

Preparing for AQA A level Business

A-level Business introduces you to all you need to know about the world of business, equipping you with highly sought after skills that are valued in a wide range of careers and providing a solid foundation for further study or entering the world of work.

You will need to calculate, interpret and analyse a wide range of numerical data relating to **finance, operations, marketing and human resources**.

This means, you are expected to learn the **formulas** and **perform calculations**.

You have to write **essays**, this means that you will have to write extended answers to questions; this requires attention to spelling and grammar.

You will need to be aware of and understand current business issues and news. This means that you will have **read business news** and **watch the news** to know what is going on Podcasts

You will learn to become a good **decision maker**, learning essential **managerial skills**, alongside techniques to help you become an **analytical problem solver**.

Preparation for September

Stationary:
1 lever arch folder and 12 dividers
A4 notepad
Pens, ruler, pencil, calculator

A list of the 30 theorists

See Tutor2u **Business Models & Theories "In Your Pocket" Activity**

A list of the formulas

See the AQA list

Don't just rely on your lessons for learning.
5 hours independent study is essential for you to get the best grade possible

Useful business news providers such as the BBC, Tutor2u, The Independent, The Guardian, The Economist, Sky news provide you with alerts to your phone

TV programmes are useful for application - BBC and Ch4, e.g. Inside the factory, Panorama, Dragons Den

Films to watch:




The Founder
The Social network
The Big Short
The Great Hack

Podcasts

Mixergy
Outside In
Business wars
Tutor2u
Seneca




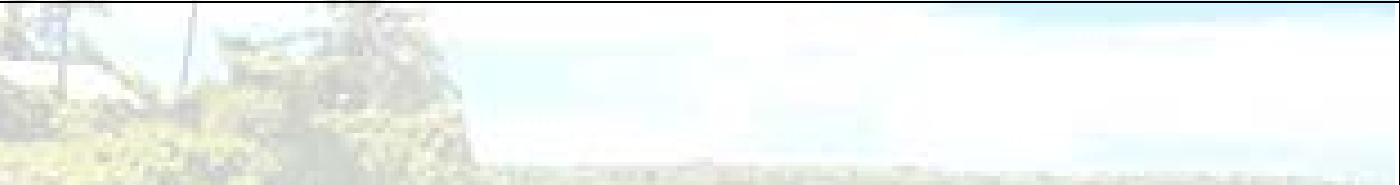
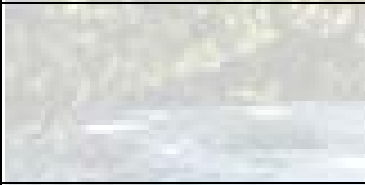
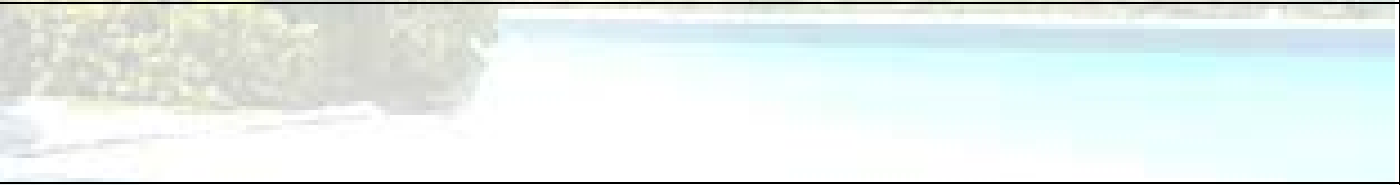
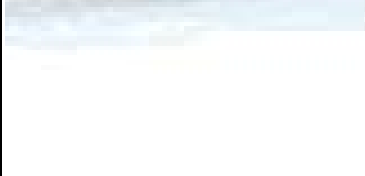



Task 1:

What is the hidden meaning behind each logo?

Task 2:

You have been stuck on a desert island, but luckily five companies have already set up there. Which five companies do you feel would be most important for you to be happy and survive?

Rank order	Company name	Reason for this company
1		
2		
3		
4		
5		

Task 3: Coronavirus and the world

Use the data to answer the questions.

Global shares in flux

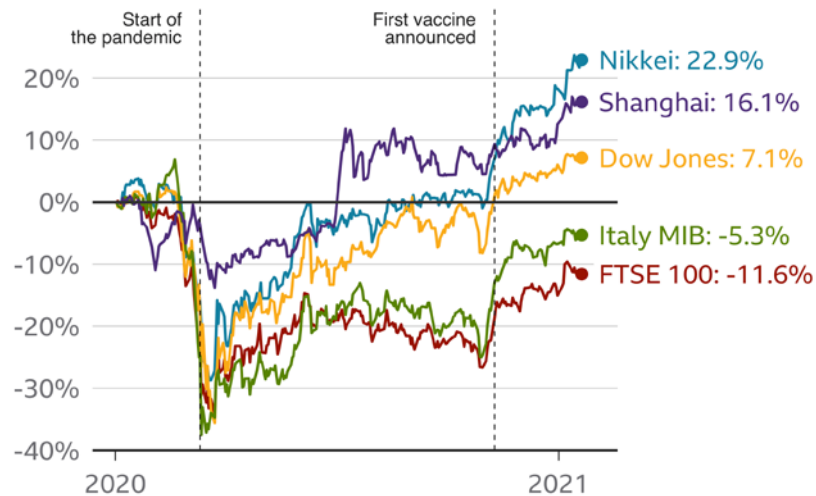
Big shifts in stock markets, where shares in companies are bought and sold, can affect the value of pensions or individual savings accounts (Isas).

The FTSE, Dow Jones Industrial Average and the Nikkei all saw huge falls as the number of Covid-19 cases grew in the first months of the crisis.

The major Asian and US stock markets have recovered following the announcement of the first vaccine in November, but the FTSE is still in negative territory.

The FTSE dropped 14.3% in 2020, its worst performance since 2008.

The impact of coronavirus on stock markets since the start of the outbreak



Source: Bloomberg, 24 January 2021, 00:01 GMT

BBC

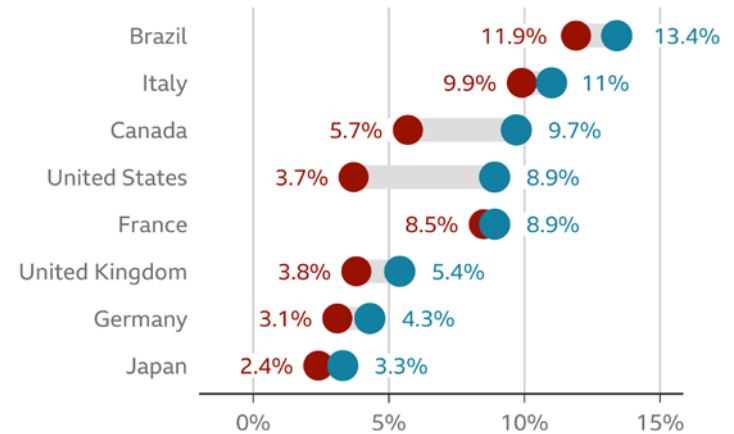
In response, central banks in many countries, including the UK, have slashed interest rates. That should, in theory, make borrowing cheaper and encourage spending to boost the economy. Some markets recovered ground in January this year, but this is a normal tendency known as the "January effect". Analysts are worried that the possibility of further lockdowns and delays in vaccination programmes might trigger more market volatility this year.

<i>Why are shares in companies bought and sold?</i>	<i>By how much did the stock marks fall by?</i>	<i>Why did the value of the stock market fall because of COVID?</i>
<i>How are pensions and savings affected by stock markets?</i>	<i>What actually happened to the stock markets?</i>	<i>What caused the stock market value to grow?</i>
<i>What happened to interest rates?</i>		<i>What was the impact on businesses and cosnumers?</i>

In the United States, the proportion of people out of work hit a yearly total of 8.9%, according to the International Monetary Fund (IMF), signalling an end to a decade of jobs expansion. Millions of workers have also been put on government-supported job retention schemes as parts of the economy, such as tourism and hospitality, have come to a near standstill. The numbers of new job opportunities is still very low in many countries. Job vacancies in Australia have returned to the same level of 2019, but they are lagging in France, Spain, the UK and several other countries.

World economies struggling with rising unemployment

Yearly unemployment rate change, 2019 and 2020 compared



Source: International Monetary Fund



<p><i>What was the yearly total of unemployed people in the UK?</i></p>	<p><i>Who are the IMF and what did they mean when they said there is "an end to a decade of jobs expansion"?</i></p>	<p><i>Why were government-supported job retention schemes created?</i></p>												
<p><i>Who had the highest yearly total?</i></p>	<p><i>What was the percentage change in unemployment in each of the countries:</i></p> <table border="1" data-bbox="779 1241 1395 1383"> <thead> <tr> <th>Brazil</th> <th>Italy</th> <th>Canada</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <th>France</th> <th>UK</th> <th>Germany</th> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Brazil	Italy	Canada				France	UK	Germany				<p><i>What do you think will be the long term impact of government supported job retention schemes?</i></p>
Brazil	Italy	Canada												
France	UK	Germany												

The only major economy to grow in 2020 was China. It registered a growth of 2.3%.

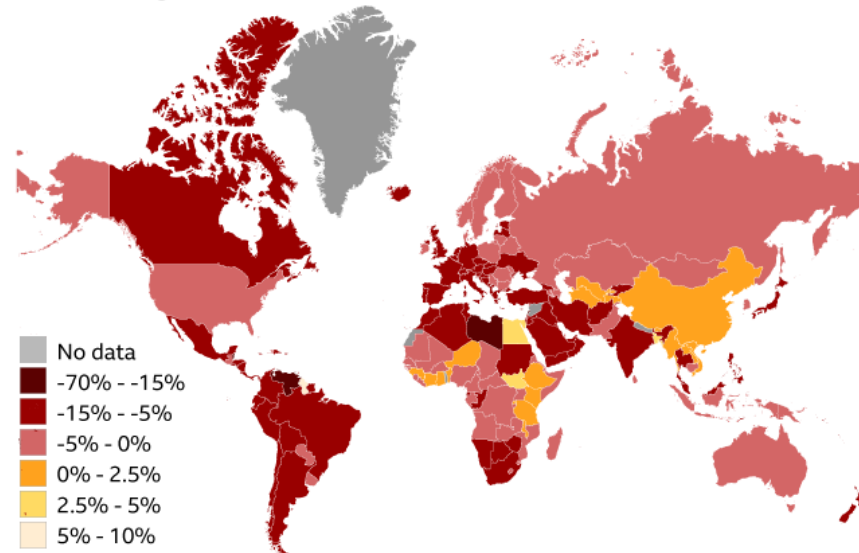
The IMF is, however, predicting global growth of 5.2% in 2021.

That will be driven primarily by countries such as India and China, forecast to grow by 8.8% and 8.2% respectively.

Recovery in big, services-reliant, economies that have been hit hard by the outbreak, such as the UK or Italy, is expected to be slow.

Majority of countries in recession

Real GDP growth



Source: International Monetary Fund

BBC

What is the data telling you and can you explain the claims being made?

Travel still far from taking off
 The travel industry has been badly damaged, with airlines cutting flights and customers cancelling business trips and holidays.

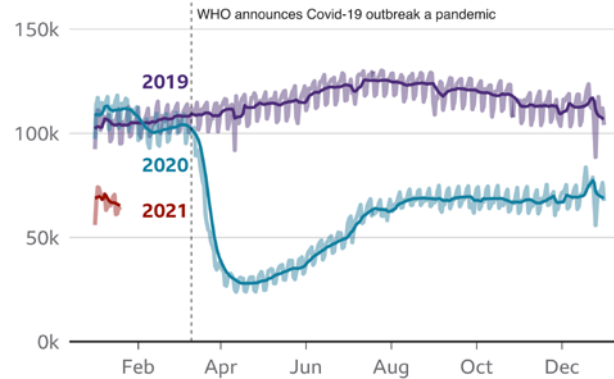
New variants of the virus - discovered only in recent months - have forced many countries to introduce tighter travel restrictions.

Data from the flight tracking service Flight Radar 24 shows that the number of flights globally took a huge hit in 2020 and it is still a long way from recovery.

Billions of dollars have been lost in 2020 and although the forecast for 2021 is better, many analysts believe that international travel and tourism won't return to the normal pre-pandemic levels until around 2025.

Commercial flights remain well below normal levels

Total daily commercial flights with seven-day average



Source: Flightradar24, 24 January 2021, 00:01 GMT



The global tourism industry is crumbling

Weekly percentage change in the number of reservations, 2019 v 2020



Source: SeeTransparent, 24 January 2020, 00:01 GMT



Hospitality sector has shut its doors worldwide
 The hospitality sector has been hit hard, with millions of jobs and many companies bankrupt.

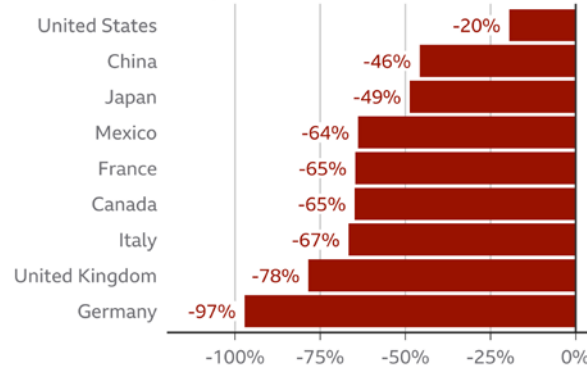
Data from Transparent - an industry-leading intelligence company that covers over 35 million hotel and rental listings worldwide - has registered a fall in reservations in all the top travel destinations.

What is this data telling you?

Shopping... at home
 Retail footfall has seen unprecedented falls as shoppers stayed at home. New variants and surges in cases have made problems worse. Pedestrian numbers have fallen further from the first lockdown, according to research firm ShopperTrak,

Huge drop in shoppers

Annual percentage change of footfall, 12-28 Jan 2021 compared to same dates in 2020



Source: ShopperTrak, 24 January 2021, 00:01 GMT



Separate research suggests that consumers are still feeling anxious about their return to stores. **Accountancy giant EY** says 67% customers are now not willing to travel more than 5 kilometres for shopping. This change in shopping behaviour has significantly boosted online retail, with a global revenue of \$3.9 trillion in 2020.

<i>What does footfall mean?</i>	<i>Who has seen the biggest drop in footfall?</i>	<i>Why has the football fallen?</i>
<i>What is an impact on a drop in footfall?</i>		<i>What does brick and click mean?</i>

Pharmaceutical companies among the winners

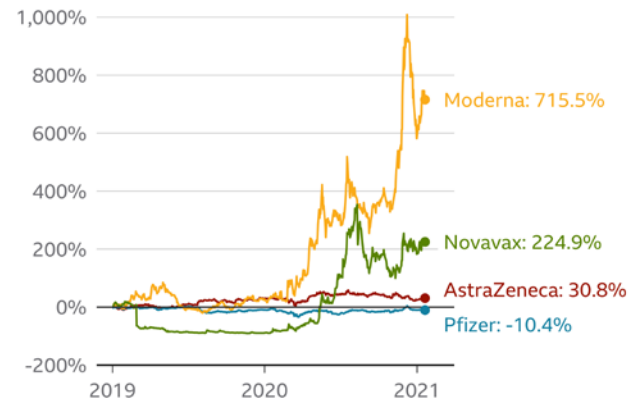
Governments around the world have pledged billions of dollars for a Covid-19 vaccine and treatment options.

Shares in some pharmaceutical companies involved in vaccine development have shot up.

Moderna, Novavax and AstraZeneca have seen significant rises. But Pfizer has seen its share price fall. The partnership with BioNTech, the high cost of production and management of the vaccine, and the growing number of same-size competitors have reduced the investors' trust in the company to have bigger revenue in 2021.

The rise of pharmaceutical companies

Percentage change in share value



Source: Bloomberg, 24 January 2021, 00:01 GMT



A number of pharmaceutical firms have started already distributing doses and many countries have started their vaccination programmes. Many more - such as Johnson & Johnson and Sanofi/GSK - will join the vaccine distribution during 2021

Evaluate the impact of the above data on the global economy