**A Level Business Summer Research Task**

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To be a successful A level Business student you need to have an analytical mind. You need to make judgements and be able to justify your decisions. Keeping up to date with what is happening in the business world is essential. In your exams you will be expected to refer to real life businesses and use current examples to back up your arguments. It is essential that throughout the course you build up a portfolio of current business news articles. You will also be expected to interpret data, use financial calculations and refer to business models.

**Task 1 – Learn the Key Terms**

**Task 2 - SWOT analysis**

* SWOT analysis is a technique that allows an organisation to assess its overall position.
* It is a method of analysing the current situation by examining the internal strengths and weaknesses of the business and the external opportunities and threats.

**View the PowerPoint presentation [Resources\SWOT ANALYSIS.pptx](file:///C%3A%5C%5CUsers%5C%5Clhancock%5C%5CAppData%5C%5CLocal%5C%5CPackages%5C%5CMicrosoft.MicrosoftEdge_8wekyb3d8bbwe%5C%5CTempState%5C%5CDownloads%5C%5CResources%5C%5CSWOT%20ANALYSIS.pptx) to find out more about SWOT analysis**

**If you require further information**:

1. Watch the two videos below about SWOT analysis

<https://www.tutor2u.net/business/reference/swot-analysis-video>

<https://www.tutor2u.net/business/reference/pestle-analysis-video>

**Watch the videos below that show examples of completed SWOT analysis**

* Starbucks SWOT analysis <https://www.youtube.com/watch?v=mR9eICQJLXA>
* Tesla SWOT analysis <https://www.youtube.com/watch?v=I7CT8Ox_Gcg>

**Research the following businesses and produce a detailed SWOT analysis for each. Start by looking at the company websites and then current news articles to gather information.**

1. **Amazon**
2. **Marks and Spencer**
3. **Costa Coffee**
4. **A business of your own choice**

**Use the following template to record your findings. You will need to produce a separate SWOT analysis for each business**

|  |  |  |
| --- | --- | --- |
|  | **Strengths** | **Weaknesses** |
|  Internal  factors |  |  |
|  | **Opportunities** | **Threats**  |
|  External  factors |  |  |
|  | Positive factors | Negative factors |

**Task 3**

1. **Read the article *Apocalypse now for Britain’s retailers as low wages and the web cause ruin*** [***Resources\High street changing trends.docx***](file:///C%3A%5CUsers%5Clhancock%5CAppData%5CLocal%5CPackages%5CMicrosoft.MicrosoftEdge_8wekyb3d8bbwe%5CTempState%5CDownloads%5CResources%5CHigh%20street%20changing%20trends.docx)
2. **Using the article, answer the following questions. (Your answers should be written in paragraphs explaining reasons in full):**
3. Explain the terms ‘declining real pay’ and ‘debt problems’
4. Explain the reasons why consumer shopping patterns have changed?
5. Explain the challenges facing high street retailers
6. How have British landlords and retailers changed to adapt to these trends?
7. What types of new retailers are emerging? Do you think they will be successful?
8. How have recent events caused by the Coronavirus pandemic impacted retailing?

**Task 4 - Work through the worksheet on percentages complete sections B and C.** [**Resources\Percentage questions.docx**](file:///C%3A%5CUsers%5Clhancock%5CAppData%5CLocal%5CPackages%5CMicrosoft.MicrosoftEdge_8wekyb3d8bbwe%5CTempState%5CDownloads%5CResources%5CPercentage%20questions.docx)

**TASK 5: Read the following articles about Amazon:**

<https://www.forbes.com/sites/enriquedans/2019/06/16/amazons-very-bad-choices/#67794f5ec746>

<https://www.bbc.co.uk/news/technology-48536319>

 <https://www.bloomberg.com/opinion/articles/2019-05-28/amazon-s-slowing-sales-growth-signals-a-supply-shift>

 <https://www.bbc.co.uk/news/technology-48634676>

Evaluate the strategies that Amazon are planning to use to expand their business, do you think this will work and justify why? Whilst answering, also think about the **Ethical** considerations in relation to how it treats its suppliers and customers in some of its strategies.

**Task 6 – Read the case study on Fentimans and answer the following question**

**Fentiman’s : From Financial Collapse to Fizzing Sales**

 While sales of fizzy drinks such as Coke and Pepsi have been falling due to health concerns, a new market has sprung up: soft drinks for adults. One of the market’s earliest movers was Fentimans, which can trace its origins back to 1905. ‘We used to make ginger beer in half gallon stone jars, which were known as botanically brewed beverages,’ says Eldon Robson, the company’s owner, whose mother was a Fentiman. ‘They had five factories in the north of England at one time, selling all of their stuff door-to-door off the backs of lorries in the mining and shipyard areas of the north-east.’

The original company folded in 1970, but Robson decided to revive it 20 years later, while running a pub. “I found a couple of old recipes. It had things on like burnt sugar, molasses, Irish moss and all of these wonderful herby things.’ With the help of some funding from the Coal Board and British Steel, Robson opened a factory in County Durham. The recipe needed a bit of an update to keep up with food regulations but Fentimans still uses elements of the original botanical brewing techniques. Robson says its 7-day ‘brewing’ process gives the drinks a better ‘mouthfeel’ and depth of flavour than other drinks.

|  |  |
| --- | --- |
| ‘When I first started off my products were perceived as being very expensive...there weren't many adult soft drinks around then and we battled our way through it,’ says Robson. The company has come a long way – it now employs 56 people and had sales revenues of £24million in 2016.  |  |

As well as ginger beer it does other fizzy drinks like ‘Curiosity Cola’ and mixers. The company is one year into a five-year plan to treble revenues to £70m+. Rival Fever Tree’s 2017 revenues will be up 50% to £150m, so this is plausible.

A good chunk of that growth will come from overseas sales. The company started exporting 10 years ago, initially in the US where it has a small franchise manufacturing drinks in Pennsylvania, and it now sells to 70 countries. ‘England has a reputation for very high quality adult soft drinks, we do over 200 trade shows per year to spread the word, we do a huge amount now through social media and that sort of thing, it just amazes me how word has got around.’ Brexit could prove to be a bit of a hiccough – Robson will consider manufacturing in Europe if tariffs are imposed. ‘I'd like to think that tariffs won't be imposed, I can't understand what benefit that's going to be to anybody.’

As with many similar brands these days, manufacturing is outsourced but Fentimans develops its products in-house to maintain control of the process. At the moment it’s working out how to reformulate its drinks to comply with the forthcoming sugar tax while preserving the flavour (Robson refuses to say whether the tax is a good idea).

Shares in Fentiman’s could probably attract a high price if it was bought out, but Robson says he has no plans to sell up anytime soon. ‘I want to see through this plan we have in place.’

**Evaluate the likeliness of Fentiman’s meeting its objective of trebling revenues to £70 million.**

*This is an example of an extended answer question. Your answer will need to look at both sides of the argument. You will need to write two paragraphs explaining the opportunities Fentiman’s might have and how this can help them achieve their objective.* ***Use data and evidence from the case study*** *to back up your argument. Then write two paragraphs explaining the threats Fentiman's might face and how this may prevent them from achieving their objective, again* ***use data and figures to back up your argument****. In your conclusion you will need to decide whether Fentiman’s are very likely, likely, unlikely or very unlikely to achieve their objective and what is the ONE main piece of point/evidence that makes you think that. . You should aim to write around 600-800 words.*