESSOR'S
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Use the information in the boxes and your business knowledge to answer the following questions.

PTNZ has implemented a “bricks and clicks” strategy, in which customers can order in person from outlets (bricks) and also in the comfort of their own home via the *PTNZ* website (clicks).

PTNZ has also developed a social media element to its online marketing strategy. This allows customers to use social media websites to learn about new products and send in photos, product reviews, and recipe ideas.

- (a) Explain why a social media marketing strategy will be very important for a business competing in the fast-food market.

(b) Fully explain the impact of a “bricks and clicks” strategy on *PTNZ*’s **business performance**.

In your answer, you should explain in detail:

- ONE possible positive effect of the “bricks and clicks” strategy
- ONE possible negative effect of the “bricks and clicks” strategy.

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This statement was heard by the marketing manager in a speech from an internet marketing expert.

- In your answer, you should:

- explain what is meant by the statement
- fully explain ONE way in which the statement applies to *PTNZ* as a **franchise pizza retailer**
- fully explain ONE way in which the statement does NOT apply to *PTNZ* as a **franchise pizza retailer**
- draw a justified conclusion as to whether this statement is relevant to *PTNZ's* global strategy.

QUESTION THREE: Social and Cultural SustainabilityASSESSOR'S
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Use the information in the box, and your business knowledge, to answer the following questions.

PTNZ has based its brand on western cultural and artistic ideas. However, in recent years there has been a consumer boycott in parts of south-east Asia against other Western fast-food retailers and Western branding, because some of the local people feel it is undermining local culture.

- (a) Explain why social and cultural sustainability are seen as important.

- In your answer, you should focus on the impacts of:

- In your answer, you should:

- Name of business: _____

Extra space if required.
Write the question number(s) if applicable.

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Extra space if required.
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