**THEME 1 – EDEXCEL GCSE BUSINESS 9-1**

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| **INVESTIGATING SMALL BUSINESS** |

**THEME 1 COVERS:**

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| **Topic 1.1 Enterprise & Entrepreneurship** | **1.4 Making the Business Effective** |
| **Topic 1.2 Spotting a Business Opportunity** | **1.5 Understanding External Influences on Business** |
| **Topic 1.3 Putting a Business Idea into Practice** |  |

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| **TOPIC 1.5 UNDERSTANDING EXTERNAL INFLUENCES** |

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| **1** | **CASE STUDY – FUNKY PIGEON** |

**Read the case study below and complete the activity questions. You can discuss your ideas with the person next to you.**

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| **FUNKY PIGEON – (pg 111 Edexcel Book)** |
| **Funky Pigeon is one of the top online card retailers operating in the UK. Funky Pigeon produces personalised geeting cards and other gifts using digital technology: customers upload their images to the website to have them added to greeting cards and other products, which are then sent directly to customers.**  **The website was established in 2007 by an entrepreneur called Richard Pepper, as part of a limited company called Spilt Ink. Pepper made good use of new technology when he established funky pigeon, as advances in technology enabled him to provide personalised goods in a way that has not previously been possible. Customers reacted well to this service, and soon other websites were also established to cater for this demand.**  **Before online card retailing, it was possible for customers to go into a shop and order a greetings card with a photograph on it. However, the customer would have to wait weeks for the card to be produced. The technology used by Funky Pigeon transformed customers’ expectations about the length of time that they were prepared to wait for a personalised greetings card.**  **Funky Pigeon was so successful that, in May 2010, it was bought by high-street retailer, WHSmith. After the sale, Richard Pepper continued to work at the company, making use of new advances in technology to expand the business even further. For example, Funky Pigeon’s cards and other gifts can now be produced using smartphones, and the number of possible gift options has now increased to include items such as personalised foods and clothing.** |

**Now, using the information provided in the case study, answer the questions below. This will help you with your AO2 – writing in context and applying the case study to the answer!**

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| **Describe the influence that technology has had on Spilt Ink using information from the case study.** |  |

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| **How have customers, as stakeholders, helped to influence the success of the business?** |  |

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| **Funky Pigeon is an online business. How far do you think the law will have an impact on the way that this website operates?** |  |

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| **2** | **IDENTIFY AND DESCRIBE…** |

**Identify and describe 8 different stakeholders, whether they are internal/external/connective as well as their objectives:**

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| STAKEHOLDER | INTERNAL/EXTERNAL/CONNECTIVE | OBJECTIVES |
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| **3** | **NOW TELL ME THIS…** |

**How are stakeholders are affected by business activity?**

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**How can stakeholders impact business activity?**

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**What possible conflicts can occur between stakeholder groups:**

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| **4** | **WHAT IS MEANT BY…?** |

**Three different types of technology that are used by businesses**

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| **LEGISLATION** |  |

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| **5** | **TELL ME HOW…** |

**How technology influences business activity in terms of sales:**

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**How technology influences business activity in terms of costs:**

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**How technology influences the marketing mix of a business:**

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| **6** | **IDENTIFY…** |

**Examples of consumer law and employment law:**

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| **CONSUMER LAW** | **EMPLOYMENT LAW** |
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| **7** | **TELL ME…?** |

**Tell me the impact of legislation on business – consider as many legislations as you can!**

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| **8** | **DEFINITONS & EXAMPLES…** |

**Write down a definition and give real-life examples of the following key terms…**

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| **GROSS DOMESTIC PRODUCT** |  |
| **UNEMPLOYMENT** |  |
| **INFLATION** |  |
| **INTEREST RATES** |  |
| **EXCHANGE RATES** |  |

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| **9** | **IMPACTS ON BUSINESS & THE ECONOMY…** |

**Outline the impact of each of the following on businesses and the economy:**

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|  | **IMPACT** |
| **UNEMPLOYMENT** |  |
| **CHANGING LEVELS OF CONSUMER INCOME** |  |
| **INFLATION** |  |
| **CHANGES IN INTEREST RATES** |  |
| **GOVERNMENT TAXATION** |  |
| **CHANGES IN EXCHANGE RATES** |  |

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| **10** | **TELL ME…** |

**The importance of external influences on businesses:**

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| **11** | **EXTENSION TASK ACTIVITY – WIGGLE** |

**Read the case study below and answer the following questions. Make sure you are using the information from the case study within your answer (AO2!!!!)**

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| **WIGGLE – (pg 112 Edecxel Book)** |
| **The online sports retailer, Wiggle was established in 1999 with an itial investment of just £2,000. It was originally set up as an online business to complement a cycle shop in Portsmouth.**  **Now, Wiggle employs more than 350 staff, trades in more than 10 countries and has won a variety of business awards, including BikeBiz online store of the year 3 years in a row.** |

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| **Give three benefits to Wiggle of receiving awards from stakeholders like BikeBiz** |  |

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| **11** | **EXTENSION TASK CASE STUDY – FareShare** |

**Read the case study below and answer the questions in detail, using the information from the case study to help you – AO2!**

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| **CASE STUDY – FARESHARE (pg 118 Edexcel Book)** |
| **FareShare is a charity that aims to influence the way in which supermarkets, food manufacturers, processors, distributors, packers and wholesalers deal with surplus food.**  **It is important to FareShare that food is redistributed so that it does not become food waste.**  **Fareshare encourages businesses to reduce their food waste by redistributing good, unsold food to charities and organisations such as homeless shelters, children’s breakfast clubs, older people’s lunch clubs, domestic violence refuges or community cafes.** |

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| **What are the benefits to businesses of working with FareShare?** |  |

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| **How have businesses been influenced by FareShare?** |  |

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| **12** | **EXTENSION TASK 2 CASE STUDY – MORRISONS** |

**Read the following mini case study and answer the questions below. You may use computers for research.**

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| **MORRISONS – (pg 134 Edecxel Book)** |
| ***In 2015, Morrisons, and all other large retailers in the UK, introduced a 5p charge for carrier bags. New legislation required retailers to introduce this levy. The government passed the legislation hoping that customer use of plastic bags would decrease and that the money paid for plastic bags would go to charity. In 2015/16, Morrisons donated more than £4million to good causes as a result of charging for carrier bags.*** |

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| **How has the money raised from the carrier bag levy been used for good causes in your area?** |  |

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| **What are the benefits to businesses of introducing this levy and are there any disadvantages?** |  |

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| **12** | **EXTENSION TASK – ANALYSIS OF STATISTICS ACTIVITY** |

**Find out about the current rates for apprentices, employees under the age of 25 and employees aged 25 and over, then discuss the following questions with the person next to you. Write your answers down in your exercise books!**

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| **What do you notice about the minimum rates?** |  |

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| **What are the disadvantages to a business of having set rates of pay for different groups of workers?** |  |