

BUSINESS A LEVEL



Case Study Material – Provided by Time2resources

In A-level Business, students are assessed on four main skills, they are A01 (knowledge), A02 (application), A03 (analysis) and A04 (evaluation). Therefore, a good Business student needs high level knowledge but also needs to be able to apply this knowledge effectively to different business contexts, develop chains of reasoning to assess impact and make effective judgements. All businesses operate under different trading conditions and therefore it is important to investigate different types of business.

In this summer homework activity, we are using Aldi as a business context to get you used to the real business world. You need to be aware that decisions that are good for Aldi are not necessarily effective for all businesses! Please complete the following tasks during your summer break in preparation for September.

TASK: In less than 15 words sum up what you think about Aldi supermarket in the box below.

TASK: Who are the key players in the UK supermarket industry? List them in the box below.

TASK: The pie chart below shows what % of the market the 6 biggest UK supermarket chains control. Use your existing knowledge of the industry to try and identify which segment of the chart represents which supermarket chain. 10% of the chart can just be labelled 'other'.

Market share in the UK supermarket industry



Check your answer, Supermarkets.

https://drive.google.com/open?id=1ebzCf6_2Uu7rNbUmBAJ-ayEWMyhHy-R

[v](#)

TASK: Complete the blanks on the following:

Market share is the % of an industry controlled by one business. In the example on the previous page we could say that: _____ is the dominant business in the UK supermarket industry with a market share of __%. We call this *application*, the skill of applying our knowledge to a specific business or industry.

The supermarket industry can be described as competitive. Explain what you think this means in the box below:

A business will therefore take actions to try and gain market share by having a COMPETITIVE ADVANTAGE. This means a feature or features of the business that allows it to perform better than others in the industry.

Watch the first part (approx. 15 mins.) of the Channel 5 documentary “Inside Aldi”. You will need to create a free Channel 5 account.

<https://www.channel5.com/show/inside-aldi-britain-s-biggest-budget-supermarket>

TASK: Draw a spider diagram below to summarise any actions that you think Aldi takes to gain a competitive advantage over other supermarkets.

Whilst watching this video you were introduced to some key business concepts.

The **MARKETING MIX** is the combination of elements of marketing that are used to influence customers buying habits. The 7 Ps of the marketing mix can be summarised as:

- Product:** the good or service that the customer buys
- Price:** how much the customer pays for the product
- Place** : how the product is distributed to the customer
- Promotion:** how the customer is found and persuaded to buy
- People:** the people who make contact with customers in delivering the product
- Process:** the systems and processes that deliver a product to a customer
- Physical** : the elements of the physical environment the customer experiences

TASK: Write a sentence to describe each of the 7P's in relation to Aldi.

Product:
Price:
Promotion:
Place:
People:
Process:
Physical:

Aldi gains a competitive advantage by charging low prices. It achieves this by making cost savings. **Watch this short YouTube video to learn about total costs.**

YouTube https://www.youtube.com/watch?v=CJEkTyj_3Fg&t=5s

TASK: Summarise the key points from the video below:

KEY TERMS GLOSSARY.

In Business Studies you will learn a lot of new terminology. In this first worksheet you have been introduced to 6 key terms:

 Market share

 Competitive advantage

 Marketing mix

 Total costs

 Fixed costs

 Variable costs

TASK: Add for each of these key terms above. Use the following website to write full definitions of these words. www.tutor2u.net/business

