





NEW ZEALAND QUALIFICATIONS AUTHORITY MANA TOHU MĀTAURANGA O AOTEAROA

QUALIFY FOR THE FUTURE WORLD KIA NOHO TAKATŪ KI TŌ ĀMUA AO! Tick this box if there is no writing in this booklet



## Level 3 Business Studies 2020

# 91381 Apply business knowledge to address a complex problem(s) in a given global business context

#### 9.30 a.m. Monday 16 November 2020 Credits: Four

Achievement	Achievement with Merit	Achievement with Excellence
Apply business knowledge to address a complex problem(s) in a given global business context.	Apply in-depth business knowledge to address a complex problem(s) in a given global business context.	Apply comprehensive business knowledge to address a complex problem(s) in a given global business context.

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

#### There is ONE task in this booklet. You should attempt ALL FOUR parts of the task.

Pull out Resource Booklet 91381R from the centre of 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 2–11 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.

TOTAL	
	ASSESSOR'S USE ONLY

This task has FOUR parts, (a) to (d). Use the information from the resource booklet and the boxes in this booklet, in addition to your business knowledge, to complete this task. You may integrate any relevant Māori business concepts into your answers.

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*Metro Drive* is a New Zealand business that formed in 2017 with the purpose of entering the vehicle rental market in New Zealand. The service it offers is a unique variation of the e-scooter rental service. *Metro Drive* offers a fleet of small, covered, fully electric-powered vehicles (EVs) that are designed for short trips. The EVs are intended to meet the needs of city-dwellers who live in busy urban areas and who don't have access to parking spaces, as they live in high-rise apartments. The vehicles can be booked and paid for using a phone app, and are typically used for short trips to shops, restaurants, and work. The vehicles can be unlocked through the app for \$1.20 and cost 50 cents per minute to use. They are not available for use outside central city environments. The vehicles are powered by an electric battery that is recharged and replaced throughout the day.

*Metro Drive* launched in 2018 in Auckland and Wellington, but has found that the New Zealand market is too small to support the scale of operation it needs to keep its costs low and profits high. The company has decided to investigate a strategy to expand globally, and wants to run a trial in one Australian city. Any expansion needs to be done with minimal impact on the environment and people. This is because environmental and social sustainability are *Metro Drive*'s most important corporate values. The business has investors on board and was ready to launch in Australia at the beginning of 2020. *Metro Drive* has engaged an Australian firm, *Charge Boss*, to carry out servicing and replacement of batteries in *Metro Drive* vehicles in Australia.

### TASK

(a) Using Resources A and B, evaluate BOTH possible solutions to determine the better city for *Metro Drive* to launch in Australia.

In your answer:

- fully explain ONE positive effect that EACH solution would have on the business
- state the solution you recommend
- justify your recommendation, including any new information, by explaining why it would be a better solution for *Metro Drive* than the other solution.

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Since its Australian launch in January 2020, *Metro Drive* has received a lot of negative feedback on its Facebook page about the quality of its customer service.

(b) Using Resources B and C, fully explain ONE possible cause of the negative feedback experienced by *Metro Drive* on social media about the quality of its customer service.

In your answer, use examples and refer to:

- the cause of the negative feedback
- the impact on customers.

ASSESSOR'S USE ONLY *Metro Drive* is looking to replace the existing batteries in its vehicles, in order to improve their reliability for customers. They are currently investigating two options from battery producers in India.

- (c) Using Resources B, D, and E, evaluate BOTH possible battery replacement solutions.In your answer:
  - fully explain ONE positive effect that EACH solution would have on the business
  - state the solution you recommend
  - justify your recommendation, including any new information, by explaining why it would be a better solution for *Metro Drive* than the other solution.

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There are always risks associated with global expansion. During 2020, its first year of operation in Australia, *Metro Drive* experienced two unexpected events that affected its profits.

(d) Using Resources F, G, and H, fully explain ONE possible negative effect resulting from ONE of the unexpected events that *Metro Drive* experienced.

In your answer, use examples and refer to:

- the impact on profits
- the impact on TWO stakeholders of *Metro Drive*.

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