



National Certificate of Educational Achievement
TAUMATA MĀTAURANGA Ā-MOTU KUA TAEA

Exemplar for Internal Achievement Standard Business Studies Level 2

This exemplar supports assessment against:

Achievement Standard 90848

**Carry out, review and refine a business activity within a community
context with guidance**

An annotated exemplar is an extract of student evidence, with a commentary, to explain key aspects of the standard. It assists teachers to make assessment judgements at the grade boundaries.

New Zealand Qualifications Authority

To support internal assessment

	Grade Boundary: Low Excellence
1.	<p>For Excellence, the student needs to comprehensively carry out, review and refine a business activity.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • comprehensive planning for a guided business activity • integrating business knowledge relevant to the activity to fully support explanations • integrating a Māori business concept(s) where relevant to the activity to fully support explanations • refining the business plan for the future. <p>The student has been part of a group that comprehensively planned and carried out a business activity. Business knowledge has been integrated throughout the plan. The group's refined business plan, completed after cycle one, is at Low Excellence (1).</p> <p>The student has reflected on how well the second business activity was performed, compared to the business plan (2). Business knowledge is evident throughout. The student's personal review of cycle two of the business activity was also at Low Excellence.</p> <p>To retain this grade it was necessary for the student to refine their cycle two business plan to incorporate reflections that would improve the activity, should it be repeated for a third cycle (3).</p> <p>For a more secure Excellence for their revised business plan, the group could produce high, medium and low sales forecasts, the first incorporating their break-even point.</p> <p>For a more secure Excellence for their review, the student could have indicated that changes to sales forecasts and operations would be necessary in response to the changed product range.</p>

Student 1 was a member of a business group called Concert Refreshments

Product:	Snacks/drinks
Phases:	Two NCEA music concerts, a week apart
Community focus:	Donation to college music department
Business plan components:	Executive summary, introduction, business goals, mission and values, marketing, people, finance and operations.
Business aims:	<ol style="list-style-type: none"> 1 To donate at least \$100 to the college music department for repair of instruments. 2 To supply healthy food and drink options to customers

CYCLE 1 – group work

The group's business plan was approved by the assessor prior to the activity being carried out.

The activity was carried out at the first concert.

Group's review of Cycle 1

Explain some aspects that worked well when carrying out your business activity and explain the benefit to the business of each aspect.

- We were well organised and prepared for the concert. Our stall was set up well before it started so we made some sales before the concert even though our plan had been to sell only at the interval. This gave us confidence for when the big rush of customers came at intermission.
- Although we had some difficulties, especially around money handling, we coped well under pressure and remained quite calm. We were forced to think on our feet. It taught us that it is okay to change plans as long as we learn from our mistakes.
- Customers were very happy with our prices. In fact, we think we will put some prices up slightly so that we sell all of our drinks for \$2.50. This will have the advantage of being easier to remember prices and to calculate change.

Explain some aspects that did not work well when carrying out your business activity and explain the impact on the business. Also suggest a possible refinement(s) that can be made for cycle 2.

- Our range of products wasn't up to standard, with some people asking if we had any healthy options. We only had fizzy drinks thinking that these would really appeal to teenage customers. Lots of girls asked for diet drinks which we didn't have. A competing business group was selling hot drinks but we couldn't offer any cold drinks other than fizzy ones. On Thursday night we will sell bottled water and juices as well as a diet option. We will also pre-make and bag natural popcorn but will have salt available for those who want it.
- The feedback from customers about not having enough healthy options was probably because our signage and advertising had contained the word "healthy". Although you cannot please all of the people all of the time, we really should have given more thought to whether our product range matched our claims.
- We started with only \$10 in gold coins and \$5 in silver coins. Some early customers had to wait until we got coins from other customers before they could get their change. Some got upset about this. On Thursday we will have a float of \$50 (coins and \$5 notes). This will be better for our sales and for our customers as they won't be held up.
- Our sales were lower than we had forecast. We had budgeted for a \$105 profit and made only \$48 profit. We will more aggressively advertise prior to Thursday. We have plenty of stock left over so will only have to buy diet drinks, water and juice.

CYCLE 2 – group work

The group refined the business plan, with revisions clearly evident by tracking changes in the document. Changes were made to marketing mix (product and price sections), operations, resource list, and forecast income statement

The group's plan was then submitted for assessment.

1

The activity was carried out at the second concert, one week after the first.

Individual Work

Student 1's review of Cycle 2

2

Explain some aspects that worked well when carrying out your business activity and explain the benefit to the business of each aspect.

- We achieved our first business aim and partly achieved the second. Firstly, we made a profit of \$239 after repaying owners' funds. \$100 of this will be donated to the music department.
- Our mission to provide customers with healthy options was partly achieved. The introduction of water, juice and diet lemonade, as well as natural popcorn, made our range healthier than in cycle 1, but not all customers were happy. Some said there was a lot of sugar in the juice and diet coke was asked for. We felt we had met our second aim but the best judge would be customers and they were not all happy.
- James from our group did "spruiking" on the night, out front of the hall as people were arriving, and in front of our stall at intermission, calling out to people that by buying our products they would be supporting the music department. This appealed to lots of people attending who were there to support NCEA music students anyway.
- While there were very low margins on some of the drinks (especially the juice) since we sold them all for \$2.50, drinks were largely subsidised by popcorn which had a high profit margin on it.

Explain some aspects that did not work well when carrying out your business activity and explain the impact on the business.

- We did not hold the monopoly on food that we had enjoyed during the first cycle. Another business group was allowed to sell popcorn for \$2.00 at the concert (because their original cycle 2 plan fell through). Their popcorn also sold for \$2.00 but their varieties were buttered and salted, not plain. Their charity was Red Cross which could have been considered more in need of financial support than the music department. A positive from this potential disaster was that their salty and oily popcorn seemed to help us to sell drinks.
- Some customers noticed that there were varying amounts of popcorn in our bags. This quality control problem made us look unprofessional and could have damaged our business reputation. We should have taken more care to put an exact measurement, such as two cups, in each bag. Also, we used cellophane bags which we bought from the \$2 shop. The bags made quite a loud noise which was annoying during the concert. Soft plastic bags would have been better and kinder to the musicians.
- We could have offered another healthy food option. People saw the popcorn but didn't necessarily know/see that it was plain and therefore healthy. A sticker on each plastic bag could have helped make the point that it really was healthy. This could have helped our sales as we could have been seen as a more socially responsible business.

Individual Work

Cycle 3 – further refinements arising from the review with the aim of making improvements for the future.

3

State changes you would make to the cycle 2 business plan

Section	Changes
Primary Research	<p><i>Change the survey as follows:</i></p> <ul style="list-style-type: none"> ○ After question 4, add the following questions: 'Would you buy a diet cola if it was available?', 'Would you buy a diet lemonade if it was available?' ○ Ask a question to explore interest in bagged lollies, such as those available at dairy counters for \$1 and \$2. ○ Ask a question to explore interest in a drink/snack package deal, such as \$4.00 for a chocolate bar and a drink. ○ Ask a question to explore interest in a low-fat baked option such as a bran muffin <p>Broaden sample to include adults (such as staff members and adults who collect their music students after school)</p>
Secondary Research	<p><i>As part of the secondary research strategy, investigate suppliers other than Pak 'n Save. Chocolate bars, in particular, may be cheaper to buy in bulk online. Investigate low-kilojoule juice options</i></p>
SWOT Analysis	<p><i>Change 'threats' section to acknowledge that other Business Studies groups may be food/drink sellers at the venue on the night.</i></p>
Marketing Mix	<p><i>Promotion section – As all profits are to be donated to the Music Department, seek an endorsement from the HOD Music in the form of a free advertisement in the concert programme and a mention during the concert (pre-interval).</i></p> <p><i>Product section – Depending on primary data collected, specify product range; for example:</i></p> <ul style="list-style-type: none"> ○ Plain popcorn ○ A low-fat baked option such as a bran muffin (unbuttered) ○ One option of small potato crisps ○ Two chocolate bar options ○ Bagged lollies ○ One low kilojoule juice option ○ Two diet fizzy drink options ○ Two fizzy drink options

	Grade Boundary: High Merit
2.	<p>For Merit, the student needs to carry out, review and refine a business activity in depth.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • planning in-depth for a guided business activity • using reasoned explanations to refine the activity • including business knowledge relevant to the activity to support explanations • including a Māori business concept(s) where relevant to the activity to support explanations • reviewing in-depth how well the activity was performed in the second cycle • comparing the outcome of the second cycle to the business plan made after the review of the first cycle. <p>The student has been part of a group that planned and carried out a business activity to an in-depth level. Business knowledge has been included throughout the plan. The group's refined business plan, completed after cycle one, is at High Merit (1).</p> <p>The student has completed a detailed review of how well the activity was performed by comparing outcomes of the second cycle to the revised business plan (2). Some business knowledge has been included in the review. The student's personal review is at High Merit.</p> <p>To reach Excellence for their business plan, the group could ensure that all aspects were completed to a comprehensive level, by including more detail in their operations section to more clearly indicate how aspects of the business will be carried out.</p> <p>To reach Excellence for their review, the student could refine their cycle two business plan to incorporate reflections that would improve the activity, should it be repeated for a third cycle.</p>

Student 2 was a member of a business group called Earswise

Product:	Headphones/earbuds
Phases:	Selling in T block quad one school day, followed by three weeks on TradeMe
Community focus:	Raise \$60 for an afternoon tea (with school entertainers) at local retirement village
Business plan components:	Executive summary, introduction, business goals, mission and values, marketing, corporate philanthropy, people, finance and operations.
Business aims:	<ol style="list-style-type: none"> 1 To satisfy our customers by getting only good feedback about our product 2 To have good corporate citizenship by being ethical in all of our practices 3 To be able to donate \$60 of our profit to the local retirement village

CYCLE 1 – group work

The group's business plan was approved by the assessor prior to the activity being carried out.

The activity was carried out at a stall in the quad.

Group's review of Cycle 1

What worked well when carrying out cycle 1?

- The questionnaire results showed exactly what the target market (students at our school) wanted – cheap, colourful, comfortable headphones – and we applied that to our product.
- The directors' roles suited each members' strengths which overall made Earswise more efficient and easier to work in.
- We only intended to sell 20 pairs of headphones on the day but we sold 41 pairs, exceeding sales expectations.

What did not work well when carrying out cycle 1?

- The quality of some pairs of headphones was not up to standard and they were returned to us over the next few days. We had to refund money and write off this inventory. Because of this we did not meet our first business objective.
- Advertising was not as coherent and effective compared to other groups. The target market was confused about when and where we were selling our product as most other groups were outside the café but we were near our classroom. (In hindsight, this was a silly decision on our part.)
- Reduction in sales due to having limited colours (three) left after our selling day, and having to sell headphones with damaged packaging to our friends at the discounted price of \$5.

What changes are necessary to improve your group's business activity for cycle 2?

- Find a new supplier with higher quality headphones that will not be as fragile. (We are left with 19 pairs of the old style.)
- Find a new style of headphone that will have stronger appeal to the target market.
- Come up with a price that is not too high for the target market but will ensure Earswise can still make a profit.

Justify how some of the refinements you will make for cycle 2 will improve the business activity.

- Feedback from our cycle 1 customers told us that the headphones were not up to standard. This could have been because of our supplier or because of the style. By changing both of these possible problems, it could give Earwise a whole new style of high quality headphones that will have greater appeal to the target market and even expand the target market.
- We will have two sets of stock to sell on TradeMe. There are still 19 pairs of the old headphones left. We don't know for sure that these will be faulty so we will just sell them at a reduced price of \$6. We considered whether doing this will go against our second business aim as it could be unethical, however the faulty headphones in cycle 1 may just have been from a bad batch.
- We have placed an order (using Raj's contact) for 40 pairs of earbuds (8 of five different colours). We will sell these for \$12 each which is a really good price. As soon as the stock arrives, Lily will take photos of both lots of stock and Jono will draft the wording for the ads. Expanding the target market would maximise profit and expand sales from just our school's students. We have decided that we will tell students at our school that they can buy from us from TradeMe.

CYCLE 2 – group work

The group refined the business plan, with revisions clearly evident from Google Docs. Changes were made to operations, people, marketing mix (product and price sections), breakeven and forecast income statement

The group's plan was then submitted for assessment.

The second cycle was then undertaken, three weeks on TradeMe.

Student 2's review of Cycle 2

What worked well when carrying out cycle 2?

- a We got positive feedback from TradeMe customers about the new in-ear style of earbuds compared to the small headphone style in cycle 1. We managed to sell 11 of the older style headphones and (so far?) have only had positive feedback about them too. Therefore, we feel we have met our first business objective.
- b It was wise to pay slightly extra for our listings so they were in the featured section in the electronics category. Also, in our listings we said we were selling for a Business Studies assessment and we got good comments about this. We are thinking that we might carry on as a group doing something like this.
- c Holding meetings for 10 minutes every Business Studies period made sure everyone was on the same page and knew what was happening. This was necessary as our second selling cycle was quite different from the first.
- d We made enough profit to spend \$60 on shouting the retirement home folk an afternoon tea.

What did not work well when carrying out cycle 2?

- a Our finance director wasn't very organised in terms of planning how we would receive the funds from buyers. In the end we emailed buyers his mum's bank account number and their delivery address and his mum kept a tally of how much money was deposited. (This was quite useful as when we had to pay for the stock of new ear pods his mum paid from her account using internet banking.)
 - b We had no idea what postage would cost as we have never posted anything before. When we were designing the ad (in a rush) we decided to charge \$5.00. The earphones were in a box and they cost \$3.00 to post but we just wrapped the pods in a piece of A4 paper and put them in a normal envelope and they only cost \$2.00 to post. This was quite unethical really. Two people did comment on the high postage in the questions and answers section but they didn't end up buying from us. If anyone had complained after sale we would have offered to refund some postage.
 - c We only sold 35 pairs of earbuds online when our objective was to sell all 40 pairs. Therefore we did not meet our TradeMe sales goal. We did get rid of the other five pairs, and the other 8 pairs of headphones by selling them at school or to our family members.
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	Grade Boundary: Low Merit
3.	<p>For Merit, the student needs to carry out, review and refine a business activity in depth.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • planning in-depth for a guided business activity • using reasoned explanations to refine the activity • including business knowledge relevant to the activity to support explanations • including a Māori business concept(s) where relevant to the activity to support explanations • reviewing in-depth how well the activity was performed in the second cycle • comparing the outcome of the second cycle to the business plan made after the review of the first cycle. <p>The student has been part of a group that produced an in-depth plan then carried out a business activity. The plan contains relevant business language. Following cycle one, the group refined their plan before carrying out the activity again. The revised business plan is at Low Merit (1).</p> <p>The student has reviewed cycle two by explaining what went well and what did not (2). The changes made to the business plan have been referred to in the review. The student's personal review of cycle two is at Low Merit.</p> <p>For a more secure Merit for their business plan, the group could include greater detail in the financial section of their business plan so that the reader has a clearer indication of what intended costs/sales will be.</p> <p>For a more secure Merit for their review, the student could state actual financial results and whether the third business aim was achieved, and integrate specific language of the business plan when comparing the outcome of the second cycle to the plan.</p>

Student 3 was a member of a business group called Sweets Shack

Product:	Boxes/bags of confectionary
Phases:	Selling on L2 Business Studies market day, then on a Friday two weeks later
Community focus:	Donation of 50% of profit to Starship Foundation
Business plan components:	Executive summary, introduction, business goals, mission and values, marketing, people, finance and operations.
Business aims:	<ol style="list-style-type: none"> 1 To buy and bag confectionary and sell out of our stock on market day 2 Review and refine our business activity then sell out of our stock during the second cycle 3 To be able to donate at least \$50 of our profit to the Starship Foundation

CYCLE 1 – group work

The group's business plan was approved by the assessor prior to the activity being carried out.

The activity was carried out on the market day.

Group's review of Cycle 1

Explain some aspects that worked well when carrying out your business activity and explain the benefit to the business of each aspect.

- Many of our customers bought our products because of the packaging which everyone thought was cute. Some people said the boxes could be used afterwards for another purpose.
- Students bought our product because of the Hersheys and M&Ms that were in our boxes.
- Our customers bought our products because they wanted to help us donate money to Starship which increased our sales.

Explain some aspects that did not work well when carrying out your business activity and explain the impact on the business. Also suggest a possible refinement(s) that can be made for cycle 2.

- We didn't achieve our first business aim. As the end of market day (really just lunchtime) was getting near we should have made the decision to drop our price from \$2.50 to \$2.00. This could have cleared our stock and also make customers believe they were really getting a bargain.
- Our location near the courts. We weren't in a very high profile position so a couple of the group members had to walk around school trying to sell the product, because our promotion strategy was quite poor.
- Customers thought that our prices were too high so they asked for discounts.
- Many customers didn't like the chocolate fish, feijoas and cream, and pineapple lumps that were in the box.

What are the changes necessary to improve your group's business activity for cycle 2?

- Promotion – our business needs to use more methods of advertising to make people more aware of what we will be selling and where.
- Price – the price of our product needs to be reduced as customers in cycle 1 thought our price was too high.
- Product – the different types of confectionary need to be changed as many students didn't buy our product because of the chocolate fish, pineapple lumps and (especially) feijoas and cream.
- Place – we didn't really have much choice about where we sold from last time. Next cycle we will put ourselves in a more prominent place and, if necessary, some of us will just roam around the school.
- Packaging – as cute as they are, buying the boxes from Spotlight, constructing them and then putting our logo stickers on them, takes too much time. We intend to sell only some products this way and the rest in cellophane bags with ribbon ties.

CYCLE 2 – group work

The group refined the business plan. Changes were evident as a different coloured font was used in the document. Changes were made to all aspects of the marketing mix, operations, people and sales forecast.

The group's plan was then submitted for assessment.

The activity was carried out again two weeks later at Friday lunchtime.

Student 2's review of Cycle 2

What worked well when carrying out cycle 2?

- a Our packaging and layout of the stall were eye-catching which attracted customers.
- b We managed to break even by selling more than 27 lolly boxes and 33 lolly bags.
- c All our products were sold at their original set price so we didn't have to give any discounts.

What did not work well when carrying out cycle 2?

- a Not many people wanted to donate anything into the bucket for Starship. The night before our stall we decided to have a donation bucket and give all of the takings in it to Starship, in addition 50% of the profit we made.
- b We wanted to make at least \$100 on the second market day but we only made \$48.58 because our expenses were too high.
- c We sold out pretty fast as we had only made 50 lolly bags and 50 lolly boxes (some were left over from cycle 1) so when customers came later on to buy our product we had nothing left to sell.

How did changes made to the original business plan help you to run a better activity in cycle 2? [Note: only two changes are exemplified here]

- a Selling confectionary bags improved our business activity as this was a cheaper option than the confectionary boxes (though we did sell these as well). The bags attracted more customers because they were getting more lollies than what our competitors (dairies) were selling. Selling lolly bags also attracted our customers to buy more of our products which lead to us selling out. This improved our business activity as we managed to sell all our products and not waste anything.
 - b We changed the price of the lolly boxes as customers from market day 1 thought that our price was too high because they weren't getting enough confectionary in the box for the money. So we changed the price from \$2.50 in cycle 1 to \$2.00 in cycle 2 and increased the quantity of the product by buying cheaper lolly options. This lowered our expenses and increased our profit. It also attracted customers because they were getting more for less which made them happy, having a positive impact on our reputation. Because of lower expenses we were able to make more profit to donate to Starship. It also helped us to break even by selling more than the 27 boxes and 33 bags we needed to sell. We were able to make more profit by selling the rest of the products.
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	Grade Boundary: High Achieved
4.	<p>For Achieved, the student needs to carry out, review and refine a business activity.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • planning for a guided business activity • carrying out a first cycle of the activity • reviewing the first cycle of the activity • stating refinements to the activity • carrying out a second cycle of the refined activity • stating business knowledge relevant to the activity • stating a Māori business concept(s) where relevant to the activity • stating how well the activity was performed in the second cycle • comparing the outcome of the activity with the original planned activity • making changes arising from the review of the market activity with the aim of making improvement(s). <p>The student's group revised its business plan after cycle one then sold again, incorporating improvements arising from the review. The group's grade from this process is Low Excellence.</p> <p>The student reviewed cycle two by stating how well the activity was performed in relation to the original planned activity (2). Some business knowledge has been stated.</p> <p>The grade for cycle two is the maximum the student can achieve. This student's review is at High Achieved, so this is their final grade.</p> <p>For a more secure Excellence for their business plan, the group could include high, medium and low sales forecasts, with the first incorporating the break-even point.</p> <p>To reach Merit for their review, the student could state actual financial results and whether the all business aims were met, and clearly link the review to changes that were made to the revised business plan.</p>

Student 4 was a member of a business group called Concert Refreshments

Product:	Snacks/drinks
Phases:	Two NCEA music concerts, a week apart
Community focus:	Donation to college music department
Business plan components:	Executive summary, introduction, business goals, mission and values, marketing, people, finance and operations.
Business aims:	<ol style="list-style-type: none"> 1 To donate at least \$100 to the college music department for repair of instruments. 2 To supply healthy food and drink options to customers

CYCLE 1 – group work

The group's business plan was approved by the assessor prior to the activity being carried out.

The activity was carried out at the first concert.

Group's review of Cycle 1

Explain some aspects that worked well when carrying out your business activity and explain the benefit to the business of each aspect.

- We were well organised and prepared for the concert. Our stall was set up well before it started so we made some sales before the concert even though our plan had been to sell only at the interval. This gave us confidence for when the big rush of customers came at intermission.
- Although we had some difficulties, especially around money handling, we coped well under pressure and remained quite calm. We were forced to think on our feet. It taught us that it is okay to change plans as long as we learn from our mistakes.
- Customers were very happy with our prices. In fact, we think we will put some prices up slightly so that we sell all of our drinks for \$2.50. This will have the advantage of being easier to remember prices and to calculate change.

Explain some aspects that did not work well when carrying out your business activity and explain the impact on the business. Also suggest a possible refinement(s) that can be made for cycle 2.

- Our range of products wasn't up to standard, with some people asking if we had any healthy options. We only had fizzy drinks thinking that these would really appeal to teenage customers. Lots of girls asked for diet drinks which we didn't have. A competing business group was selling hot drinks but we couldn't offer any cold drinks other than fizzy ones. On Thursday night we will sell bottled water and juices as well as a diet option. We will also pre-make and bag natural popcorn but will have salt available for those who want it.
- The feedback from customers about not having enough healthy options was probably because our signage and advertising had contained the word "healthy". Although you cannot please all of the people all of the time, we really should have given more thought to whether our product range matched our claims.
- We started with only \$10 in gold coins and \$5 in silver coins. Some early customers had to wait until we got coins from other customers before they could get their change. Some got upset about this. On Thursday we will have a float of \$50 (coins and \$5 notes). This will be better for our sales and for our customers as they won't be held up.
- Our sales were lower than we had forecast. We had budgeted for a \$105 profit and made only \$48 profit. We will more aggressively advertise prior to Thursday. We have plenty of stock left over so will only have to buy diet drinks, water and juice.

CYCLE 2 – group work

The group refined the business plan, with revisions clearly evident by tracking changes in the document. Changes were made to marketing mix (product and price sections), operations, resource list, and forecast income statement

The group's plan was then submitted for assessment.

1

The activity was carried out at the second concert, one week after the first.

Student 4's review of Cycle 2

Explain some aspects that worked well when carrying out your business activity and explain the benefit to the business of each aspect.

- We had more happy customers as there was water, low-joule juice, two diet fizzy drinks and plain popcorn so we did meet our first aim of selling healthy food and drink. This cycle we seemed to have more adult customers as they had healthier options to buy. This improved our sales.
- This time around we didn't have any problem with change as we had plenty of coins and small notes to start and once we got selling the amount of change increased.
- We made sure we were all ready 15 minutes before the concert started. Five people bought food from us before the concert.

Explain some aspects that did not work well when carrying out your business activity and explain the impact on the business.

- We found that we were not the only ones selling popcorn. One of the other groups was selling it for the same price as us (\$2.00 a bag) but theirs was either salted or buttered. A few of us felt that we should salt ours too but this would have cancelled out the reason we decided to sell popcorn, for its healthiness.
 - Some of our popcorn bags were fuller than others which by some of our customers noticed. We should have had better quality control by weighing the popcorn or putting an exact two cups to put into each bag.
 - When we got really busy during intermission we were pretty flustered as we were all trying to grab stock and handle money. It would have been better if we'd decided who would handle the money, and who would keep stock levels up by bringing stock from the boxes at the back of our stall.
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	Grade Boundary: Low Achieved
5.	<p>For Achieved, the student needs to carry out, review and refine a business activity.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • planning for a guided business activity • carrying out a first cycle of the activity • reviewing the first cycle of the activity • stating refinements to the activity • carrying out a second cycle of the refined activity • stating business knowledge relevant to the activity • stating a Māori business concept(s) where relevant to the activity • stating how well the activity was performed in the second cycle • comparing the outcome of the activity with the original planned activity • making changes arising from the review of the market activity with the aim of making improvement(s). <p>The student's group revised its business plan after reviewing cycle one, then carried out the second selling cycle, incorporating improvements arising from the review. The revised business plan evidence is at Merit (1).</p> <p>The student has reviewed cycle two by stating how well the activity was performed and comparing the outcomes with the original planned activity (2). Some business knowledge has been stated.</p> <p>The grade for the cycle two business plan is the maximum the student can achieve. The student's review is at Low Achieved, so this is their final grade.</p> <p>For a more secure Merit, for their business plan, the group could include greater detail in the financial section of their revised business plan to incorporate the price variation.</p> <p>For a more secure Achieved for their review, the student could ensure that their reflections are linked back to business aims and the revised business plan.</p>

Student 5 was a member of a business group called Sweets Shack

Product:	Boxes/bags of confectionary
Phases:	Selling on L2 Business Studies market day, then on a Friday two weeks later
Community focus:	Donation of 50% of profit to Starship Foundation
Business plan components:	Executive summary, introduction, business goals, mission and values, marketing, people, finance and operations.
Business aims:	<ol style="list-style-type: none"> 1 To buy and bag confectionary and sell out of our stock on market day 2 Review and refine our business activity then sell out of our stock during the second cycle 3 To be able to donate at least \$50 of our profit to the Starship Foundation

CYCLE 1 – group work

The group's business plan was approved by the assessor prior to the activity being carried out.

The activity was carried out on the market day.

Group's review of Cycle 1

Explain some aspects that worked well when carrying out your business activity and explain the benefit to the business of each aspect.

- Many of our customers bought our products because of the packaging which everyone thought was cute. Some people said the boxes could be used afterwards for another purpose.
- Students bought our product because of the Hersheys and M&Ms that were in our boxes.
- Our customers bought our products because they wanted to help us donate money to Starship which increased our sales.

Explain some aspects that did not work well when carrying out your business activity and explain the impact on the business. Also suggest a possible refinement(s) that can be made for cycle 2.

- We didn't achieve our first business aim. As the end of market day (really just lunchtime) was getting near we should have made the decision to drop our price from \$2.50 to \$2.00. This could have cleared our stock and also make customers believe they were really getting a bargain.
- Our location near the courts. We weren't in a very high profile position so a couple of the group members had to walk around school trying to sell the product, because our promotion strategy was quite poor.
- Customers thought that our prices were too high so they asked for discounts.
- Many customers didn't like the chocolate fish, feijoas and cream, and pineapple lumps that were in the box.

What are the changes necessary to improve your group's business activity for cycle 2?

- Promotion – our business needs to use more methods of advertising to make people more aware of what we will be selling and where.
- Price – the price of our product needs to be reduced as customers in cycle 1 thought our price was too high.
- Product – the different types of confectionary need to be changed as many students didn't buy our product because of the chocolate fish, pineapple lumps and (especially) feijoas and cream.
- Place – we didn't really have much choice about where we sold from last time. Next cycle we will put ourselves in a more prominent place and, if necessary, some of us will just roam around the school.
- Packaging – as cute as they are, buying the boxes from Spotlight, constructing them and then putting our logo stickers on them, takes too much time. We intend to sell only some products this way and the rest in cellophane bags with ribbon ties.

CYCLE 2 – group work

The group refined the business plan. Changes were evident as a different coloured font was used in the document. Changes were made to all aspects of the marketing mix, operations, people and sales forecast.

The group's plan was then submitted for assessment.

The activity was carried out again two weeks later at Friday lunchtime.

Student 2's review of Cycle 2

What worked well when carrying out cycle 2?

- a We sold out of all our stock early. It was good that we didn't have any stock over as we probably would have just eaten it.
- b Everyone in our group got on really well together. There was no fighting which there had been some of during our market day.
- c The location of our stall was in a better position to attract the target market and two members of the group also walked around.

What did not work well when carrying out cycle 2?

- a We didn't make as high a profit as we wanted to so couldn't donate as much to Starship.
- b We turned away some potential customers because we ran out of stock.
- c The two members who walked around selling didn't take any change with them so it was quite embarrassing to have to ask our customers to find the right change to pay us with.

How did changes made to the original business plan help you to run a better activity in cycle 2? [Note: only two changes are exemplified here]

- a Selling bags of lollies improved our business activity because the price variation appealed to students who didn't want to pay an extra 50c for a box.
 - b Changing the product was a good idea. In cycle 1 quite a few customers said the feijoa and cream sweet was horrible and having so many chocolate items increased the cost of the product. Changing the contents to include cheaper sweets meant that we could include more items in each bag.
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	Grade Boundary: High Not Achieved
6.	<p>For Achieved, the student needs to carry out, review and refine a business activity.</p> <p>This typically involves:</p> <ul style="list-style-type: none"> • planning for a guided business activity • carrying out a first cycle of the activity • reviewing the first cycle of the activity • stating refinements to the activity • carrying out a second cycle of the refined activity • stating business knowledge relevant to the activity • stating a Māori business concept(s) where relevant to the activity • stating how well the activity was performed in the second cycle • comparing the outcome of the activity with the original planned activity • making changes arising from the review of the market activity with the aim of making improvement(s). <p>The student was a member of a group that planned and carried out a business activity during cycle one. Relevant business knowledge was integrated through the business plan.</p> <p>To reach Achieved, the business activity would be carried out for a second cycle, following revision of the business plan. There needs to be a distinct point at which cycle one terminates and the review process commences.</p>

Student 6 was a member of a business group called Curly Cords

Product:	Phone chargers for Samsung and iPhone cell phones
Cycle:	Selling over a two month period around the school and via a Curly Cords Facebook page
Community focus:	50c from each sale will be donated to SPCA
Business plan components:	Executive summary, mission and objectives, business values, target market, communications, stakeholders, marketing, competitor analysis, marketing mix, SWOT analysis, finance, operations
Business aims:	<ol style="list-style-type: none">1 To sell 120 units between 1 June and 31 July2 To sell the product widely through the college and wider community3 Create a good business reputation by having great customer service4 Always having high quality stock available for sale to our customers5 Meeting all customer requirements and expectations6 Making a donation to SPCA by the second week in August

Following secondary and primary research, a comprehensive business plan was produced. This was approved by the assessor prior to the commencement of the selling period.

The product was launched on 1 June.

A steady flow of sales was generated from the Curly Cords Facebook sales page. One group member was responsible for managing this page, and another for processing orders from the Facebook community.

The product was demonstrated around the school at least weekly. Order forms were delivered to form classes, with group members collecting these and processing orders once a week.

As issues were identified during the two month sales period, improvements were made to promotion methods, the order form and to the Facebook page. In mid-July the decision was made to reduce the price of remaining stock to try to clear all stock by 31 July.

At the conclusion of the selling period, 102 units had been sold.

Following the sales period the group members met to start the process of reviewing their business activity. Writing tasks were allocated among the directors. A group review was collated. This was submitted to the assessor, as were group members' personal reviews.