

Business opportunities

| **Content** | **Amplification** |  |
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| **Enterprise** | Explain the meaning of enterprise and SMEs |  |
| Explain how satisfying needs and wants can give opportunities to entrepreneurs |  |
| Identify business opportunities |  |
| Explain the role of the entrepreneur in creating, setting up, running and developing a business |  |
| Explain the financial and non-financial motives of entrepreneurs |  |
| Explain the characteristics and skills of entrepreneurs |  |
| Explain the importance of entrepreneurs and SMEs to the primary, secondary and tertiary sectors of the UK economy |  |
| Evaluate the impact of entrepreneurs and SMEs on businesses and the economy |  |
| Identify the various stakeholders who are affected by a business |  |
| **Business plans** | Explain the purpose and main components of a business plan |  |
| Evaluate the importance of a business plan |  |
| Identify the main sources of information and guidance available to entrepreneurs |  |
| **Markets** | Explain what is meant by a market and competition |  |
| Identify different types of market, including local/global, mass/niche, trade/consumer, product/service and seasonal |  |
| Analyse and interpret market data, including market size, market share and market trends |  |
| Explain what is meant by market segmentation |  |
| Explain how markets are segmented |  |
| Evaluate the importance and impact of segmentation to a business and its customers |  |
| Understand that different markets have differing degrees of competition, ranging from perfect competition to monopoly |  |
| Explain the features of perfect competition, monopolistic competition, oligopoly and monopoly and their impact on business behaviour |  |
| Understand the reasons why consumers sometimes need protection from exploitation from businesses |  |
| Explain what is meant by demand, supply and equilibrium |  |
| Understand the importance of demand and supply in the market |  |
| Explain the factors that lead to a change in demand and supply |  |
| Explain how a change in demand and supply can impact on price and quantity |  |
| Construct and interpret demand and supply diagrams |  |
| Understand the factors that cause the demand and supply curves to shift and the effect this has on equilibrium price and quantity |  |
| Analyse and evaluate factors which affect demand and supply and equilibrium |  |
| Understand the concept of price and income elasticity of demand (learners are not required to do calculations) |  |
| Explain the nature of inferior, normal and luxury goods |  |
| **Market research** | Explain what is meant by market research |  |
| Explain the value of carrying out market research |  |
| Distinguish between primary and secondary market research |  |
| Distinguish between qualitative and quantitative data |  |
| Explain the different methods of primary and secondary research available to businesses |  |
| Explain the issues involved in selecting the most appropriate method of market research |  |
| Evaluate the use of the different methods of primary and secondary research |  |
| Interpret and evaluate quantitative and qualitative research |  |
| Explain what is meant by sampling |  |
| Explain the difference between random and quota sampling methods |  |
| Understand the need to avoid bias in market research |  |
| Evaluate the usefulness of sampling for a business and its stakeholders |  |
| **Business structure** | Explain the difference between the private and public sector |  |
| Explain the aims of private sector businesses including survival, growth and profit |  |
| Explain the aims of the public sector and its role in providing goods and services |  |
| Evaluate the roles of the public and private sectors in the provision of goods and services |  |
| Explain the legal structure of different private sector business organisations including sole traders, partnerships, private and public limited companies |  |
| Explain what is meant by unlimited and limited liability |  |
| Explain the advantages and disadvantages of choosing different legal structures for a business |  |
| Evaluate the factors affecting the choice of the legal structure of a business |  |
| Explain the main features of not-for-profit organisations including social enterprises, charities, co-operatives and societies |  |
| Evaluate the importance and impact of the legal structure for the various stakeholders for a business |  |
| **Business location** | Explain the factors that need to be considered when locating a new business |  |
| Analyse these factors in relation to the needs of the business |  |
| Evaluate the choice of different locations for a new business |  |
| **Business finance** | Explain the sources of finance available to entrepreneurs and SMEs |  |
| Analyse the advantages and disadvantages of each source of finance |  |
| Evaluate different sources of finance available to entrepreneurs and SMEs |  |
| **Business revenue & costs** | Explain what is meant by costs, revenue and profit |  |
| Identify costs to a business, including fixed, variable, semi-variable, direct, indirect/overhead costs and total costs |  |
| Calculate revenue, costs and profit |  |
| Interpret revenue, costs and profit calculations |  |
| Evaluate the impact of costs, revenue and profit on a business and its stakeholders |  |
| Explain what is meant by contribution |  |
| Explain what is meant by break-even |  |
| Calculate contribution and understand its application to the calculation of break-even |  |
| Construct and interpret break-even charts, including the margin of safety |  |
| Illustrate on a break-even chart the effects of changes in costs and revenue |  |
| Analyse how changes in costs and/or revenue can affect break-even (‘what-if’ analysis) |  |
| Evaluate the usefulness of break-even to a business and its stakeholders |  |

Reflect on your learning throughout Business Opportunities (what you’ve learnt as well as *how* you’ve learnt):

WWW:

EBI:

Target: