

Operations, Finance and Marketing Report

Best Bread Pty Ltd is an organic bread manufacturer based in country NSW. Best Bread Pty Ltd manufactures and supplies one type of bread to boutique supermarkets across NSW.

The operations process at Best Bread Pty Ltd is highly labour intensive and therefore very expensive. Over recent years competition has increased. This has led to a fall in market share and profitability.

You have been employed to prepare a report for the management of Best Bread Pty Ltd.

In your report, propose and justify effective operations, finance and marketing strategies that Best Bread Pty Ltd could implement to improve their business.

Criteria	Marks
<ul style="list-style-type: none"> ● Puts forward for consideration and comprehensively supports an argument in favour of effective operations, finance and marketing strategies that Best Bread could implement to improve their business ● Makes effective use of the information provided, demonstrating extensive knowledge and understanding relevant to the question ● Presents a sustained, logical and cohesive business report integrating relevant business terminology and concepts 	17-20
<ul style="list-style-type: none"> ● Puts forward for consideration and supports an argument in favour of effective operations, finance and marketing strategies that Best Bread could implement to improve their business ● Makes some use of the information provided, demonstrating some knowledge and understanding relevant to the question ● Presents a logical and cohesive business report using relevant business terminology and concepts 	13-16
<ul style="list-style-type: none"> ● Provides characteristics and features of operations, finance and marketing strategies that Best Bread could implement to improve their business ● Includes features of a business report and uses some business terminology and concepts 	9-12
<ul style="list-style-type: none"> ● Sketches in general terms operations, finance and marketing strategies that Best Bread could implement to improve their business OR Provides characteristics of operations or finance or marketing strategies that Best Bread could implement to improve their business ● May include some features of a business report and uses basic business terminology 	5-8
<ul style="list-style-type: none"> ● Refers to operations and/or finance and/or marketing strategies ● Uses basic business terminology 	1-4

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

financial management strategies

- cash flow management
 - cash flow statements
 - distribution of payments, discounts for early payment, factoring
- working capital management
 - control of current assets – cash, receivables, inventories
 - control of current liabilities – payables, loans, overdrafts
 - strategies – leasing, sale and lease back
- profitability management
 - cost controls – fixed and variable, cost centres, expense minimisation
 - revenue controls – marketing objectives
- global financial management
 - exchange rates
 - interest rates
 - methods of international payment – payment in advance, letter of credit, clean payment, bill of exchange
 - hedging
 - derivatives

marketing strategies

- market segmentation, product/service differentiation and positioning
- products – goods and/or services
 - branding
 - packaging
- price including pricing methods – cost, market, competition-based
 - pricing strategies – skimming, penetration, loss leaders, price points
 - price and quality interaction
- promotion
 - elements of the promotion mix – advertising, personal selling and relationship marketing, sales promotions, publicity and public relations
 - the communication process – opinion leaders, word of mouth
- place/distribution
 - distribution channels
 - channel choice – intensive, selective, exclusive
 - physical distribution issues – transport, warehousing, inventory
- people, processes and physical evidence
- e-marketing