

SMARTWIZ

GRADE 12 BUSINESS STUDIES EXAM

MARKS: 100

TIME: 2 HOURS

SCHOOL _____

CLASS (eg. 4A) _____

SURNAME _____

NAME _____

MARKS	
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Instructions for Learners:

- Read all instructions carefully before you begin the exam.
- Write your full name and student number clearly on the answer sheet/book.
- Answer all questions unless otherwise instructed.
- Show all your work/calculations where necessary.
- Write neatly and clearly.
- Use only a blue or black pen. Do not use correction fluid or tape.
- Electronic devices (calculators, cell phones, etc.) are not allowed unless explicitly permitted.
- Raise your hand if you have any questions.
- Do not talk to other learners during the exam.
- Any form of dishonesty will result in immediate disqualification from the exam.

This exam consists of Eight pages, including the cover page.

SECTION A: ENTREPRENEURSHIP (25 marks)

QUESTION 1: ENTREPRENEURIAL CONCEPTS (25 marks)

1.1 Define the term **entrepreneurship**.

1.2 List and explain **THREE** advantages of being an entrepreneur.

1.3 Explain **TWO** challenges entrepreneurs face when starting a new business.

1.4 Why is innovation important for entrepreneurship?

SECTION B: BUSINESS OPERATIONS (25 marks)

QUESTION 2: SUPPLY CHAIN MANAGEMENT (25 marks)

2.1 Define **supply chain management**.

2.2 List **FOUR** key elements in the supply chain process.

2.3 Below is a diagram of a simplified supply chain for a clothing company:

Visual: Supply Chain Diagram

Cotton Farmers → Textile Manufacturers → Clothing Manufacturers → Retailers → Customers

2.4 Explain the role of the **Textile Manufacturers** in the supply chain.

2.5 Discuss TWO problems that can disrupt the supply chain.

SECTION C: BUSINESS FINANCE (25 marks)

QUESTION 3: BUDGETING AND FINANCIAL MANAGEMENT (25 marks)

3.1 What is a **budget**?

3.2 Describe TWO benefits of budgeting for a business.

3.3 The table below shows a monthly budget for a small business:

Expense	Budgeted Amount (ZAR)	Actual Amount (ZAR)
Rent	8,000	8,000
Salaries	15,000	15,500
Marketing	5,000	6,000
Utilities	2,000	1,800

3.4 Calculate the total budgeted expenses. Show workings.

3.5 Calculate the total actual expenses. Show workings.

3.6 Explain TWO reasons why the actual expenses might be different from the budgeted amounts.

SECTION D: MARKETING (25 marks)

QUESTION 4: PRODUCT DEVELOPMENT AND BRANDING (25 marks)

4.1 Define **product development**.

4.2 Explain the importance of branding for a business.

4.3 The visual below shows the logo of a famous brand:



4.4 Discuss how this logo contributes to the company’s marketing strategy.

4.5 Suggest TWO ways a business can protect its brand.

TOTAL: 100 MARKS

MEMO

SECTION A: ENTREPRENEURSHIP (25 marks)

QUESTION 1: ENTREPRENEURIAL CONCEPTS

1.1 Definition of entrepreneurship:

- The process of starting, managing, and growing a business to make a profit, often by identifying market opportunities and taking risks. (2)

1.2 Three advantages of being an entrepreneur:

- Independence: Control over business decisions. (1)
- Profit potential: Keep the profits earned. (1)
- Personal satisfaction: Pursuing one's passion or idea. ($1 \times 3 = 3$)

1.3 Two challenges when starting a business:

- Access to funding or capital. (2)
- High competition or market uncertainty. (2)

1.4 Importance of innovation:

- Helps businesses remain competitive and attract customers by offering new or improved products/services. (3)

SECTION B: BUSINESS OPERATIONS (25 marks)

QUESTION 2: SUPPLY CHAIN MANAGEMENT

2.1 Definition:

- The coordination and management of all activities involved in sourcing, procurement, production, and logistics from raw materials to delivery of the final product. (3)

2.2 Four elements in the supply chain process:

- Suppliers, Manufacturers, Distributors, Retailers ($1 \times 4 = 4$)

2.4 Role of Textile Manufacturers:

- Convert raw cotton into fabric, which is then sent to clothing manufacturers for garment production. (3)

2.5 Two supply chain disruptions:

- Delays in transportation or logistics (2)
 - Shortage of raw materials due to external factors like weather or strikes (2)
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SECTION C: BUSINESS FINANCE (25 marks)

QUESTION 3: BUDGETING AND FINANCIAL MANAGEMENT

3.1 Definition of a budget:

- A financial plan estimating income and expenses over a specific period. (2)

3.2 Two benefits of budgeting:

- Helps control spending and avoid overspending. (2)
- Assists in setting financial goals and making informed decisions. (2)

3.4 Total budgeted expenses:

$$= 8,000 + 15,000 + 5,000 + 2,000 = \mathbf{30,000 \text{ ZAR}} \text{ (2)}$$

3.5 Total actual expenses:

$$= 8,000 + 15,500 + 6,000 + 1,800 = \mathbf{31,300 \text{ ZAR}} \text{ (2)}$$

3.6 Reasons for differences in actual vs. budgeted expenses:

- Unplanned costs such as emergency repairs or marketing opportunities. (2)
 - Underestimation of real costs (e.g., salary increases). (2)
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SECTION D: MARKETING (25 marks)

QUESTION 4: PRODUCT DEVELOPMENT AND BRANDING

4.1 Definition:

- The process of creating or improving a product to meet customer needs and preferences. (2)

4.2 Importance of branding:

- Differentiates the product in the market, builds customer loyalty, and supports marketing efforts. (3)

4.4 Nike logo contribution:

- Simple and recognizable symbol that reinforces brand identity. (2)
- Associated with quality, athletic performance, and global appeal. (2)

4.5 Two brand protection methods:

- Trademark registration (2)
- Legal enforcement of intellectual property rights (2)

TOTAL: 100 MARKS

