National Moderator Report 2026
Commerce

The following report gives feedback to assist assessors with general issues and trends that have been identified during external moderation of the internally assessed standards in 2025. It also provides further insights from moderation material viewed throughout the year and outlines the Assessor Support available for Commerce. Please note this report does not introduce new criteria, change the requirements of the standard, or change what we expect from assessment.

Insights

92028: Demonstrate understanding of an organisation’s financial decision-making

Performance overview:

The Conditions of Assessment for this standard limit assessor involvement to checking students’ progress on gathering evidence. To enable a depth of evidence in their financial tools and decision descriptions, students should research and consider two viable options to determine how each could address the need, opportunity, or issue (NOI). Assessors should refrain from providing all such detail in the assessment activity.

MoE guidance also states that students’ evidence needs to be individually identifiable and should represent the students’ own work. While students may work together in a group to discuss suitable options to address the NOI, they must present their work individually to show they have met all the requirements of the standard.

For all levels of achievement, EN2 requires the organisation’s pūtake (reason for being) to be discussed when introducing the NOI and referenced in explaining why a particular decision was made. Values may shape or inform pūtake, but differ from the organisation’s reason for being. The organisation’s website often gives insight into its reason for being or purpose in a mission or vision statement, however students should use the word ‘pūtake’.

For Achieved, students’ descriptions of the options need to be supported by one or more appropriate financial tools (see EN4 for examples) that contain $ amounts. Having investigated the options, students then choose the best option and describe this, referencing data from the financial tool/s used. The description must include the cost of the selected option and other financial data relevant to the financial decision. It is necessary to discuss how the financial decision meets the pūtake and addresses the NOI.

For Merit, students explain stakeholder perspectives relevant to the financial decision, that is the range of options that would meet the NOI. In addition, they explain possible consequences of the decision – two for the organisation and at least one for two different stakeholders.

Excellence requires an analysis of how stakeholder perspectives were considered in making the decision. Students also need to explain how the organisation could respond to the potential consequences identified (for Merit). Responses could be mitigations to negative consequences or actions to take advantage of positive consequences.

Practices that need strengthening:

Pūtake

When designing the assessment activity, the assessor should consider how students will be able to link their financial decision to the organisation's pūtake.

As in 2024, submissions that used a whānau as the organisation were rarely successful in meeting the requirements of EN2. This is because it is generally difficult to explain the 'reason for being' for a whānau. Additionally, with the parents or caregivers as the organisation, the number of other valid stakeholders is limited. The perspective of children would be valid, however an accommodation provider would not be valid as a stakeholder as they would not be considered by the parents/caregivers in their decision-making.

In 2025, several submissions had a context of purchasing a vehicle or another asset. Pūtake could generally be applied to the financial decision when the organisation was a charity or a business. Application was often difficult when the organisation was a school, as the pūtake could be, for example, "*Enabling students to be confident, active, resilient students*".

Financial tool

Assessors should guide students to select one or more financial tool/s that will enable valid comparisons of data for each of the options under consideration. Some ineffective use of financial tools was observed in moderation.

SWOT analyses must include some financial data. Several moderation submissions demonstrated a lack of understanding that strengths and weaknesses were factors internal to the organisation, and opportunities and threats were outside forces. If a cost-benefit analysis is used to compare options, financial data must be included for it to be valid as a financial tool.

While students may refer to their order of preference for the options, a ranking process that applies a subjective weighting system, e.g. +5 or -3, is beyond the scope of the standard.

Data from the financial tool/s (including the total cost of the selected option) needs to be used in the description of the financial decision.

Merit criteria

A common issue seen in moderation was confusion between perspectives and consequences.

Students need to explain stakeholder perspectives relevant to the decision being made. Stakeholders could have a perspective on a specific option, e.g. one stakeholder could prefer one option while another stakeholder could prefer another, or stakeholders could have perspectives on the range of options.

Perspectives are viewpoints, opinions, interests or concerns of stakeholders who would have some influence on the decision-making of the organisation. Perspectives are not factual statements such as advantages and disadvantages, or how stakeholder groups would benefit from the option. Examples of perspectives include:

"The finance committee prefers an option that will not exceed the project's budget of $x.

- *Coaches are interested in a long-term solution to the need.*
- *Students want a high-spec model with the latest technology."*

Students should avoid using suppliers or service providers as stakeholders; they exist to make a profit. Their perspectives would not be considered by an organisation when making a financial decision.

Merit also requires students to explain consequences of the decision for the organisation and at least two other stakeholders. Consequences go beyond statements of fact, to flow-on effects or impacts. For example, "*The option I have selected is currently in Christchurch. Transportation will add $2,000 to the cost of the vehicle".* This is not a consequence, as the information would already be part of the data used in the description of the decision. A consequence for the organisation could be, "*The vehicle budget will need to cover the $2,000 transportation cost, reducing the amount the charity can spend on vehicle expenses such as repairs and maintenance and insurance.*"

Two consequences of the financial decision (selected option) should be explained for the organisation, as well as a consequence for two stakeholders.

Excellence criteria

At this grade level, students should explain how they considered the perspectives of stakeholders in making the decision. For example:

"Employees/Volunteers: They wanted a safe and reliable vehicle and the 2024 model chosen has a 5-star safety rating. Although it is a manual which not all employees can drive, the modern features make up for it.
XXX Management: The LDV van was chosen because the cost is lower and therefore falls within the budget that management set aside."
Community: Despite poor fuel efficiency, a second-hand vehicle means the organisation thought about the community's sustainability concerns because it would reduce waste by recycling a vehicle rather than buying new."

For many submissions using the vehicle context, manual vs automatic was a perspective, so choosing one over the other is a simple example of how this perspective was considered in the choice.

A lack of differentiation in the options to meet the NOI can impact the ability to discuss how stakeholder perspectives influenced the decision. For example, in response to the opportunity to spend a donation on improving school facilities, one submission considered three shade cloth options. All options would provide shade and protect students from the sun, with the only difference being the cost. Had students explored a shade option and, say, new gym equipment, perspectives of the stakeholders would be very different and enable the students to identify, explain, and incorporate these into their explanation of the decision.

Responses/actions the organisation could take to mitigate negative consequences or build on positive consequences are valid only for consequences that were explained as part of Merit criteria. An example of how a school could respond to consequences of the decision to expand the school gym could be: "*To mitigate the higher insurance on the gymnasium, the school could investigate premiums from other insurance companies."*

92029: Demonstrate understanding of price determination for an organisation

Performance overview:

Many 2025 samples of student evidence seen for moderation used the context of a new product to be sold by a student start-up business operating on a market day. This approach had the potential to reach the standard providing the focus was on price determination.

It is common for business activities to be undertaken by groups of students. However, the standard requires each student to independently describe how price was determined, using financial or non-financial information and a concept or model. Once groups collectively decide on the product they intend to sell, each student must then describe their price and how it has been determined. The group could then carry out their business activity using a mutually agreed price. Assessment responses to meet Merit and Excellence material must also be independently completed.

Moderators have seen successful evidence based on MoE Activity B (The Price is Right). However, where resource material is being provided, assessors need to ensure they do not provide so much detail that students are limited in demonstrating their understanding of price determination. This was apparent in moderation submissions where the assessment activity specified profit and production targets to be achieved, leading students to determine one potential price. Fill-in templates with sentence starters and leading questions provide students with too much guidance, risking the authenticity of student evidence.

To achieve the standard, students are required to use financial or non-financial information to demonstrate understanding of price determination, supported by a relevant concept or model that makes it clear that the price determined for the product is sufficient to cover costs per unit and make a profit.

A grade of Achieved was able to be met when students effectively used support material to describe how they determined an appropriate price.

For example:

- An accurately drawn and labelled supply and demand graph that was based on a supply and demand schedule. The student then described how the market would clear at the determined price of $X and quantity of Y because the organisation is willing and able to supply because it is profitable, and the consumer is willing and able to purchase because it is affordable. There would be sufficient detail in the description to prove that the price will cover costs and profit.
- A price was determined using projected revenue and costs for the product to show that the price was sufficient to produce a profit. A pricing strategy was then applied and described.
- Price-related market research data demonstrated how much customers would be prepared to pay, and a cost volume profit analysis was prepared to test whether a price of $X would cover costs and profit.

For Merit, students need to explain how the price could be affected by a change in an internal or external factor. This involves an explanation of how the factor impacts the price (from Achieved) by discussing changes (using specific dollar amounts) to costs, sales, and subsequent profits.

Two pricing options need to be supported by financial or non-financial information, and a re-worked model or concept for each option.

For Excellence, one of the pricing options explained for Merit needs to be selected and justified as the new price (even if unchanged) by referencing the financial or non-financial information and reworked concept or model. Consequences of this pricing option should also be explained for the organisation and at least two stakeholders.

Moderators have seen some submissions when planning documents/booklets have been used by students to compare options and construct financial tools. Such documentation stands apart from the assessment evidence. Key financial or non-financial information and a concept of model from the planning document must be incorporated into the assessment response.

Practices that need strengthening:

Conventions

There is an expectation that student evidence will reflect accurate understanding of commerce concepts and models appropriate for curriculum level 6.

For example:

- Projected income and expenses should be presented in the conventional Income Statement format of income less expenses equals profit/loss.
- Explanations of break-even would refer to revenue and costs being equal at the break-even point, rather than profit and costs.
- If used, variable and fixed cost classifications should be accurate.
- Supply and demand models should be accurately formatted and labelled.

Financial/non-financial information

Financial information is characterised by dollar values. It is expected that this information is accurate in concepts and models and matches information used in the description of the price.

Non-financial information could include results of surveying the target market about their price sensitivity, or evidence of competitors' prices. Non-financial information by itself is insufficient for Achieved. Competitor prices might be too high to attract any customers for the business or too low to cover costs and profit. Students should therefore show understanding that the price they determined is sufficient to cover costs and profit and then support their price with non-financial evidence.

Models/concepts

EN2 of the standard lists some appropriate examples.

Price skimming, psychological pricing, and penetration pricing are based on a pre-determined price, but do not indicate that it will cover costs and profit. The most appropriate pricing strategy is cost-plus. A student would need to show how profit is applied to the cost price to derive the selling price. Break-even by itself is insufficient. A description of how price was determined should be provided before this price is applied to a break-even analysis.

In 2025, moderators saw several cases where concepts were referred to but did not support the determined price. Explanations should be specific to the context rather than generic.

Merit criteria

It is necessary for students to apply a model or concept to two pricing options. Maintaining the original price requires the model used at Achieved level to be modified to reflect the impact of the change factor. The same or a different type of model or concept also needs to be presented for the other pricing option of increasing or decreasing the price.

Pricing options must be stated as $ amounts. Modifying the product, such as reducing its size or using a cheaper supplier, does not constitute a pricing option unless expressed as, for example, "*Keep the price at $X but reduce the cupcake size from Y grams to Z grams*". The impact on costs and profit would then be modelled.

Excellence criteria

The justification of the post-factor price (changed or unchanged) should refer to information from the model or concept to prove that the price is sufficient to cover the cost of production and enable a profit to be made.

Two consequences of the price for the organisation and a consequence for two stakeholders need to be explained. "*Raising the price to $12 could produce $125 profit if we sell out our stock*", is a fact. A consequence is an impact or flow-on effect. For example, *"If we keep our price at $7.00 even though material costs have increased, our profit will decrease. This will affect employees because we might have to reduce staff hours or defer a pay increase".* It may be that a stakeholder, e.g. a supplier of raw materials, will not be impacted by the changed price. This is valid and the reason should be explained.

In a market day situation, the business owners/students are the organisation. Two other stakeholders could include customers (students/staff), the school, or a charity if part of the profit is being donated. Consequences must be relevant to a one-off market day context. *"The $5 price will generate more profit for us which, when shared out, will repay our investments and leave each of us with cash to spend as we wish",* would be a valid consequence in a market day context.

Consequences should focus on the post-factor price rather than the internal or external factor. In the example above where material costs have increased, it would be incorrect to explain the business will need to find a cheaper supplier.

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Assessor Support

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- Exemplars of student work for most standards.
- National Moderator Reports.
- Online learning modules (generic and subject-specific).
- Clarifications for some standards.
- Assessor Practice Tool for many standards.
- Webcasts.

Exemplars, National Moderator Reports, clarifications, and webcasts are hosted on the NZC Subject pages on the NZQA website.

Subject Pages

Online learning modules and the Assessor Practice Tool are hosted on Pūtake, NZQA's learning management system. You can access these through the Education Sector Logon.

Log in to Pūtake

We also may provide a speaker to present at national conferences on requests from national subject associations. At the regional or local level, we may be able to provide online support.

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