

Progression Model – BTEC Tech Award in Enterprise – Year 10 – Finance and Exploring Business

Module Title: Finance & Promotion	Module Title: Finance & Promotion	Module Title: Component 1 – Exploring Business
PROMOTION	Financial Records	Examine the characteristics of an enterprise & Market Research
<p>Learning Intent for this Module:</p> <p>Learners will explore the different promotional methods used by enterprises and the factors that influence how enterprises identify and target their market.</p> <p>They will consider the different elements of the promotional mix in order to be able to identify target markets and put forward strategies that enterprises can use to increase their success in the future.</p> <p>Learners will explore financial documents and how to use them to monitor and improve the performance of an enterprise in order to make decisions and recommend strategies for success</p>	<p>Learning Intent</p> <p>Learners will complete, interpret and check the information on financial documents and statements.</p> <p>Students will assess and analyse financial information in an enterprise context to monitor the performance of an enterprise and strategies to improve its performance. They will investigate cash flow forecasts and statements, exploring the effects that positive and negative cash flow can have on an enterprise, and suggesting ways to improve them.</p>	<p>Learning Intent for this module:</p> <p>This unit helps students to develop a wider understanding of enterprise and the elements that make enterprises work successfully.</p> <p>Students learn about the reasons for the existence of different enterprises and how they can be categorised according to size. The purpose of an enterprise and the skills an entrepreneur needs to have in order to establish an enterprise are also considered.</p> <p>Customer needs and market research provide opportunities to make this unit engaging, and students must be able to carry out their own primary and secondary research as part of their preparation for assessment.</p>

<p>Key Content to be learned:</p> <p>Promotion</p> <p>Elements of the promotional mix</p> <p>The use of advertising to persuade and inform.</p> <p>Sales promotion: providing incentives to customers.</p> <p>Methods of promotion: coupons, competitions, money off, loyalty incentives, 'buy one get one free', discounts.</p> <p>Personal selling: face-to-face, by telephone, via email, through video or web conferencing.</p> <p>Public relations activities: promoting a produce/service, brand or enterprise by placing information about it in the media without paying for the time or media space directly: o methods: exhibitions, sponsorship, press releases.</p> <p>Direct marketing to establish an individual relationship between the enterprise and the customer: o methods: direct mail (junk mail), mail order catalogues, magazines, telemarketing.</p> <p>Targeting and segmenting the market Learners will consider why an enterprise targets its market, and the impact this has on promotion.</p> <p>Types of market: Business to Business (B2B), Business to Consumer (B2C).</p> <p>Segmenting the market to identify which customers its promotions will target through: o demographics: age, race, religion, gender, family size, ethnicity, income, education level, socio-economic group o geographic: location o psychographic: social class, attitudes, lifestyle and personality characteristics o behavioural:</p>	<p>Key Content to be learned</p> <p>Terminology in financial statements</p> <ul style="list-style-type: none"> <li>• Turnover (net sales) and cost of sales (cost of goods sold).</li> <li>• Gross profit, expenses, net profit, retained profit. Fixed assets and current assets.</li> <li>• Current liabilities and long-term liabilities. • Debtors and creditors.</li> <li>• Net current assets.</li> <li>• Capital.</li> </ul> <p>Statement of comprehensive income: shows the profit or loss of an enterprise over time. Calculate profit/loss using a simple statement of comprehensive income.</p> <p>Statement of financial position Learners will complete and interpret a statement of financial position using given figures, and suggest appropriate actions.</p> <p>Statement of financial position: shows the financial performance of an enterprise at a point in time. • Categorise total assets and liabilities using a statement of financial position.</p> <p>Profitability and liquidity Learners will interpret statements of comprehensive income and of financial position to calculate ratios. The difference between cash and profit.</p>	<p>Key Content to be learned:</p> <p>What is an Enterprise</p> <ul style="list-style-type: none"> <li>• Difference between Goods, services or both</li> <li>• Competition- what is it and why is it important</li> <li>• Enterprises attracting and keeping customers happy – why is this a key factor to success</li> </ul> <p>The importance of customer retention</p> <ul style="list-style-type: none"> <li>• The role of customer service in attracting new customers, securing repeat purchases, customer loyalty and an improved reputation</li> <li>• Enterprises, creativity and innovation to meet customers' needs by identifying gaps in the market for goods or services, or identifying a market for new goods or services</li> <li>• Reasons why some enterprises fail</li> <li>• Definitions of SMEs: Micro, small, medium</li> </ul> <p>The purpose of enterprise</p> <ul style="list-style-type: none"> <li>• Range of the types of products and services provided by enterprises,</li> <li>• How social and political pressures can influence enterprises to consider wider ethical responsibilities</li> <li>• Entrepreneurs - Reasons for starting your own enterprise</li> </ul>
---	---	--

<p>spending, consumption, usage, loyalty status and desired benefits.</p> <p>Factors influencing the choice of promotional methods</p> <p>Size of enterprise.</p> <p>Budgetary constraints.</p> <p>Appropriateness for product/service.</p> <p>Target market.</p> <p>FINANCE:</p> <p>Financial documents</p> <ul style="list-style-type: none"> <li>Types: invoices, delivery notes, purchase orders, credit notes, receipts, statement of account. Importance to a business of accuracy when these documents are being used.</li> </ul> <p>Payment methods</p> <ul style="list-style-type: none"> <li>Cash, credit cards, debit cards, direct debit, payment technologies.</li> <li>Impact on customers and enterprises of using different methods.</li> </ul> <p>Sources of revenue and costs</p> <ul style="list-style-type: none"> <li>Income from sales and from assets.</li> <li>Start-up costs and running costs.</li> </ul>	<p>The difference between liquidity and profitability.</p> <p>Calculate profitability ratios from given formulae</p> <p>Calculate liquidity ratios from given formulae</p> <p>Cash Flow : Learners will complete cash flow forecasts, and investigate the effects of positive and negative cash flow on an enterprise</p> <p>Cash. Cash Flow, Cash Flow Forecasts &amp; Statements</p> <p>Sales &amp; Purchases</p> <p>Positive and negative liquidity.</p> <p>Financial forecasting - suggesting improvements to cash flow problems</p> <p>Analysis of cash flow information</p> <p>Break Even Analysis &amp; Break even Point</p> <p>Costs: variable costs, fixed costs, total costs. •</p> <p>Sales: total revenue.</p> <p>Margin of safety.</p> <p>Break-even = <math>\frac{\text{fixed costs}}{(\text{selling price per unit} - \text{variable cost per unit})}</math>.</p> <p>Break-even point.</p> <p>The value and importance of break-even analysis to enterprises when planning.</p> <p>Limitations of break-even analysis</p> <p>Sources of Business Finance</p> <p>owner funds</p> <p>retained profits</p> <p>loans</p> <p>credit cards</p>	<ul style="list-style-type: none"> <li>Mind set of an Entrepreneur – skills and qualities needed</li> <li>Skills for success</li> </ul> <p>Customer needs - Anticipating and identifying customer expectations</p> <ul style="list-style-type: none"> <li>After-sales service</li> <li>Linking products to customers</li> </ul> <p>Using market research to understand customers</p> <ul style="list-style-type: none"> <li>Qualitative research</li> <li>Quantitative research</li> </ul> <p>Types of primary research:</p> <ul style="list-style-type: none"> <li>questionnaires</li> <li>visits and observations</li> <li>interviews</li> <li>focus groups</li> <li>surveys</li> </ul> <p>Sources of secondary research:</p> <ul style="list-style-type: none"> <li>online research</li> <li>company materials</li> <li>market reports</li> <li>government reports</li> </ul> <p>Understanding Competitors &amp; the main features that make products competitive</p> <ul style="list-style-type: none"> <li>Price</li> <li>Quality</li> <li>Availability</li> <li>USP</li> </ul>
---	---	--

	government grants hire purchase and leasing trade credit venture capital peer-to-peer lending. Advantages and disadvantages of each source.	Understanding Competitors
Key Tasks for this module  KT1 – Investigate different promotional methods and list the advantages and disadvantages of each methods, giving your opinion of the most appropriate  KT2 – Explore Market Segmentation – its methods and effectiveness  KT3 – Explore and annotate different financial documents and assess their appropriateness  KT4 – Investigate payment methods used by businesses and their pro's and con's	Key Tasks for this module :  KT1 – Cash flow Statement  KT2 – liquidity Ratios  KT3 – Break Even analysis  KT4 - EXTERNAL EXAM – May 2023	Key tasks for this module KT1 – Explore Enterprise & research 3 local businesses and explain what their function is – focus on provision of Goods/Services – and how they keep customers happy KT2 – Students will investigate customer service & discuss why this is important for business success KT3 – Business Ownership investigation – pros and cons KT4 - Explore and explain Market Research with a focus on the primary and secondary data each business uses to keep customers happy