

Year 11 to A-Level Business Transition

Thank you for choosing to study Business at Wood Green School for the upcoming year, this set of tasks will set you on your way to becoming a businessperson and will form the basis of where we will start in September.

When we arrive back in school in September, we will be going straight into Unit 1 which is all about Markets and People. In this unit, we will be covering how to meet customer needs, how market forces work, how to utilise the Marketing Mix and how to manage people.

To give yourself a better understanding of some key terms before completing the main tasks, it may be worth looking up the following:

- What is a Market?
- What is the difference between a Product and a Service?
- What is Recruitment?
- What is an Entrepreneur?
- What does the term 'Dynamic' mean?
- What does the term 'Profitability' mean?
- What is the difference between Limited and Unlimited Liability?

Task 1 – The Market

A market exists where buyers and sellers meet to exchange products and services. Think the market in Witney, or any Car Boot Sale you have been to. Every product or service available is sold in a market of some sort, whether it be in physical locations such as high streets or shopping centres, or online on sites such as Amazon or eBay. For a business to be successful, it must know what type of market it wants to operate in, and how many customers it wishes to target.

Coca-Cola is a prime example of a product that is sold to the mainstream, and their decision-making will reflect that. Honest Tea are a brand within the drinks market, but you may not have heard of them as they sell to a much more specific type of customer.

Introduce yourself to Mass and Niche Markets via the following video:

- Mass and Niche Markets Explained by Two Teachers – https://www.youtube.com/watch?v=IB_UhZ0tjIQ

Now complete the following tasks:

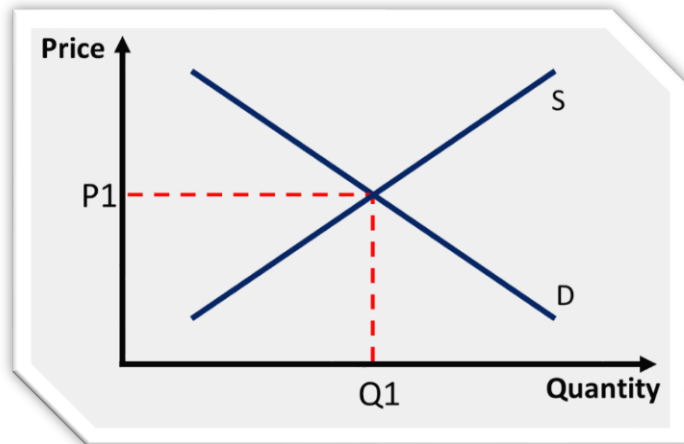
1. Define the terms Mass Market and Niche Market.
2. Explain the difference between a Mass and Niche Market.
3. Explain one advantage and one disadvantage of operating in a Mass Market.
4. Explain one advantage and one disadvantage of operating in a Niche Market.

Task 2 – Supply and Demand

Supply and Demand are the two fundamental factors when understanding how to run a successful business. A business must understand the factors that can affect the level of demand they may have

for their products and services, along with the amount businesses are willing and able to supply at given prices.

Supply and Demand can be shown on a graph (seen to the right) and with this we can explain the impact an increase or decrease to Supply or Demand will have on Price and Quantity. If, for example, the price of substitute (competing) products increases, a business will see the demand for their products increase and Demand will shift to the right. This will increase both the Price and the Quantity Sold for that product.



There are many factors that affect both Supply and Demand, and a successful business owner will have an understanding of these so they can ensure they are setting their price at an equilibrium price level for the market.

Introduce yourself to Supply and Demand via the following videos:

- Supply and Demand: Crash Course Economics by Crash Course – https://www.youtube.com/watch?v=g9aDizJpd_s
- Factors Affecting Supply & Demand by Alexa Winkler – <https://www.youtube.com/watch?v=tkLeoxLkbi8>

Now complete the following tasks:

1. Define 'Supply' and 'Demand'.
2. Identify factors that affect 'Supply'.
3. Identify factors that affect 'Demand'.
4. Draw a Supply and Demand Graph at equilibrium.
5. Explain the impact on Price and Quantity when Demand Increases.
6. Explain the impact on Price and Quantity when Demand Decreases.
7. Explain the impact on Price and Quantity when Supply Increases.
8. Explain the impact on Price and Quantity when Supply Decreases.

Task 3 – The Marketing Mix

The Marketing Mix is a collective term for the four major marketing decisions a business must make, also called the Four P's. They are Product, Price, Place and Promotion. Each marketing decision will encapsulate many factors that a business can utilise depending on the Price, Quality and Target Market a business is targeting. It is vital that a business makes consistent decisions that ensure there is harmony across each of their marketing decisions, otherwise customers will not understand what the business is trying to achieve which will create a confusing and unrelatable brand image.

For example, Dyson sell high quality, innovative electrical products including vacuum cleaners, hair curlers and hair dryers. They have researched and developed a cyclone technology that is unique in the market, and this allows them to charge a premium price and place their products in upmarket retailers. It would be extremely confusing if they were to be sold at a low price in a wide range of

lower end stores, and Dyson would certainly not be able to market themselves as an innovative and exclusive brand if they were to do so. This could damage the overall profitability of the business.

Introduce yourself to the Marketing Mix via the following video:

- The 4 Ps of Marketing – The Marketing Mix Explained by LYFE Marketing – <https://www.youtube.com/watch?v=fLkYSxUbEJI>

Now complete the following tasks:

1. Explain the term 'Product'.
2. Explain the term 'Price'.
3. Explain the term 'Place'.
4. Explain the term 'Promotion'.
5. Discuss how a business can use the Marketing Mix to improve their profitability.

Task 4 – Recruitment, Selection and Training

The process of taking on new staff and developing their skills can be influential to the success of a business. The skills and experience of staff members can enable that business to create new and exciting products, provide knowledgeable and engaging customer service and motivate colleagues to put the extra effort in to maximise productivity and sales.

Effective recruitment means the business is hiring the right person to fill a specific vacancy based on their skills and experience, with new employees having their skills boosted through job specific training. If employees are consistently leaving a business, they will have higher recruitment costs. It can be expensive to put out job adverts, pay employees to shortlist and interview candidates and to train new staff. This is an added incentive to ensure recruitment, selection and training are all well designed to improve the happiness and morale of staff to ensure they stay with the business for as long as possible.

Introduce yourself to Recruitment, Selection and Training via the following videos:

- Recruitment and Selection | The Recruitment and Selection Process Explained by Two Teachers – <https://www.youtube.com/watch?v=hHXIsj2VQ70>
- On the Job vs. Off the Job Training by Bizconsesh – <https://www.youtube.com/watch?v=ojmYJVLAp4>

Now complete the following tasks:

1. Identify the stages of the Recruitment Process.
2. Explain how a business may select candidates.
3. Define “On the Job” and “Off the Job” Training
4. Explain the advantages and disadvantages of “On the Job” Training
5. Explain the advantages and disadvantages of “Off the Job” Training

Task 5 – Forms of Business Ownership

The Form of Business Ownership refers to the legal status of the business. The legal status of the business will depend on the amount of owners and the level of liability those owners have for any

debts incurred. There are, however, other Forms of Business Ownership that are not related to the legal status, including Franchises and Social Enterprises.

It is important to understand how the Form of Business Ownership can affect decision-making, especially when it comes down to risk-taking, availability of funds, creation of ideas, motives and the repayment of debt.

Introduce yourself to the Forms of Business Ownership via the following videos:

- Types of Business Ownership Explained | Sole Traders, Partnerships, Ltd, Plc and Franchise by Two Teachers – https://www.youtube.com/watch?v=BN2cQNNvg_4
- How Franchising Works: An Illustrated Guide by WBEZ Chicago – <https://www.youtube.com/watch?v=6fidL5l oakg>

Now complete the following tasks:

1. For each of the following, provide a definition along with one advantage and one disadvantage of operating with that Form of Business Ownership:
 - a. Sole Trader
 - b. Partnership
 - c. Private Limited Company
 - d. Public Limited Company
 - e. Franchise
2. Explain the difference between Limited and Unlimited Liability.
3. Explain why having Limited Liability might increase the level of risk business owners will accept with their decision-making.

Hopefully, the above tasks will have you ready, prepared and excited to begin studying A-Level Business in September. If you have any questions regarding any of the tasks, please contact me at l.day@wgsuitney.org.uk.

See you in September!