



Business - Year 10 Assessment Manifest

Paper 1 – Investigating a Small Business

Content overview □ Topic 1.1 Enterprise and entrepreneurship □ Topic 1.2 Spotting a business opportunity □ Topic 1.3 Putting a business idea into practice □ Topic 1.4 Making the business effective □ Topic 1.5 Understanding external influences on business		R	A	G
Topic 1.1 Enterprise and entrepreneurship 1.1.1 The dynamic nature of business	Why new business ideas come about: <ul style="list-style-type: none"> • Changes in technology. • Changes in what consumers want. • Products and services becoming obsolete. • How new business ideas come about: <ul style="list-style-type: none"> ○ Original ideas ○ Adapting existing products/services/ideas 			
1.1.2 Risk and reward	The impact of risk and reward on business activity: <ul style="list-style-type: none"> • Risk: business failure, financial loss, lack of security • Reward: business success, profit, independence 			
1.1.3 The role of business enterprise	The role of business enterprise and the purpose of business activity: <ul style="list-style-type: none"> • To produce goods or services. • To meet customer needs. • To add value: convenience, branding, quality, design, unique selling points. The role of entrepreneurship: <ul style="list-style-type: none"> • An entrepreneur: organises resources, makes business decisions, takes risks. 			
Topic 1.2 Spotting a business opportunity 1.2.1 Customer needs	Identifying and understanding customer needs: <ul style="list-style-type: none"> • What customer needs are: price, quality, choice, convenience. The importance of identifying and understanding customers: generating sales, business survival.			

1.2.2 Market research	<p>The purpose of market research:</p> <ul style="list-style-type: none"> • To identify and understand customer needs. • To identify gaps in the market. • To reduce risk. • To inform business decisions. 		
1.2.2 Market research	<p>Types of market research:</p> <ul style="list-style-type: none"> • Methods of primary research: survey, questionnaire, focus group, observation • Methods of secondary research: Internet, market reports, government reports • The use of qualitative and quantitative market research data <p>The role of social media in collecting market research data.</p> <p>The importance of the reliability of market research data.</p>		
1.2.3 Market segmentation	<p>How businesses use market segmentation to target customers:</p> <ul style="list-style-type: none"> • Identifying market segments: location, demographics, lifestyle, income, age • Market mapping to identify a gap in the market and the competition 		
1.2.4 The competitive environment	<p>Understanding the competitive environment:</p> <ul style="list-style-type: none"> • Strengths and weaknesses of competitors based on: price, quality, location, product range and customer service. <p>The impact of competition on business decision making.</p>		
<p>Topic 1.3 Putting a business idea into practice</p> <p>1.3.1 Business aims and objectives</p>	<p>What business aims and business objectives are.</p> <p>Business aims and objectives when starting up:</p> <ul style="list-style-type: none"> • Financial aims and objectives: survival, profit, sales, market share, financial security • Non-financial aims and objectives: social objectives, personal satisfaction, challenge, independence and control <p>Why business aims and objectives differ between businesses.</p>		

1.3.2 Business revenues, costs and profits	<p>The concept and calculation of:</p> <ul style="list-style-type: none"> • Revenue • Fixed and variable costs • Total costs • Profit and loss • Interest 			
1.3.2 Business revenues, costs and profits	<p>Interpretation of break-even diagrams:</p> <ul style="list-style-type: none"> • The impact of changes in revenue and costs • Break-even level of output • Margin of safety • Profit and loss 			
1.3.3 Cash and cash-flow	<p>The importance of cash to a business:</p> <ul style="list-style-type: none"> • To pay suppliers, overheads and employees. • To prevent business failure (insolvency). • The difference between cash and profit. <p>Calculation and interpretation of cash-flow forecasts:</p> <ul style="list-style-type: none"> • Cash inflows • Cash outflows • Net cash-flow • Opening and closing balances 			
1.3.4 Sources of business finance	<p>Sources of finance for a start-up or established small business:</p> <ul style="list-style-type: none"> • Short-term sources: overdraft and trade credit • Long-term sources: personal savings, venture capital, share capital, loans, retained profit and crowd funding 			