



NATIONAL SENIOR CERTIFICATE EXAMINATION
NOVEMBER 2017

BUSINESS STUDIES: PAPER II

Time: 2 hours

100 marks

PLEASE READ THE FOLLOWING INSTRUCTIONS CAREFULLY

1. This question paper consists of 4 pages. Please check that your question paper is complete.
2. Read the questions carefully and plan the length of your answers in relation to the sections being covered in each question.
3. Answer both **Question 1 and Question 2**.
4. Number your answers exactly as the questions are numbered.
5. Each question must be answered on a **new page**.
6. Candidates are advised to pay special attention to the use of language.
7. It is in your own interest to write legibly and to present your work neatly.
8. Answers must be completed in the Answer Book provided.

The following aspects will be considered when marks are allocated in this paper:

- Format:
 - The CORRECT format for each question must be used, i.e. Business report.
 - Where applicable, include an introduction and conclusion.
 - Use headings and sub-headings where appropriate.
- Terminology: Correct business terminology should be used
- Content: Must be sufficient to cover all aspects of the question.
- Substantiation: Justification for statements made.
- Application to case study/context/theme.
- Creative problem solving rather than just giving theoretical facts.
- Synthesis and sequencing.

QUESTION 1

Study the following sources and then answer the question that follows:

SOURCE A



[Source: <<http://blog.corporater.com>> Accessed on 16 October 2016]

SOURCE B



[Source: <<http://www.produktion2030.se>> Accessed on 17 October 2015]

SOURCE C



[Source: <<http://www.witiger.com>> Accessed on 10 October 2016]

With the growth of the South African Fast Food Market, we have seen the emergence of local and international businesses fighting for a share of the South African Fast Food Market. This could be due to the potentially high profit earnings and the growth potential in the Fast Food Industry.

Required:

As a consultant in the Fast Food Industry, you have been asked by FASA (Franchise Association of South Africa) to write a report where you:

- Identify possible performance challenges that a Fast Food Franchise could experience in the different business functions. **(Excluding the Marketing Function)**
- Suggest possible strategies that could be used by managers in the Fast Food Market to overcome these performance challenges.

HINT: You may relate your response to one business you have studied in-depth OR a variety of such businesses.

[50]



QUESTION 2

Read the following case study and then answer the question that follows:

Emerging markets have seen a boom in coffee consumption.

[The following quotes have been taken from role players in the coffee industry]

"There is a surge in the number of people who are drinking coffee and this is impacting on product awareness and product quality. South Africa looks set to be a superb space for growth for the coffee industry with plenty of opportunities for great providers of great coffee."

Darren Levy, CEO of Vida e Caffé

"Some companies have gone for a small coffee bar inside the forecourt, such as Seattle inside Caltex and Vida e Caffé inside Shell. This way they ensure that they offer premium coffee on the move to time-starved consumers."

SACC (South African Coffee Club) spokesperson

"Brands with strong identities are those most likely to thrive and grow. This is evidenced by the development of coffee chains that have grown from a single store into a franchise and further into a global brand. Coffee shops have contributed to around 2.8 percentage points of the positive annual growth around take away and fast food."

SACC (South African Coffee Club) spokesperson



A number of new brands have entered the South African Fast Food market over the past 10 years.

A potential problem that a new Fast Food Brand may face is competing with successful brands who are already well-established.

Marketing a new brand will be of fundamental importance in establishing itself within the competitive South African market place.

Required:

You have been asked to assist a new Fast Foods Brand in developing a comprehensive marketing strategy. Your marketing strategy should focus on the use of the marketing mix and the factors that are important in building a strong brand identity and achieving a competitive advantage for the business.

[50]

Total: 100 marks