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**Mana Tohu Mātauranga o Aotearoa**  
New Zealand Qualifications Authority

## Level 2 Business Studies 2024

### 90845 Apply business knowledge to a critical problem(s) in a given large business context

Credits: Four

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

**You should attempt ALL parts of the task in this booklet.**

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 2–12 in the correct order and that none of these pages is blank.

Do not write in the margins (//////). This area will be cut off when the booklet is marked.

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

**TASK**

This task has four parts, (a) to (d). Use the background information below, together with Resources A to D and your business knowledge, to complete this task. You may integrate any relevant Māori business concepts into your answers.

**Background information**

*CeeGee's* is a clothing store located in a city in the North Island which caters for 30- to 50-year-old professionals who work in the central business district. *CeeGee's* stocks a range of men's and women's business suits, shirts, and ties, which are made overseas and imported into New Zealand by sea freight. The suits are a common international design that can be found in many other countries.

The retail clothing industry is a competitive market with businesses experiencing declining sales, increasing rents, and increasing overseas resource costs, such as materials.

**RESOURCE A: Consumer behaviour – Changes in retail since COVID-19**

The streets were empty, as retailers flipped their open signs to closed on March 25, 2020.

the way customers are now shopping," says Greg Harford, chief executive of Retail NZ.

Source (adapted) and image: <https://www.stuff.co.nz/business/128082143/ghost-towns-closed-shops-and-online-shopping-boom-how-retail-has-changed-since-the-pandemic-began>

Ryan Anderson/Stuff

## RESOURCE B: Showrooming and changes in consumer behaviour

Showrooming is the practice of visiting physical retail stores to research merchandise

competitive prices offered for the same products compared with traditional retailers.

Source: <https://www.investopedia.com/terms/s/showrooming.asp#:~:text=The%20term%20showrooming%20refers%20to,online%20for%20a%20lower%20price>

## RESOURCE C: New store closures – High-end fashion store closes its doors

A high-end fashion store closed its doors for good on Tuesday, tipped into receivership on

two years because they haven't done their research.”

Source (adapted): [www.nzherald.co.nz/business/topshop-closes-its-doors-days-early-after-selling-out-of-stock/UT3HAW3OWPPBMID4O7SQ76U3B4/](http://www.nzherald.co.nz/business/topshop-closes-its-doors-days-early-after-selling-out-of-stock/UT3HAW3OWPPBMID4O7SQ76U3B4/)

## RESOURCE D: A business expansion opportunity?

As part of *CeeGee's* growth strategy, Carl, the store owner, and his investment partners are looking to expand the *CeeGee's* brand into other parts of New Zealand. An exciting, but urgent, opportunity to take over an existing lease in the South Island has presented itself, due to a store closure. They believe there will be significant customer growth, as more professionals are relocating from the North Island to find cheaper housing. Despite having limited knowledge of the South Island's retail market and no established presence, Carl believes that if the new store is operated in a similar manner to the North Island store, it will be a success.



















