

Subject: Applied General Business

Exam Board: Pearson



Welcome to Applied General Business. We are delighted that you are considering Applied General Business as an option in Year 12. To demonstrate your commitment to the course and to prepare you for September, you must complete the following tasks to the best of your ability. These tasks are compulsory and must be completed prior to your first Business lesson in Year 12. You will then hand them in to one of your Business teachers.

We expect you spend at least 6 hours completing the tasks outlined in this pack. The activities have been designed to help you begin to develop some of the key skills you will need for Applied General Business.

Learning Objectives:

- To develop a basic understanding of the kinds of areas that you will investigate in September
- To use the internet and other sources of information to help complete a range of tasks
- To start to develop skills that you will need to use in September

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Task 1: Developing a Marketing Campaign

As part of Unit 2 on your Applied General Course, you will undertake an external exam where you will be required to complete a marketing campaign under timed conditions, so we thought what better way to get you prepared, than to set you one now!

For the first part, (Part A), your research needs to be in depth. You need to use a number of sources and conduct primary research (I would suggest in the form of a questionnaire).

For the second part, (Part B), this is what you will be submitting to your teachers in September. Ensure you use the help provided- all help is in purple.

This is a difficult task, but will adequately prepare you for the work you will conduct in Year 12. So please take your time, don't give up and just try your best! We work on this unit from September –

April so we are not expecting this to be perfect, this will just give you an idea of what you will doing for Unit 2

Part A- Research

(In your real exam, you would be issued with this information 2 weeks before you sit your real exam. This is so that you can research the sector and prepare 6 sides of A4 notes that you can take into the exam with you).

Set Task Brief

You are working as an intern at a marketing agency. One of the clients, *The Bicycle Shop*, specialises in the sale of folding bicycles. The client has asked the agency to develop a marketing campaign.

You have been asked to research the market for folding bicycles. Your research should include primary and secondary data relating to:

- competitors (other shops that sell folding bicycles- who are they?)
- market size, share and structure (how big is the market for bicycles, especially folding ones?)
- target market (who are The Bicycle shops target market? Opportunity to create primary research {questionnaire} on the use of bicycles)
- trends (what trends
- external influences (political, economic, social, technological, legislation, environmental- how do these affect the The Bicycle Shop?)

You should **research at least one marketing campaign** related to the market for folding bicycles. You may wish to consider researching weekly/monthly marketing journals, marketing and/or advertising agency websites, business consultancies, and more general business sources.

Your research should include:

- costs
- timescales
- media used
- message communicated
- marketing mix
- appropriateness of the campaign.

You should take into consideration the validity and reliability of the data that you collect. You do not have to produce the promotional materials.

You will be allowed a maximum of six sides of A4 of your individually prepared notes to support you during the supervised assessment.

(As this is research, the above information can be presented how you like! Remember to reference where you found the information, so put the website in brackets after you have put the information into your own words.

Part B- Marketing Campaign

(In your real exam, you would be issued with this information on the day of your exam. It is then your job to read through it and produce the correct information for Activity 1 and Activity 2. You will hand these two pieces of work to your teacher).

Part B Set Task Information

The UK Bicycle Market

The number of bicycles sold globally in 2015 was the same as it was in 2005.

During the same period:

- the number of bicycles sold in the UK decreased by around 10%
- spending on bicycles in the UK increased by over 40%.

In 2015 cycling contributed £2.9bn to the UK economy:

- 85% was from the sale of bicycles and cycling accessories
- 15% was from related services such as repairs.

In the UK 40% of all bicycle sales are through two retail chains, Halfords and Evans. There is a significant concentration of bicycle sales in UK 'urban cycling hot spots' including London, Leeds and Birmingham. In these cities the most popular cycling products are folding bicycles such as those produced by premium brands e.g. Brompton Cycles.

Approximately 3.6 million bicycles were imported into the UK in 2015, which was similar to the annual average for the previous 10 years. Many of these imported bicycles were manufactured in Taiwan. In 2014 Taiwanese manufacturers sold 588,000 bicycles to UK retailers, with an approximate average retail value of £179 each.

The national governing body for cycle sport in the UK, British Cycling, reported that applications for membership increased in 2015. There was also growing interest in different types of competitive cycling.

The Bicycle Shop

The Bicycle Shop is a medium size independent retail store. The business currently focusses mainly on sales of bicycles and accessories aimed at commuters.

The Bicycles Shop's customers include a mixture of affluent professionals and price conscious customers. Sales revenues have been growing steadily from month to month but the owners of the business believe that there is potential to further increase revenue by selling more from their existing range of products.

The owners wish to launch a marketing campaign that will focus on one particular segment of the market. They would like to attract more customers to the store and increase the probability of them making a purchase. The campaign should run for 12 to 16 weeks.

Promoting Existing Products

The owners of The Bicycle Shop set it up to capitalise on the popularity of cycling among commuters. Many of their existing customers buy bicycles that can be folded for storage while on a train or at work.

The owners would like to focus on one segment of the market to encourage more people to purchase folding bicycles from them. The campaign will focus on attracting a greater number of:

EITHER

1. affluent professionals

OR

2. price conscious customers

The marketing budget for the campaign is £10,000.

Set Task

You need to complete BOTH activities below.

You will need to refer to the additional task information on the following pages and your notes from the research and work undertaken in Part A.

Activity 1:

Prepare a rationale for the marketing campaign to increase the sales of folding bicycles. This should include:

- ❖ Marketing Aims & Objectives
- ❖ Research data on the market, to include:
 - An analysis of your research using appropriate tools
 - Target market
 - Size, structure and trends
 - Competition
- ❖ Evaluation of the reliability and validity of the information research
- ❖ Justification for your suggestions

Activity 2

Based on your information from Part 1, you must produce a plan for your marketing campaign for The Bicycle Shop which should include an appropriate:

- ❖ Marketing Mix
- ❖ Marketing message
- ❖ Selection of media
- ❖ Campaign budget
- ❖ Timescale

You must produce this plan in an appropriate format for the owners of The Bicycle Shop.

HELP SHEET

Structure for Activity 1:

You should use the following headings and follow the help provided.

Introduction- *“In this marketing campaign I am going to be conducting rationale for The Bicycle Shop. They want to focus on one segment of the market to encourage more customers to come to their store and increase the probability of them making a purchase.”* You then could include statistics about people travelling by bicycle and why it is important for The Bicycle Shop to get their marketing strategy correct.

Marketing Aims & Objectives- Discuss SMART aims and objectives, what they are and why The Bicycle Shop need to have them. You should then suggest 3 aims that The Bicycle Shop could set.

Market Research- Discuss primary research that you have collected (you don't really need to do this, you could make it up to show that there is an increasing number of people using bicycles to travel. However, you will need to say “I conducted a questionnaire in my local area of Stone and asked 50 respondents. I asked...”). You then would need to discuss benefits and drawbacks of primary research. You should then make a recommendation of the target market, based on your research.

Market size, structure and trends- This is where you will discuss your secondary research. What is the size of the bicycle market, are there any current trends?

Competitors- Are there any other companies producing folding bicycles? What about bicycle shops? You need to discuss this here.

PESTLE Analysis- Discuss what a PESTLE analysis is. You then need to discuss each factor of a PESTLE in detail (political, economic, social, technological, legislation, environmental- how do these affect The Bicycle Shop?)

SWOT Analysis- Discuss what a SWOT analysis is. You then need to discuss the strengths, weaknesses, opportunities and threats towards The Bicycle Shop (in particular folding bikes)

Product Life Cycle- Which sections of the life cycle fit the bicycle shop? (Think Research and Development, Introduction, Growth and Maturity) You need to explain what The Bicycle shop needs to do in each of these stages.

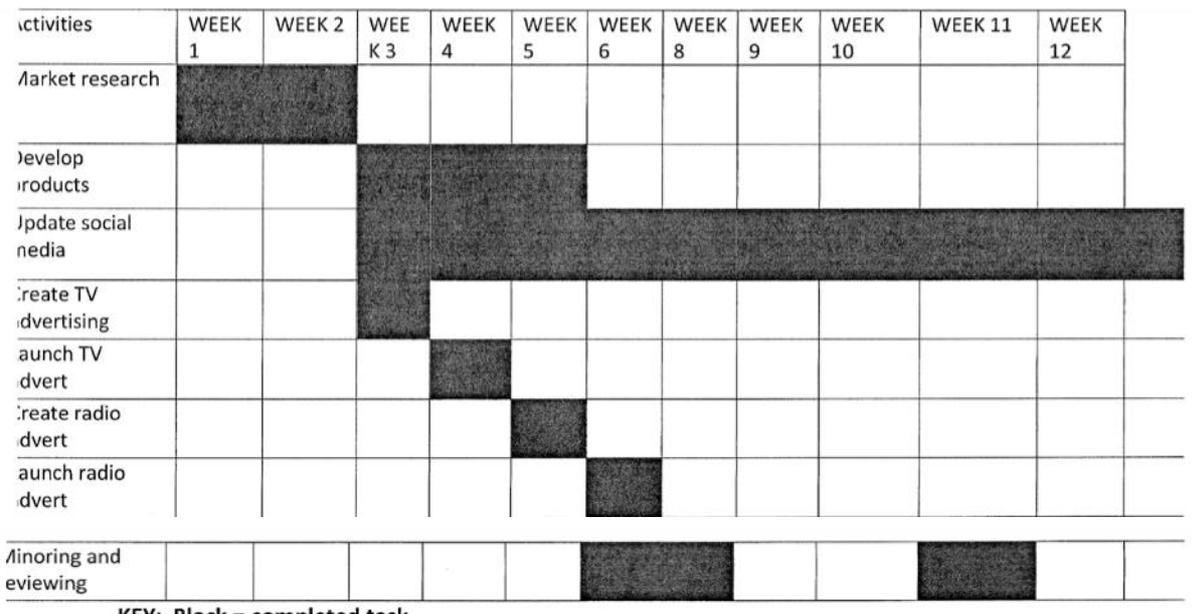
Structure for Activity 2

The Marketing Mix- Product: you need to discuss that the product is bicycles, in particular folding bicycles. **Price:** You need to research the price of folding bicycles from several retailers and suggest a price for The Bicycle Shop to sell their folding bicycles. **Place:** Discuss the shop where they will sell bicycles, offer alternatives such as e-commerce and m-commerce. **Promotion:** Discuss different types of promotion The Bicycle Shop could use, and discuss the cost (you will need to research into this). Think about who they are aiming their marketing at. You could discuss: TV adverts, social media, bus adverts, magazine, leaflets, newspaper.

Marketing Message- What message is your campaign aiming to deliver? Think the message must be constant and aimed at whichever option you chose (affluent professionals or price conscious customers). Explain your message.

Selection of Media & Campaign budget- You need to state the campaign budget is £10,000 and must last 12-16 weeks. This is where you will suggest appropriate media that The Bicycle Shop can use. You need to include costs and how you are spending the £10,000 budget. For example, if leaflets were £40 for 1000, you could say you want 5,000 produced for £200. You would then need to say you have £9,800 of the budget left. You need to continue to do this until you've explained fully how you're spending the budget.

Gantt Chart- You need to explain what a gantt chart is and why you would use one. This is an example of one below, but yours needs to relate to your campaign and how you have chosen to spend the budget.



You have now completed all of the tasks! Well done 😊 Save your work and get it printed or emailed to your teacher when you start sixth form in September.