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2012 HSC - Business Studies

Band 3/4

Sample 1 Question 26

In order for a business to have a successful marketing ~~strategy~~ strategy, the business must comply with government regulation and ethical standards. Not only does a business need to market its product effectively in order to make a profit, a business also needs to have a good reputation amongst the employees ~~community~~ and local community. This is seen within the Company Crumpler.

Crumpler is a company that makes courier bags. They follow a quality not cost based strategy that has gained respect ~~to~~ from their employees and customer-base. By creating a product of high quality and standard along with a 'death do us part' life time warranty the potential and existing customer base ~~are~~ are aware of Crumpler's high standards and great ethical behaviour.

Crumpler also decided to outsource some of its operational processes, this is where government regulation affected their marketing. Crumpler decided to outsource their manufacturing process to Vietnam as part of their financial management plan. However, Vietnam is ~~not~~ well-known

for having poor labour conditions. This impacted badly upon the company and customers did not support the ~~company's~~ company's choice to manufacture in Vietnam where legal and government regulation is so poor.

~~Therefore~~

Ethical behaviour and government regulation can ~~effect~~ influence the ~~effective~~ effectiveness of a business's marketing strategy. Without good ethical behaviour and compliance with government regulation a business will not satisfy the ~~social and ethical preferences~~ consumer's ^{support and} ~~needs~~ who do not ~~purchase~~ purchase from un-ethical businesses.

By not complying with government regulation your business will suffer immensely, your business could incur fines and even become shut down. This affects the business image among the community, ^{which is why} ~~customers~~ customers turn to competitors with a better reputation.

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