

Advance information June 2022

GCSE Business 8132

Version 3*, Created 14th March 2022

Because of the ongoing impacts of the Coronavirus (COVID-19) pandemic, we are providing advance information on the focus of June 2022 exams to help students revise.

This is the advance information for GCSE Business 8132.

Information

- This notice covers all examined components.
- For each paper the list shows the major focus of the content of the exam.
- It is **not** permitted to take this advance information into the examination.

Advice

- Students and teachers should consider how to focus their revision of other non-listed parts of the specification, for example to review whether other topics may provide knowledge which helps understanding in relation to the areas being tested in 2022.
- Students will still be expected to apply their knowledge to unfamiliar contexts.
- Students will be expected to draw on knowledge, skills and understanding from across the specification when responding to synoptic questions.

Focus of the June 2022 exam

3.1 Business in the real world

	Component 1	Component 2
3.1.1 The purpose and nature of businesses	<ul style="list-style-type: none"> • Purpose of business • Basic functions and types of business • Dynamic nature of business 	
3.1.2 Business ownership	<ul style="list-style-type: none"> • Partnerships • Private limited companies (ltd) 	<ul style="list-style-type: none"> • Public limited companies (plc)
3.1.3 Setting business aims and objectives	<ul style="list-style-type: none"> • What are business aims and objectives • Purpose of setting objectives 	
3.1.6 Business planning	<ul style="list-style-type: none"> • Basic financial terms* 	<ul style="list-style-type: none"> • The purpose of business

	<ul style="list-style-type: none"> • Basic financial calculations 	planning
3.1.7 Expanding a business	<ul style="list-style-type: none"> • Methods of expansion • Benefits and drawbacks of expansion • Diseconomies of scale 	<ul style="list-style-type: none"> • Methods of expansion

3.2 Influences on business

	Component 1	Component 2
3.2.2 Ethical and environmental considerations		<ul style="list-style-type: none"> • Ethical considerations • Sustainability: <ul style="list-style-type: none"> • global warming • using scarce resources
3.2.3 The economic climate on businesses	<ul style="list-style-type: none"> • Interest rates*: <ul style="list-style-type: none"> • how fluctuating interest rates can affect businesses that rely on overdrafts and loans for finance • how fluctuating interest rates can affect consumer and business spending • Level of employment* • Consumer spending* 	<ul style="list-style-type: none"> • Interest rates: <ul style="list-style-type: none"> • how fluctuating interest rates can affect businesses that rely on overdrafts and loans for finance • how fluctuating interest rates can affect consumer and business spending • Consumer spending
3.2.5 Legislation	<ul style="list-style-type: none"> • Consumer law 	

3.3 Business operations

	Component 1	Component 2
3.3.1 Production processes	Methods of production: <ul style="list-style-type: none"> • flow Efficiency in production: <ul style="list-style-type: none"> • lean production 	
3.3.2 The role of procurement	Managing stock: <ul style="list-style-type: none"> • Just in time (JIT) • Just in case (JIC) 	
3.3.3 The concept of quality	Methods of maintaining consistent quality: Total quality management (TQM)	
3.3.4 Good customer services	Benefits of good customer service, including: <ul style="list-style-type: none"> • increase in customer satisfaction • customer loyalty • increased spend • profitability 	

	<p>The ways in which advances in ICT have allowed customer services to develop:</p> <ul style="list-style-type: none"> • websites • e-commerce 	
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3.4 Human Resources

	Component 1	Component 2
3.4.1 Organisational structures	<ul style="list-style-type: none"> • Organisational structures • Appropriateness of organisational structures 	
3.4.2 Recruitment and selection of employees	<ul style="list-style-type: none"> • Methods of recruitment and selection of employees 	
3.4.3 Motivating employees	<ul style="list-style-type: none"> • Importance of motivation in the workforce • Methods to motivate staff 	
3.4.4 Training	<ul style="list-style-type: none"> • Importance of training the workforce • Types of training undertaken by businesses 	

3.5 Marketing

	Component 1	Component 2
3.5.3 The purpose and methods of market research		Purpose of market research Methods of market research
3.5.4 The elements of the marketing mix: price, product, promotion and place (4Ps)		Pricing methods, including: <ul style="list-style-type: none"> • loss leader The factors that influence pricing decisions, including: <ul style="list-style-type: none"> • costs • nature of the market • degree of competition • product life cycle Product Product differentiation: <ul style="list-style-type: none"> • unique selling point (USP) • brand image The product life cycle: <ul style="list-style-type: none"> • research and development • introduction • growth • maturity • decline extension strategies: <ul style="list-style-type: none"> • updating packaging

		<ul style="list-style-type: none"> • adding more or different features • changing target market • advertising • price reduction <p>Product portfolio</p> <p>Promotional methods:</p> <ul style="list-style-type: none"> • PR • sponsorship <p>Reasons for promotion:</p> <ul style="list-style-type: none"> • inform/remind customers about the product • create or increase sales • create or change the image of the product • persuade customers to buy the product <p>Place (the different channels of distribution used by businesses):</p> <ul style="list-style-type: none"> • telesales <ul style="list-style-type: none"> • Integrated nature of the marketing mix
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3.6 Finance

3.6.1 Sources of finance		<ul style="list-style-type: none"> • Methods businesses use to raise finance • Appropriateness of sources of finance
3.6.2 Cash flow		<ul style="list-style-type: none"> • Interpreting cash flow forecasts
3.6.3 Financial terms and calculations		<ul style="list-style-type: none"> • Basic financial terms • Basic financial calculations* • Average rate of return • Break-even
3.6.4 Analysing the financial performance of a business		<ul style="list-style-type: none"> • Components of financial statements

6 Appendix: quantitative skills in business

6.1 Calculation	<ul style="list-style-type: none"> • averages • revenue, costs and profit 	<ul style="list-style-type: none"> • gross profit margin and net profit margin ratios • average rate of return
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		<ul style="list-style-type: none"> • cash flow forecasts, including total costs, total revenue and net cash flow
6.2 Interpretation	<ul style="list-style-type: none"> • information from graphs and charts 	<ul style="list-style-type: none"> • information from graphs and charts

*This advance information has been updated:

- Version 2: We've now specified that basic financial terms and basic financial calculations will be a focus for the assessment in both papers.
- Version 3: We have added content under '3.2.3 The economic climate on businesses' for Component 1.

END OF ADVANCE INFORMATION