



Ark Globe
Academy

Year 10 Business
Ark Globe Academy
Remote Learning Pack 2
Spring Term 1



Session	Title	Work to be completed	Resource provided	Outcome	On-Line Support
1	2.2.3 Promotion	<ol style="list-style-type: none"> 1. Complete knowledge recap worksheet 2. Answer the spec check questions 3. Read the case study and answer the exam style questions 	Worksheet Spec check questions Case study	<p>Completed worksheet</p> <p>Full sentences for all the spec check questions</p> <p>Full exam style answers</p>	https://www.bbc.co.uk/bitesize/guides/zvjhyc/revision/1
1a/1b	Online Lesson	MS Teams lesson will be scheduled on your calendar			Email class teacher for any support
2	2.2.4 Place	<ol style="list-style-type: none"> 1. Complete knowledge recap worksheet 2. Answer the spec check questions 3. Read the case study and answer the exam style questions 	Worksheet Spec check questions Case study	<p>Completed worksheet</p> <p>Full sentences for all the spec check questions</p> <p>Full exam style answers</p>	https://www.bbc.co.uk/bitesize/guides/z7cq6f/revision/1
2a/2b	Online Lesson	MS Teams lesson will be scheduled on your calendar			Email class teacher for any support
3	2.2.5 Using the marketing mix to make business decisions	<ol style="list-style-type: none"> 1. Complete knowledge recap worksheet 2. Answer the spec check questions 3. Read the case study and do the research task 4. Answer the exam style questions 	Worksheet Spec check questions Case study	<p>Completed worksheet</p> <p>Full sentences for all the spec check questions</p> <p>Full exam style answers</p>	https://www.bbc.co.uk/bitesize/guides/zn2shbk/revision/1
3a/3b	Online Lesson	MS Teams lesson will be scheduled on your calendar			Email class teacher for any support



Session 1 – Promotion

Q1	Fill in the gaps
<p>Promotion is the way a business communicates a _____ with its existing and _____ customers. A business might want to communicate with its customers to _____ or remind them about a particular good or service, to _____ them to buy a product or to _____ a certain image for a product.</p> <p>There are a number of different _____ strategies that can be used for different market segments. These include advertising, _____, product _____, special _____ and branding. In addition, businesses are increasingly using _____ to promote goods and services, such as targeted advertising online, viral advertising via _____ media and e-newsletters.</p>	
<p>Choose from: <i>create; technology; offers; social; persuade; trials; message; promotion; inform; sponsorship; potential</i></p>	

Q2	Match it – Number 1! Match the following promotion strategies to the most appropriate definition	
	2.1 Advertising	a. When a business offers a good/service at reduced prices/rates
	2.2 Sponsorship	b. Making a business/product recognisable, for example with the use of a logo, slogan
	2.3 Product trials	c. When a business communicates with its customers using media, such as TV, radio, cinema, magazines
	2.4 Special offers	d. When a business pays to have its name/brand associated with an event/activity/individual
	2.5 Branding	e. When the products are tested or tasted by potential customers

Q3	Match it – Number 2! Match the following examples to the most appropriate promotion strategy	
	3.1 A free sample of a new shampoo	a. Advertising
	3.2 A name, logo, slogan, for example	b. Sponsorship
	3.3 A full page in a magazine used to promote a product	c. Product trials
	3.4 NatWest support English test cricket	d. Special offers
	3.5 Buy one get one free promotions	e. Branding
Q4	Define it! Write a brief definition for each of these key terms	
	4.1 Targeted advertising online	



	4.2 Viral advertising via social media	
	4.3 E-newsletters	

Q5	Which strategy? Identify which type of promotion each statement relates to			
		Targeted advertising online	Viral advertising (via social media)	E-newsletter
	5.1 A multinational car manufacturer launches a new car model via an online video on Facebook			
	5.2 An international charity sends information and updates via e-mail to people who donate			
	5.3 A national sports venue targets spectators/customers with digital promotions			

Spec check....Write out the following in full sentences

1. Can you give 2 examples of 'advertising'?
2. Can you give 2 examples of 'sponsorship'?
3. Can you give 2 examples of 'special offers'?
4. Can you give 2 examples of 'branding'?
5. Can you list 2 sales promotion methods a business might use to boost sales?
6. Can you explain why it is important to choose an appropriate promotional strategy?
7. Can you explain the benefit of using e-newsletter to attract customers?
8. Can you explain 1 way technology is used in promotion?
9. Can you explain the benefit of a product trial?
10. Can you explain how businesses can use technology for promotion?
11. Can you explain how having a strong brand image can benefit a business?



Attracting customers

Children in the UK are spending more time on the internet than in front of the TV for the first time, according to new research into the media habits of under-16s. Research firm Childwise found that on average 5- to 15-year-olds were spending three hours a day using the internet, compared to 2.1 hours watching TV.

The amount of time children spend in front of a television screen has been declining steadily from a high of three hours in 2000–01, and was at 2.3 hours last year. However, time online has seen a huge surge according to the research, up 50 per cent from two hours last year.

The research, which is based on an online survey of more than 2,000 children, did not distinguish between TV-like services on the internet, such as Netflix and iPlayer, and other forms of browsing such as Facebook, meaning it is unclear whether children are merely watching shows in different ways. However, the report says that YouTube has taken 'centre stage in children's lives', with half accessing it every day and almost all using it at least occasionally.

Source: *The Guardian*, 26 January 2016

Questions (15 marks):

1. Define what is meant by the term 'online survey'. (1)
2. Outline why there may have been a surge in time spent online by 5- to 15-year-olds. (2)
3. Evaluate whether Cadbury should change from its traditional focus on TV advertising to the use of digital advertising media. You should use the information provided as well as your knowledge of business. (12)



Session 2 – Place

Q1	Fill in the gaps
<p>In the marketing mix, “place” refers to how a product gets from the _____ to the consumer. This is known as the channel of _____. A product may pass through another business, called a _____, in other words a physical store, before it reaches the consumer. Using a retailer however, means that the product can take _____ to reach the consumer. The product may also become more expensive, as each business adds to the final _____, as the retailer too will want to make a _____ on the goods that it sells.</p> <p>Sometimes a producer can sell direct to a customer via the internet. This is known as _____-_____. A business which sells its products through an online shop is known as an _____-_____.</p> <p>All elements of the marketing mix should work _____ and give the _____ message to the customer. Each element of the mix can therefore influence other elements. For example, a product that is seen as high in quality is likely to have a _____ price.</p> <p>The marketing _____ can be used to build a competitive _____, for example different product features or exciting promotion strategies can make a business stand out from the competition.</p>	
<p>Choose from: mix; together; e-tailer; high; cost; advantage; retailer; producer; profit; distribution; same; longer; e-commerce</p>	

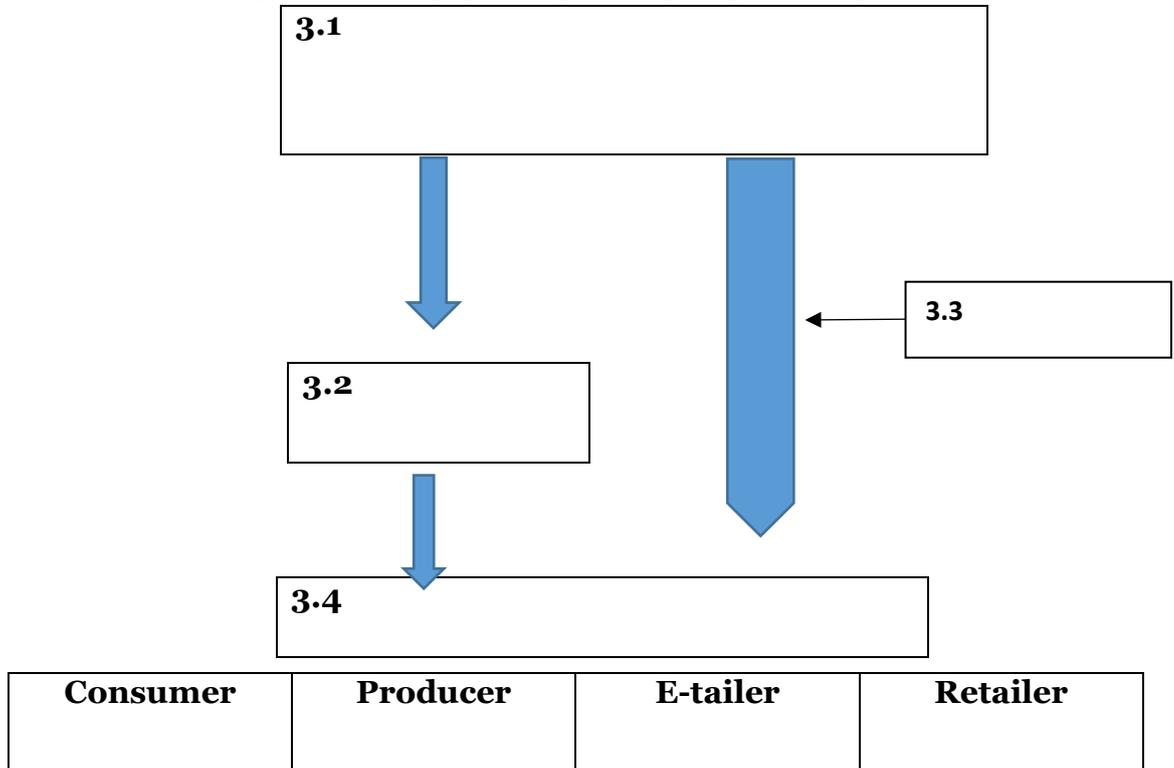
Q2	Define it! Write a brief definition of each of these key terms	
	2.1 Retailer	
	2.2 E-tailer	



Q3

Complete the diagram using the terms given and answer the questions which follow

CHANNELS OF DISTRIBUTION DIAGRAM



From looking at the diagram, identify which distribution method:

3.5 would usually make the product the most expensive for the consumer to buy

3.6 would enable the producer to keep the full selling price

3.7 is becoming increasingly popular, particularly due to the growth of e-commerce



Q4	Benefit or drawback? Identify whether each of the following statements relates to a retailer or e-tailer and then decide whether it is a benefit or drawback to the business	Retailer		E-tailer	
		Benefit	Drawback	Benefit	Drawback
	4.1 Customers return a high percentage of goods				
	4.2 Businesses can sell to a world-wide market				
	4.3 Customers can see, touch and try products which encourages sales				
	4.4 Saves on the cost of running a high street store				
	4.5 Specialist, face-to-face advice is available at the point of purchase				
	4.6 It can be expensive to set up the required distribution service and online systems				
	4.7 It is often harder to compete on price, as running costs are often very high				

Spec check....Write out the following in full sentences

1. Can you define the term 'place'?
2. Can you define the term 'retailer'?
3. Can you define the term 'e-tailer'?
4. Can you identify 2 advantages and 2 disadvantages of being a retailer?
5. Can you identify 2 advantages and 2 disadvantages of being an e-tailer?
6. Can you explain how having a strong brand image can benefit a business?



Black Friday Sales

A record £1 billion of items were returned after last year's Black Friday as online customers adopted a 'buy now and decide later' attitude. Some stores – mainly women's fashion outlets – saw more than 60 per cent of online sales returned within 30 days. Business consultants *Clear Returns* suggests that returned parcels may be costing UK retailers £60 billion a year.

Many store chains have invested heavily in online distribution channels – only to find that stock management is made doubly difficult and expensive due to customer returns. George Mensah, a retail expert at consumer analyst Shore Capital, says the volume of online returns was a major concern for some retailers. 'Last year the disruption caused by having to deal with a high level of returned items in late December meant retailers struggled around Christmas time, and this year it could be even worse.'

'It can cost double the amount for a product to be returned into the supply chain as it does to deliver it,' says Iain Prince, supply chain director at KPMG. He points to the online purchase of a coat, for instance: 'To pick and deliver an order costs between £3 and £10 – it could cost double or treble that to be processed on the way back.' The risk is that 'All your (profit) margin is consumed in the process of handling and repackaging,' as a *Clear Returns* executive suggests.

According to some experts, around 20 per cent of fashion purchases on the web are for multiple items of a similar size, shape or colour. Customers deliberately over-order – intending to send back some items given that returns are free or cheap. Of course, from a customer point of view it makes sense. In a shop, you try things on and decide what fits and what looks good. When buying online it seems fair to pick and choose – forgetting the cost to the retailers.

Despite the problems, retailers cannot walk away from online. In December 2016 24.3 percent of non-food sales were online – up by 7.5 per cent compared with 2015. 'We want our customers to be happy and if they want to return items, we want to make that process as simple as possible,' says John Lewis. 'As such we will continue to focus on customer convenience.' Figure 39.3 shows how costly that might prove.

Questions (18 marks):

1. From Figure 39.3, identify which product category has the highest rate of customer returns. (1)
2. Outline one possible problem for retailers about encouraging customers to buy online. (2)
3. Use the text to help analyse whether customer returns are mainly an online, e-retailing problem. (6)
4. Companies such as John Lewis worry about the increasing cost of customer returns. They see two main options:
 - Option 1: Charge customers the actual cost of delivery, as would happen if items were posted.
 - Option 2: Continue with free delivery, forcing shop customers to subsidise online ones.

Justify which **one** of these two options a business such as John Lewis should choose. (9)



Session 3 – Using the marketing mix

Q1	True or false? Identify if the following statements are true or false	True or false?
	1.1 Promotion needs to reflect and reinforce the perceived quality of the product being sold	
	1.2 In a competitive market, price may be the most important element of the marketing mix	
	1.3 Place is always the most important element of the marketing mix	
	1.4 When targeting customers with low incomes, specialist product features may be more important than price	
	1.5 A producer may only allow certain retailers to stock its products in order to maintain a specific brand image	

Spec check....Write out the following in full sentences

1. Can you define the term 'marketing mix'?
2. Can you explain how a business can use the marketing mix to build a competitive advantage?
3. Can you explain the impact of changing customer needs on the marketing mix of a business?



Bounce In

The indoor trampolining market has grown massively in the UK, with the number of parks increasing from just four, eighteen months ago, to one hundred today. An additional twenty parks are in the process of being built across the country.

Bounce In is just one of the many businesses that have entered this highly competitive market. A year ago, the business opened its first park in Slough, a large site that consists of one hundred interconnected trampolines. The firm's success in Slough resulted in the business opening another park in Warwick, a few months ago, partly due to the quality reputation and excellent safety record the business has built up. Table 1 contains information about sales at the Warwick park.

Table 1:

Selling price per customer	£10
Number of customers per week	7,500

Bounce In hopes to continue with its expansion plans and is considering opening a third park in Solihull, which is located 15 miles away from Warwick, and has a population of 210,000 people. Table 2 contains information about the Solihull park.

Table 2:

Estimated overall total profit for the investment	£4,125,000
Number of years	5
Cost of investment	£1,500,000

After carefully considering the financial information, Bounce In has made the decision to open the new park in Solihull. However, given the increasing levels of competition, the business realises that it needs to use the marketing mix effectively to build a competitive advantage quickly. The marketing manager thinks Bounce In should offer a wider product range than its competitors, including activities such as bouncing dodgeball, a foam pit and tumble tracks. The finance manager disagrees, believing that the business should reduce average prices by 5% in order to attract customers. Despite these differences in opinion, both managers agree that the business needs to develop its use of e-commerce.

Questions (19 marks):

1. Using the information in Table 1, calculate the weekly sales revenue for the Warwick site. You are advised show your workings (2)
2. Using the information in Table 2, calculate the average rate of return for the Solihull site. You are advised show your workings (2)
3. Analyse the benefit to Bounce In of using e-commerce in its business (6)
4. In order to build a competitive advantage, Bounce In has two options:

Option 1: Reducing average prices by 5%

Option 2: Increasing the product range on offer to its customers during a trampolining session, such as dodgeball

Justify which one of these options Bounce In should choose. (6)