**Examples on how to structure your OBS 320 answers:**

**(Please note that the theory displayed in this document does not fall under the OBS 320 scope, it merely acts as an example as to how you should structure all answers in OBS 320).**

1.1 The decision for an organisation to adopt a particular strategy is often informed by the results of the **tests of a** **winning strategy**.

Discuss the tests in the context of the Amazon case study. Then formulate a conclusion based on the tests about whether or not they have a winning strategy. (No marks will be given for only naming the tests or merely using theory). **[8]**

|  |  |
| --- | --- |
| **Mark allocation** | **Marks** |
| Discuss the tests (3) and support with case study evidence (3) | 6 |
| Conclude on whether Amazon has a winning strategy or not | 2 |

Heading for appropriate theory

**OPTION 1:**

1. **The Fit Test**

The test aims to determine if the strategy is well matched to the conditions and other critical aspects of the business environment in which the company operates. A winning strategy for instance needs to have a good **external fit** with respect to prevailing market conditions. In order to be considered a winning strategy, the strategy also needs to be assessed to see if it demonstrates a good **internal fit** which implies that it is tailored to the company’s resources and competitive abilities and can be supported by a complementary set of functional activitie. In addition, the strategy should exhibit a good **dynamic fit** in the sense that it is able to evolve over time in a manner that maintains close and effective alignments with the company’s situation as conditions change. ✔️

One line open

Theory (own words)

The test aims to determine if the strategy is well matched to the conditions and other critical aspects of the business environment in which the company operates. As seen in the case study, Amazon has a winning strategy by having a good **external fit** with respect to prevailing market conditions as shown by the following quote. This quote indicates that Amazon spent money on R&D which helps them to prepare for the future based on the market conditions that arise, this allows them to respond by improving their offers and developing new market sectors. ✔️

One line open

Application (link the case study to the theory)

*“For years, as Amazon’s online retail sales and profits increased continually, the company kept on investing in research and development (R&D) to improve its offers and to develop new market sectors.”* ✔️

ONE Quote

One space between point 1 and 2

**OPTION 2:**

|  |  |  |
| --- | --- | --- |
| **TESTS** | **APPLICATION** | **EVIDENCE** |
| 1. **The Fit Test**   The test aims to determine if the strategy is well matched to the conditions and other critical aspects of the business environment in which the company operates. A winning strategy for instance needs to have a good **external fit** with respect to prevailing market conditions. | As seen in the case study, Amazon has a winning strategy by having a good **external fit** with respect to prevailing market conditions as shown by the following quote. This quote indicates that Amazon spent money on R&D which helps them to prepare for the future based on the market conditions that arise, this allows them to respond by improving their offers and developing new market sectors. | “For years, as Amazon’s online retail sales and profits increased continually, the company kept on investing in research and development (R&D) to improve its offers and to develop new market sectors.” |
| 1. **The Competitive Advantage Test**   Explanation | Application | Quote |
| 1. **The Performance Test**   Explanation | Application | Quote |

Tips:

* Summarise theory in your own words **but** do not change the meaning of the theory.
* Use “quotation marks”.
* Only use one quote per point. If more than one quote is used to substantiate the same point, the first quote will be marked.
* Use **bold,** underline and *italics* to emphasise your answers.
* Make it VERY CLEAR for the markers. This ensures accurate marking.
* Use paragraphs when stating different points.
* Please book a consultation with your tutors if you need help.

Good luck with your preparation.

Compiled by OBS Assistants