2021-22 CURRICULUM MAP FOR BUSINESS YEAR 11

<table>
<tr>
<td rowspan="4">HALF TERM 1: Marketing and Promotion
KQ1 – How do enterprises promote their products?
<u>(a) Promotion</u> –
Purpose: Persuade and inform the customer.
Message: What the communication needs to say, what is being advertised
Medium: How to get the message across, how the product is advertised.
<u>(b) Methods: Advertising</u> –
-Moving image, print, ambient, digital, audio.
-Advantages: Usually reach a wide audience.
-Disadvantages: Usually more expensive due to the audience reached.
<u>(c) Methods: Sales Promotion –</u>
-Providing incentives to customers.
-Coupons, competitions, money off, loyalty incentives, ‘buy one get one free’, discounts, free samples.
-Advantages: Provide a ‘boost’ in sales, can build customer loyalty
-Disadvantages: Any boost in sales is usually short term, usually involve a price reduction.
<u>(d) Methods: Personal Selling –</u>
-Selling face-to-face, by telephone, via email, through video or web conferencing.
-Advantages: Allows for two way communication with the customer, enabling persuasion etc.
-Disadvantages: Usually expensive due to staffing requirements, has very small coverage, can take a long time to communicate with a single person.
<u>(e) Methods: Public Relations</u>
-Promoting a product/service, brand or enterprise by placing information about it in the media without paying for the time or media space directly.
-Usually through sponsorship of a team or event, through charity work or a publicity stunt.
-Exhibitions, sponsorship, press releases.
Advantages: Creates a positive reputation for the company, can reach a wide audience.
Disadvantages: Can be very expensive, the success is dependent on the success of the event/team/charity.
<u>(f) Methods: Direct Marketing</u>
-To establish an individual relationship between the enterprise and the customer.
-Direct mail (junk mail), junk emails, mail order catalogues, magazines, telemarketing.
Advantages: Usually cheap, dependant on the audience size reached.
Disadvantages: Can often be ignored by the recipient, physical products that are sent need to be printed which can be expensive
KQ2 – How do enterprises determine the target market for a product?
<u>(a) Types of market –</u>
-Business to Business (B2B) – selling to other businesses, usually wholesale
-Business to Consumer (B2C) – selling directly to the consumer.
(b) Market Segments</td>
<td></td>
<td>Articles detailing the ways in which business’ can be promoted e.g. https://entrepreneurhandbook.co.uk/how-to-promote-your-business/</td>
</tr>
<tr>
<td></td>
<td>Writing of a marketing strategy for a small business/justification of a business’ choice of promotional method.</td>
</tr>
<tr>
<td></td>
<td>Peer discussion of the appropriate advertising method for a particular product/business.</td>
</tr>
<tr>
<td></td>
<td>Links to ICT – use of social media/digital methods, for advertising.</td>
</tr>
</table>

-Companies must undertake market research to find out their specific target market. -The market is segmented to enable a company to aim a product at a group of people. -Marketing to a specific audience reduces marketing costs <u>(c) Market Segments: Demographics</u> -Aiming a product at a personal characteristic. -Age, race, religion, gender, family size, ethnicity, income, education level, socio-economic group <u>(d) Market Segments: Geographic</u> -Aiming a product at a people that live in a specific area. -Location due to climate, football team, local traditions. <u>(e) Market Segments: psychographic</u> -Aiming a product at a particular type of person/their interests. -Social class, attitudes, lifestyle and personality characteristics <u>(f) Market Segments: Behavioural</u> -Dividing customers by their loyalty/how often they buy from a business. -Membership cards, rewarding customers for loyalty etc. -Spending, consumption, usage, loyalty status and desired benefits. **KQ3 – What factors influence which method of promotion an enterprise uses?** <u>(a) Size of enterprise</u> -Choosing an advertising medium that meets the size of a business e.g. local, national, multi-national etc. <u>(b) Budgetary constraints</u> -The money available to the company to use for advertising purposes e.g. using an advertising method that is not excessive for the products profit. <u>(c) Appropriateness for product/service</u> -Using a medium which suits the product service e.g. using a mass advertising method for a niche product/service. <u>(d) Target market</u> -Whether your target market will be able to access your method of promotion e.g. using a digital advertisement for the elderly etc.		
HALF TERM 2: Financial Records **KQ1 - Which documents are used during the purchase of goods from an enterprise?** <u>(a) Types:</u> -Invoices: Completed by the seller to outline the money owed to them, and demanding payment after the customer has placed and received their order. -Delivery notes: Created by the seller and given to the buyer when a delivery is made, detailing the delivery contents. The customer can check the items received with this. -Purchase orders: When a buyer orders goods and services from a seller. It creates a legal offer to buy from the seller. -Credit notes: If the customer returns goods or wrong items were delivered, the seller completes this to show the refund given and a record that goods have been returned. -Receipts: Created by the seller to give proof to the buyer that the order has been paid for (proof of purchase).		Reading of example documents used within businesses
		Explanation of the different payment methids, including advantages and disadvantages to both the company and customer
		Peer discussion of the importance of the accuracy of business documents
		Links to mathematics – use of mathematic calculations to calculate figures on financial statements

-Statement of account: A summary of orders/payments made between the seller and regular customers, completed by the seller. This document also includes the total amount of any money owed or refund outstanding. (b) Accuracy of Business Documents -Both customers and company affected -Loss of revenue due to incorrect invoicing -Customer receiving the wrong items -Loss of revenue due to inaccurate refunds/credit notes. -Incorrect payment of tax due to inaccurate statement of account **KQ2: How do companies and individuals pay for goods?** (a) Methods Cash: -No reliance on technology -Good for customers that are not good with technology. -You can pay low priced items that you would not use electronic payment for. -Easily to lose, steal or miss-place Credit cards: -Pay for something using a credit card company's money, when they do not have money in their own bank account. -Anything bought is insured. -The customer has to pay the money back plus interest. -Some businesses charge extra to use – a 'surcharge'. Debit cards: -Enables the buyer to move money from their own bank account to the seller's bank account. -No interest as the customer is using their own money -Can see bank statements and recent transactions. -There needs to be enough money in the bank account or they could go overdrawn and face extra charges. -If stolen they can be used if contactless as no pin is needed. Direct debit: -Directing your bank to make a bill payment from your bank account on a specific future date. -Allows for regular payments, so there is no need for the customer to keep on making payments themselves. -The business may keep taking money, even if no money is owed, if the direct debit is not cancelled. Payment technologies: -Allow payments to be made online e.g. PayPal. -Allows for really quick payments as it automatically knows customers bank details. -The user can buy from anywhere in the world and online. -Log on details and bank details could be hacked. -If the customer's phone is stolen, it is easy for someone else to steal the customer's bank details. (b) Impact on the enterprise -Costs involved e.g. receiving credit card payments -Ensuring the relevant technology is in place -Ensuring customers' needs are catered for **KQ3 – How does an enterprise generate income?** Sales Income – Generated from selling goods/services Assets Income – Assets that generate an income e.g. renting out premises, stocks etc.		

2021-22 CURRICULUM MAP FOR BUSINESS YEAR 11

KQ4 – What costs does an enterprise incur? Start-up costs – Costs associated with setting up a business e.g. premises, equipment etc. Running costs – Ongoing costs which a company has. -Fixed costs: Costs that do not change with number of customers (output) e.g. salaries, equipment, rent etc. -Variable costs: Costs that do change with each extra customer (output) e.g. materials, hourly wages, taxes etc. -Total Costs: Total Fixed Costs + Total Variable costs. **KQ5 - Which terminology is used on enterprise's financial statements?** Turnover/revenue (net sales): Money that is made by the business before deducting the costs -Number of units sold X price Cost of sales (cost of goods sold): Costs associated with selling a product -Cost per one X number of units sold Gross profit: How much money is made by the business after cost of sales -Turnover – cost of sales Expenses: Expenditure. All other costs (not including cost of sales) e.g. rent, advertising, salaries. Net profit: Profit once all costs have been taken from turnover -Gross profit-expenses Retained profit: The amount of a profit that is kept within a business' accounts, rather than paid out to shareholders Assets: What the business owns Liabilities: What the business owes Fixed assets: Owned for a long time and are needed to be able to trade e.g. premises, equipment etc. Current assets: Owned for a short period of time and are easily converted into cash e.g. stock, cash in the bank. Current liabilities: Debts that must be paid back soon e.g. money owed to suppliers etc. Long-term liabilities: Debts that are borrowed over a long time e.g. mortgage payments, loans. Debtors: Somebody that owes money to the business. Creditors: Somebody that the business owns money to. Net current assets: current assets – current liabilities -Capital: money or assets owned by a business that is available for investing. **KQ6 - How are the profit/loss of an enterprise recorded?** (a) Statement of comprehensive income -Shows the profit or loss of an enterprise over time Skill: Complete and interpret a statement of comprehensive income using given figures. Skill: Calculate profit/loss using a simple statement of comprehensive income. (b) Suggest appropriate actions -Reduce fixed costs/variable costs. -Increase selling price.		

2021-22 CURRICULUM MAP FOR BUSINESS YEAR 11

<table>
<tr>
<td rowspan="4">HALF TERM 3: Financial planning and forecasting

KQ1 – How can a business determine their current financial performance?
<u>(a) Statement of financial position</u>
Statement of financial position - shows the financial performance of an enterprise at a point in time.
-Compares the assets to liabilities and tells you how much the business is worth and how its funded
Shareholders (share capital), previous profit (retained profit) to fund the business or from the bank as a loan
-Skill - Learners will complete and interpret a statement of financial position using given figures
-Skill - Categorise total assets and liabilities using a statement of financial position.
<u>(b) Suggest appropriate actions</u>
-Reduce fixed costs/variable costs.
-Increase selling price.
KQ2 – How can a company determine whether they are profitable or cover their debts?
(a) Profitability and liquidity
Cash - The amount of money a business has day to day to pay its current running costs.
Profit - The amount of money made at the end once all costs are deducted from sales.
Liquidity - measures whether a business can or cannot pay its current debts.
Profitability - measures how good a business is at turning its revenue into profits
<u>(b) Profitability ratios</u>
Gross profit Margin - measures how much sales becomes gross profit.
-Gross profit margin percentage (GPM): (gross profit/revenue) × 100
Net profit Margin - measures how much sales becomes net profit.
-Net profit margin percentage (NPM): (net profit/revenue) × 100.
-Skill interpret statements of comprehensive income and of financial position to calculate profitability ratios.
Changes in ratios:
-Ratio increase – Item costs have fallen, prices have been increased
-Profitability ratio decrease – Increase in expenses, staffing costs
<u>(c) Liquidity ratios</u>
-Current ratio: current assets/current liabilities
-Liquid capital ratio: (current assets – inventory)/current liabilities.
-Skill interpret statements of comprehensive income and of financial position to calculate liquidity ratios.
KQ3 – What is cash flow and how can it affect a business?
<u>(a) Cash flow</u>
-Cash - liquid assets of the business; bank balance plus cash in the business.
-Cash flow - difference between the cash flowing into the business (inflows) and the cash flowing out of the business (outflows)</td>
<td></td>
<td>Newspaper articles detailing situations where enterprises had difficulties with profitability/liquidity</td>
</tr>
<tr>
<td></td>
<td>Explanation of the sources of finance for a business, including the advantages and disadvantages of each</td>
</tr>
<tr>
<td></td>
<td>Peer discussion of the changes that a company could make to affect cash flow and the reasons why enterprises have cash flow problems</td>
</tr>
<tr>
<td></td>
<td>Links to maths – mathematical calculations used to calculate cash flow forecast/statement, liquidity ratios, breakeven point, and line graphs when plotting a breakeven chart.</td>
</tr>
</table>

-Liquidity - the ability you have to convert any asset into cash quickly. -Negative liquidity - where liabilities exceed assets -Positive liquidity - where assets exceed liabilities -Difference between sales and purchases. <u>(b) Cash flow statement/forecast</u> -Cash flow statement - the cash inflows and the cash outflows over the past 12 months. -Cash flow forecast - outlines the forecasted future cash inflows (from sales) and the outflows (such as raw materials, wages) per month over a period of time. -Purpose: -To identify money coming in (inflows) and going out (outflows) of the enterprise over time -To determine net current asset requirements and make business decisions. **KQ4 - How is cash flow recorded/predicted?** <u>(a) Completing a cash flow statement/forecast</u> -Inflows: sales, capital introduced, loans. -Outflows: purchases, running costs. -Net cash flow = Inflows - outflows -Opening balance - the same as the closing balance for the previous month. -Closing balance - Net cash flow + opening balance -Skill – complete a cash flow forecast/statement, by calculating inflows, outflows, net cash flow, opening balance and closing balance. <u>(b) Issues with forecasting</u> -It difficult to predict the future. -Sales may be affected by income levels, competitor actions, other external factors -Costs may be affected by unforeseen increased in bills, costs **KQ5 - How can a business' cash flow be improved?** <u>(a) Cash flow problems</u> -Not having enough cash to pay employee wages, suppliers, rent on premises, -No spare money for future promotions -Investors reluctant to invest and banks less willing to lend -Can go 'bust' if cash flow is negative <u>(b) Improving cash flow</u> -Increasing revenue/sales -Selling off unused assets -Selling off inventory -Chasing debtors for monies owed -Cutting costs -Delaying payment to suppliers -Reducing credit period offered to customers -Cutting back or delaying expansion plans -Cheaper premises -Change to a cheaper supplier -Acquiring finance, such as a lone <u>(c) Cash flow analysis</u> -Considering changes in inflows and outflows over a period and how this affects the enterprise -Considering differences between predicted and actual cash flow.		

KQ6 – How does a company know if they are 'breaking even'? (a) Breakeven -Break even - number of customers (products) that must be sold to allow the business to cover all of its costs. -Break-even formula - fixed costs/(selling price per unit – variable cost per unit). -Margin of safety - number of items sold above the breakeven point (b) Break even analysis/chart -Skill – complete a breakeven table to enable to drawing of a breakeven chart Calculate: -Revenue - price x Number of units -Variable costs - variable cost per 1 x no. of units -Total costs - fixed costs + variable costs -Profit - sales revenue – expenditure (total costs) -Skill - construct and interpret a break-even chart -Skill - determine the 'breakeven point' -Break-even point – where total revenue equals total costs (money coming in equals money going out) -Skill – label profit and loss on a breakeven graph -Profit – where revenue is greater than total costs -Loss – where total costs are more than revenue (c) Effects on break even -A rise in sales - the margin of safety increases -A higher selling price - the breakeven point falls -An increase in costs (fixed or variable) - the breakeven point rises -A fall in sales - margin of safety falls/may not break even -A lower selling price - the breakeven point rises -A decrease in costs (fixed/variable) - breakeven point falls (d) The value of break-even analysis -Can see the sales needed before making a profit. -Makes you calculate your fixed and variable costs -Can see whether you should start up your business and that the breakeven number of customers is realistic to achieve. -Can set price correctly to make sure you can cover costs -Can work out your margin of safety -Can model different scenarios e.g. costs rise, prices fall -It can help when applying for loans / investment to show the bank / investor your finances (e) Limitations of break-even analysis. -Costs may have been predicted wrong or are not known -Costs may unexpectedly change, making the breakeven calculations incorrect -Selling price may be too high or low to attract customers -Break even doesn't predict the number of customers you will have, just the customers are needed to cover your costs -If more than one product is sold using the same fixed costs it will be difficult to calculate each individual products breakeven point -The breakeven graph assumes all products are sold **KQ7 - What are the different sources of business finance?** (a) Sources of finance: Owner funds - Investing own money into the business A: Low risk – no additional interest D: May not be enough to fund everything		

Retained profits - Keeping profits in the business rather than giving it to the shareholders A: No additional interest, do not need to apply for it D: Only available to successful / profitable businesses, taking money away from business owners Loans – From bank, paid back with interest A: Borrow the exact amount needed and pay back over time, with fixed monthly repayment. Allows the business to gain money to start-up/grow D: Have to pay additional interest on top Credit cards – Spend up to an agreed credit limit A: Pay for day to day bills when no money available D: Have to pay additional interest, only have a limited amount of credit Government grants – Free money (incentives) the business can get to support start-up / growth A: Free money – do not have to pay it back D: Only a small grant may be given, evidence needed to show the business deserves the grant Hire purchase - Buying equipment, paying monthly for it A: Owns the equipment after the final payment, spreads the cost of an item, monthly, rather than paying all at once D: More expensive overall due to additional interest Leasing – Renting rather than buying A: Spreads the cost of an item, monthly, rather than buying D: The business will never own this item / property, renting could be more expensive as the business will never get to own the asset so cannot make money from selling it Trade credit – Purchasing stock now but paying later A: Make sales before having to pay the money owed to suppliers – helps cash flow D: Still have to pay the debt quite soon usually 30 – 90 days and suppliers may not allow trade credit Venture capital – Investment from business experts in return for a share in the business and profits earned A: Gain expertise as well as funds for the business. D: They demand a large share in the business and want a say in the decision making, and a large share of the profits made Peer-to-peer lending – Borrowing from family/friends A: Can agree lower rates of additional interest (if any) D: Hard to find people willing to lend their own money Selling assets – Selling unused items, equipment, and stock .etc. A: Low risk, no additional interest, costs etc. D: Might be hard to sell, may not get much money for old assets. New businesses won't have any assets they could sell Overdrafts – Allows the business to take money out of their bank when the bank balance is zero A: Pay for day to day bills when no money available D: Have to pay additional interest on top of the borrowed amount. Only a limited amount of overdraft is given (b) When to use -Different sources of finance may be used at different times -The purpose / when it is appropriate to use each source of finance		

2021-22 CURRICULUM MAP FOR BUSINESS YEAR 11

HALF TERM 4: Unit 2 - Planning For and Pitching an Enterprise Activity **KQ1 – What are the Skills Required for Pitching a Micro-Enterprise Activity** Pitching = presenting key elements of a business plan logically <u>(a) Presentations Skills</u> - Professional behaviour and conduct of presenter - Positive attitude - Well-rehearsed and prepared - Considerate of the needs and interests of the audience - Use of visual aids, e.g. computer projection/slideshow with speaker notes, -Handouts for audience, clarity and legibility of text, impact of graphics and images. <u>(b) Communication Skills</u> - Body language, gestures and eye contact - Language and tone, pace, volume and projection - Use of business terminology - Listening, handling questions and formulating appropriate responses.		Refer to own business plan to prepare pitch. Watch examples of pitches e.g. Dragons Den
		Visual aids produced with supporting notes for presentation
		Confidently deliver an effective pitch of micro-enterprise activity, demonstrating a range of appropriate communication and presentation skills
		ICT - to produce visual aids English - speaking and listening All subjects – to see presentation skills teachers use in lessons
HALF TERM 5: - Planning For and Pitching an Enterprise Activity **KQ1 – How Can You Review Your Pitch** <u>(a) Receive Feedback From Audience On…</u> - the business content of the pitch - the presentation and communication skills demonstrated <u>(b) Reviewing Plan and Personal Performance</u> - Reflect on feedback gathered from others - What went well e.g. clear synopsis of plan, demonstration of skills - What went less well or did not go to plan e.g. not clearly explaining plan, lack of presentation and communication skills **KQ2 – What Should Be Included in Recommendations to a Pitch For an Enterprise Activity** <u>(a) Recommending Improvements</u> - to contents of the plan - to own performance		Consider feedback from observers of presentation
		Describe the elements of the business plan that contributed to the success of the pitch. Review, analyse and evaluate the success of the pitch using examples to reference own skills and suggest improvements.
		Peer to peer discussion giving feedback to each other on pitches
HALF TERM 5: - Planning For and Pitching an Enterprise Activity **KQ1 – How Can You Review Your Pitch** <u>(a) Receive Feedback From Audience On…</u> - the business content of the pitch - the presentation and communication skills demonstrated <u>(b) Reviewing Plan and Personal Performance</u> - Reflect on feedback gathered from others - What went well e.g. clear synopsis of plan, demonstration of skills - What went less well or did not go to plan e.g. not clearly explaining plan, lack of presentation and communication skills		Consider feedback from observers of presentation
		Describe the elements of the business plan that contributed to the success of the pitch. Review, analyse and evaluate the success of the pitch using examples to reference own skills and suggest improvements.
		Peer to peer discussion giving feedback to each other on pitches

2021-22 CURRICULUM MAP FOR BUSINESS YEAR 11

KQ2 – What Should Be Included in Recommendations to a Pitch For an Enterprise Activity <u>(a) Recommending Improvements</u> - to contents of the plan - to own performance		