Business subject report

2025 cohort

January 2026

Contents

Introduction

The annual subject reports seek to identify strengths and opportunities for improvement of internal and external assessment processes for all Queensland schools. The 2025 subject report is the culmination of the partnership between schools and the QCAA. It addresses school-based assessment design and judgments, and student responses to external assessment for General and General (Extension) subjects. In acknowledging effective practices and areas for refinement, it offers schools timely and evidence-based guidance to further develop student learning and assessment experiences for 2026.

The report also includes information about:

- how schools have applied syllabus objectives in the design and marking of internal assessments
- how syllabus objectives have been applied in the marking of external assessments
- patterns of student achievement
- important considerations to note related to the revised 2025 syllabus (where relevant).

The report promotes continuous improvement by:

- identifying effective practices in the design and marking of valid, accessible and reliable assessments
- recommending where and how to enhance the design and marking of valid, accessible and reliable assessment instruments
- providing examples that demonstrate best practice.

Schools are encouraged to reflect on the effective practices identified for each assessment, consider the recommendations to strengthen assessment design and explore the authentic student work samples provided.

Audience and use

This report should be read by school leaders, subject leaders, and teachers to:

- inform teaching and learning and assessment preparation
- assist in assessment design practice
- assist in making assessment decisions
- help prepare students for internal and external assessment.

The report is publicly available to promote transparency and accountability. Students, parents, community members and other education stakeholders can use it to learn about the assessment practices and outcomes for senior subjects.

Subject highlights

268
schools offered
Business

84.39%
of students
completed
4 units

96.43%
of students
received a
C or higher

Subject data summary
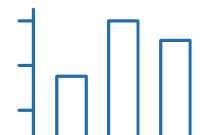
Unit completion

The following data shows students who completed the General subject.

Note: All data is correct as at January 2026. Where percentages are provided, these are rounded to two decimal places and, therefore, may not add up to 100%.

Number of schools that offered Business: 268.

Completion of units	Unit 1	Unit 2	Units 3 and 4
Number of students completed	5,636	5,286	4,756

Units 1 and 2 results

Number of students	Unit 1	Unit 2
Satisfactory	5,118	4,871
Unsatisfactory	518	415

Units 3 and 4 internal assessment (IA) results

Total marks for IA
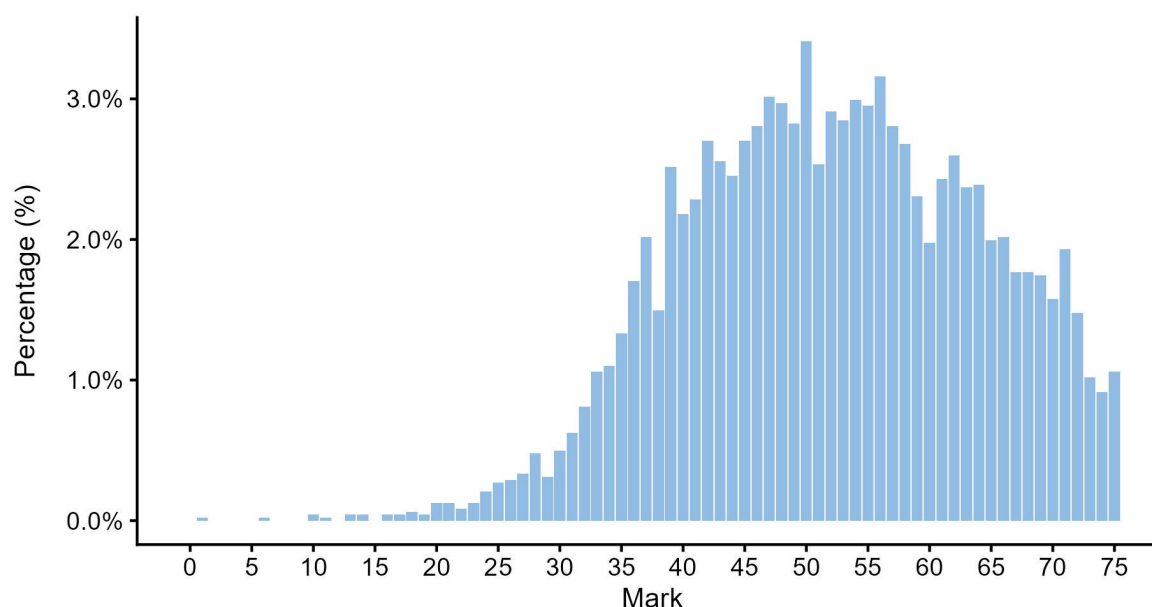
IA1 marks

IA1 total
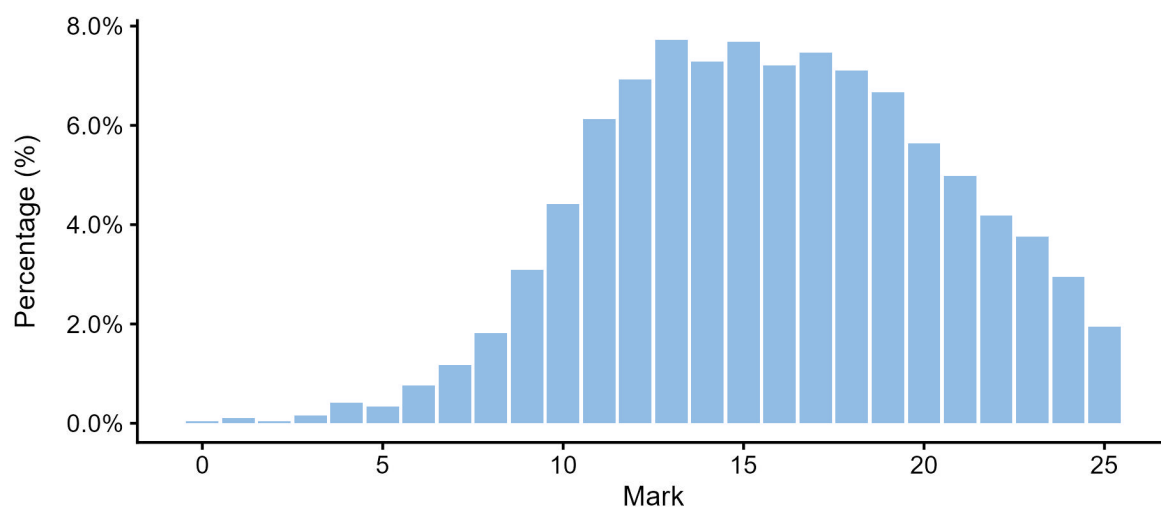
IA1 Criterion: Explaining
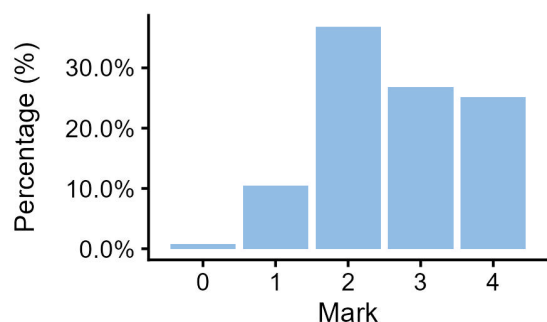
IA1 Criterion: Describing
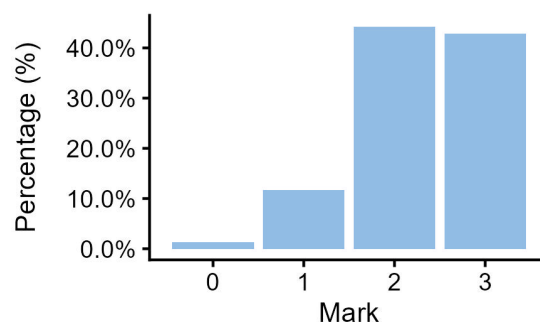
IA1 Criterion: Evaluating
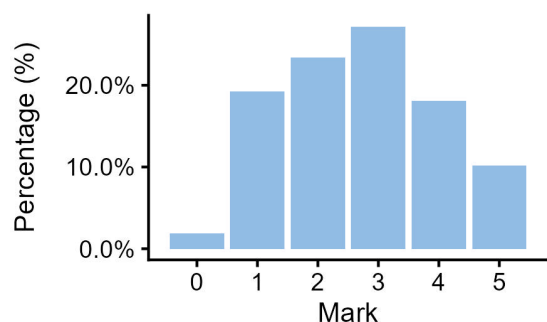
IA1 Criterion: Analysing
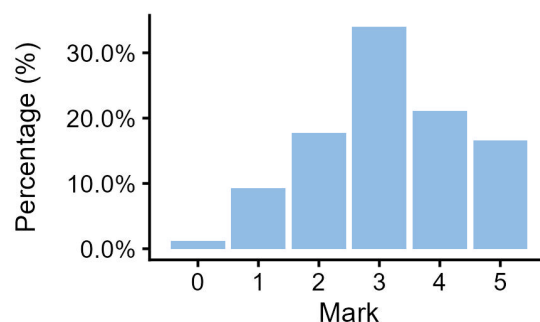
IA1 Criterion: Synthesising
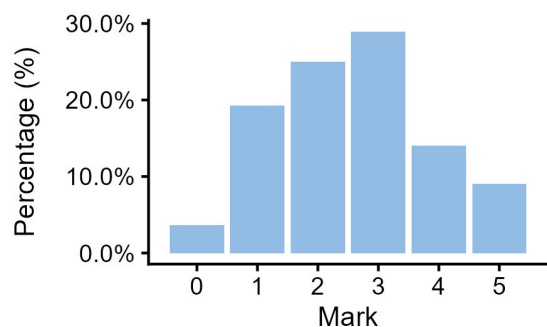
IA1 Criterion: Communicating
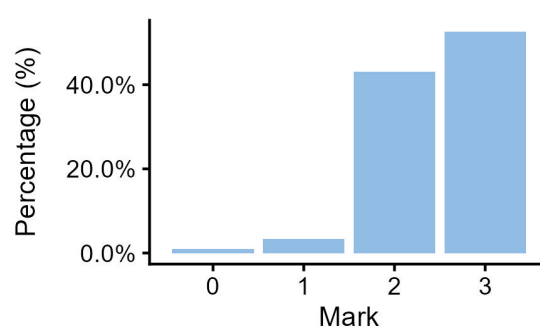
IA2 marks

IA2 total
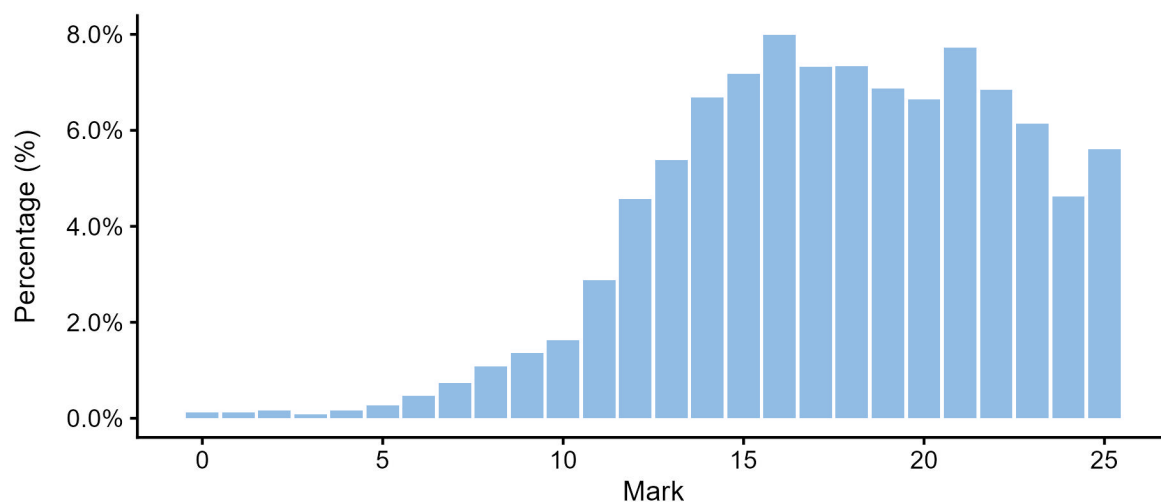
IA2 Criterion: Describing
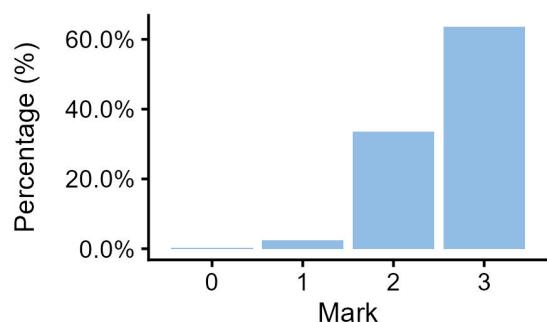
IA2 Criterion: Explaining
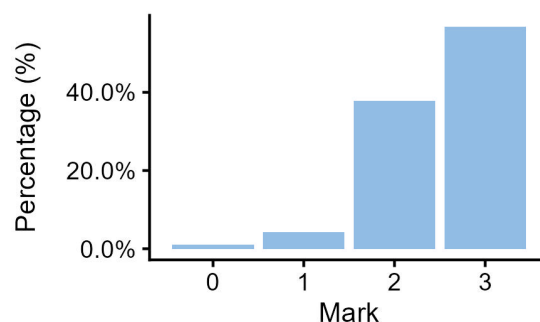
IA2 Criterion: Analysing
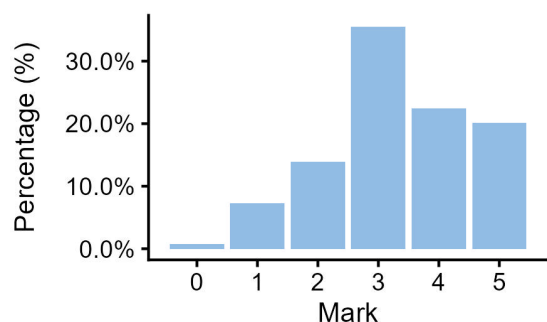
IA2 Criterion: Synthesising
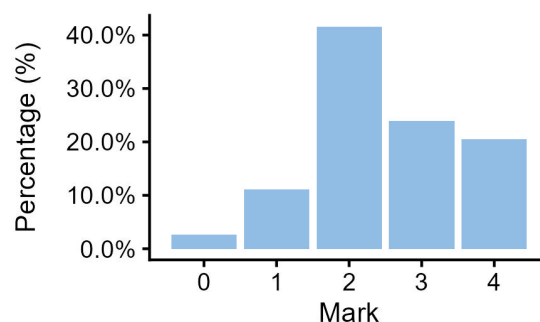
IA2 Criterion: Evaluating
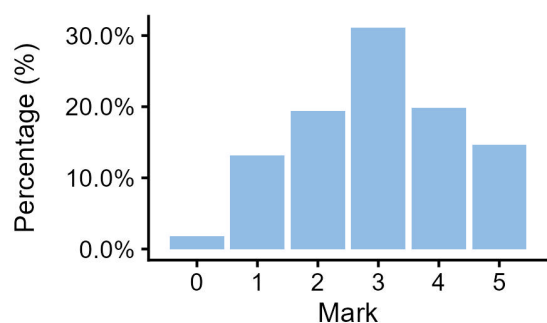
IA2 Criterion: Communicating
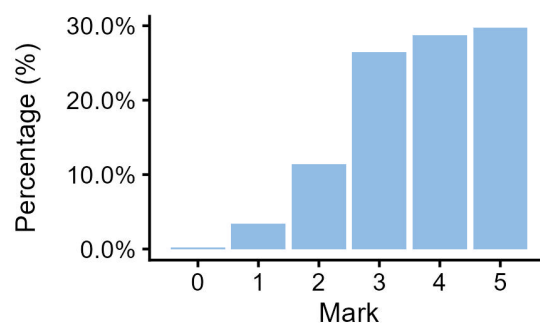
IA3 marks

IA3 total
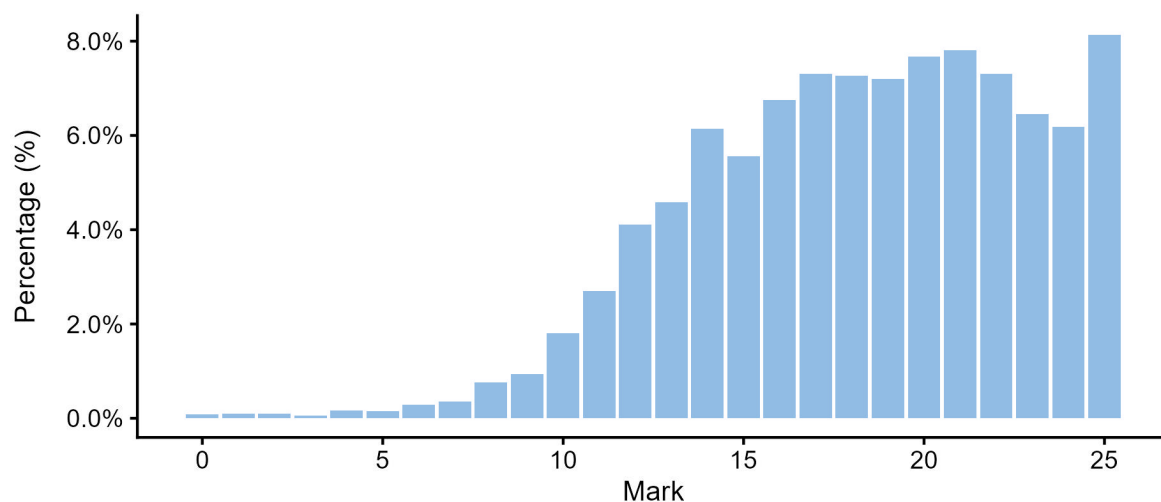
IA3 Criterion: Describing
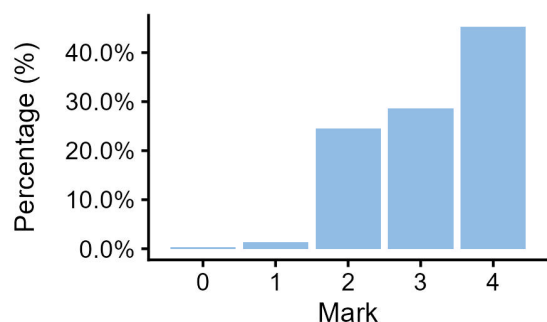
IA3 Criterion: Explaining
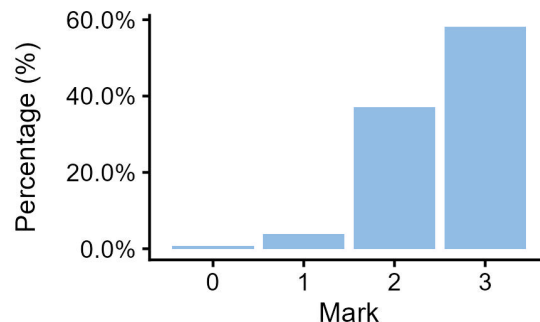
IA3 Criterion: Analysing
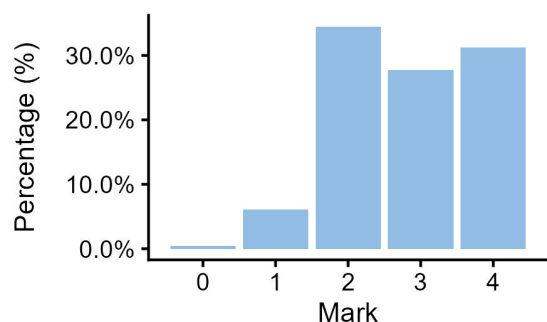
IA3 Criterion: Synthesising
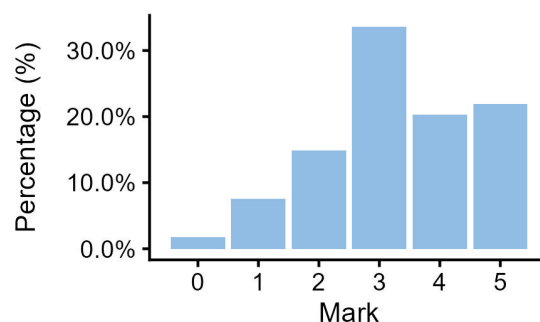
IA3 Criterion: Evaluating
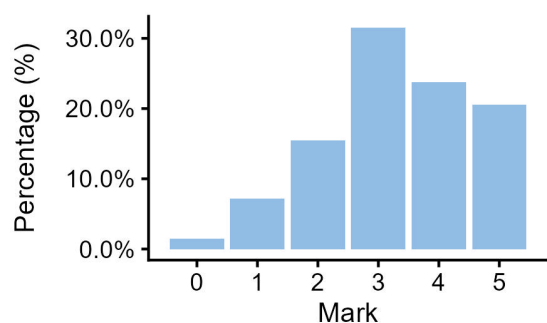
IA3 Criterion: Communicating
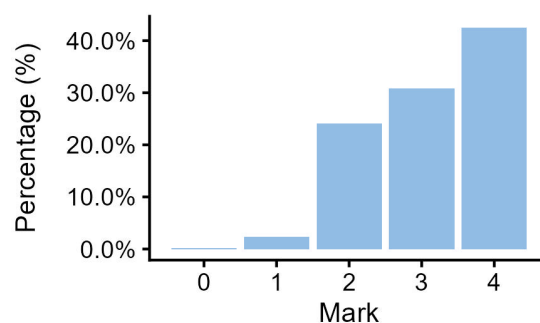
External assessment (EA) marks
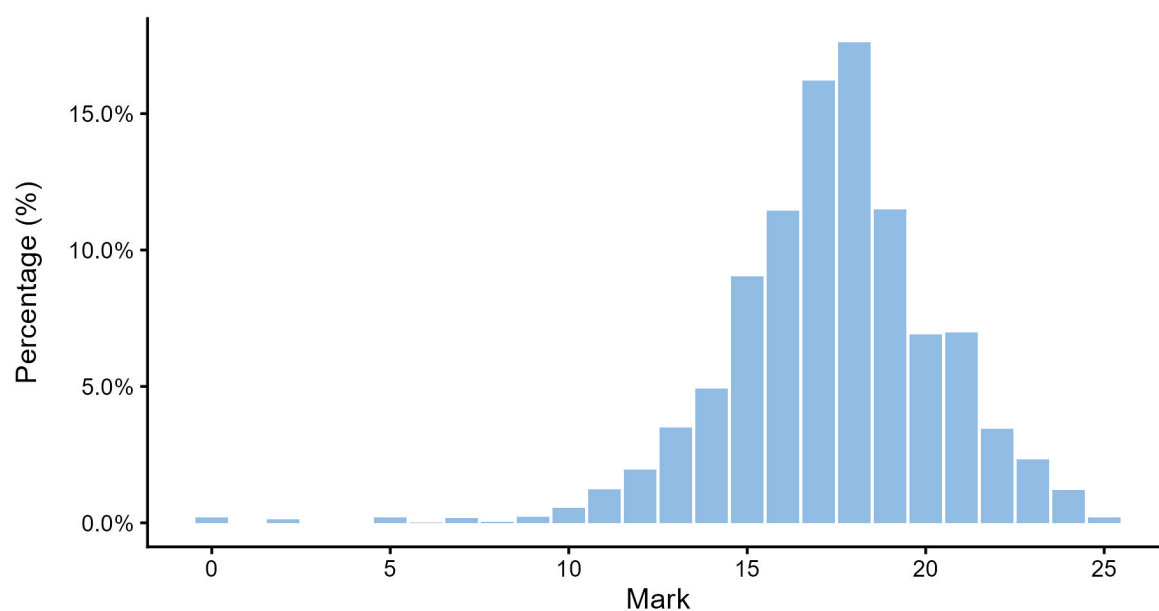
Final subject results

Final marks for IA and EA
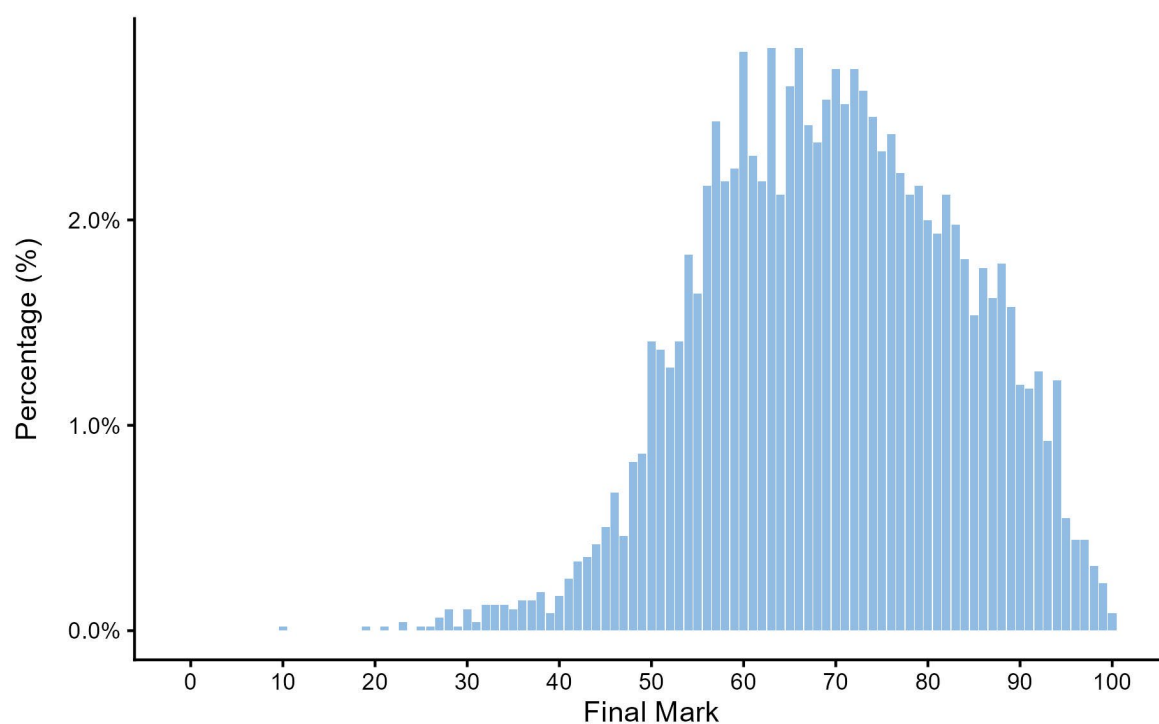
Grade boundaries

The grade boundaries are determined using a process to compare results on a numeric scale to the reporting standards.

Standard	A	B	C	D	E
Marks achieved	100–84	83–67	66–46	45–19	18–0

Distribution of standards

Number of students who achieved each standard across the state.

Standard	A	B	C	D	E
Number of students	853	1,897	1,836	169	1
Percentage of students	17.94	39.89	38.60	3.55	0.02

Internal assessment

This information and advice relate to the assessment design and assessment decisions for each IA in Units 3 and 4. These instruments have undergone quality assurance processes informed by the attributes of quality assessment (validity, accessibility and reliability).

Endorsement

Endorsement is the quality assurance process based on the attributes of validity and accessibility. These attributes are categorised further as priorities for assessment, and each priority can be further broken down into assessment practices.

Data presented in the Assessment design section identifies the reasons why IA instruments were not endorsed at Application 1, by the priority for assessment. An IA may have been identified more than once for a priority for assessment, e.g. it may have demonstrated a misalignment to both the subject matter and the assessment objective/s.

Refer to *QCE and QCIA policy and procedures handbook v7.0*, Section 9.5.

Percentage of instruments endorsed in Application 1

Internal assessment	IA1	IA2	IA3
Number of instruments	266	266	266
Percentage endorsed in Application 1	68	89	82

Confirmation

Confirmation is the quality assurance process based on the attribute of reliability. The QCAA uses provisional criterion marks determined by teachers to identify the samples of student responses that schools are required to submit for confirmation.

Confirmation samples are representative of the school's decisions about the quality of student work in relation to the instrument-specific marking guide (ISMG) and are used to make decisions about the cohort's results.

Refer to *QCE and QCIA policy and procedures handbook v7.0*, Section 9.6.

The following table includes the percentage agreement between the provisional marks and confirmed marks by assessment instrument. The Assessment decisions section for each assessment instrument identifies the agreement trends between provisional and confirmed marks by criterion.

Number of samples reviewed and percentage agreement

IA	Number of schools	Number of samples requested	Number of additional samples requested	Percentage agreement with provisional marks
1	266	1,849	16	71.05
2	266	1,837	0	86.47
3	265	1,831	0	90.94

Internal assessment 1 (IA1)

Examination — combination response (25%)

This examination assesses the application of a range of cognitions to multiple provided items — questions, scenarios and problems.

Student responses must be completed individually, under supervised conditions, and in a set timeframe.

Assessment design

Validity

Validity in assessment design considers the extent to which an assessment item accurately measures what it is intended to measure and that the evidence of student learning collected from an assessment can be legitimately used for the purpose specified in the syllabus.

Reasons for non-endorsement by priority of assessment

Validity priority	Number of times priority was identified in decisions
Alignment	85
Authentication	0
Authenticity	3
Item construction	22
Scope and scale	23

Effective practices

Validity priorities were effectively demonstrated in assessment instruments that:

- included questions that were drawn from Unit 3 Topic 1 subject matter and enabled student responses to align with the top performance-level descriptors in the ISMG. These included questions that required comprehensive explanations of the significant and relevant relationships associated with business concepts, strategies and/or processes relating to competitive markets, e.g. explain the relationship between diverse workforce and human resources strategic planning in the maturity stage

- used cognitive verbs in questions to manage scope and scale, e.g. describe external operating or macro environmental factors that influenced the business to expand its operations globally

- featured contemporary stimulus material that adhered to the syllabus specifications and would enable students to select data and information from the stimulus to meet task requirements. For Part C, this included relevant data and information relating to competitive markets.

Practices to strengthen

It is recommended that assessment instruments:

- only draw on subject matter from Unit 3 Topic 1, which relates to financing and human resources business functions. Subject matter should not be repeated throughout the paper, e.g. if directing students to explain strategies a business may adopt to expand in Part A, this should not be the focus of Part B interpretive item 2

- use cognitive verbs that match the correct assessment objective, e.g. Part A questions only relate to explain, and Part C should only require students to analyse, synthesise and communicate

- include stimulus materials for Part B and Part C that adhere to the assessment specifications (Syllabus section 4.5.1), notably

  - Part B — provide sufficient contextualised data and information relating to an authentic business in a competitive market that supports the focus of the task, i.e. modes of entering global markets, financing strategies, risk management or innovation strategies

  - Part C — include data and information relevant to human resources and competitive markets for an authentic business. Stimulus must contain data and information relating to the competitive environment. This adheres to specifications and enables students to select data and information for competitive markets, aligning with the Analysing and Synthesising objectives.

Accessibility

Accessibility in assessment design ensures that no student or group of students is disadvantaged in their capacity to access an assessment.

Reasons for non-endorsement by priority of assessment

Accessibility priority	Number of times priority was identified in decisions
Bias avoidance	11
Language	4
Layout	13
Transparency	8

Effective practices

Accessibility priorities were effectively demonstrated in assessment instruments that:

- provided clear instructions using cues from the specifications and assessment objectives, e.g. cognitive verbs such as explain

- contained stimulus materials with clearly sequenced sources, suitable page margins, white space for readability and a reasonable amount of text on each page, i.e. not two full pages of text, rather a range of stimulus types that all students would be able to read and access under examination conditions.

Practices to strengthen

It is recommended that assessment instruments:

- feature stimulus materials that are clearly laid out, with data and information from a variety of sources, e.g. text information, graphs, tables, diagrams, infographics

- provide clearly written instructions, without the distraction of additional information that does not align to the question, e.g. in Part C, avoid including contextualised data and information in the question as it does not allow for ease of referencing; this is better placed in the stimulus.

Additional advice

When developing an assessment instrument for this IA, it is essential to consider the following key differences between the 2019 and 2025 syllabuses:

- Subject matter in Unit 3 Topic 1: Competitive markets has been revised, e.g. analytical tools for this unit are now a SWOT and power interest grid (PIG) analysis.

- Specifications related to questions have been revised to provide greater flexibility. The extended response assesses analysing, evaluating and communicating.

- Stimulus specifications have been revised to one authentic business context in the maturity stage of the business life cycle. The same case study business is used for the short response question/s for Describing and the extended response question for Analysing, Evaluating and Communicating.

- The syllabus conditions no longer include word length for examinations. The *QCE and QCIA policy and procedures handbook v7.0* (Section 8.2.6) provides guidance about managing response length. This guidance applies to more open-ended assessment techniques, such as essays, reports and presentations. By specifying a maximum length for student generated work for these techniques, the expected scope of the task is appropriately limited. Managing response length does not apply to examinations. For examinations, the syllabus assessment conditions specify the time allocated, including any perusal or planning time. Schools should design examinations with an appropriate number of questions, and provide suitable space or lines for responses, to guide students in completing the examination within the allowed time. A required or recommended word length must not appear on IA1 instruments.

Assessment decisions

Reliability

Reliability refers to the extent to which the results of assessments are consistent, replicable and free from error.

Agreement trends between provisional and confirmed marks

Criterion number	Criterion name	Percentage agreement with provisional	Percentage less than provisional	Percentage greater than provisional	Percentage both less and greater than provisional
1	Explaining	96.99	2.26	0.75	0.00
2	Describing	99.25	0.75	0.00	0.00
3	Evaluating	92.11	7.89	0.00	0.00
4	Analysing	86.47	13.16	0.38	0.00
5	Synthesising	80.08	19.92	0.00	0.00
6	Communicating	98.50	1.50	0.00	0.00

Effective practices

Reliable judgments were made using the ISMG for this IA when:

- for the Describing criterion, marks were allocated where student responses
    - identified and described business facts and characteristics of a business environment or situation relating to competitive markets, e.g. modes of entering global markets to remain competitive
    - used business terminology to convey meaning, e.g. when describing external environmental factors relating to global operations, responses used terminology such as licensing, strategic alliance, joint ventures or sales subsidiary
- in Part C, for the Communicating criterion, responses matched to the upper performance-level descriptors were succinct and used language effectively. They communicated in a concise, logical style by sequencing and organising ideas in a business report (extract) with minimal errors in spelling, grammar and punctuation.

Practices to strengthen

To further ensure reliable judgments are made using the ISMG for this IA, it is recommended that:

- for the Analysing criterion, student responses are matched to the upper and mid performance levels where they reference stimulus when selecting and using data and information. Students select data and information relating to competitive markets to analyse the business situation
- for the Evaluating criterion, decisions are matched to the upper performance level if they are thoroughly justified, i.e. they provide highly relevant justifications for the judgments made. For instance, when making a decision about whether a strategy has assisted a business to expand its operations into a developing global or niche market, responses at the upper performance level would draw on information from the judgments made to justify the decision.

Additional advice

It is essential to consider the following key differences between the 2019 and 2025 syllabuses:

- In the 2025 syllabus, the Analysing criterion
    - requires evidence across the response to include data and information relating to competitive markets to analyse the business situation using one analytical tool
    - includes interpretation of relationship/s and trend/s from the analysis. The upper performance level requires the interpretation to be thorough.
- The Evaluating criterion includes the use of business criteria to make judgments. In the 2025 syllabus, the judgments are to be made for a business or competitive strategy.

Samples

The following excerpt illustrates a comprehensive explanation of relationships associated with business concepts related to competitive markets. The response explains the role of an intrapreneur in a competitive market.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

> An intrapreneur is a designated member of an ✓organisation that conducts innovations and changes to the organisational structure of a business. Their role, through a restorative approach is to innovate ✓ existing products or intergrate new emerging technologies ✓ into the business, to create a competitive advantage. Here their role in a competitive market is to innovate existing or new products to provide their business (workplace) with a competitive edge. ✓

The following excerpt illustrates a comprehensive description of a business environment related to competitive markets, e.g. the socio-cultural environment has been recognised as an important external macro environmental factor affecting the business's ability to expand into global markets.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

> The business environment that influenced ▮▮▮▮▮▮ decision to expand into the global market was the external macro environment, specifically the socio-cultural environment. In Australia, the demand for jam in recent years has decreased, particularly amongst the younger generations (S6). However, in Indonesia, the growing middle class has an appetite for premium foods (S2), along with the large, young population who drive demand for food products (S3). This makes these overseas markets perfect for ▮▮▮▮▮▮ to expand into to see a larger profit for the business. In addition, the oversaturated Australia market also contributed to the business's expansion into the global market as it expands their consumer market and reduces their need to compete with as many Australian businesses.

The following excerpt demonstrates the effective use of criteria to make perceptive judgments about a competitive strategy. It clearly shows the decision being made to expand operations, with thorough justifications and appropriate recommendations for the business situation.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

In terms of competitiveness, the use of research and development in Asian markets has allowed the business to create affordable and high quality natural products that are tailored to specific conditions *and market preferences* through research conducted in their laboratory in Australia (Source 3). However, data shows that beauty brands accross the country are looking to enter into the chinese market valued at $70.36 billion which could create difficulties for ▇ to retain market share (Source 5). *good* In terms of effectiveness, the research and development of the company has increased their sustainability and market share as there is a growing demand in china for environmentally-friendly skincare (Source 5). However, when the company was established in China, they did not organise their intellectual property *good* and licences which created regulatory issues and ineffective market entry (Source 3). This expansion strategy is suitable *decisin* in terms of competitiveness as they are meeting customer needs with vegan and natural products (Source 4) It is not suitable in terms of effectiveness as the research of new products, consumer behaviours and competitors to meet demand for more specific items is not cost-effective *good justification* and will not create growth in the Asian market (Source 6). The two recommendations are to conduct research and development on 1-2 product lines and to increase innovation through intrapreneurship.

Internal assessment 2 (IA2)

Investigation — business report (25%)

This assessment requires students to research a specific problem through collection, analysis and synthesis of primary and secondary data. An investigation uses research or investigative practices to assess a range of cognitions in a particular context. Research or investigative practices include locating and using information beyond students' own knowledge and the data they have been given.

Research conventions, such as citations, reference lists or bibliographies, must be adhered to. This assessment occurs over an extended and defined period of time. Students may use class time and their own time to develop an individual response.

Assessment design

Validity

Validity in assessment design considers the extent to which an assessment item accurately measures what it is intended to measure and that the evidence of student learning collected from an assessment can be legitimately used for the purpose specified in the syllabus.

Reasons for non-endorsement by priority of assessment

Validity priority	Number of times priority was identified in decisions
Alignment	36
Authentication	0
Authenticity	2
Item construction	3
Scope and scale	1

Effective practices

Validity priorities were effectively demonstrated in assessment instruments that:

- provided meaningful, contemporary contexts to challenge and engage students in a specific problem relevant to Unit 3 Topic 2: Strategic development, e.g. a context focused on integrated marketing communications and operations strategy such as outsourcing could be used for a mature business

- directed students to collect data and information from a range of primary and secondary sources.

Practices to strengthen

It is recommended that assessment instruments:

- include all assessment objectives in the task instructions to direct students to demonstrate each one in a task-specific manner. The assessable objectives are a key part of the task, e.g. describe the business situation, including the specific problem and one business environmental factor

- adhere to the syllabus assessment objectives and specifications (Syllabus section 4.5.2), e.g.

  – direct students to use analytical tools (plural)

  – in relation to synthesising, direct students to interpret relationships, patterns and trends to draw conclusions about the implications of strategic development

- in relation to evaluating, direct students to evaluate proposed marketing and operational strategies using business criteria.

Accessibility

Accessibility in assessment design ensures that no student or group of students is disadvantaged in their capacity to access an assessment.

Reasons for non-endorsement by priority of assessment

Accessibility priority	Number of times priority was identified in decisions
Bias avoidance	0
Language	1
Layout	0
Transparency	2

Effective practices

Accessibility priorities were effectively demonstrated in assessment instruments that:

- provided clear instructions using cues from the specifications, objectives and ISMGs (Syllabus section 4.5.2), including

  – concise and relevant contexts that directed students to investigate a business in the maturity stage of the business life cycle and supported the task description

  – task instructions that were not duplicated

- contained clear instructions on how students were expected to respond, including planning and implementing research to collect data and information from primary and secondary sources, creating a business report and following authentication strategies (Syllabus section 1.3.2).

Practices to strengthen

It is recommended that assessment instruments:

- use cognitive verbs in task descriptors, e.g. when evaluating, students are required to make decisions and propose recommendations

- avoid contradictory instructions, e.g. instructions in context statements match task instructions.

Additional advice

When developing an assessment instrument for this IA, it is essential to consider the following key differences between the 2019 and 2025 syllabuses:

- Subject matter in Unit 3 Topic 2: Strategic development has been revised, e.g. analytical tools for this unit are now a STEEPLE and unique selling proposition (USP) analysis.

- Specifications have been refined to
  - a range of sources
  - analyse using one analytical tool
  - evaluate a marketing or operational strategy.

Assessment decisions

Reliability

Reliability refers to the extent to which the results of assessments are consistent, replicable and free from error.

Agreement trends between provisional and confirmed marks

Criterion number	Criterion name	Percentage agreement with provisional	Percentage less than provisional	Percentage greater than provisional	Percentage both less and greater than provisional
1	Describing	100.00	0.00	0.00	0.00
2	Explaining	99.62	0.38	0.00	0.00
3	Analysing	90.60	9.40	0.00	0.00
4	Synthesising	95.49	4.51	0.00	0.00
5	Evaluating	94.36	5.26	0.00	0.38
6	Communicating	97.74	2.26	0.00	0.00

Effective practices

Reliable judgments were made using the ISMG for this IA when:

- for the Explaining criterion, responses matched to the upper performance-level descriptors demonstrated comprehensive explanations of the significant relationships associated with business concepts, strategies and processes relating to strategic development, e.g. explained the marketing and operational strategies of the business related to the relevant focus

- for the Communicating criterion, responses were considered in terms of the sequencing and organisation of ideas in the business report and accuracy of spelling, grammar and punctuation (first and third descriptors). To be matched to the upper performance level, responses were structured in a concise and logical manner and contained minimal errors in spelling, grammar, punctuation and referencing.

Practices to strengthen

To further ensure reliable judgments are made using the ISMG for this IA, it is recommended that

- for the Analysing criterion
  - evidence across the response includes data and information from both primary and secondary sources to enable students to achieve at the upper and mid performance levels
  - evidence of analysis is included within the body of the report and not in the appendix, i.e. if used as evidence of analysis, the analytical tool cannot be marked if included in the appendix

- for the Synthesising criterion, effective responses interpret the effects on the business situation and synthesise the implications of strategic development to draw conclusions. Responses that match the upper performance-level descriptors require the interpretation of the effects to be discriminating, with purposeful synthesis of the implications of strategic development for the business situation.

Additional advice

It is essential to consider the following key differences between the 2019 and 2025 syllabuses:

- In the 2025 syllabus, the Analysing criterion
  - requires evidence across the response to include data and information from a range of sources. Students select data and information relating to a hostile competitive business situation and environment to analyse the business situation using one analytical tool
  - includes interpretation of relationship/s and trend/s from the analysis. The upper performance level requires the interpretation to be thorough.

- The Evaluating criterion includes the use of business criteria to make judgments. In the 2025 syllabus, the judgments are to be made for a marketing or operational strategy.

Samples

The following excerpt illustrates the accurate recognition of significant and relevant business facts and characteristics of the business environment. The response provides comprehensive descriptions of the internal, external operating and macro business environmental factors relating to strategic development, with purposeful use of business terminology. For instance, the response identifies and describes that:

- the management of branding is vital in the internal environment of the business

- attracting customers is an important factor affecting the business's ability to remain competitive in the external operating environment

- economic conditions have affected tourism in the external macro environment.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

Internal:
In 2016, ▮▮▮▮▮▮▮▮▮ took ownership of the ▮▮▮▮▮ Noosa Resort, rebranding it to ▮▮▮▮▮, **(▮▮▮, n.d.)**. This rebranding is vital in elevating the brand identity, handling an increased price competitiveness, and a way to be contemporary, and maintain relevance, **(LinkedIn, 2024)**, **(Review page, check).** ✓

External:
Over 2 million people visited Noosa between 2023-24, resulting in: 17% of people staying in Noosa as interstate, 29% intrastate, and 7% international, **(Tourism Noosa Annual Report, 2023-24)**. These figures highlight the intensifying competition that ▮▮▮▮ faces, and its goal to attract customers and gain market share. ✓

Macro:
There were 4.5 million overnight stays in Noosa, where visitors spent $4.2 billion, ultimately contributing to the growing economic climate, **(Tourism & Events Queensland, n.d.)**. Moreover, interstate tourists expenditure increased by 22% to $617.2 million, and international tourists expenditure increased by 13% to $116 million, **(Tourism-Noosa Annual-Report-2023-24)**. Overall, this demonstrates how the accommodation industry in Noosa is becoming increasingly diluted due to the increasing number of competitors. ✓

The following excerpt illustrates the use of a USP analytical tool to select data and information to support the analysis. The response demonstrates discerning use of the data and information to insightfully analyse the business situation, i.e. the USP analysis has been conducted to establish marketing differentiations between two businesses.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

Unique Selling Proposition of ▓▓ Marketing Strategies

	Rating	Details	Rating	Details
Price	7/10	-▓▓ is renowned for its strong marketing strategies focusing on providing affordable quality products (▓▓ Australia, 2018), for ▓▓ to allow such low prices it increases their customer loyalty along with reducing business costs. -▓▓ sells women's jeans however prices are $50 ▓▓ Online Shopping, 2025), not giving ▓▓ a competitive advantage as ▓▓ prices are cheaper attracting consumers.	8/10	-▓▓ sells similar denim women's jeans sold at $30 (▓▓Online Shop, 2025) , catering to a larger demographic and is more attractive to consumers giving ▓▓ a competitive advantage. ▓▓ has built their business on creating value and a space where consumers didn't have to compromise on quality due to pricing (Mortimer, 2024), this creates a relationship with the consumers creating strong customer loyalty and market presence against competitors.
Product	6/10	-▓▓ has 2.2 out of 5 stars on their product quality which indicates their items need improvement such as new suppliers for the materials ▓▓ Australia, n.d.), this can cause customers to shop at other competitive businesses causing loss in profit and decrease in customer loyalty.	7/10	-With ▓▓ product quality rating being 2.3 stars out of 5 stars shows the business needs to improve their product value and features (▓▓ n.d.), this creates a reduction in customers and a loss of reputation within the retail industry. -▓▓ focuses on supplying affordable options that focus on a positive impact (Ruppell, 2021), allowing for larger demographics to shop at ▓▓ and having accessibility to sustainable products at low prices.
Place	9/10	-With ▓▓ investing in their online stores (▓▓ Australia, 2020),it allows for ▓▓ to become more accessible to Australians creating more opportunity for increased profits. -▓▓ has always respected the human rights of their employees, with ▓▓ being a member of the Better Work program in Bangladesh, Cambodia, and Indonesia (▓▓ Australia, 2022), benefiting ▓▓ as it enhances their reputation and image to new and existing customers.	9/10	-▓▓ has implemented environmental protection standards such as reduced emissions and forest protection in their manufacturing and supplier locations (▓▓ 2022), this creates a strong reputation within the Australian market as well as brand identity while advocating for a greener future. -▓▓ operates over 300 stores inside every state and territory Australia wide (About ▓▓ | ▓▓, 2025), allowing for more accessibility which will increase products and brand awareness.

The following excerpt has been included to illustrate the interpretation of a relationship from the analysis, e.g. the response recognises that a relationship has identified the balancing of franchise expansion with maintaining consistent quality within the business. It shows a discriminating interpretation of the effects of the business situation and purposeful synthesis of the implications of strategic development to draw conclusions for the business situation, i.e. the identified relationship.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

A relationship that can be identified is ▓▓▓▓ challenge of balancing franchise expansion while maintaining consistent quality across its properties. While the franchise model boosts market presence, some locations receive poor reviews for outdated rooms and inadequate services.

The short-term effect is mixed guest experiences and negative feedback, potentially deterring future bookings. Franchisees failing to meet brand standards also face operational issues, impacting service quality.

The long-term implication of this could harm brand reputation and customer trust, leading to lower occupancy rates and difficulty attracting new franchisees. Negative word-of-mouth and online reviews could further weaken its competitive position, making it harder to sustain growth.

This highlights the difficulty of balancing expansion with maintaining consistent quality.

Internal assessment 3 (IA3)

Extended response — feasibility report (25%)

This assessment focuses on the analysis, interpretation and evaluation of ideas and information. It is an open-ended task responding to a particular situation or stimuli. While students may undertake some research in the writing of the extended response, it is not the focus of this technique. A response may be supported by data, tables, graphs, analytical tools, diagrams, illustrations or photographs where appropriate. This assessment occurs over an extended and defined period of time. Students may use class time and their own time to develop an individual response.

Assessment design

Validity

Validity in assessment design considers the extent to which an assessment item accurately measures what it is intended to measure and that the evidence of student learning collected from an assessment can be legitimately used for the purpose specified in the syllabus.

Reasons for non-endorsement by priority of assessment

Validity priority	Number of times priority was identified in decisions
Alignment	29
Authentication	1
Authenticity	23
Item construction	15
Scope and scale	10

Effective practices

Validity priorities were effectively demonstrated in assessment instruments that:

- provided a suitable choice of business situations related to the repositioning of a business in the post-maturity stage in the business life cycle, with appropriately challenging contexts for the stage in the course

- adhered to the syllabus specifications, including directing students to use analytical tools (plural) and evaluate at least two, and no more than three, repositioning strategies

- included an authentication strategy to ensure work submitted was the student's own.

Practices to strengthen

It is recommended that assessment instruments:

- direct students to create a feasibility report that assesses potential solutions to a business problem or opportunity. It is not appropriate to analyse or evaluate something a business has already done to reposition itself. A feasibility report is future focused (Syllabus section 5.5.1)

- align with all assessment objectives and specifications (Syllabus section 5.5.1), e.g.
  - instruct students to address all assessment objectives in a task-specific manner, including
    - for Assessment objective 4: Synthesising, instruct students to interpret relationships, patterns and trends to draw conclusions about the implications of repositioning a business
    - for Assessment objective 5: Evaluating, direct students to make decisions and propose recommendations (plural)
  - instruct students to include a reference list that identifies additional sources used and those cited using in-text referencing
- include stimulus materials that
  - align with assessment specifications by providing a range of data and information about the business, competitors and/or industry
  - relate to the case study business and its competitors to support the development of the analytical tools
  - do not include analytical tools, which can lead students to a predetermined response
  - align with specifications that the range of stimulus should be four to eight A4 pages (Syllabus section 5.5.1).

Accessibility

Accessibility in assessment design ensures that no student or group of students is disadvantaged in their capacity to access an assessment.

Reasons for non-endorsement by priority of assessment

Accessibility priority	Number of times priority was identified in decisions
Bias avoidance	8
Language	8
Layout	1
Transparency	1

Effective practices

Accessibility priorities were effectively demonstrated in assessment instruments that:

- provided clear instructions that aligned with assessment objectives, specifications and the ISMG under the 'To complete this task' section
- provided stimulus materials that
  - were logically sequenced, e.g. a business profile as the first stimulus
  - were clearly labelled to enable students to correctly cite them
  - presented data and information in a variety of modes, e.g. news articles, infographics, tables, graphs
- were clearly laid out, with plenty of white space to ensure readability.

Practices to strengthen

It is recommended that assessment instruments:

- use clear language that is free from errors, e.g. when updating existing assessment and changing the case study businesses, all references to the previous business case study are updated.

Additional advice

When developing an assessment instrument for this IA, it is essential to consider the following key differences between the 2019 and 2025 syllabuses:

- Subject matter in Unit 4 Topic 1: Repositioning a business has been revised, e.g. analytical tools for this unit are now a Porter's five forces and STEEPLE analysis.
- Specifications have been refined to
  - analyse using one analytical tool
  - evaluate repositioning strategies.

Assessment decisions

Reliability

Reliability refers to the extent to which the results of assessments are consistent, replicable and free from error.

Agreement trends between provisional and confirmed marks

Criterion number	Criterion name	Percentage agreement with provisional	Percentage less than provisional	Percentage greater than provisional	Percentage both less and greater than provisional
1	Describing	99.25	0.75	0.00	0.00
2	Explaining	100.00	0.00	0.00	0.00
3	Analysing	96.23	3.77	0.00	0.00
4	Synthesising	93.96	6.04	0.00	0.00
5	Evaluating	96.60	3.40	0.00	0.00
6	Communicating	98.87	1.12	0.00	0.00

Effective practices

Reliable judgments were made using the ISMG for this IA when:

- for the Describing criterion, responses matched to the upper performance-level descriptors demonstrated accurate recognition of significant and relevant facts and characteristics. Responses also included comprehensive descriptions of the business environment and situation relating to repositioning a business, with purposeful use of business terminology
- for the Explaining criterion, responses matched to the upper performance-level descriptors demonstrated identification of significant and relevant elements and comprehensive explanations of significant relationships associated with business concepts, strategies and processes in relation to repositioning a business. For instance, responses explained the influences on repositioning a business in steady state or decline. These influences included,

for example, sustainability, corporate social responsibility, ethical standards, public relations or crisis management.

Practices to strengthen

To further ensure reliable judgments are made using the ISMG for this IA, it is recommended that:

- for the Synthesising criterion, attention is given to ensuring that at the upper and mid performance levels, there is explicit recognition of relationships, patterns and trends from the analysis and not a reliance on inferences, e.g. the use of sub-headings such as 'relationships', 'patterns' or 'trends'

- for the Evaluating criterion, evidence in the response includes decisions and recommendations for the business situation. Decisions are made based on judgments, and recommendations are a course of action proposed for the business situation. For instance, a business may decide to use emerging technology to reposition the business and recommend introducing virtual reality within its product range.

Additional advice

It is essential to consider the following key differences between the 2019 and 2025 syllabuses:

- In the 2025 syllabus, the Analysing criterion

  – requires evidence across the response to include data and information for repositioning the business. Students select data and information to analyse the business situation using one analytical tool

  – includes interpretation of relationship/s and trend/s from the analysis. The upper performance level requires the interpretation to be thorough.

- The Evaluating criterion includes the use of business criteria to make judgments. In the 2025 syllabus, the judgments are to be made for repositioning strategies.

Samples

The following excerpt illustrates the use of a SWOT analytical tool to select data and information to support the analysis. The response demonstrates discerning selection and use of the data and information to insightfully analyse the business situation. The excerpt shows the selection, use and analysis of data within the analytical tool, e.g. the strong global brand recognition and its presence in the industry has been classified as a strength and analysed to show that it enhances the business's ability to reposition its marketing by drawing on consumer loyalty.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

4.1 SWOT

STRENGTHS	WEAKNESSES
- Strong global brand identity and over 60 years of industry presence (Source 1) enhances the business's ability to repositioning its marketing, by drawing on consumer loyalty (Alonso, 2022). - █ digital kitchen system (see appendix 1), increases and supports repositioning in operations (Franchise Buyer, 2020) to be more efficient. - █ sustainability plan appeals to ethically aware consumers, improving public perception and supports long-term brand growth through values-based engagement (IBM, 2024).	- The 3.5/5 rating from employee experience (Indeed, 2025), suggests weak HR performance, undermining efforts for being an employer of choice. - █ has a low market share (5.9%) compared to █ (27.8%), (Johnstone, 2024), highlighting the urgent need for repositioning to increase competitiveness. - Strong dependency on delivery services, is costing consumers 40% more and costing the restaurant up to 30% more (Hadfield, 2020), minimising profit.
OPPORTUNITIES	THREATS
- █ can utilise technology such as 'Pay at Table,' and POS systems (source 10) to streamline operations, reduce labour costs, and improve efficiency (Source 4), which may increase profitability. - 79% of diners are interested in personalised menu recommendations (Source 4), █ can reposition by enhancing digital platforms to boost customer engagement (Emarsys, 2025).	- Competitors like █ and █ offer wider, cheaper menus catering to health-conscious consumers (Source 11;9), thus threatening █ competitiveness and stakeholder satisfaction. - As Australia has a high cost-of-living (WesternUnion , 2024), with 55% willing to cut back on takeaway (Source 12), this poses threats of limiting the effectiveness of new marketing strategies.

The following excerpt has been included to illustrate the interpretation of relationships, patterns and trends from the analysis. It shows a discriminating interpretation of the effects of the business situation, e.g. the response recognises that:

- relationships exist between the interactions with customers and suppliers

- patterns are evident in brand-driven differentiation and seasonal engagement tactics within the business and industry

- trends are evident with the increasing cost-sensitivity of consumers and the rise in domestic tourism.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

6.1 TRENDS

Two distinct emerging trends affecting ▮ repositioning are the increasing cost-sensitivity of consumers and the rise in domestic tourism. High inflation and a fall in household disposable income are reducing discretionary spending (P7). Reinforced by the concept that affordable substitutes such as beaches and streaming services have become more attractive alternatives (P13). These shifts suggest that ▮ must continue to adjust its pricing strategies and enhance value through bundled offerings to remain competitive. In contrast, a growing trend of domestic tourism (P5) which increases potential park visitation from local travellers. This is supported by increased domestic visitor nights reported in IBISWorld (IBISWorld, 2019). While the decline in consumer spending may pose immediate threats, the rise in local tourism creates a long-term opportunity to attract a stable, loyal customer base. These economic trends indicate that without strategic repositioning, ▮ risks market decline, but with continued value-based innovation and targeted promotions, it could move towards renewal.

6.2 PATTERNS

A clear recurring pattern across the analysis is the theme of brand-driven differentiation. ▮. affiliation is identified as a major strength, giving it a distinct competitive edge in a crowded market (P1). This is reinforced as licensing is difficult to replicate and therefore acts as a barrier to entry (P12). This pattern of brand-centred strategy supports stakeholder confidence and maintains customer attraction. Another pattern is seasonal engagement tactics, ▮ uses events like ▮ and ▮ to extend visitor interest throughout the year, helping to reduce the impact of industry seasonality (P2 and P10). These patterns show that ▮ success is built on leveraging strong branding and maintaining visitor interest through themed experiences. Long-term, if these efforts are sustained and paired with innovation, the business is well-positioned for steady-state or renewal growth.

6.3 RELATIONSHIPS

Key stakeholder relationships include ▢ interaction with customers and suppliers. The high bargaining power of buyers, especially price-sensitive families is linked to the risk that any failure to deliver high-quality experiences can damage reputation quickly, particularly in a region with strong substitute options (P14). This risk is addressed where the business uses annual pass deals and added value to retain loyalty (P15). Another key relationship is with suppliers. Specialised equipment needs give some power back to suppliers (P16) however, ▢ scale allows for stronger negotiations and strategic partnerships, evident in the development of the ▢ precinct (P17). These relationships illustrate the need for stakeholder-aligned repositioning. Strengthening these ties through innovation and affordability will be crucial to achieving renewal and ensuring long-term viability.

The following excerpt has been included to provide an example of the proficient use of criteria to make perceptive judgments for repositioning strategies with thoroughly justified decisions. The excerpt shows the use of a decision-making matrix to visually represent evaluation and decision-making processes.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

	Competitiveness	Effectiveness
Proposed strategy 1 – (Additional product – synthetic milk)	(+) Provides ▢ with a Unique Selling Point of its products, differentiating its products from competitors. (-) Substantial competition from already established synthetic milk manufacturers. (+) Expands ▢ product range, giving the business more brand recognition in other areas.	(-) significant costs involved with establishing manufacturing and research of synthetic milk alternatives. (+) addresses the increasing demand for non-dairy milk alternatives, expanding customer base. (-) potentially take away from ▢ dairy milk production revenue.
Proposed strategy 2 – (Removal of ▢ Ice cream products)	(+) Allows ▢ to focus finances and operations on milk and cream manufacturing. (-) Exiting of Ice cream manufacturing market reduces ▢ product range. (-) ▢ loses its 6.6% market share in Ice cream manufacturing market in Australia, relinquishing it to larger competitors.	(-) reduces the size of ▢ product range, resulting in less sales. (+) Allows the business to focus on its largest market, milk and cream manufacturing, injecting additional finances into the market. (-) Exiting of the Ice cream market leads to job losses, hard feelings towards ▢ in the regions affected by the exit of the industry.

5.1 Decisions

Based on the evidence presented in Figure 3, the implementation of the new product range of synthetic milk as part of an operations repositioning strategy would be feasible for the implementation into ▓▓▓▓ operations. This strategy would provide ▓▓▓▓Milk with a USP compared to other industry competitors. It would also expand ▓▓▓▓ product range, addressing the trend of increased demand for non-dairy milk products. Despite this, there are large risks involved with this strategy, with high barriers for entry, in the already competitive market with established businesses and the research and development of products and manufacturing facilities needed. However, due to ▓▓▓▓ reputation for quality, the possibility of profit outweighs the risks, thus making the proposed strategy worthwhile for ▓▓▓▓, if implemented, would significantly help ▓▓▓▓ to grow and exit decline.

Additionally, the removal of ▓▓▓▓ ice cream products is a feasible operation and market repositioning strategy. The implementation of this strategy would guarantee more finances to be put into other sectors of the business' operations, such as milk and cream production. This strategy would allow for increased market share within the milk and cream manufacturing market in Australia, as it would become the primary market of ▓▓▓▓Milk. However, the implementation of this strategy carries risks, these are the many people that ▓▓▓▓ employs in the Ice cream manufacturing sector of the business operations, as well as the closure of ▓▓▓▓ ice cream factory, thus bringing down the company's reputation in the region. If the proposed strategy were to be implemented, ▓▓▓▓ would see larger profits and market share in the businesses' primary market of milk and cream manufacturing, potentially contributing to the growth of the business and the exit of decline.

5.2 Recommendations

The recommendations below should be utilized by ▓▓▓▓ to achieve strategies.

- Slowly phase out Ice cream production by converting ▓▓▓▓ ice cream factory into milk and cream manufacturing facility.
- Market the new synthetic milk as 100% Australian owned, alike to ▓▓▓▓ dairy milk products, in order to grow the product's recognition.

External assessment
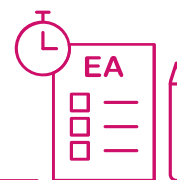
External assessment (EA) is developed and marked by the QCAA. The external assessment for a subject is common to all schools and administered under the same conditions, at the same time, on the same day. The external assessment papers and the EAMG are published in the year after they are administered.

Examination — combination response (25%)

Assessment design

The assessment instrument was designed using the specifications, conditions and assessment objectives described in the summative external assessment section of the syllabus.
The examination consisted of one paper with three short response questions and one extended response question (41 marks).

The examination assessed subject matter from Unit 4. Questions were derived from the context of Topic 2: Transformation of a business.

The assessment required students to demonstrate their understanding of a post-maturity business by exploring strategies that influence the transformation of a business, focusing on change management and renewal outcomes.

The stimulus was presented as one case study and related to a business in the post-maturity stage of the business life cycle. The stimulus presented a range of specific business data and information, including business documents, graphs and other information relating to the business context. The stimulus was designed to elicit unique responses to short response items and an extended response item through the application of a range of cognitions.

Assessment decisions

Assessment decisions are made by markers by matching student responses to the external assessment marking guide (EAMG).

Effective practices

Overall, students responded well to:

- describing and explaining the subject matter, e.g. in Question 2, students were able to identify the steps in Kotter's change management theory

- analysing the business situation using an analytical tool. In Question 4, effective responses selected and classified data and information from the stimulus and displayed the analytical tool as a SWOT table or in paragraph format

- engaging with and using the stimulus to support their responses and including appropriate source referencing.

Practices to strengthen

When preparing students for external assessment, it is recommended that teachers consider:

- providing opportunities for students to develop skills in synthesising. Effective responses to Question 4 showed recognition of a trend and a relationship from the analysis to indicate the

effects and the implications for the business during transformation. The responses included valid conclusions that were drawn to make a judgment on the outcome for the business

- supporting students to develop skills in evaluating to justify their decision using relevant business criteria to propose a recommendation. A decision is intended to reflect the outcome of what has been evaluated. A recommendation is the next course of action or actionable step that the business would take based on the decision made.

Additional advice

- To assist students in managing their time successfully during an external assessment, they could practise prioritising writing responses in accordance with marks attached to questions, considering the number of response lines included in a question, and/or considering the challenge of the questions.

Samples

Short response

Question 1

This question required students to explain how competition can be a driver of change and provide an example.

Effective student responses:

- explained how competition can be a driver of change

- provided a relevant example.

This excerpt has been included:

- to demonstrate a high-level response when explaining concepts, strategies and/or processes relating to business transformation

- to show a thorough understanding of how competition can be a driver of change, including a relevant example.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

> A driver of change is something forcing the business to make a change to ensure they stay competitive. Competition can act as a driver of change as competitors can bring in new and improved ideas, technology or overall business. This drives the business to make a change to ensure they can retain their existing ~~and~~ customers and engage new customers, otherwise the competition will drive away customers, making sales and revenue to decline, ~~AA~~ forcing them to change. For a example, if a competitor created an online store and is recieving ~~of~~ significant amounts of interaction and purchases, the business must adapt and change to counter this to ensure they stay competitive.

Extended response

The following excerpts are from Question 4. This question required students to provide a description of the business situation and to select data and information to analyse using a SWOT analytical tool. Students were required to:

- identify a relationship and a trend in the analysis, interpret the effect of the relationship and trend on the business situation in the case study, and draw conclusions about the implications for the business transformation

- evaluate one change management strategy to propose a recommendation about the business transformation

- present their findings as a business report to the business's owners.

Effective student responses:

- provided a comprehensive description of the business situation

- selected significant and relevant data and information from the case study and provided an insightful analysis of the business situation

- identified one relevant relationship and one relevant trend from the analysis

- provided a discriminating interpretation of the effect on the business during transformation

- provided an insightful synthesis of the implications for the business transformation to draw valid conclusions about the business's transformation

- identified a relevant change management strategy from the stimulus

- demonstrated effective use of two business criteria to make perceptive judgments

- provided a thoroughly justified decision for the business's transformation and made an appropriate recommendation drawn from the decision

- conveyed ideas using concise and logical sequencing and organisation of ideas using the business report genre purposefully to suit the audience.

These excerpts have been included:

- to demonstrate a response that matches the upper performance-level descriptors of the EAMG. Excerpt 1 illustrates a comprehensive description by providing relevant facts and characteristics about the business to describe the business situation using the stimulus

- to show the interpretation of a relationship and a trend. Excerpt 2 shows a response that matches to the top mark by recognising that there is a

  - relationship between the low market share and the lack of innovation and brand awareness

  - trend showing an increase in streaming fees while retail store purchases are declining

- to demonstrate the effective use of business criteria to evaluate a change management strategy and to provide a decision and propose a recommendation. For instance, Excerpt 3

  - shows the identification of a relevant change management strategy from the case study, e.g. implementing content creation hubs to capitalise on social and technological trends. The response demonstrates the effective use of two business criteria to make perceptive judgments and makes clear links to the stimulus

  - illustrates a decision being made for the business situation, with a recommendation drawn from the evaluation, e.g. implement content creation hubs to achieve strategic goals and meet customers' demands.

Note: The characteristic/s identified may not be the only time the characteristic/s occurred throughout a response.

Excerpt 1

BUSINESS SITUATION

Music Co Pty Ltd has been operating in the music [entertainment retail] industry for over 40 years, having established itself in Queensland in 1983 (S4). From a traditional [single] music retail store selling vinyl records, cassette tapes and CDs, the business has expanded [grown significantly over the years. This includes expanding] its locations across Queensland, broadening [and services] its product portfolio according to the latest music trends to include website streaming services, and rebranding to Music Co Pty Ltd when the ownership structure was changed to a private company in 1990. Currently, the business operates 10 physical stores across Queensland, but has closed 5 regional stores (S4) amidst declining profits (S2), aggressive competition in the music entertainment retail industry (S7), and lowering reducing popularity [amongst consumers in purchasing] physical music products like CDs, and DVDs. Despite this, the socio-cultural trend of great rising demand for playing and sharing music online (S7) pre presents opportunities for the business' future growth. As Hence, with Music Co Pty Ltd having passed its peak growth period and is currently in a state of financial decline, the business is in the post-maturity stage of the business lifecycle, and is seeking transformation [options] to achieve [increased] profitability and renewal.

Excerpt 2

Synthesis:

Relationship 1: Music Co Pty Ltd's low market share (26%) is likely due to their lack of innovation and low brand awareness. Thus, the implication on the business ~~inct~~ is that the company will continue to go into decline and lose to their competitors. This means they will be unable to survive long-term. As such, it is concluded that transformation is necessary by introducing new operational ~~strategies~~ strategies.

Trend 2: It is observed that streaming fees are increasing every year, while retail store purchases are declining (stimulus 9). Thus, the implication on the business is that they must embrace streaming services more openly. Although the focus on retail stores can be considered and managed in order for Music Co Pty Ltd, to make profit ~~they~~ must follow the trend of streaming services. As such it is concluded that the business must transform and consider strategies to appropriately market their streaming service

Excerpt 3

3.0 Evaluation

The business is seeking to ~~renew~~ transform. A significant opportunity to ressurect finance is to implement content creation hubs to capitalise upon social and technological trends — this is both a ~~****~~ marketing and operations change management strategy, and will be evaluated against the criteria of stakeholder satisfaction and ~~competitiveness~~ effectiveness.

Stakeholder satisfaction — to what degree businesses considers stakeholders and meet their demands.
~~Competitiveness~~ effectiveness — to what degree the business ~~considers~~ meets ~~market criteria and exceeds competitors.~~ renewal goals and objectives (S3).

Effectiveness	Stakeholder Satisfaction
+ implementing music creation hubs provides an instore competitive advantage and market niche (S2) and challenges industry trend of in-store purchases (S9).	+ meets customer trends of wanting to create music and upload music (S10).
+ allows community access to create music — meeting industry trends (S3)	+ ~~increase bra~~ provides platform to share music — average of 510,000 clicks per day, increasing customer satisfaction and brand promotion (S11).
+ capitalises upon digital trends, and increases brand awareness, leading to profit (S3).	→ this can also leverage social media trends — which customers enjoy.

Effectiveness	Stakeholder Satisfaction
- Average cost of digital change is $1·5 million, and new product ideas is $1 million, this hinders ability to meet financial goals (20%. profit) in 4 years, considering current low profit (S2/7/3)	- Retraining and development is $150,000 and only effective if staff are onboard with change.

Q4.

4·00 4·0 — Decision and Recommendation:

The evaluation determined the strategy of implementing content creation hubs is
75%. effective ^(in achieving strategic goals) and meets customer demands. Thus, the decision to implement this strategy is recommended as it offers a market niche over competitors and fills a high demand market gap, leading to higher market share and competitiveness, inspiring long-term transformation success ^(despite short-term financial loss). However, the business would have to effectively communicate change to employees to mitigate resistance.