

91380



Draw a cross through the box (X) if you have NOT written in this booklet

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Mana Tohu Mātauranga o Aotearoa

New Zealand Qualifications Authority

# Level 3 Business Studies 2024

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

Credits: Four

Achievement	Achievement with Merit	Achievement with Excellence
Demonstrate understanding of strategic response to external factors by a business that operates in a global context.	Demonstrate in-depth understanding of strategic response to external factors by a business that operates in a global context.	Demonstrate comprehensive understanding of strategic response to external factors by a business that operates in a global 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.**

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

Do not write in the margins (X/X/X/X). 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, the supplementary information in the other boxes, and your business knowledge to complete this task. You may integrate any relevant Māori business concepts into your answers.

You should read the resource information in ALL of the boxes before beginning the task.

## BACKGROUND INFORMATION

*Neat Sip Botanicals* is located in the Bay of Plenty. Former pasture land has been developed into a garden that exemplifies the botanical story of the product produced, bottled, and served onsite. *Neat Sip Botanicals* have the vision of carefully crafting a botanical spirit in a sustainable and meaningful way.

Following on from the success of international non-alcoholic spirits such as *Seedlip*, *Lyre's*, and *CleanCo*, *Neat Sip Botanicals* have recently created a non-alcoholic spirit range featuring New Zealand native plants such as kawakawa, mānuka, and horopito. Traditionally, these plants were used by Māori for medicinal purposes. These native plants had all been successfully integrated into their existing beverage range, so they see this as a natural progression of their product line.

One of *Neat Sip Botanicals'* objectives is to support the local community. With this in mind, they make sure that they employ staff from within the local community and pay them the living wage. This is important in the small community they are located in, as it is a low income area. *Neat Sip Botanicals* also donate traditional botanicals to the local marae, where they are used in the traditional manner.

## DEFINITIONS

### Horopito

Horopito, often referred to as the New Zealand pepper tree, can be used to replace

[REDACTED]

[REDACTED]

[REDACTED]

outstanding medicinal and antiseptic properties.

Source: <https://www.eatnewzealand.nz/food-stories/kai-indigenous-maori-food-ingredients-1#>

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The assessment continues on the following page.**

You may choose either *Neat Sip Botanicals* or a New Zealand-registered business operating in a global context that you have studied in depth.

(a) Evaluate a strategic response that the business has implemented, or could implement, to address societal expectations of EITHER cultural OR social sustainability.

(i) State the strategic response, and explain why this is a business-wide reaction at multiple levels (at least TWO of size, scope, and timeframe).

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(ii) Explain one positive impact of the strategic response.

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(iii) Explain one negative impact of the strategic response.

(iv) Provide a justified conclusion, including any new information, as to the likely success of the strategic response.

Source: <https://www.just-drinks.com/news/us-non-alcoholic-spirits-market-set-to-hit-13m-by-2027-data/?cf-view>

Chosen agency: \_\_\_\_\_



1. **Identify the main components of the system.** The system consists of a **client** and a **server**. The client is responsible for sending requests to the server, and the server is responsible for processing these requests and returning responses.

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Source: <https://www.foxbusiness.com/markets/wine-spirits-non-alcoholic-beer-sales-surging-us>

Name of New Zealand-registered business: \_\_\_\_\_

Good(s) sold or service(s) provided: \_\_\_\_\_



- (ii) Explain one positive effect the strategic response would have on the business.

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- (iii) Explain one negative effect the strategic response would have on the business.

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- (iv) Provide a justified conclusion, including any new information, as to the likely success of the strategic response.

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Due to the large increase in demand within the US and the costs associated with exporting, *Neat Sip Botanicals* have decided to expand their operations by producing in the US. They will export the New Zealand native botanicals (kawakawa, mānuka, and horopito), but the non-alcoholic spirit will be produced in the US. This will also allow them to avoid the costs associated with trade barriers when exporting their product range to the US.

You may choose either *Neat Sip Botanicals* or a New Zealand-registered business operating in a global context that you have studied in depth.

- (d) (i) Explain one threat that the business may encounter when operating in a new market.

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- (ii) Explain how this threat could impact the success of the business when trying to establish themselves in the market.

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

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QUESTION  
NUMBER

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