

A Level Business Studies

Edexcel

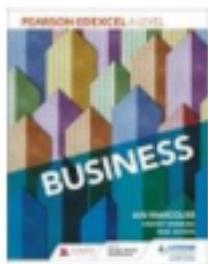
Introduction

Welcome to your A Level Business Studies course. The 'A' stands for Advanced meaning that although many of you will have previously studied the GCSE course, the depth and detail that you will explore over the next two years will be more challenging. You will be stretched by the content that you learn but also the exam requirements too.

Business is a fascinating subject that impacts all of us in some way or another every single day. Particularly at the moment, businesses themselves are facing a very difficult time due to external influences including BREXIT and the Covid-19 worldwide pandemic.

The work you will be completing is going to require a significant amount of research, but will prepare you well for the start of the course in September.

Before the start of the course in September you will be expected to have the following textbook;



Pearson Edexcel A Level Business

Publisher: Hodder Education

Author:

Book

ISBN: 9781510452701

Folders and organisation of notes;

Please purchase an A4 lever arch folder with coloured subject dividers and plastic wallets to help organise notes.



Tasks for completion

Research task - Research the impact of Covid-19 on different types of businesses. Choose at least one local, national and international business and explore how they have been affected by this external influence. After you have written a detailed explanation, you are then required to describe and analyse the ways in which these businesses have responded to the events. What might be the short, medium and long term effects of any decisions they have made. Finally, what would you recommend to help protect against future uncertainty and situations that could help prepare these businesses better?

Your work can be presented in slides, docs but must utilise a range of sources and references to help validate your opinions.

One useful resource is the tutor2u website;

<https://www.tutor2u.net/business/reference/business-impact-and-response-to-the-coronavirus-crisis>

Task 1 - In Yr 12 you will be covering Theme 1 and Theme 2;

<p style="text-align: center;">Theme 1 Marketing and people</p> <p>1.1 Meeting customer needs 1.2 The market 1.3 Marketing mix and strategy 1.4 Managing people 1.5 Entrepreneurs and leaders</p>	<p style="text-align: center;">Theme 2 Managing business activities</p> <p>2.1 Raising finance 2.2 Financial planning 2.3 Managing finance 2.4 Resource management 2.5 External influences</p>
<p style="text-align: center;">Theme 4 Global business</p> <p>4.1 Globalisation 4.2 Global markets and business expansion 4.3 Global marketing 4.4 Global industries and companies (multinational corporations)</p>	<p style="text-align: center;">Theme 3 Business decisions and strategy</p> <p>3.1 Business objectives and strategy 3.2 Business growth 3.3 Decision-making techniques 3.4 Influences on business decisions 3.5 Assessing competitiveness 3.6 Managing change</p>
<p style="text-align: center;">Paper 1 Marketing, people and global business Assessing Theme 1 and Theme 4</p>	<p style="text-align: center;">Paper 2 Business activities, decisions and strategy Assessing Theme 2 and Theme 3</p>
<p style="text-align: center;">Paper 3 Investigating business in a competitive environment Assessing all themes</p>	

One feature of the A Level course is the ability to calculate and interpret quantitative data. Complete the numeracy assessment.

Task 2 - e-commerce. The nature of competitive rivalry has been transformed by e-commerce in many markets and industries in recent years. For example...

- Music and book retailing (Amazon)
- Grocery retailing (Ocado, Amazon, Tesco)
- Holidays (Expedia, Trip Advisor)
- File storage and sharing (Dropbox)
- Music streaming (Spotify & iMusic)
- Sharing economy (Uber, AirBnB)
- Media consumption (Netflix, YouTube)
- Media sharing (Snapchat, Facebook)
- News publishing (Twitter, Huffington Post)

Many New Entrants Using E-commerce are “Pure Plays”. In e-commerce terms, a pure play is a business that originated and does business purely through the Internet; they have no physical store (“bricks and mortar”) where customers can shop. Potential competitive advantages of being a “pure-play” include:

- Lower operating costs – no requirement to have a physical store portfolio;

- Organisational culture – aligned to operating and developing solely as an e-commerce business;
- Access to finance – significant venture capital finance available for pure-plays with significant disruptive potential;
- Not burdened by legacy issues – as a result, pure-plays are often said to be more flexible and agile.

Some possible reasons why traditional model (non-pure-play) firms may still succeed:

- Brand loyalty - Brand loyalty is built over many years, particularly in service businesses (e.g. John Lewis, Nike, Dominos, Hyatt).
- Physical store network - The major high street retailers (e.g. Argos) have extensive store networks that can be used to support options such as “click & collect”.
- The option of omni-channel - Traditional model businesses have the option of adapting their models to also offer e-commerce as part of an integrated approach. Successful omnichannel retailing is a great example of this.

Carry out your own research into the following businesses. Why do you think they have become so successful? Do you think businesses that do not embrace e-commerce will inevitably fail?



Task 3

<https://www.forbes.com/sites/steveandriole/2022/03/10/the-biggest-business-trends-in-2022-2025-and-the-ones-that-arent/>

Look at the link above. This describes some of the top trends in 2022. What impact do you think these will have on existing businesses?

Task 4

Product launch - Halo Top

It has 706,000 Facebook friends and 593,000 Instagram followers; but Unilever hates it. It's Halo Top, an American dairy free 'ice cream' that comes in 25 flavours and contains between 240 and 360 calories per pint. Unilever's Ben & Jerry's *Phish Food*, by comparison, contains 1,350 calories. No wonder Halo Top has grown from nothing to a 5% share of the enormous US market for ice cream. And it's coming to the UK in January 2018.

Halo Top achieved its dynamic growth in America based on a social media strategy. It used a David & Goliath story to sell the product – exactly as Ben & Jerry once did (before ice cream multinational Unilever bought up the business). In other words Halo Top was presented as the small, brave newcomer to a market dominated by giant brands.

According to secondary research company Mintel: 'The combination of added protein, calorie count prominently displayed and shrewd use of social media struck a chord



with young Americans, overturning the assumption that health and nutrition had no place in the ice cream chiller’.

In the UK, sales of ice cream have been quite static in recent years, with little change in a market size of around £920 million. Yet ‘Free-from’ foods have been the grocery market’s stars, with growth rates of 20 – 25% a year. Now Halo Top may bring the same dynamism to the UK ice cream market.

For Unilever, which has a 50% share of the UK ice cream market with brands such as Walls and Ben & Jerry’s, Halo Top will have to be taken seriously. In growing from zero to \$50 million of sales in America, Halo Top has proven that it could be very serious competition in the UK. A multi-billion pound business such as Unilever does not sit back and allow newcomers an easy ride; it wants to dominate the competitive environment.

1. Outline one way in which Unilever may try to weaken its new competitor, Halo Top.
2. Discuss the impact of competition on decision making for the owner of a small business.
3. Evaluate whether Halo Top is likely to be a success. Use the information provided as well as your knowledge of business.

Please submit all your work on google classroom on completion.

A Level Business – Initial Numeracy Assessment - Questions

Q1	Balti Towers is an Indian takeaway that also offer a delivery service. Last year, the business delivered 1,400 curries. This year, the owner estimates that they will deliver 1,512 curries. Calculate the estimated percentage increase curry deliveries.
<i>Your workings:</i>	

Q2	School of Choc is a confectionary manufacturer located in County Durham. The business employs 120 staff. The ratio of male to female staff is 2:3. Calculate how many female staff School of Choc employs.
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Your workings:

Q3

Jimmy Chews is a sweet shop located in Wetherby. This year, the owner estimates that the business, which also sells soft drinks, will sell 3,360 cans of coca cola, 5% more than last year.

Calculate how many cans of coca cola Jimmy Chews sold last year.

Your workings:

Q4

Bubblicious is a hot tub manufacturer located in Chester. Their hot tubs retail for £4,500. The manufacturing cost per hot tub is $\frac{2}{5}$ of the selling price.

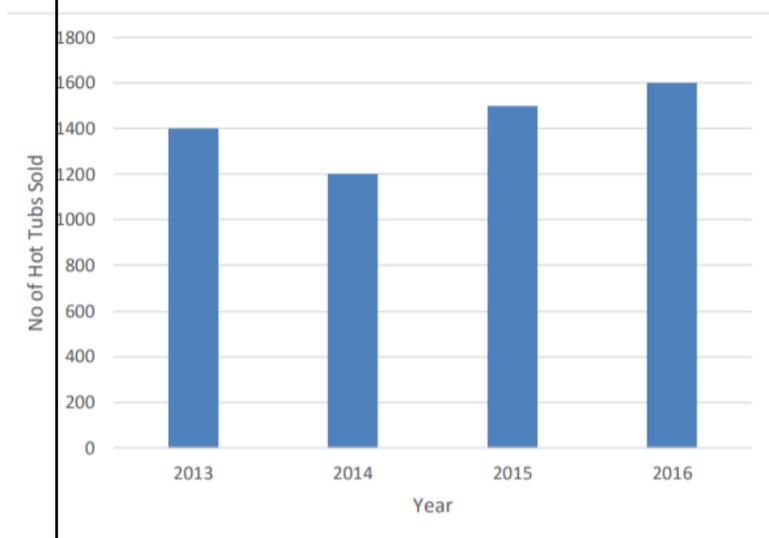
Calculate the cost of manufacturing one hot tub.

Your workings:

Q5

The chart below shows the number of hot tubs Bubblicious sold between 2014 and 2017. The owner estimates that in 2018, hot tub sales will be 5% lower than in 2017.

Calculate the average annual sales of hot tubs between 2014 and 2018.



Your workings:

Q6

Melchester Rovers Football Club can seat 42,000 spectators. Last week, when they played Harrogate Town, there were 36,960 spectators.

Calculate the percentage of empty seats.

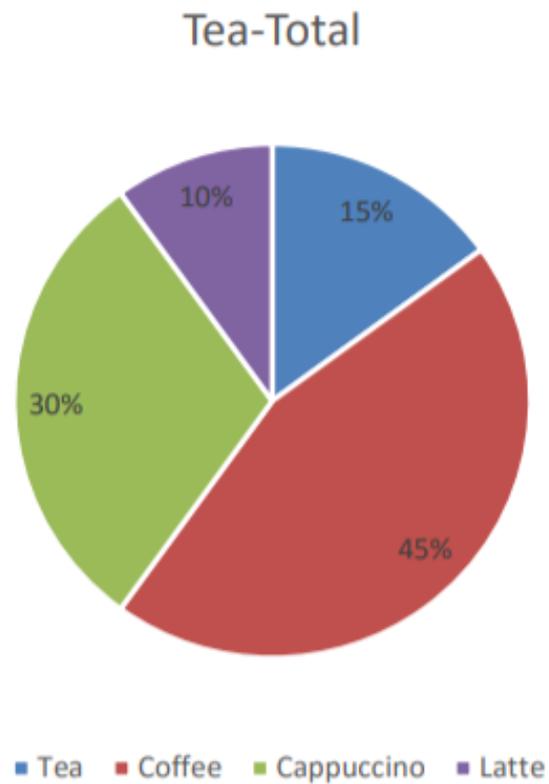
Your workings:

Q7	<p>A family of four, on holiday in the UK from Spain, visited the 'Whale of a Time' sea life centre in London. The total entrance cost for the family was £90.</p> <p>Assuming an exchange rate of £1: €1.08, calculate the total entrance cost in Euros.</p>
<p>Your workings:</p>	

Q8	<p>Loft in Space, a manufacturer of loft insulation, took 80 of its employees on a two-day team building trip to an outdoor activity centre in the Lake District. The total cost of the trip was £9,600. The accommodation cost per employee was $\frac{3}{5}$ of the total cost per employee.</p> <p>Calculate the accommodation cost per employee.</p>
<p>Your workings:</p>	

Q9

Tea-Total is a café in Cumbria. Below is a pie chart showing the percentage of drinks purchased for a group of 200 customers.



(A) Calculate how many customers purchased a coffee

(B) Calculate how many customers did not purchase a tea

(C) Calculate the fraction of customers that purchased a Latte

Your workings:

Q10	<p>Graham Riley is an employee of Father Treads, a business that specialises in car tyres. Graham attends a meeting at Head Office, travelling 60 kilometres each way. Graham is entitled to claim travel expenses at 45p per mile.</p> <p>Based on the assumption that 10 kilometres is equivalent to 6 miles (approximately), calculate how much Graham is entitled to claim.</p>
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Your workings:

Q11	<p>Car-tastrophe is a car showroom based in Stanhope. The business consists of one manager and 3 salesmen, Jim, Jon and Joseph. Each month, a sum of money is paid as a bonus and is divided in the ratio of the number of cars each salesman has sold. Jim sold 7 cars, Jon sold 8 cars and Joseph sold 9 cars. Joseph received £1,125</p> <p>Calculate how much money Jim and Jon received.</p>
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Your workings:

A Level Business – Initial Numeracy Assessment - Questions

Q12	<p>Barber Streisand is a hair dressing salon located in Sunderland. The owner Barbara, recently introduced a new system of rewarding her staff. At the end of the week, Barbara puts the following in a bag:</p> <p>5 x £10 notes 4 x £20 notes 3 x £50 notes</p> <p>At the end of the week, the hairdresser who has provided the best service can select a note from the bag as a reward.</p> <p>Calculate the probability of not selecting a £10 note.</p>
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Your workings:

Q13

Frame, Set and Match is a picture framing business with several shops across the North East of England. The business has a total of 90 employees, of which 54 are female.

Calculate, in the lowest possible terms, what fraction of the total employees are male.

Your workings:

Q14

Wooden it be Lovely is a small manufacturer of wooden children's toys. Last week, the business produced 32,000 toys, of which 40% were checked for quality. Of the 40% checked, $\frac{1}{5}$ had a defect.

Calculate how many wooden toys were found to not have a defect.

Your workings:

Q15

Sparked Out is a retailer of electrical products located in County Durham. The owner, Joseph Sparks, is analysing the sales figures of two product lines, the Lavazza coffee machine and the Breville toaster.

In 2017, the total value of Lavazza coffee machine sales was £12,100 whilst the total value of Breville toaster sales was £5,292. Joseph noticed that the sales of Lavazza coffee machines have been increasing by 10% per year, whilst sales of Breville toasters have been increasing by 5% per year, over the last two years.

Calculate the total sales value of Lavazza coffee machine sales and Breville toasters in 2015.

Your workings: