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90845



Level 2 Business Studies, 2016

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

2.00 p.m. Friday 25 November 2016 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 the questions in this booklet.

Pull out Resource Booklet 90845R 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 2–12 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

QUESTION ONE: TECHNOLOGY CHANGES

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Use the information from Resource A, and your business knowledge, to answer this question.

DT Airlines' website can crash when the company advertises special deals on some flights. Through changes in technology, new solutions to this issue can be found, but David as CEO is slow to react to these changes.

technology promptly.		

(b)	Discuss TWO solutions to <i>DT Airlines</i> ' technology problem of the website crashing when customers try to book flights with the company when special deals are advertised. In your answer: describe TWO possible solutions fully explain how EACH solution would solve the problem of the website crashing justify, with TWO reasons, why one solution would be more effective for <i>DT Airlines</i> to implement than the other.	ASSESSOR'S USE ONLY

More space for this answer is available on the next page.

QUESTION TWO: PROBLEMS ARISING FROM UNETHICAL BUSINESS PRACTICE

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Use the information from Resources A and B, and your business knowledge, to answer this question.

David has tried to argue that the practice of over-booking flights is not illegal. However, it is widely viewed as unethical. Social media reaction to the Labour Day special offer from passengers who missed their flight – despite having a valid ticket – has led to negative publicity for *DT Airlines*, and bookings are falling.

Fully explain ONE problem arising for <i>DT Airlines</i> from its failure to respond to the unethical business practice of over-booking of seats on its flights.

	ts which <i>DT Airlines</i> is facing.
n yo	our answer:
	describe TWO possible solutions
	fully explain how EACH solution may resolve the unethical practice
	justify, with TWO reasons, which of the two solutions would be better for <i>DT Airlines</i> to implement to resolve the unethical practice.

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QUESTION THREE: THE EMERGENCE OF A NEW COMPETITOR

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Use the information from Resources A and C, and your business knowledge, to answer this question.

The emergence of *Econofare* as a competitor to *DT Airlines* creates a real threat to *DT Airlines*' long-term economic sustainability.

(a)	Fully explain why <i>DT Airlines</i> will need to respond to the emergence of the new competitor.

(b)	Discuss TWO solutions which <i>DT Airlines</i> could implement to address the emergence o new competitor.	f the ASSESSOR USE ONLY
	In your answer:	
	describe TWO possible solutions	
	 fully explain how EACH solution would deal with the emergence of the new competence. 	etitor
	 justify, with TWO reasons, which solution would be more appropriate for <i>DT Airline</i> implement, in order to remain sustainable in the long run. 	

More space for this answer is available on the next page.

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