

Week	Key themes – 4 factors		Additional information	
1 Customer needs	Price – Beating a competitors price on same good/service	Quality - A manufacturer using the best materials	Aldi and Lidl meet customer needs by offering low price groceries Dyson meet customers needs by offering high quality products Service stations meet the needs of their customers by placing themselves of the major roads in the UK to make travelling easier Currys PC World meet the needs of their customers by offering all kinds of electronic equipment and household appliances	
	Convenience –A complete meal that can be microwaved in minutes	Range – A supermarket that offers every choice a consumer might want		
Week	Key themes – two types		Key terms	Additional information
2 Market research	Primary - Collecting information that did not exist before. This will be completing up to date and relevant to the business. Types include; Questionnaires, Focus groups, Surveys		Qualitative – Questions that produce data about what people think and feel. Open questions that get more detailed responses	The purpose of research is to; Identify gaps in the market Identify customer needs Identify and understand competitors Understand customer opinion of a business
	Secondary – Gathering data that already exists about the market or other businesses in the market. Types include; Market reports, Sales data, internet, government reports		Quantitative – Questions that produce numerical data like amounts or percentages. Closed question that produce yes or no answers	
Week	Key themes – 4 factors		Key terms	Additional information
3 Market segmentation	Income - How much money people earn. Example, businesses will produce products that target people with little money (Poundland) or lots of money (Rolex)		Differentiate – A product or service that stands out from others Making something unique or exceptional	Market segmentation allows a business to design its product range or services to cater for the people that it hopes will become its customers. Dinkys Play Café – installed a soft play area for toddlers, it also offered a range of child friendly healthy snacks. In its toilets it installed lower level sinks and a nappy changing station. It also offered bespoke birthday packages Understanding its target market was key to making them happy
	Demographic – Includes gender and family type (single, married etc)			
	Lifestyle – The things people like to do and buy. For example, Halfords appeal to people who cycling and B and Q appeal to people who like to do things in the house and garden		Target market – a group of people that business has recognised as potential customers	
	Location – Business who want to appeal to regional tastes or businesses that recognise an area is affluent so they sell high quality products there.		Innovation – A new idea or creative solution	
Week	Key themes			Key terms
4 Market maps	Market Mapping – A diagram that can be used to position two products using two variables (often quality and price) This allows entrepreneurs or businesses to spot potential gaps in the market or places with less competition.			
	Quality – Examples of different quality products in chocolate are shown on the diagram from top to bottom.. Green and blacks are considered high quality with Kinder egg low quality			
	Price – Examples of different priced chocolate is shown from left to right. Twix is a low priced chocolate and Divine is quite expensive.			

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1 Design mix	<p>Aesthetics – a product may need to look good for a customer. Some products value Aesthetics more than others. For example a designer watch</p>			<p>The design mix for a Dyson is heavily focused c Function and while they want then to be aesthetically pleasing it is more important that they are exceptional at what they do. Dyson product command a high price because of their success in meeting customer expectations</p>
	<p>Function – a product will need to be at least fit for purpose. However some products will need to ensure that their functionality is exceptional. For example an high performance car</p>			
	<p>Cost – Customers will only pay what they feel is an appropriate price for a product. The two product above could command a high price because of their aesthetics and their function. A standard car or an ordinary watch would be considerably cheaper</p>			
Week	Key themes – two types			Additional information
2 Product life cycle	<p>Introduction – This is in the very early stages, straight after the launch of the product or service. An entrepreneur would expect sales to be low but growing</p>			<p>All products have a product life cycle but the length of time products last varies from product to product. For example; Loom bands were introduced, grew and went through maturity into decline over about an 18mth period. Whereas Heinz Ketchup is still in the maturity phase after 130 years</p>
	<p>Growth – At this point sales of the product or service should be rising rapidly with the onset of repeat purchase and greater consumer knowledge of the product/service</p>			
	<p>Maturity – At this stage the product or service is established. Many people in the target market demand the product and a business will be making large profits</p>			
	<p>Decline – When consumers tastes change or alternatives are released, then people no longer want the product, sales diminish and profits will go down</p>			
Week	Key themes – 4 factors			Additional information
3 Extension strategies	<p>When a product is beginning to decline then a business may try to extend its lifecycle. The strategies it might use are discussed below</p>			<p>All products have a natural life span, whether 18mths or 130 years. In order to extend this, businesses will make modifications to the product or service throughout the maturity stage. For example; Coca Cola has reinvented its packaging advertising and flavours over its 133 year history. Businesses will also apply extension strategies when sales start to decline. For example ; KitKat chunky, KitKat white chocolate etc</p>
	<p>Advertising – a business may invest in a new advertising campaign to boost sales</p>	<p>Add value – a business may update the features of the product or service</p>	<p>Packaging – the product may be rebranded with new packaging/logo</p>	
	<p>Reducing pricing – a business may include the item in a sales promotion like BOGOF</p>	<p>Target new markets – a business may try to reach a new market. For example a new country</p>	<p>Encourage greater use – a business may recommend using more of a product to encourage higher sales</p>	

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4 Pricing strategies	High volume, low margin – selling lots of a product with a low mark up. For example 1 million lipsticks at £1 = 1 million in Revenue		Technology – technology is cheaper than ever before. Businesses will sell electronic equipment at a fraction of the price as a result.	
	Low volume high margin – Selling high quality products at high prices but expecting less sales. For example selling 50,000 lipsticks at £20 = 1 million		Branding – The quality of a brand will add value to a product or service	
			Competition – If there is lots of competition then prices will be reduced to win customers. If there is little or no competition then prices will be much higher	
				Costs – technology has driven down costs of production. Machinery can make products more cheaply due to efficiencies.
				Market segment – Different market segments will be prepared to pay more for products and services. Some market segments will only be able to afford a certain price
				Product life cycle – A product will vary its price throughout its life cycle. During introduction and growth it will be cheap to encourage sales. In maturity it will be at its most expensive and in decline price will reduce again
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5 Promotional strategies	Advertising – Any paid advertising for example Newspapers, Radio, TV, social media		Special offers – Offering deals on products and services	A promotional strategy is where a business will use a selection of media to complement each other in order to raise the profile of the brand and the product. Promotion done in isolation is much less likely to be successful
	Sponsorship - When a business pays to have its brand associated with another big brand or celebrity		Public relations – Linking the brand to a positive event or cause	
	Product trials – Offer free samples or substantially discounted access		Branding - Developing a brand personality that helps consumers to trust in the product or service	
Week	Key themes -			
6 Place	Retailing – Traditionally shops used to be found on the high street. This was where you would find all shoppers. Now they are often located on the outskirts of town in retail parks.	E-tailing – with the advent of Online shopping more and more consumers shop on the internet. This means a huge reduction in costs and high street premises are expensive. Plus the ability to sell globally.	Location – Some businesses choose to locate near to a particular resource or target market. For example a clothes manufacturer may locate to china to take advantage of labour costs	
Week	Key terms			
7 Integrated marketing mix	Price - is impacted by the quality of the product and the promotion of the product. It a product is high quality and promoted in a way that encourages the customer to believe it is quality then a consumer will pay a higher price.	Product – the higher the quality of the product the higher the costs to the business. A business will need to be sure that a customer is prepared to pay enough to cover the costs and make a profit	Place - If a business wants to sell a high quality product it will need to make sure it is located in the right place to reach the target market	Promotion – If a business is going to be an E-tailer then it will need to make sure that the promotional methods communicate the product or service successfully to the target market in order to generate sales

For example:
Magazine advert plus sales promotion



Business Studies Y10 Knowledge Organiser Term 2

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8 Location	Market – Proximity to customers that the business is targeting		Bulk reducing product – Where the end product is smaller than the raw material used to make it. For example a burger factory would not want a whole cow just the meat that it intends to use in the burgers	Retail businesses will locate near to their customers and often their competitors by placing their business in a town centre or on a retail park Manufacturers will locate close to suppliers to reduce transportation costs Businesses that need skilled workers will locate in an area where they can fill the skilled positions. For example Silicone valley in California would be perfect for a new tech business
	Competition – Proximity to the Businesses that are in direct or indirect competition			
	Suppliers – Proximity to the resources that a business needs to operate		Bulk gaining product – Where the end product is larger than the raw materials. For example a car. A car manufacturer that sold car in the UK many from European parts would make the car in the UK and ship the parts	
	Employees – Proximity to the workforce needed for the business to operate			
Week	Key themes -		Key terms	Additional information
9 Marketing Mix	Product - The function and quality of the product considering the price that consumers will pay	Promotion – The most appropriate method to let the customers know about the product, depending on price, quality and who is expected to consume the product	Product differentiation – A method used to make a product stand out from its competitors. Methods might include; price, branding or features	Apple is a high quality product with state of the art technical function. Through its promotion it is considered to be one of the most exclusive and technologically advanced options for mobile phones. It is available to purchase online , in store and through various well known phone agents, as a result it will be the most expensive phone a customer will purchase The Nokia 3310 does not offer the same quality and only has basic functions. Although the market leader in the 90’s Nokia does not have a reputation for excellent technology and style. The product is available to buy through well known phone agents but Nokia do not have a range of high end stores, as a result you can buy a 3310 for about £40
	Place – Where the product/service is available for the customer to purchase	Price – The best price a business can expect to achieve considering the function and quality of the product/service	Brand loyalty – Customers who regularly buy and trust a product will become brand loyal	
Week	Key terms – Thing in a business plan			
10 Business plans	Business idea – An outline of the business concept		Aims and objectives – The vision and expectations of the business for the first year and beyond. For example survival	
	Target market – The customers who the product/service is targeting		Finance – How the project will be funded. For example investment or personal savings. The business may also need a loan from the bank	
	Forecast for revenue, cost and profit – Evidence of research that helps the entrepreneur predict expected sales and costs during the first year		Location – Where the business will be situated or how the customer will access the product or service. For example; a shop in the high street or online	
	Cash flow - A prediction of expected inflows and outflows of the business.		Marketing mix – Details of the 4 p’s and how the business expects them to work together to make the business successful	