

**St Ignatius College
Riverview**



Business Studies

Year 12 Trial HSC Examination 2012

General Instructions

- Reading time – 5 minutes
- Working time – 3 hours (180 minutes)
- Board approved calculators may be used
- Write using blue or black pens
- Write your student number and your teacher's initials in the spaces provided

Section I (20 marks)

Attempt questions 1-20

Allow about 35 minutes for this section

Section II (40 marks)

Attempt questions 21-24

Allow about 65 minutes for this section

Section III (20 marks)

Attempt question 25

Allow about 40 minutes for this section

Section IV (20 marks)

Attempt question 26 OR 27

Allow about 40 minutes for this section

Section I

20 marks

Attempt Questions 1–20

Allow about 35 minutes for this section

Use the multiple choice answer sheet

- 1** Which of the following are transformed resources in operations processes?
 - A** Materials, information, and facilities
 - B** Materials, information, and customers
 - C** Materials, facilities and human resources
 - D** Materials, inputs and facilities

- 2** Which of the following describes secondary market research data?
 - A** Facts already collected for another purpose
 - B** Interpretation of primary market research data
 - C** Facts about the secondary market for a business' products
 - D** Facts collected from original sources for the specific research problem

- 3** Which of the following is a disadvantage of debt financing compared to equity financing?
 - A** Liquidity can be reduced
 - B** Liquidity can be strengthened
 - C** Ownership and control is diluted
 - D** Interest is always a larger amount than dividends

- 4** Which of the following businesses illustrate a mass market approach to their target market?
 - A** Rolex watches
 - B** Kleenex tissues
 - C** Qantas First Class
 - D** Rolls Royce vehicles

- 5** A business changes their letterhead, signage, brochures, invoices and their website.

Which of the following describes the marketing strategy being used by the business?

- A** Place
- B** Product
- C** Promotion
- D** Physical evidence

- 6** JJ Heaters launched their new model of heaters this winter in Australia. They have noticed a spike in the number of repairs they are doing under their 12 month warranty.

Why is it important that JJ Heaters find out why this spike has occurred?

- A** It is a legal requirement
- B** It allows them to track their cost centres
- C** They are building relationships with their customers by fixing the heater
- D** There may be a fault in the transformation process which is costing them money

- 7** Which organisation would an employee seek assistance from if they feel that their employer was not paying them the minimum wage as set out in their Award?

- A** ASIC
- B** ACCC
- C** Fair Work Australia
- D** Australian Industrial Relations Commission

- 8** Jonty Rhodes manages small business. His workers describe him as a consultative boss who considers the opinion of employees on all new ideas.

What leadership style is used by Jonty?

- A** Coaching
- B** Directive
- C** Laissez-faire
- D** Participative

9 Lachlan Packer recently decided to sell allotments of shares directly from the company to investors not through the stock exchange or via a prospectus.

Which type of share issue best describes this practice?

- A** Placements
- B** Rights Issue
- C** Secondary Issue
- D** Share Purchase Plan

10 Lisa hires an external company to attract new staff to her business.

This process can be described as:

- A** job design.
- B** recruitment.
- C** leadership style.
- D** training and development.

11 Which of the following is an advantage of external recruitment?

- A** Risk of unknown staff
- B** Takes substantial time and effort
- C** Wider potential pool of applicants
- D** Builds staff commitment and loyalty

12 A Financial Audit is:

- A** a check of all GST reporting and procedures.
- B** a check of inventory management and inventory procedure.
- C** a check of the accuracy of financial reports and procedures.
- D** a check of all financial statements since the business started.

Question 13 & 14 relate to the following information.

Financial information for H1N1 Pty Ltd.

Item	\$
Accounts Payable	10,000
Accounts Receivable	20,000
Buildings	100,000
Capital	10,000
Cash	10,000
Fixtures	20,000
Mortgage	60,000
Overdraft	10,000
Short term loan payable	10,000
Retained earnings	50,000

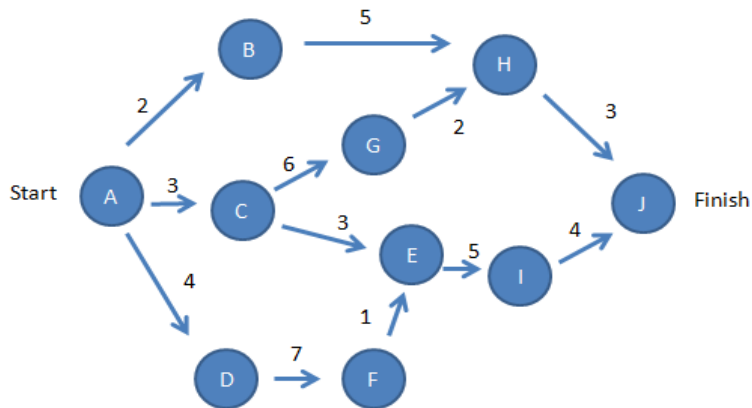
13 Using the information above, calculate the current ratio for H1N1 Pty Ltd.

- A** 0.5:1
- B** 1:1
- C** 1.33:1
- D** 1.66:1

14 Calculate the gearing ratio for H1N1 Pty Ltd.

- A** 50%
- B** 100%
- C** 150%
- D** 200%

15 Which of the following combinations illustrates the critical path?



- A ABHJ
- B ACGHJ
- C ACEIJ
- D ADFEIJ

16 A Gantt chart is used to:

- A show budget, finance and costing of tasks to be completed.
- B show order, duration and sequencing of tasks to be completed.
- C show duration, sequencing and the critical path to be completed.
- D show target markets and marketing campaigns to be completed.

17 The marketing approach is focused on:

- A customers.
- B market share.
- C products.
- D profits.

- 18** Extrinsic Rewards associated with the job include:
- A** bonuses, holidays, child care
 - B** responsibility, effective leadership, insurance.
 - C** commissions, promotion, social activities.
 - D** recognition, flexible hours, safe and healthy work environment.
- 19** Cost leadership involves:
- A** setting product prices before competitors.
 - B** aiming to be the most expensive in the market.
 - C** aiming to be the most price-competitive in the market.
 - D** cost advantages that are created because of an increase in production levels.
- 20** Benjamin's Bike Basement is currently selling 2011 stock bikes at below cost in order to attract customers to his shop and clear excess stock.

What type of Pricing Strategy is Benjamin using?

- A** Price Points
- B** Loss Leader
- C** Price Skimming
- D** Price Penetration

Section III (20 marks)

Question 25

Allow about 40 minutes for this section

Answer the question in the separate booklet provided

In your answer you will be assessed on how well you:

- demonstrate knowledge and understanding relevant to the question
 - apply the hypothetical business situation
 - communicate using relevant business terminology and concepts
 - present a sustained, logical and cohesive response in the form of a business report
-

Mad Toys Pty Ltd are an Australian company who outsource the manufacturing of their toys to businesses in Vietnam and China and sell globally using the internet and traditional retail methods. They manage their entire global operation from head office in Sydney where marketing, human resources and finance is controlled.

They have reported steady sales since the global financial crisis although they have identified an increase in their cost base and issues in their cash flow as a result of increasingly difficult global business conditions.

Other concerns are:

- Inconsistent sales because of standard products being sold in different markets
- Late payments by customers with large accounts

The Board at Mad Toys has asked you to write them a report that addresses the following questions:

- Discuss the use of outsourcing by Mad Toys
- Recommend strategies that could improve issues with cash flow management
- Analyse the global marketing strategies that might be used to boost global sales

Section IV
20 marks

Attempt Question 26 or 27

Allow about 40 minutes for this section

Answer the question in the separate answer booklet provided

In your answer you will be assessed on how well you:

- demonstrate knowledge and understanding relevant to the question
 - apply relevant business case study/studies and contemporary business issues
 - communicate using relevant business terminology and concepts
 - present a sustained, logical and cohesive response
-

Question 26

Analyse the impact of influences on the management of human resources.

OR

Question 27

Analyse the impact of operations strategies in sustaining a business' competitive advantage.

CANDIDATE NUMBER:
 TEACHERS INITIALS:

St Ignatius' College, Riverview



**TRIAL HSC EXAMINATION
 2012
 BUSINESS STUDIES**

DO NOT DETACH THIS COVER SHEET

Instructions for answering multiple choice questions

- Complete your answers in blue or black pen.
- Select the alternative A, B, C or D that best answers the question. Fill in the response circle completely.

Sample 1: $2 + 4 =$ (A) 2 (B) 6 (C) 8 (D) 9

 A ○ B ● C ○ D ○

If you think you made a mistake, put a cross through the incorrect answer and fill in the new answer. If you are using a pencil, you may rub out the incorrect answer and fill in the new answer.

A ○ B ~~●~~ C ○ D ○

If you change your mind and have crossed out what you consider to be the correct answer, then indicate the correct answer by writing the word *correct* and drawing an arrow as follows:

A ~~●~~ B ~~●~~ ^{*correct*} C ○ D ○

SECTION II QUESTIONS

Instructions

- Attempt **ALL** questions
- Write your candidate number on the top of each page.

Part A – Multiple Choice Answer Sheet 2012 Business Studies Trial HSC

- Start Here →
1. A B C D
 2. A B C D
 3. A B C D
 4. A B C D
 5. A B C D
 6. A B C D
 7. A B C D
 8. A B C D
 9. A B C D
 10. A B C D
 11. A B C D
 12. A B C D
 13. A B C D
 14. A B C D
 15. A B C D
 16. A B C D
 17. A B C D
 18. A B C D
 19. A B C D
 20. A B C D

Section II

Student Number.....

40 marks

Teacher Initials.....

Attempt Questions 21-24

Allow about 65 minutes for this section

Answer the question on the separate answer page provided

Question 21 (10 marks)

- a) Outline TWO factors influencing customer choice

Marks

2

.....

.....

.....

.....

.....

.....

.....

.....

- b) Define the term “implied condition” in a consumer sale.

2

.....

.....

.....

.....

.....

.....

.....

Question 21 cont.....

- c) Describe ONE aspect of consumer law that influences pricing practices by businesses in Australia. **2**

.....

.....

.....

.....

.....

.....

- d) A customer purchases a \$10,000 authentic luxury watch with a 30 day warranty. The watch breaks after 60 days. **4**

Define warranty and assess whether the customer is entitled to compensation under Australian Consumer Law.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

Student Number.....
 Teacher Initials.....

Question 22 (10 marks)

22 Fred Ball runs a large water tank manufacturing plant. His costs have continued to grow and he is facing increased competition from cheap imports. Fred has decided to move his operations to Bangladesh next year to take advantage of cheaper inputs. As a result, he will have to lay off 20 domestic workers. **Marks**

a) Using examples from the stimulus, describe the difference between legal compliance and ethical responsibility. **4**

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

Question 22 cont.....

b) Explain TWO influences on Fred’s operations that he should have considered in deciding to move his production to Bangladesh.

6

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

Student Number.....
Teacher Initials.....

Question 23 (8 marks)

23 “Human Resources are the most valuable resources of any business. They can give the business a competitive advantage and can cost more to acquire good employees than it does to retain them”. **Marks**

a) Discuss internal recruitment. **4**

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

b) Distinguish between voluntary and involuntary separation and provide an example of each **4**

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

Student Number.....
Teacher Initials.....

Question 24 (12 marks)

24 Coffee Hut Pty Ltd has provided the following information in the table as at 30 June 2012.

**Marks
12**

	Coffee Hut (2011)	Coffee Hut (2012)	Industry Average (2012)
Acc Receivable Turnover Ratio (days)	75 days	55 days	31 days
Expense Ratio (%)	67%	70%	50%
Gross Profit Ratio (%)	73%	83%	90%
Net Profit Ratio (%)	7%	16%	30%

a) Outline the purpose of the expense ratio.

2

.....
.....

b) Assuming that Coffee Hut Pty Ltd had identical sales figures in 2011 and 2012, using a specific example, explain what may have caused their Gross Profit Ratio to move in the direction that it did between the two years.

2

.....
.....
.....
.....
.....

Question 24 cont.....

- c) Assess the financial performance of Coffee Hut Pty Ltd in terms of the financial objective of efficiency. **4**

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

- d) Outline TWO profitability management strategies that may be useful to Coffee Hut Pty Ltd. **4**

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

Marking Criteria – BUSINESS STUDIES TRIAL 2012

a) Multiple Choice

Question	Answer	Question	Answer
1	B	11	C
2	A	12	C
3	A	13	B
4	B	14	C
5	D	15	D
6	D	16	B
7	C	17	A
8	D	18	A
9	A	19	C
10	B	20	B

b) Short Answers

Question 21

Q	Suggested Answer & Criteria
21a	<p>Outline TWO factors influencing customer choice</p> <p>Answer: Students can choose between psychological, sociocultural, economic, government</p> <p>Criteria: 2 Marks: students outline TWO factors 1 mark: students identify TWO factors, or outline 1 factor</p>
21b	<p>Define the term “implied condition” in a consumer sale.</p> <p>Answer: Implied conditions are the unspoken and unwritten terms of a contract. These conditions are assumed to exist regardless of whether they were especially mentioned or written into a contract. The most important implied term relating to customer purchases refers to the product’s acceptable quality.</p> <p>Criteria 2 marks: students provides complete definition 1 mark: student provides superficial definition</p>
21c	<p>Describe ONE aspect of consumer law that influences pricing practices by businesses in Australia.</p> <p>Answer: Price discrimination is the setting of different prices for a product in separate markets. The difference in price is possible because:</p>

21d	<ul style="list-style-type: none"> • the markets are geographically separated, for example city and country prices • there is product differentiation within the one market, for example different electricity prices for domestic and business users. <p>The Competition and Consumer Act prohibits price discrimination if the discrimination could substantially reduce competition. This prohibition also applies to discounts given, credits, rebates, services and payment arrangements. This means that a business cannot give favoured treatment to some customers while denying it to others.</p> <p>Criteria 2 marks: Student identifies price discrimination and describes characters and features of price discrimination (or similar consumer law prohibition, ie price fixing) 1 marks: Student identifies price discrimination (or similar consumer law prohibition, ie price fixing)</p> <p>As part of its marketing strategy, and to reduce the cost associated with returned products, a national electronics retailer has printed large signs to place near its cash registers, with the words</p> <p style="text-align: center;">“No exchanges or refunds in any circumstances. All sales final”.</p> <p>Assess whether the retailer can refuse refunds or exchanges for faulty goods sold.</p> <p>Answer A business is required by law to offer a refund:</p> <ul style="list-style-type: none"> • if the products provided are faulty • do not match the description or a sample • fail to do the job they were supposed to do. <p>There is no obligation to offer a refund if the customer has simply changed their mind, has found the same product at a cheaper price in another store, or damage has occurred after the purchase was made.</p> <p>In this case the retailer cannot refuse an exchange, but may be able to refuse a refund if the product is capable of doing the job it was supposed to do (ie not a design defect).</p> <p>Criteria: 4 marks: Correctly makes judgment in relation to refunds and exchanges, with reference to the Australian Consumer Law 3 marks: Correctly makes judgment in relation to refunds and exchanges 2 marks: Correctly makes judgment in relate to refunds, OR exchanges 1 mark: Identifies that the Australian Consumer Law has a role in relation to refunds and exchanges</p>
-----	--

Question 22

Q	Suggested Answer & Criteria
	<p>Frederick Ball runs a large water tank manufacturing plant. His costs have continued to grow and he is facing increased competition from cheap imports. Frank has decided to move his operations to China next year to take advantage of cheaper inputs. As a result, he will have to lay off 20 domestic workers.</p>
22a	<p>Describe to Frank the difference between legal compliance and ethical responsibility. (You must use examples from the stimulus)</p> <p>Answer: Legal compliance is following the letter of the law. Ethical responsibility goes further than legal compliance and goes with the spirit of the law. Eg: Notice and leave entitlements must be met (legal), ensuring that workers are not taken advantage of in China, retraining his employees so they are more employable (ethical)</p> <p>Criteria: 4 marks: Provides characteristics and features that distinguishes between legal compliance and ethical responsibility using examples for both. 3 marks: Provides characteristics and features that distinguishes between legal compliance and ethical responsibility using example for only one 2 marks: Sketches in general terms using in examples 1 mark: identifies only</p>
22b	<p>Explain TWO influences specific to Frank's operations that he should have considered in moving his production to China.</p> <p>Answer: Relates cause and effect of any two of: globalization, technology, quality expectations, cost-based competition, government policies, legal regulation, environmental sustainability.</p> <p>Criteria: 6 marks: Comprehensively relates cause and effect of 2 influences on moving production to china 5 marks: Relates cause and effect of 2 influences on moving production to china 4 marks: Provides characteristics and features of 2 influences on moving production to china 3 marks: Provides characteristics and features on 1 influence 2 marks: sketches in general terms influences 1 mark: identifies</p>

Question 23

Q	Suggested Answer & Criteria
23a	<p>Answer: Internal recruitment involves filling job vacancies with people from within the business.</p> <p>Advantages: cheaper than external less chance of failure as staff strengths and weaknesses are already known, motivates staff, recognizes and rewards staff for effort and achievement, builds commitment and loyalty, employees already know the culture of the operation so minimizes disruption to productivity.</p> <p>Disadvantages: Can reinforce negative culture, may cause rivalry amongst employees, may attract a number of employees so need to manage unsuccessful employees so not demotivated, no new skills brought into business.</p> <p>Criteria: 4 marks: definition and at least 2 advantages and disadvantages 2-3 marks: gives definition and only includes limited advantages/disadvantages 1 mark: only defines</p>
b)	<p>Answer:</p> <p>Voluntary separation: employee leaves business of own accord. Examples include resignation, relocation, retirement or voluntary redundancy.</p> <p>Involuntary separation: Employee is forced to leave the business. Examples include retrenchment, dismissal, the end of a contract.</p> <p>Criteria 4 marks: Defines both voluntary and involuntary separation and provides an example of each. 3 marks: defines one and provides 2 examples/defines both provides 1 example 2 marks: defines both no example/ defines 1 and gives an example 1 marks: Provides one definition or 1 example</p>

Question 24

Q	Suggested Answer & Criteria
24a	<p>Answer: Gross Profit Ratio and Net Profit Ratio</p> <p>Criteria: 2 marks: correctly identifies both 1 mark: only identifies one</p>
24b	<p>Answer: There has been an improvement in the Gross Profit Ratio between 2011 and 2012. Considering that the sales figures were identical in both years the only factor that could change this would be a fall in COGS. This could have been achieved if Coffee Hut had changed suppliers and seen a price decrease in their COGS or possibly due to seasonal factors reducing the price of some of their inputs (e.g. price of coffee beans is down).</p> <p>Criteria 2 marks: Correctly identifies the factor as being COGS related and provides a logical reason as to why they may have fallen. 1 mark: may identify the culprit as being COGS</p>
24c	<p>Answer:</p> <p><u>Expense ratio:</u> Shows the ratio of total expenses to sales and shows the extent to which sales revenue is consumed by expenses (higher results are worse). Coffee Hut's expense ratio has worsened in 2012 from 2011 and is still well above the industry average.</p> <p><u>ARTR:</u> Measures the number of days it takes to recover accounts receivable. The lower the number of days the more efficient the AR collection. Although the ARTR has improved for Coffee Hut from 2011 to 2012 it is still well above the industry average result of 31 days. This shows that their AR efficiency could be improved considerably.</p> <p><u>Criteria:</u></p> <p>1 mark for an explanation of a type of efficiency measure 1 mark for a judgment based on the stimulus</p>
24d	<p>Answer:</p>

Potential profitability management strategies could include:

Cost controls

expense minimization

cost centers

fixed vs variable

Revenue controls

Marketing objectives

Criteria:

1 mark for identification of relevant profitability management strategy

1 mark for explaining how this strategy may be relevant to Coffee Hut and which ratio it would improve from the stimulus.

Business Report – Question 25

Criteria	Marks
<ul style="list-style-type: none"> • Presents a sustained, logical and well-structured business report and clearly communicates using features of a business report and appropriate business terminology and concepts • Sketches clearly & thoroughly three areas of consumer law applicable in Australia • Provides excellent characteristics and features of the issues relating to profitability management • Detailed relation of cause and effect in managing the financial risks in global business 	17-20
<ul style="list-style-type: none"> • Presents a sustained, logical and well-structured business report and communicates using features of a business report and appropriate business terminology and concepts • Sketches clearly three areas of consumer law applicable in Australia • Provides characteristics and features of the issues relating to profitability management • Provides features of financial risk management in global business 	13-16
<ul style="list-style-type: none"> • Includes features of a business report and uses some business terminology and concepts • Sketches three areas of consumer law applicable in Australia • Provides some characteristics and features of the issues relating to profitability management • Sketches in basic terms the financial risk management in global business 	9-12
<ul style="list-style-type: none"> • Includes some features of a business report and uses some business terminology and concepts • Identifies three areas of consumer law applicable in Australia • Mentions some characteristics and features of the issues relating to profitability management • May sketch in basic terms the financial risk management in global business 	5-8
<ul style="list-style-type: none"> • Uses basic business terminology in a very brief and basic report • May identify an area of consumer law applicable in Australia • May mention a characteristic of the issues relating to profitability management • May identify in basic terms the financial risk management in global business 	1 - 4

Answers might include:

Aspects of consumer law may include:

- Students should identify the Australian Competition and Consumer Act or the Australian Consumer Law
- Aspects include: resale price maintenance, price discrimination, deceptive or misleading advertising, warranties and implied conditions

Key issues in management of profitability:

- Cost controls: fixed/variable, costs centres, expense minimization
- Revenue controls: sales objectives, sales mix, pricing policy

Global financial risk management includes:

- Choosing the appropriate method of payment
- Making use of hedging and derivatives
- Insurance products
- Obtaining global finance

Question 26 – Extended Response

Criteria	Marks
<ul style="list-style-type: none"> • Provides detailed characteristics and features of influences on the management of Human Resources • Analyses (by drawing out and relating implications) the way in which these influences impact the management of Human Resources • Clearly supports response with reference to relevant case study/studies 	17-20
<ul style="list-style-type: none"> • Provides characteristics and features of the influences on the management of Human Resources • May relate some ways that these influences impact the management of Human Resources • Makes reference to relevant case study/studies 	13-16
<ul style="list-style-type: none"> • Provides features of the influences and their impact on Human Resource Management • May make reference to relevant case study/studies 	9-12
<ul style="list-style-type: none"> • Sketches in basic terms the influences and their impact on Human Resource Management • May make reference to relevant case study/studies 	5-8
<ul style="list-style-type: none"> • May refer to influences and impacts on Human Resource Management • May use basic business terminology 	0-4

Answers should include:

At least 3 of the following influences

- **Influences on Human Resource Management**
 1. **Stakeholders** – employees, employers, government, trade unions and employer associations.
 2. **Society**
 3. **Legal-** employment contract, awards, enterprise agreements, OHS, Worker’s compensation, Anti-discrimination, EEO
 4. **Economic:** Economic cycle, structural change, Globalisation
 5. **Social:** Changing work patterns, Ageing workforce, Living standards
 6. **Ethics and Corporate Social Responsibility:** working conditions

These influences need to then be analysed re the impact they have on the management of Human Resources using relevant examples from a business/businesses they have studied.

Question 27 – Extended Response

Criteria	Marks
<ul style="list-style-type: none"> • Provides detailed characteristics and features of operations strategies and a Business' competitive advantage. • Analyses (by drawing out and relating implications) the way in which operations strategies can impact upon the competitive advantage of a business • Clearly supports response with reference to relevant case study/studies 	17-20
<ul style="list-style-type: none"> • Provides characteristics and features of operations strategies and a Business' competitive advantage. • May analyses (by drawing out and relating implications) the way in which some operations strategies can impact upon the competitive advantage of a business. • Makes reference to relevant case study/studies 	13-16
<ul style="list-style-type: none"> • Provides characteristics and features of operations strategies and a business' competitive advantage. • May make reference to relevant case study/studies 	9-12
<ul style="list-style-type: none"> • Sketches in general terms operations strategies and a business' competitive advantage. • May make reference to relevant case study/studies 	5-8
<ul style="list-style-type: none"> • May refer to operations strategies • May refer to competitive advantage • May use basic business terminology 	0-4

Answers could include:

- **Operations Strategies** –
 - performance objectives – quality, speed, dependability, flexibility, customisation, cost
 - new product or service design and development
 - supply chain management – logistics, e-commerce, global sourcing
 - outsourcing – advantages and disadvantages
 - technology – leading edge, established
 - inventory management – advantages and disadvantages of holding stock, LIFO (last-in-first-out), FIFO (first-in-first-out), JIT (just-in-time)
 - quality management
- control
- assurance
- improvement
 - overcoming resistance to change – financial costs, purchasing new equipment, redundancy payments, retraining, reorganising plant layout, inertia

- global factors – global sourcing, economies of scale, scanning and learning, research and development
- **Business Competitive Advantage:** A competitive advantage refers to any advantage that a business has over its competition. Typically businesses develop advantages in:
 - Price
 - Service
 - Quality
 - Positioning in the mind of consumers
 - People
 - Resources
 - Product Innovation
 - Differentiation
 - New technologies such as robotics

