

BTEC Year 11 – 12

Summer Independent Learning 2025



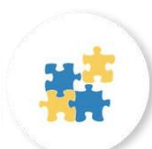
By completing these activities as part of your Summer Learning, you will gain:

- a realistic expectation of the Business Studies at BTEC Business
- An appreciation of the fact that there will be lots of new content, even if you have studied GCSE Business Studies.
- an ability to contribute in class with real world examples
- an inquisitive mind
- An increased ability to hit the ground running at the start of the academic year.

Completing this task will also help you develop the following skills:



Organisation



Problem Solving



Initiative



Communication

Please make sure that you complete all of the tasks fully and electronically if possible and bring your work for submitting on Microsoft Teams to be reviewed by your teacher in your first Business Studies lesson.

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Business Key Principles

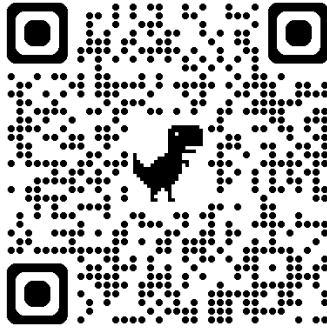


| Term | Definition | Example |
|---|---|--|
| Business Objectives  | <p>These are measurable targets, which can be used to help achieve the mission.</p> <p>Profit, sales, growth, survival, cash flow, social and ethical are common business objectives.</p> <p>An objective can also be used to assess progress towards achieving the long-term goals of the business.</p> | <p>To increase profit by 5% by the end of 2021.</p> <p>To increase sales volumes of iPhone 13 by 10% by the end of 2022.</p> <p>To reduce waiting times of A&E patients by 2% by the end of 2021.</p> |
| Mission  | <p>This is an aim a business hopes to achieve.</p> <p>This is usually found in a statement online and describe the reason for the business existing.</p> | <p>Google's mission is to is to organise the world's information and make it universally accessible and useful.</p> |
| Revenue (TR)  | <p>This is the income a business receives in return for the sale of goods and services.</p> <p>It is calculated using the formula:</p> <p style="text-align: center;">Selling price X quantity sold.</p> <p>Revenue is the same as turnover and sales.</p> | <p>Firm A sells 500 sandwiches at a selling price of £3. $3 \times 500 = \text{£}1500$</p> <p>Q: Firm C sells 600 TV's at a selling price of £150 and 400 DVD players at a selling price of £90.</p> <p><u>What is the revenue?</u></p> |
| Fixed Costs (fc)  | <p>Fixed costs are costs which do not vary directly with the level of output.</p> <p>Fixed costs still exist even if the business is not producing any goods or services.</p> | <p>An example of a fixed cost is rent which will not vary whether the office or factory is used intensively to produce goods and services or hardly used at all.</p> |
| Variable Costs (vc)  | <p>Variable costs are costs which vary directly with the level of output</p> <p>So if a firm increased production by 50% variable costs would increase by 50%.</p> | <p>Variable costs include things such as:</p> <ul style="list-style-type: none"> - Fuel - Raw materials - Packaging |
| Total Costs (tc)  | <p>Total Costs are calculated by adding together fixed and variable costs.</p> <p>The formula is: FC + VC</p> | <p>fixed costs = £150 Variable Costs = £250 Total Costs = £400</p> |
| Profit  | <p>Profit is a comparison between costs and revenues.</p> <p>The formula is: Total Revenue – Total Costs (TR – TC)</p> <p>If total revenue exceeds total costs then the business is making a profit.</p> <p>If total revenue is less than total costs then the business is making a loss.</p> | <p>Q: John's Pasta bar charges £10 for three courses and has an average of 800 customers per week. The variable costs are £4 and the fixed costs are £3,400 per week</p> <ul style="list-style-type: none"> • Calculate revenue • Calculate total costs • Calculate profit |

Unit 1 Exploring Business – What makes businesses successful?

In preparation for starting your Unit 1 Exploring Business work, you will begin looking at what the features of a business are

Watch these videos and fill in this table:



| Business type | Description | Advantage | Disadvantage |
|-------------------------------|-------------|-----------|--------------|
| Sole trader | | | |
| Partnership | | | |
| PLC | | | |
| LTD | | | |
| Public sector (eg a school) | | | |
| Not for profit (eg a charity) | | | |

| | |
|---------------------|------------|
| | Definition |
| Limited Liability | |
| Unlimited Liability | |

Sectors of Industry

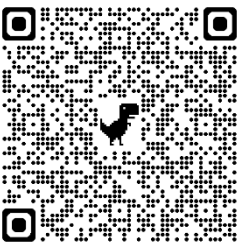
A business aims to satisfy customers' needs and wants. Businesses operate in the primary, secondary, tertiary, or quaternary sectors of industry.

Watch the following and fill in the table <https://www.bbc.co.uk/bitesize/guides/zmx47nb/revision/2>



| Sector | Description | Example |
|------------|-------------|---------|
| Primary | | |
| Secondary | | |
| Tertiary | | |
| Quaternary | | |

Size



What is a SME?

.....

Reasons for Success

Businesses often set themselves targets that they want to achieve. These aims and objectives

Can be used to motivate employees and help a business measure their performance.

Research Morrisons (and answer the following questions

What is the aim / core purpose of Morrisons:

.....

.....

.....

What do you think the aim/core purpose means

.....

.....

.....

How does Morrisons achieved this aim/core purpose?

.....

.....

.....

Who are the main competitors of Morrisons?

.....

.....

.....

What makes customers go to Morrisons rather than these competitors (think about pricing/what they sell/customer service etc)

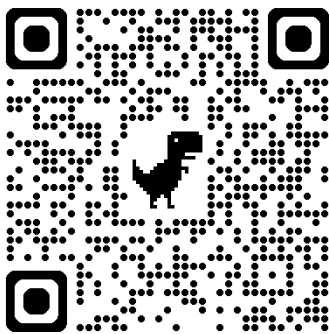
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Stakeholders

Research five internal and/or external stakeholders of Morrisons and explain their influence- we have done the first one for you.



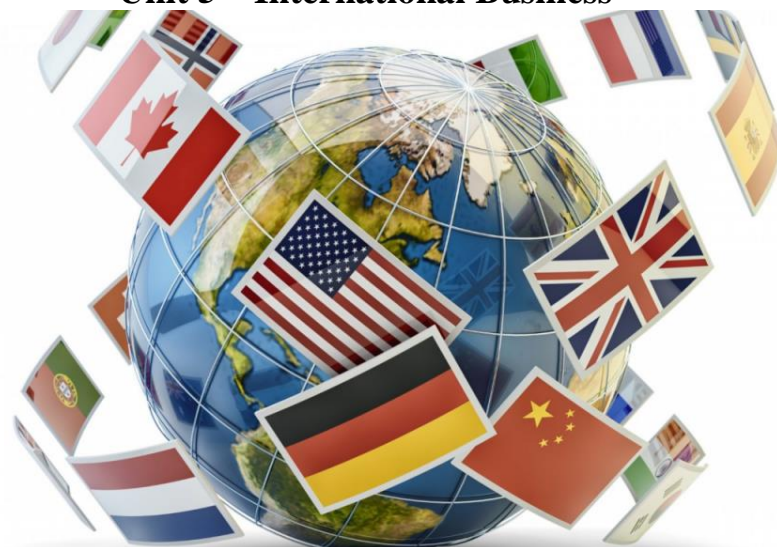
| Name of stakeholder | Description | Influence |
|---------------------|---|--|
| Customers | Individuals who purchase/use the goods or services offered by the business. | Customers can choose whether to shop at Morrison's which could influence the profit made. They can also influence products and services that Morrison's sell for example halal food in Bradford. Sometimes, this can also include more delivery options for customers living in rural areas. |
| | | |
| | | |
| | | |
| | | |
| | | |

How do the following effect Morrison's?

| Factor | How it effects Morrisons |
|--------|--------------------------|
|--------|--------------------------|

| | |
|---|--|
| <p>Political factors</p> <p>(eg political decisions such as Brexit)</p> | |
| <p>Economic</p> <p>(eg current cost of living crisis/inflation)</p> | |
| <p>Social</p> <p>(eg current trends-vegan food)</p> | |
| <p>Technology</p> <p>(eg use of mobile phones)</p> | |
| <p>Legal</p> <p>(eg laws such as the National Minimum Wage)</p> | |
| <p>Environmental</p> <p>(eg being carbon neutral)</p> | |

Unit 5 – International Business



International business can take many different forms and these include sending things overseas (exporting), bringing them in (importing), operating in different countries (multinational) and being involved with the support for businesses operating in multiple countries, through activities such as marketing or logistics.

ACTIVITY

Match the key terms to the definitions below:

Multinational Business

International Business

Exporting

Importing

Revenue

Brand

| Term | Definition | Example |
|------|--|---------|
| | Business that has offices or businesses in different countries. | |
| | A distinctive name or trademark that is given to a particular product or service | |
| | When a business sends products overseas. | |
| | When a business brings products into the country from overseas. | |
| | The amount of money a company receives during a specific period | |
| | A business that sells goods or services to other countries but does not have offices or businesses in other countries. | |

ACTIVITY





McDonalds is a multinational organisation that operates globally.



Astonish is a Bradford, UK based company that operates internationally. Did you know Astonish exports to over 40 countries?

For the two businesses above (McDonalds and Astonish) research what they import into the UK, and Export out of the UK. In The Style is done as an example, for you.

| Business | Imports | Exports |
|---|--|--|
| IN THE STYLE | They import clothes from china into the UK. These will be stored in their warehouses until orders come in. | In the style export their clothes to customers who order them in different countries. These are the countries they export to |
|  | | |
|  | | |

Reasons for conducting business Internationally

Conducting business internationally offers lots of different opportunities for growth and development that may not be possible from working in the UK alone. For example Astonish is a British owned company that benefits significantly from international business.



Reasons to conduct international business

Research the following reasons and an appropriate image.

| Reason | Meaning | Appropriate Image |
|----------------------------|---------|-------------------|
| Fiscal Benefits | | |
| Access to new markets | | |
| Market Leadership | | |
| Brand Exploitation | | |
| Additional Revenue Streams | | |
| Technological Dominance | | |

ACTIVITY

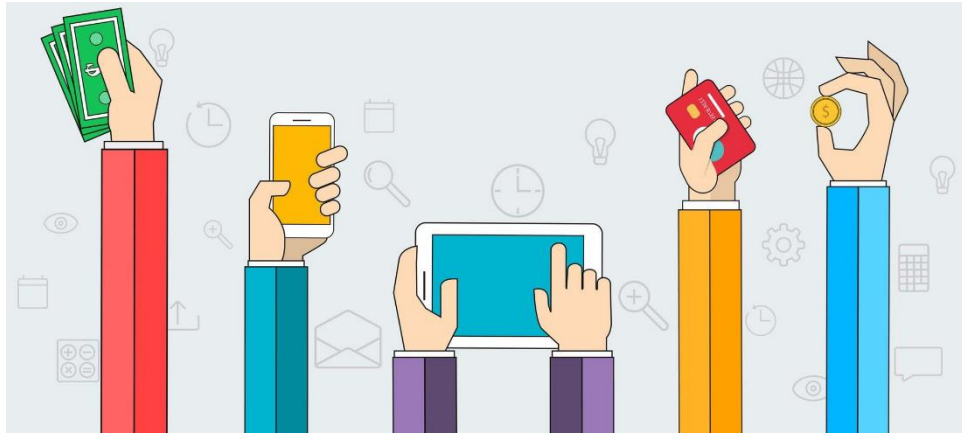


<https://www.insidermedia.com/news/yorkshire/astonish-hails-growth-and-plans-biggest-ever-investment>

Visit the link above to find out some of the countries Astonish currently operate in, and write these down here:

Explain two advantages and two disadvantages to Astonish of trying to sell to a country where they do not already operate.

| Advantages | Disadvantages |
|------------|---------------|
| | |
| | |



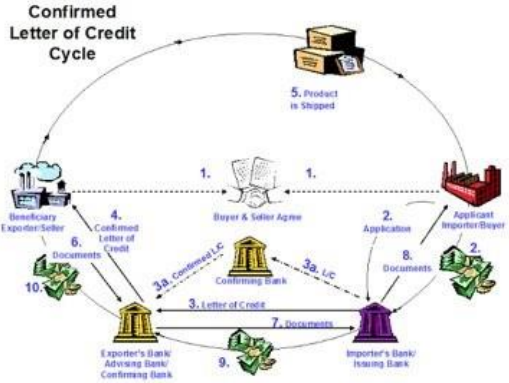
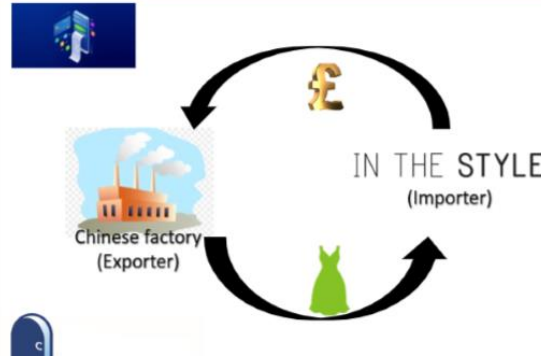

Financing of International Business

Once a business has decided that it wishes to trade internationally, and has researched all the possible options, the next stage of the process is to ensure that the finances are in place so that the international trade can be financed. There are four key ways to finance international business and the appropriateness of the different methods vary much depends on the products or services that are being offered and the market which the business is operating.



Prepayment by the importer – if a business wishes to import goods into the UK to sell, they may be asked to pay in advance for part or the whole amount. This can happen when:

- The company sending goods to the importer has little trust or previous experience in trading
- The political situation in either country is challenging
- There is high demand for the goods. Paying in advance can help to fix the price
- The importer is a new business and cannot negotiate better terms.

| | |
|--|---|
|  <p>Confirmed Letter of Credit Cycle</p> <ol style="list-style-type: none"> 1. Buyer & Seller Agree 2. Application 3. Letter of Credit 4. Confirmed Letter of Credit 5. Product is Shipped 6. Documents 7. Documents 8. Documents 9. Documents 10. Documents | <p>Letters of credit – the bank of the importer agrees that they will pay the supplier as soon as the order has been completed and the terms of the letter of credit are met. How it works:</p> <p>The bank working with the importer do not check the goods have been received.</p> <p>The bank monitors the agreement between the two different businesses and acts as a form of intermediary to make things easier for both parties.</p> <p>They can also be used for evidence for customs where the business is operating.</p> |
|  <p>IN THE STYLE (Importer)</p> <p>Chinese factory (Exporter)</p> | <p>Export credits – may be offered to a business overseas when a UK company allows them to have the goods up front and allows them to pay for them after an agreed period of time.</p> <p>Export credit agencies can provide export credits and help to negotiate terms and provide insurance. This is important if the country is trading with a politically unstable and high risk.</p> <p>Export credits can be short, medium or long term, depending on the level of risk.</p> |
|  | <p>Bank loans – the type of loans offered depends on the size of loan required, type of products on offer and knowledge of the market or country.</p> <p>Loans can be taken directly by the business through their existing banking arrangements or through a specialist agencies such as UK Export Finance.</p> |

ACTIVITY

Explain two ways a business-like Astonish would use a loan in order to expand their business internationally? <https://www.thetelegraphandargus.co.uk/news/19324807.bradford-business-astonish-makes-new-move-20m-investment/>

1.

2.

Support Available for International Business



The British Chambers of Commerce have been offering support for business to trade internationally for more than 150 years and promote partnerships between organisations in different countries. The support offered aims to give practical and on the ground advice about how to work in different markets in the world. Businesses wishing to operate overseas can get access to specific support to operate in a particular country including:

- Market information
- Practical tips about how to trade in a country
- Building the share of a market in a particular country
- Building the share of a market in a region.



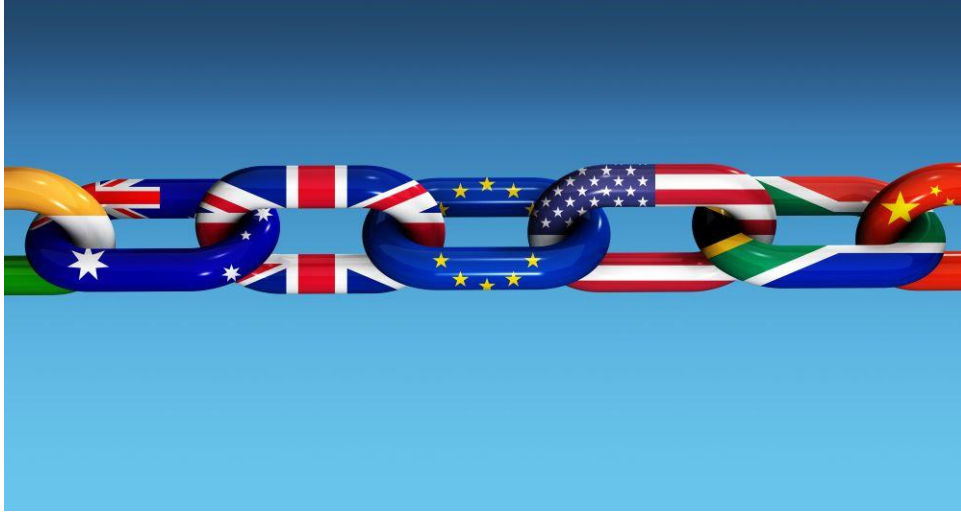
Use the QR code above and research the role of the British Chambers of Commerce in International trade and answer the following questions.

1. Why do you think the British Chambers of commerce offer support to businesses?

2. What are the advantages of providing information and support for business to trade in other countries?

3. Carry out research to find information on where the nearest Chamber of Commerce office is to where you live. Put the address below.

Trading Blocs



A trading bloc is a group of countries in a geographical area that get together to protect themselves from countries outside their group, working together to make goods or services move more easily and placing restrictions on the number of goods and services being brought into the area.

Three trading blocs include:

EU
NAFTA
ASEAN



Research the countries that are in each of the trading blocs below and colour them in on the map using the colours the trading blocs are listed

EU

NAFTA

ASEAN

Give two advantages and two disadvantages of Trading Blocs

| Advantages | Disadvantages |
|------------|---------------|
| | |
| | |