



THE WREN

KINDNESS · AMBITION · RESPECT

BUSINESS STUDIES
EDEXCEL



INTRODUCTION TO GCSE BUSINESS STUDIES

- At GCSE we study the **Edexcel 9-1 Business studies course**. The course is well resourced and suits our students who find it interesting and engaging.
- The **course gives students an effective experience of what business is and develops their entrepreneurial skills**.
- It also covers the **fundamental skills and knowledge to prepare those wishing to take Business Studies at 'A' Level course** (also Edexcel).
- To support students, each will receive:
 - A **knowledge book** which we use in class regularly
 - A **comprehensive revision guide** – which you can use at home and keep with you, this also comes with a free downloadable version.

WHAT STUDENTS CAN EXPECT FROM A TYPICAL LESSON

Edexcel GCSE Business Enterprise

Worksheet 1

• Complete Task 1 on the worksheet

Methods of adding value

- Branding
- Design
- Quality
- Convenience
- Unique selling point

• Why can Adidas charge a higher price compared to similar unbranded products?

Case study: Spire Cycles

• Fosterer Matt Gibbons has taken mechanics with a twist

• Some refer to me as the bicycle engineer, but I don't do most things others can't

• My wheels hub by the are all built to the same high standard. The accuracy and durability what is produced which also increases

Objectives

- Understand the role of business enterprise and the purpose of business activity:
 - produce goods or services
 - meet customer needs
- Understand how businesses add value in respect of:
 - design
 - quality
 - convenience
 - unique selling points

Meeting customer needs

• Meeting customer needs is satisfying or exceeding customer expectations in order to encourage a purchase over a competing business.

- The growth of e-commerce and online shopping has changed some customer needs
- Consumers have come to expect a fast, efficient and reliable service.

• How else can a business ensure they meet customer needs?

Branding

• Branding is the name or image that identifies one business product or service as unique

- Which businesses do the following brand logos represent?

- Why does strong branding add value for the consumer?
- How does strong branding benefit a business?

Plenary

- The role of business enterprise and the purpose of business activity has been considered in terms of:
 - produce goods or services
 - meet customer needs
- Methods businesses use to add value to products and services have been explored in respect of:
 - branding, design, quality, convenience, unique selling points

Business activity

• What do these businesses do?

Added value

• Added value is the difference between the cost of the inputs involved with producing a product, and the price it is sold for

- An average takeaway coffee sells for £2.50
- The cost of coffee beans used is £0.08
- Turning coffee beans into a takeaway coffee adds value to the basic raw material
- However, the total cost of selling a cup of takeaway coffee is approximately £2.20

• What other costs are involved in selling a takeaway coffee?

Design

• Good product and packaging design adds value to a product

- A simple business laptop bag adds value compared with an off the peg bag from a high street store
- The Lids Tread car air freshener has a distinctive design that gives the product a unique identity and adds value

• What other examples of unique product or packaging design can you think of?

Worksheet 1

• Complete Task 3 on the worksheet

Business defined

• A business is an organisation that offers for exchange, the goods and services that satisfy consumers needs and wants

- The exchange is typically for money
- What is the difference between goods, products and services?

Adding value to raw material

• Adding value is fundamentally making a product or service more valuable to the consumer than it is in its raw form

- How many different ways can you think of, that businesses add value to the basic potato?

Quality

• A business can add value through the quality of the product or service it offers

- A high level of emergency safety value
- Increased or reduced high quality suggests safety for consumers

• How can a service business ensure it offers consumers high quality?

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Goods/products and services

- Products are physical, tangible items such as a car, a pair of scissors or a television set
- Services are non-physical and intangible, like a taxi journey, a haircut or a television programme
- Supplies one product and one service offered at a vehicle repair station

Added value – Production

• Adding value is the way that a business makes their product or service stand out against the competition

• How do competing businesses add further value to their potato-based products?

Convenience

- Offering consumers increased convenience enables a business to increase its charge a higher price to a price it
- With no queues or checkouts, Amazon has introduced a new way of shopping to the grocery sector in the United Kingdom

• What impact will Amazon Go have on competing businesses?

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Needs are

- A need is something essential for a human being to survive
- A want is a desire, but is not essential for survival
- What are the human needs?
- Does the car or services of a car need?

Worksheets

• Complete Task 1 on the worksheet

Worksheet 1 Business enterprise Unit 1 Enterprise and entrepreneurship

Worksheet 1: Business Enterprise

Task 1 Introduction to business activity

1. Place the following examples of goods and services into the correct column of the table.

Goods	Services
Tennis lesson	Woolworth clothing
Mobile phone	Hotel booking
Beats headphones	Skateboard
Slim card	Mail parcel
Price of railway	Leaf of wood
Bus journey	

2. Explain the difference between a product and a service using examples of businesses in your local area that you are familiar with.

3. Explain the difference between customer needs and wants, making reference to relevant examples.

Homework 1 Business enterprise Unit 1 Enterprise and entrepreneurship

Homework 1: Business Enterprise

1. Which one of the following is an example of a product? [1]

Select one answer.

- A Mobile bicycle mechanic
- B On-demand TV channel
- C Designer handbag
- D Hot air balloon ride

2. Which two of the following are examples of methods of adding value? [2]

Select two answers.

- A Selling at a higher price than competitors
- B Offering a more convenient service
- C Buying raw materials from a cheaper supplier
- D Having a unique selling point
- E Moving the business to a cheaper location

Worksheet 1 Business enterprise Unit 1 Enterprise and entrepreneurship

Task 2 Adding value

Perfecto Farm is a potato, maize and soy bean in the Cotswold Valley just north of Gloucester in Gloucestershire. The farm grows, harvests, cleans, washes, grades and bags different potato varieties which are then supplied to wholesalers and retailers across the UK.

The farm also grows their own special varieties of organic potatoes which are hand picked by the farm and then packed to produce the Perfecto Farm range of ranges. In 2017, Perfecto Farm (PFF) received more than 1000 tonnes of orders for their products. The PFF range of crops is a professional bag of crops that is sold complete with a dip to complement the flavor of the crops.

1. Define the term 'added value'.

2. The primary function of Perfecto Farm is to grow and harvest potatoes. Outline two methods that Perfecto Farm adds value to the potatoes they grow?

Method one:

Method two:

3. How does the 'heat & eat' product range add further value to the products that the business produces and how can it benefit the business?

Homework 1 Business enterprise Unit 1 Enterprise and entrepreneurship

4. Other than through branding, discuss a method a business can use to add value to its product or service. [5]

[Total 12 marks]

Worksheet 1 Business enterprise Unit 1 Enterprise and entrepreneurship

Task 3 Investigating local business

Think of a local business that you are familiar with and then complete the following table:

Name of business	Goods/Services	Who are the business's customers (or target market)?	How does the business meet the customer's needs?	How does the business add value to its products or services?

BUSINESS STUDIES IS CONTEMPORARY – WE WILL DISCUSS CURRENT ISSUES



McDonald's has missed a key sales target, partly due to customers boycotting the firm for its perceived support of Israel.

The fast-food chain reported its first quarterly sales miss in nearly four years due to weak growth in its international business division. Its boss previously acknowledged the impact of the conflict, blaming "**misinformation**". Shares in McDonald's fell about 4% after the announcement.

McDonald's is one of several Western corporations including Starbucks and Coca Cola that have seen boycotts and protests against them by anti-Israeli campaigners. The firm said that the Israel-Gaza conflict had "meaningfully impacted" performance in some overseas markets in the fourth quarter of 2023. In the branch which includes sales in the Middle East, China and India, sales growth stood at 0.7% in the fourth quarter of 2023 - far below market expectations.

Its business in Malaysia, Indonesia and France have been affected, with the biggest impact felt in the Middle East, chief executive Chris Kempczinski said on Monday. "So long as this war is going on... we're not expecting to see any significant improvement [in these markets]," the McDonald's boss added.

**For example...
The Boycott of
McDonalds and
other big
businesses**

McDonald's relies on a franchise system in which thousands of independent businesses own and operate most of its more than 40,000 stores around the world. About 5% of its outlets are located in the Middle East.

The fast food retailer drew criticism after its Israel-based franchise said it had given away thousands of free meals to members of the Israeli military, sparking calls to boycott the brand by those angered by Israel's military response in Gaza. It prompted franchise owners in Muslim-majority countries such as Kuwait, Malaysia and Pakistan to put out statements distancing themselves from the firm.



WHAT WILL MY CHILD STUDY? HOW IS THE QUALIFICATION ASSESSED?

Theme 1: Investigating small business (*Paper code: 1BS0/01)

Written examination: 1 hour and 45 minutes

50% of the qualification

90 marks

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

Assessment overview

The paper is divided into three sections:

Section A: 35 marks

Section B: 30 marks

Section C: 25 marks.

The paper will consist of calculations, multiple-choice, short-answer and extended-writing questions.

Questions in Sections B and C will be based on business contexts given in the paper.

Calculators may be used in the examination. Information on the use of calculators during the examinations for this qualification can be found in *Appendix 4: Calculators*.

Theme 2: Building a business (Paper code: 1BS0/02)

Written examination: 1 hour and 45 minutes

50% of the qualification

90 marks

Content overview

- Topic 2.1 Growing the business
- Topic 2.2 Making marketing decisions
- Topic 2.3 Making operational decisions
- Topic 2.4 Making financial decisions
- Topic 2.5 Making human resource decisions

Assessment overview

The paper is divided into three sections:

Section A: 35 marks

Section B: 30 marks

Section C: 25 marks.

The paper will consist of calculations, multiple-choice, short-answer and extended-writing questions.

Questions in Sections B and C will be based on business contexts given in the paper.

Calculators may be used in the examination. Information on the use of calculators during the examinations for this qualification can be found in *Appendix 4: Calculators*.



SKILLS USED IN THIS SUBJECT:

- The subject involves **numeracy and literacy** as students will analyse data, interpret it and produce a written response.
- The subject also requires students to demonstrate **creative thinking, leadership, presentation skills, organisational skills, and the ability to link various topics together.**



WHY BUSINESS STUDIES?

- Provides an **excellent foundation** for individuals, they learn about personal finance, taxation, the government and social responsibility.
- **A flexible qualification** - gives students a broad understanding of the world of work and opportunities available.
- **Brings out the 'entrepreneur' in our young people** - often inspired as a result.
- **Develops skills to support most employment areas, industry, profession or vocation** as it provides a sharper understanding of how the world, they live in impacts them and vice versa.

FURTHER INFORMATION

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