Key topic	Content	(3)	@
Topic 1.1 Enterprise and entrepreneurship	Why new business ideas come about:Changes in technologyChanges in what consumers want		
1.1.1 The dynamic nature of business	Products and services becoming obsolete		
	How new business ideas come about:Original ideas		
	Adapting existing products/services/ideas		
1.1.2 Risk and reward	The impact of risk and reward on business activity:		
	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:		
•	To produce goods or services		
	To meet customer needs		
	To add value: convenience, branding, quality, design, unique selling points		
	The role of entrepreneurship:		
	An entrepreneur: organises resources, makes business decisions, takes risks		
Topic 1.2 Spotting a	Identifying and understanding customer needs:		
business opportunity	What customer needs are: price, quality, choice,		
1.2.1 Customer needs	convenience		
	The importance of identifying and understanding customers: generating sales, business survival		
1.2.2 Market research	The purpose of market research:		
1.2.2 Warker escaron	To identify and understand customer needs		
	To identify gaps in the market		
	To reduce risk		
	To inform business decisions		
	Methods of market research:		
	 Primary research: survey, questionnaire, focus group, observation 		
	Secondary research: internet, market reports,		
	government reports		
	The use of qualitative and quantitative market research data		
	The use of data in market research:		
	Qualitative and quantitative data		
	The role of social media in collecting market research data		
	The importance of the reliability of market research data		
1.2.3 Market	How businesses use market segmentation to target		
segmentation	customers:		
	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	Understanding the competitive environment:		
environment	 Strengths and weaknesses of competitors based on: 		
	price, quality, location, product range and customer		
	service		
	The impact of competition on business decision making		
	What business aims and business objectives are		
Topic 1.3 Putting a	What business aims and business objectives are		
business idea into	Business aims and objectives when starting up:		
practice	 Financial aims and objectives: survival, profit, sales, 		
1.3.1 Business aims and	market share, financial security		
objectives	 Non-financial aims and objectives: social objectives, 		
	personal satisfaction, challenge, independence and		
	control		
	Why business aims and objectives differ between		
	businesses		
1.3.2 Business revenues,	The concept and calculation of:		
costs and profits	Revenue		
'	Fixed and variable costs		
	Total costs		
	Profit and loss		
	Interest		
	Break even level of output		
	Margin of safety		
	Interpretation of break even diagrams:		
	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	The importance of cash to a business:		
	To pay suppliers, overheads and employees		
	To prevent business failure (insolvency)		
	The difference between cash and profit		
	Calculation and interpretation of cash-flow forecasts:		
	Cash inflows		
	Cash outflows		
	Net cash flow		
	 Opening and closing balances 		
1.3.4 Sources of business	Sources of finance for a start-up or established small		
finance	business:		
	Short-term sources: overdraft and trade credit		
	 Long-term sources: personal savings, venture capital, 		
	share capital, loans, retained profit and crowd funding		
Topic 1.4 Making the	The concept of limited liability:		
business effective	Limited and unlimited liability		
Dadinicas Checuye	The implications for the business owner(s) of limited		
	and unlimited liability		

1.4.1 The options for	The types of business ownership for start-ups:	
start-up and small	Sole trader, partnership, private limited company	
businesses	The advantages and disadvantages of each type of	
	business ownership	
	Submess ownership	
	The susting of standing and any size of formalists and susting	
	The option of starting up and running a franchise operation:	
	The advantages and disadvantages of franchising	
1.4.2 Business location	Factors influencing business location:	
	Proximity to: market, labour, materials and competitors	
	Nature of the business activity	
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	The impact of the Internet on location decisions: e-	
	commerce and/or fixed premises	
1.4.3 The marketing mix	What the marketing mix is and the importance of each	
	element:	
	Price, product, promotion, place	
	How the elements of the marketing mix work together:	
	Balancing the marketing mix based on the competitive	
	environment	
	The impact of changing consumer needs on the	
	marketing mix	
	The impact of technology on the marketing mix: e-	
	commerce, digital communication	
1.4.4 Business plans	The role and importance of a business plan:	
·	To identify: the business idea; business aims and	
	objectives; target market (market research); forecast	
	revenue, cost and profit; cash-flow forecast; sources of	
	finance; location; marketing mix	
	The purpose of planning business activity:	
	The role and importance of a business plan in	
	minimising risk and obtaining finance	
Topic 1.5 Understanding	Who business stakeholders are and their different	
external influences on	objectives:	
	Shareholders (owners), employees, customers,	
business	managers, suppliers, local community, pressure groups,	
1.5.1 Business		
stakeholders	the government	
	Stakeholders and businesses:	
	How stakeholders are affected by business activity	
	How stakeholders impact business activity	
	Possible conflicts between stakeholder groups	
1.5.2 Technology and	Different types of technology used by business:	
business	• e-commerce	
	Social media	
	Digital communication	
	_	
	Payment systems	
	How technology influences business activity in terms of:	
	• Sales	
	• Costs	
	Marketing mix	
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1.5.3 Legislation and	The purpose of legislation:	
business	 Principles of consumer law: quality and consumer rights 	
	Principles of employment law: recruitment, pay,	
	discrimination, and health and safety	
	The impact of legislation on businesses:	
	• Cost	
	Consequences of meeting and not meeting these	
4.5.4.71	obligations	
1.5.4 The economy and business	The impact of the economic climate on businesses:	
Dusiness	 unemployment, changing levels of consumer income, inflation, changes in interest rates, government 	
	taxation, changes in exchange rates	
1.5.5 External influences	The importance of external influences on business:	
	 Possible responses by the business to changes in: 	
	technology, legislation, the economic climate	
Topic 2.1 Growing the	Methods of business growth and their impact:	
business	Internal (organic) growth: new products (innovation,	
2.1.1 Business growth	research and development), new markets (through	
Ü	changing the marketing mix or taking advantage of	
	technology and/or expanding overseas)	
	External (inorganic) growth: merger, takeover	
	The types of business ownership for growing businesses:	
	Public limited company (plc)	
	Sources of finance for growing and established businesses:	
	Internal sources: retained profit, selling assets	
	External sources: loan capital, share capital including	
	stock market flotation (public limited companies)	
2.1.2 Changes in	Why business aims and objectives change as businesses	
business aims and	evolve:	
objectives	In response to: market conditions, technology,	
	performance, legislation, internal reasons	
	How business aims and objectives change as businesses	
	evolve:	
	Focus on survival or growth	
	Entering or exiting markets	
	Growing or reducing the workforce	
	Increasing or decreasing product range	
2.1.3 Business and		
globalisation	The impact of globalisation on businesses:	
3	 Imports: competition from overseas, buying from overseas 	
	Exports: selling to overseas markets	
	Changing business locations	
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	• Multinationals
	Multinationals
	Derriers to international trade.
	Barriers to international trade:
	• tariffs
	trade blocs
	How businesses compete internationally:
	The use of the Internet and e-commerce
	Changing the marketing mix to compete internationally
2.1.4 Ethics, the	The impact of ethical and environmental considerations on
environment and business	businesses:
	How ethical considerations influence business activity:
	possible trade-offs between ethics and profit
	How environmental considerations influence business
	activity: possible trade-offs between the environment,
	sustainability and profit
	The potential impact of pressure group activity on the
	marketing mix
Topic 2.2 Making	The design mix:
marketing decisions	Function, aesthetics, cost
2.2.1 Product	The product life cycle:
	The phases of the product life cycle
	Extension strategies
	The importance to a business of differentiating a
	product/service Price:
2.2.2 Price	Pricing strategies
	 Influences on pricing strategies: technology,
	competition, market segments, product life cycle
2.2.3 Promotion	Promotion:
	Appropriate promotion strategies for different market
	segments: advertising, sponsorship, product trials,
	special offers, branding
	The use of technology in promotion: targeted advertising online, viral advertising via social media, e-
	newsletters

2.2.4 Place	Place:		
2.2.111466	 Methods of distribution: retailers and e-tailers (e- 		
	commerce)		
	How each element of the marketing mix can influence other		
2.2.5 Using the	elements		
marketing mix to make	Cicinents		
business decisions	Using the marketing mix to build competitive advantage		
	osing the marketing mix to band competitive davantage		
	How an integrated marketing mix can influence competitive		
	advantage		
2.3 Making product	The purpose of business operations:		
decisions	To produce goods		
2.3.1 Business operations	 To provide services 		
	To provide services		
	Production processes:		
	Different types: job, batch, flow		
	 The impact of different types of production processes: 		
	keeping productivity up and costs down and allow for		
	competitive prices		
	competitive prices		
	Impacts of technology on production:		
	 Balancing cost, productivity, quality and flexibility 		
2.3.2 Working with	Managing stock:		
suppliers	 Interpretation of bar gate stock graphs 		
Suppliers	The use of just in time (JIT) stock control The use of just in time (JIT) stock control		
	The use of just in time (511) stock control		
	The role of procurement:		
	 Relationships with suppliers: quality, delivery (cost, 		
	speed, reliability), availability, cost, trust		
	 The impact of logistics and supply decisions on: costs, 		
	reputation, customer satisfaction		
2.3.3 Managing quality	The concept of quality and its importance in:		
2.3.3 Managing quanty	 The production of goods and the provision of services: 		
	quality control and quality assurance		
	 Allowing a business to control costs and gain a 		
	competitive advantage		
2.3.4 The sales process	The sales process:		
	 Product knowledge, speed and efficiency of service, 		
	customer engagement, responses to customer		
	feedback, post-sales service		
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	The importance to businesses of providing good customer		
	service		
2.4 Making financial	The concept and calculation of:		
decisions	Gross profit		
2.4.1 Business	Net profit		
calculations			
	Calculation and interpretation of:		
	Gross profit margin		
	Net profit margin		
	Average rate of return		
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The use and interpretation of quantitative business data to		
support, inform and justify business decisions:		
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Market data		
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Centralised and decentralised		
The importance of effective communication:		
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barriers to effective communication		
Different ways of working:		
Part time, full time and flexible hours		
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Different job roles and responsibilities:		
Key job roles and their responsibilities: directors, senior		
managers, supervisors/team leaders, operational and		
support staff		
How businesses regruit monle.		
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11.5.5.5		
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performance reviews		
Why businesses train and develop employees:		
Retraining to use new technology		
Attracting employees, retaining employees, productivity		
How businesses motivate employees:		
• Financial methods: remuneration, bonus, commission		
• Financial methods: remuneration, bonus, commission, promotion, fringe benefits		
 Financial methods: remuneration, bonus, commission, promotion, fringe benefits Non-financial methods: job rotation, job enrichment, 		
	 Market data The use and limitation of financial information in: Understanding business performance Making business decisions Different organisational structures and when each are appropriate: Hierarchical and flat Centralised and decentralised The importance of effective communication: The impact of insufficient or excessive communication on efficiency and motivation Barriers to effective communication Different ways of working: Part time, full time and flexible hours Permanent, temporary, and freelance contracts The impact of technology on ways of working: efficiency, remote working Different job roles and responsibilities: Key job roles and their responsibilities: directors, senior managers, supervisors/team leaders, operational and support staff How businesses recruit people: Documents: person specification and job description, application form, CV Recruitment methods used to meet different business needs How businesses train and develop employees: Different ways of training and developing employees: formal and informal training, self-learning, ongoing training for all employees, use of target setting and performance reviews Why businesses train and develop employees: The link between training, motivation and retention Retraining to use new technology The importance of motivation in the workplace: Attracting employees, retaining employees, productivity 	 Financial data Marketing data Market data Market data The use and limitation of financial information in: Understanding business performance Making business decisions Different organisational structures and when each are appropriate: Hierarchical and flat Centralised and decentralised The impact of insufficient or excessive communication on efficiency and motivation Barriers to effective communication Different ways of working: Part time, full time and flexible hours Permanent, temporary, and freelance contracts The impact of technology on ways of working: efficiency, remote working Different job roles and responsibilities: Key job roles and their responsibilities: directors, senior managers, supervisors/team leaders, operational and support staff How businesses recruit people: Documents: person specification and job description, application form, CV Recruitment methods used to meet different business needs How businesses train and develop employees: Different ways of training and developing employees: formal and informal training, self-learning, ongoing training for all employees, use of target setting and performance reviews Why businesses train and develop employees: The link between training, motivation and retention Retraining to use new technology The importance of motivation in the workplace: Attracting employees, retaining employees, productivity