**Own Learning questions**

**Theme 1 – Marketing and people**

These questions are designed for you to complete in your Study Periods. The aim is for you to consolidate your learning and identify any knowledge gaps. The outcome is a complete set of revision notes.

You can use the following resources to help you:

* Getting Started Guide (this is on XXXXXXX)
* Tutor2U website (google the topic area and Tutor2u as the site is difficult to navigate around!)
* Tutor2u Youtube channel (this is brilliant!)
* Your class notes
* The Edexcel A-Level Business text book
* Edexcel A-Level Business revision guide
* The CGP A-Level Business revision guide

When you have completed each section of Own Learning Questions, why don’t you print them out and file them in the appropriate section of your folder? We’ll be checking them!!!

An electronic copy of these questions is on XXXXXXXXX

* 1. **Meeting customer needs**
1. What is the difference between “mass” and “niche” markets?
2. What is “market share” and how is it calculated?
3. What is a dynamic market, and what are the factors that cause markets to change over time?
4. How does competition affect businesses and consumers in markets?
5. What is the difference between risk and uncertainty?
6. What is the difference between product and market orientation?
7. What is the purpose of market research?
8. What are the main methods of collecting primary market research?
9. What are the main sources of secondary research?
10. What is the difference between qualitative and quantitative data?
11. What are the limitations of market research?
12. How can ICT be used to support market research?
13. What is “segmentation”, and how can businesses segment their markets?
14. What are the benefits of segmenting markets?
15. What is “market positioning”, and how can market maps help businesses analyse their position in their market place?
16. What is “competitive advantage”, and what are the different ways that businesses can achieve it?
17. What is “product differentiation”, and what is its purpose?
18. What is “adding value”, and how can businesses add value to their products?

**1.2 Market**

1. What is “demand”, and what is the relationship between the price of a good/service and the quantity demanded?
2. How can we illustrate this relationship on a diagram?
3. What factors can lead to a change in demand?

|  |  |
| --- | --- |
| Factor | Description |
| Prices of substitutes |  |
| Prices of complements |  |
| Changes in consumer income |  |
| Fashions, tastes and preferences |  |
| Advertising and branding |  |
| Demographics |  |
| External shocks |  |
| Seasonality |  |

1. What is the difference between “normal” and “inferior” goods?
2. What is “supply”, and what is the relationship between the price of a good/service and the amount that producers are willing to supply to a market?
3. How can we illustrate this relationship?
4. How could we illustrate the supply of a ticketed event (e.g. gig, concert, festival?)
5. What factors can lead to a change in the amount of a product that is supplied to a market?

|  |  |
| --- | --- |
| Factor | Description |
| Changes in the cost of production |  |
| Introduction of new technology |  |
| Indirect taxes |  |
| Government subsidies |  |
| External shocks |  |

1. How does supply and demand interact together in order to agree the equilibrium price in a market?
2. How does a change in demand impact on the equilibrium price, and how can we illustrate the impact of an increase and a decrease in demand?
3. How does a change in supply impact on the equilibrium price, and how can we illustrate the impact of an increase and a decrease in supply?
4. What creates “disequilibrium” in a market, and how can we illustrate this?
5. What does “price elasticity of demand” tell us, what makes demand “elastic” or “inelastic”?
6. How do we calculate price elasticity of demand (PED), and how do we interpret the answer?
7. What factors influence the level of price elasticity of a product?
8. How does price elasticity of demand impact on pricing decisions and total revenue?
9. What does “income elasticity of demand” tell us, and what makes an income elastic/inelastic good and an inferior good?
10. How do we calculate income elasticity of demand (YED), and how do we interpret it?
11. What factors influence income elasticity of demand?
12. Why are imports believed to be income elastic?
13. How can understanding the level of income elasticity help businesses make decisions about their products?
	1. **Marketing mix and strategy**
14. What are the three elements of the design mix?
15. What the possible benefits to a business of selling ergonomically designed products?
16. How do social trends affect the design mix, and how can adapting product designs to changes in social trends benefit businesses?
17. What is “promotion”, where does it fit into the marketing mix, and what are the aims of a promotional strategy?
18. What are the pros and cons of different methods of promotion?

|  |  |  |  |
| --- | --- | --- | --- |
| Method | Description | Pros | Cons |
| Above the Line |  |  |  |
| * Advertising
 |  |  |  |
| Below the Line |  |  |  |
| * Sales promotion
 |  |  |  |
| * Public relations
 |  |  |  |
| * Merchandising and packaging
 |  |  |  |
| * Direct/personal selling
 |  |  |  |
| * Exhibitions and trade fairs
 |  |  |  |

1. How factors affect the choice of promotional method?
2. What is a “brand”, and what are the different types of brands?
3. What are the benefits of strong branding?
4. How can businesses build their brand(s)?
5. How have branding and promotional messages changed to reflect social trends?
6. What is a “pricing strategy”, and how does this fit into the marketing mix?
7. What are the different pricing strategies that firms follow?

|  |  |  |  |
| --- | --- | --- | --- |
| Strategy | Description | Pros | Cons |
| Cost plus |  |  |  |
| Price skimming |  |  |  |
| Penetration pricing |  |  |  |
| Predatory pricing |  |  |  |
| Competitive pricing |  |  |  |
| Psychological pricing |  |  |  |

1. What are the different factors the determine the most appropriate pricing strategy for a particular situation?
2. How can social trends impact on pricing strategies?
3. What is “distribution” and how does it fit into the marketing mix?
4. What is a distribution channel?
5. What are the different distribution channels open to businesses?

|  |  |  |  |
| --- | --- | --- | --- |
| Distribution channel | Description | Pros | Cons |
| Direct selling |  |  |  |
| Retailing |  |  |  |
| Wholesaling |  |  |  |
| Agents or brokers |  |  |  |

1. What are the factors which will influence the choice of distribution channel?
2. How have social trends impacted on the choice of distribution channel?
3. What is “product”, and how does “product” fit into the marketing mix?
4. How can we illustrate the product lifecycle, and what do the different stages tell us?
5. What extension strategies can businesses use in order to prolong the life of a product before it starts to decline?
6. What is a “product portfolio”, and how can the Boston Matrix help businesses manage their product portfolios?
7. What is a marketing strategy?
8. What strategies can businesses use in order to access mass markets?
9. What strategies can business use in order to access niche markets?
10. What is the difference between B2B and B2C?
11. What is the difference between “outbound” and “inbound” marketing strategies?
12. What are the different methods that businesses can use to develop customer loyalty?

|  |  |
| --- | --- |
| Method | Description |
| Communication |  |
| Customer service |  |
| Customer incentives |  |
| Personalisation |  |
| Preferential treatment |  |

**1.4 Managing people**

1. What is the difference between the two different approaches that business can have towards their staffing?
2. What is a “flexible workforce”, and what are the advantages and disadvantages of it?

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| --- | --- |
| Pros | Cons |
|  |  |
|  |  |
|  |  |
|  |  |

1. What are the different ways that businesses can achieve flexibility in their workforce?
2. What is the difference between “dismissal” and “redundancy”?
3. What is a “zero hours” contract, and what are the potential benefits and issues with them?
4. What are the benefits to businesses of having a positive relationship with their workforce?
5. What factors can cause conflict between businesses and their employees?
6. What is the difference between taking an individual approach to employee relations, and collective bargaining?
7. What are the stages in the recruitment and selection process?
8. What are the roles of the Job Description and the Person Specification?
9. What is the difference between internal and external recruitment?
10. What are the different methods of external recruitment that firms can use?
11. What makes recruitment and selection a costly process?
12. What is the aim of training staff?
13. What is the purpose of induction training?
14. What are the different methods of “on-the-job” training, and what are their pros and cons?
15. What is “off-the-job” training, and what are the pros and cons of it?
16. Why do the benefits of training outweigh its costs, and which stakeholder groups benefit?
17. What is an “organisation structure”, and what is its purpose?
18. What do organisational charts show us?
19. What are the different job roles in organisations?

|  |  |
| --- | --- |
| Job role | Description |
| Directors |  |
| Managers |  |
| Team leaders |  |
| Supervisors |  |
| Professionals |  |
| Operatives |  |

1. What is the difference between “centralisation” and “de-centralisation”?
2. What are the implications of different organisational structure types, and how are they illustrated?

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| --- | --- | --- | --- | --- |
| Organisational structure type | Description | Diagram | Pros | Cons |
| Tall |  |  |  |  |
| Flat |  |  |  |  |
| Matrix |  |  |  |  |

1. What is “employee motivation”, and why is it important?
2. What do some motivation theorists say about how businesses should approach motivating their employees?

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| --- | --- |
| Approach | Key points |
| Taylors Scientific Management |  |
| The Hawthorne studies |  |
| Maslow’s hierarchy of needs |  |
| Herzberg’s two-factor theory |  |

1. What are the pros and cons of the different methods of financially incentivising staff?

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| --- | --- | --- | --- |
| Method | Description | Pros | Cons |
| Piecework |  |  |  |
| Commission |  |  |  |
| Profit sharing |  |  |  |
| Performance-related pay |  |  |  |

1. What are the pros and cons of the different non-financial incentive methods?

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| --- | --- | --- | --- |
| Method | Description | Pros | Cons |
| Delegation |  |  |  |
| Consultation |  |  |  |
| Empowerment |  |  |  |
| Teamworking |  |  |  |
| Flexible working |  |  |  |
| Job enrichment |  |  |  |
| Job rotation |  |  |  |
| Job enlargement |  |  |  |

28 What is the difference between leadership and management?

29 What are the differences between autocratic, paternalistic, democratic and laissez-faire leadership styles?

**1.5 Entrepreneurs and leaders**

1. What is the role of entrepreneurs?
2. What are the risks and rewards for entrepreneurs?
3. What does “intrapreneurship” mean?
4. What are the barriers that might discourage would-be entrepreneurs?
5. How do entrepreneurs anticipate risk and uncertainty in the business environment?
6. What are the typical characteristics of entrepreneurs?
7. What skills do successful entrepreneurs have?
8. What are possible financial and non-financial motives for setting up businesses?
9. What is the difference between “aims” and “objectives”?
10. What are the key objectives of businesses?
11. How important are social objectives to modern businesses?
12. What are the key features of different legal forms of business, and what are their pros and cons?

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| --- | --- | --- | --- |
| Form of business | Description | Pros | Cons |
| Sole trader |  |  |  |
| Partnership |  |  |  |
| Limited partnerships |  |  |  |
| Private limited company (LTD) |  |  |  |
| Public limited company (Plc) |  |  |  |
| Franchising |  |  |  |
| Social enterprises |  |  |  |
| Lifestyle businesses |  |  |  |
| On-line businesses |  |  |  |

1. Why do most business owners want their businesses to grow?
2. What is a “stock market flotation”
3. What are the pros and cons of floatation?
4. What is an “opportunity cost”, and why do entrepreneurs/business decision-makers often face them?
5. What is a “trade-off”?
6. What can business leader do in order to weigh up trade-offs?
7. What skills and qualities to leaders, as opposed to entrepreneurs, need to have?
8. What difficulties do entrepreneurs face when moving towards becoming a leader rather than a sole trader?
9. How can those difficulties be overcome?