

A Level Business Transition Booklet

Welcome to Business Studies



This booklet is intended to provide some key learning in preparation for your A Level studies.

Please complete this booklet using the internet as a resource.

Understanding Business

Can you find out 3 definitions of the word BUSINESS from the internet?



There are really only three ways to **start up** a successful business:

1. Do something completely new (and that people want)
2. Do something that already exists, but do it better
3. Do something that already exists, but at lower cost

Customers and Consumers! Describe, using an example the difference between a customer and a consumer.

Customer -

Example -

Consumer -

Example -

Understanding customer **needs** is vital in business success. Describe what you think the needs are of the following customer.

A customer dining at **McDonalds**



A large empty rectangular box for writing the answer to the question about a customer dining at McDonald's.

A customer shopping at **Primark**

PRIMARK®

A customer shopping at **Marks and Spencer**



Why is understanding your customers needs important?



Understanding customer needs: Collecting data

What is market research? Can you find out using the internet?



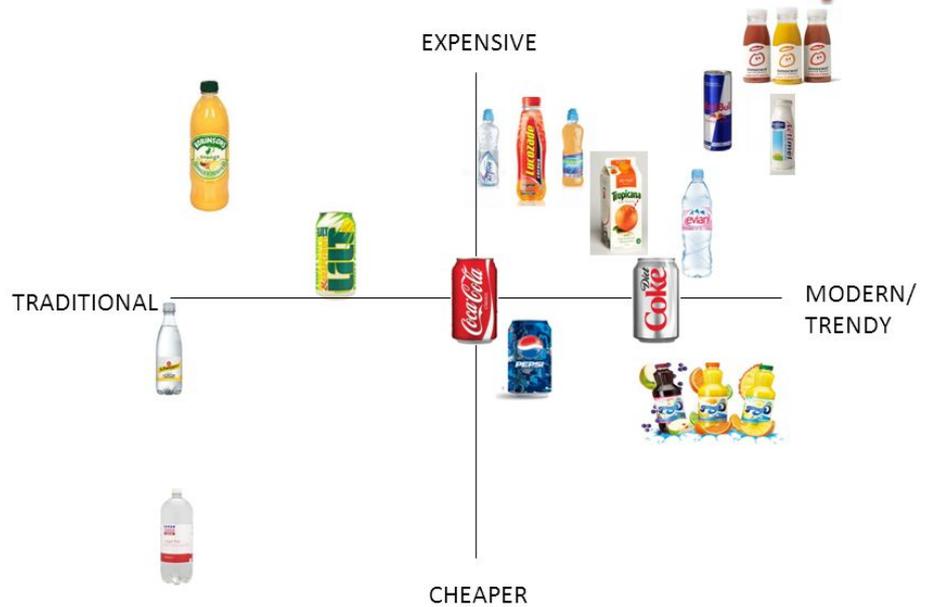
Can you define **primary** and **secondary** research?

Can you find out the Advantages and Disadvantages of primary research		Can you find out the Advantages and Disadvantages of secondary research	
😊	😞	😊	😞

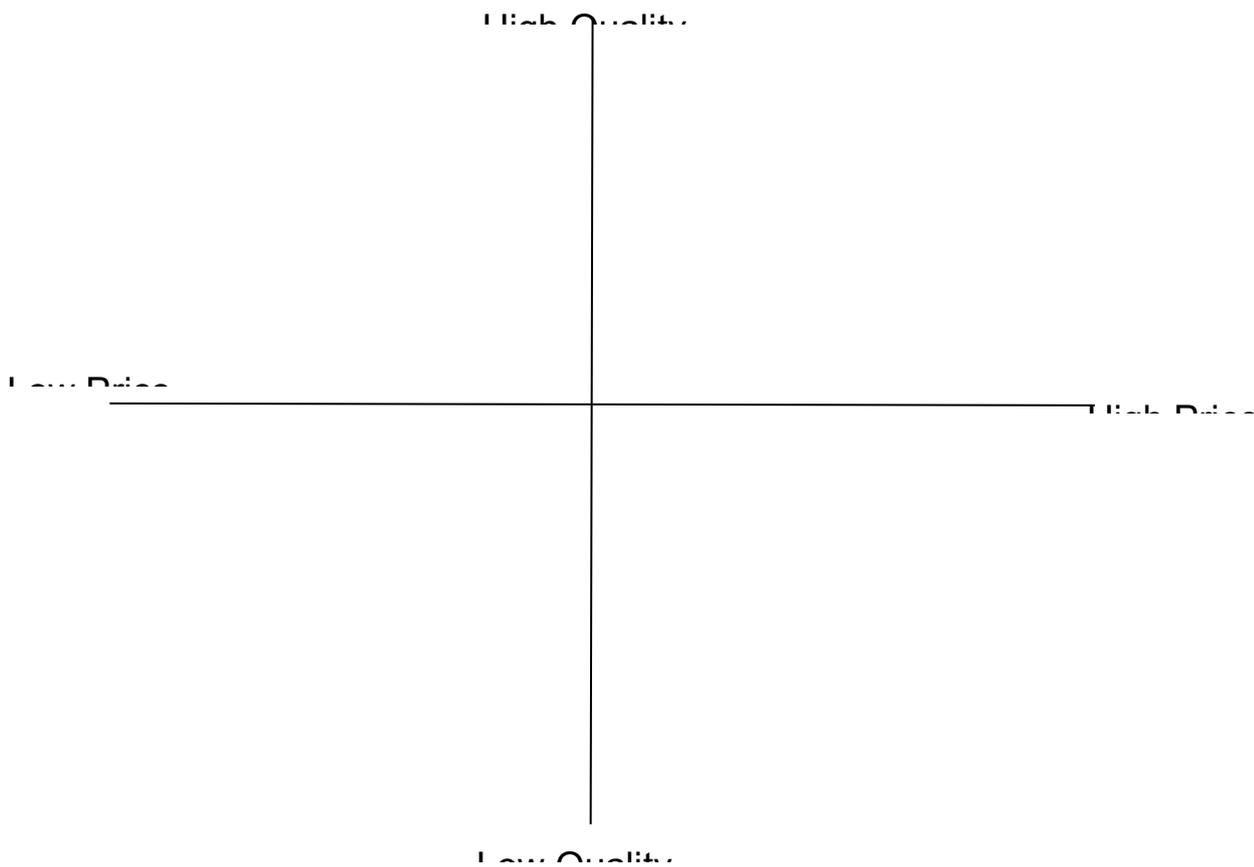
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Market research is used to find out what customers want from a product or service. A business also has to find out whether the market is saturated with other similar businesses. In order to look at the market we can create a **market map**. Market mapping is a way of finding gaps in the market and identifying opportunities that are not currently being pursued.

Soft drinks market map



Complete the Market Map below for Chocolate.



SWOT analysis

A business needs to analyse the **internal** and **external** environment when making big decisions. One way of doing this is by conducting a SWOT analysis.

An example of a SWOT analysis for Starbucks Coffee :

<p>Strengths</p> <ul style="list-style-type: none"> • Huge global revenue. • It has a reputation for fine products and services. • It has almost 9000 cafes in almost 40 countries. • The company is a respected employer that values its workforce. • The organisation has strong ethical values 	<p>Weaknesses.</p> <ul style="list-style-type: none"> • They need to look for a portfolio of countries, in order to spread business risk. • The organisation is dependent on a main competitive advantage, the retail of coffee. • This could make them slow to diversify into other sectors should the need arise.
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Opportunities.

- New products and services that can be retailed in their cafes, such as Fair Trade products.
- New markets for coffee such as India and the Pacific Rim nations are beginning to emerge.
- Co-branding with other manufacturers of food and drink, and brand franchising to manufacturers of other goods and services both have potential.

Threats.

- Will the market for coffee continue to grow?
- Starbucks is exposed to rises in the cost of coffee and dairy products.
- Copycat brands
- The effects of the recession on eating out and coffee
- COVID 19

Can you conduct a SWOT for McDonalds?

Strengths	Weaknesses
Opportunities	Threats



Business

In Business we have to be able to find out accurate information from a variety of sources, the main one being the internet.

Can you research and define each of these methods of ownership, finding out advantages and disadvantages of each?

Ownership

Ownership	Definition	Advantages	Disadvantages
Sole Trader			
Partnership			
Franchise			
Co-ops			
Private Limited Company			

Public Limited Company			
Social Enterprise			
Not for profit			