

A good business student not only knows their theory, i.e. the content that is on the specification, but also thinks business. Business is a subject that surrounds us all day every day. We start to spot the actions taken by businesses and ask "Why?"; we start to question how we interact with business and the factors that influence our decisions; we start to question what is happening in society and the economy. A good business student is inquisitive.

Start by thinking about what you already know and what your perceptions are. In less than 15 words sum up what you think about Aldi.

Who are the key players in the UK's supermarket industry?

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-Rv

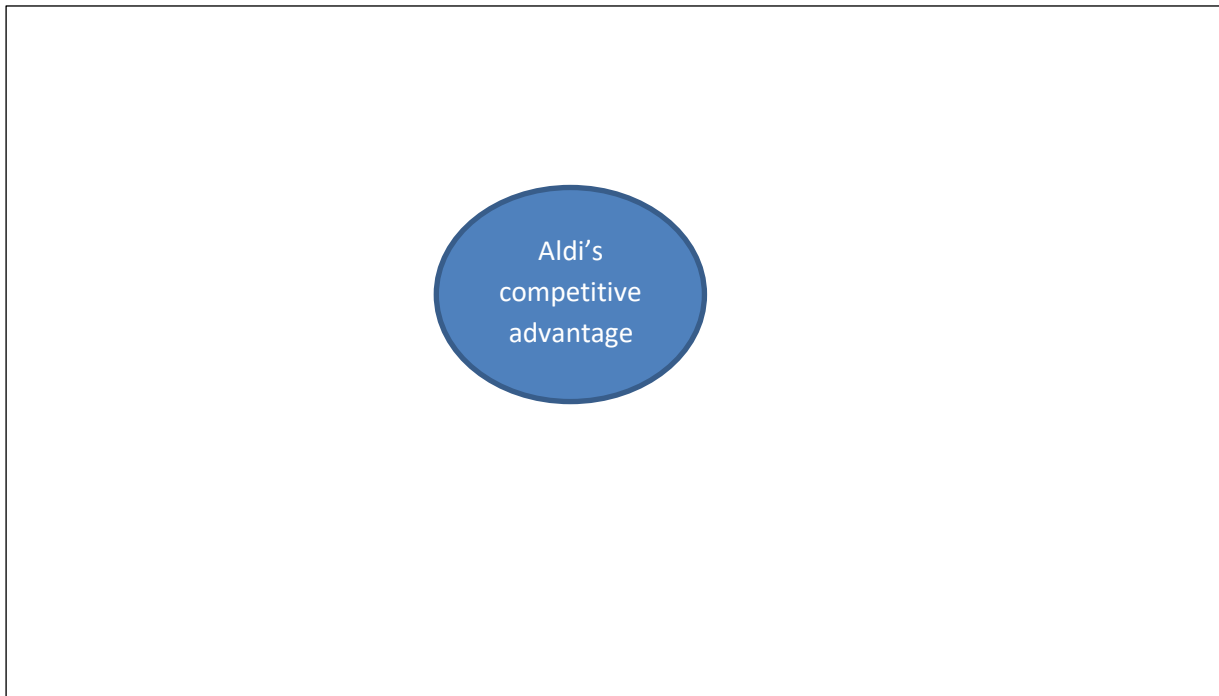
Market share is the % of an industry controlled by one business. In the example above we could say that:

_____ is the dominant business in the UK supermarket industry with a market share of _____%. We call this application, applying our knowledge to a specific business or industry.

We would describe the industry as competitive. What do you think this means?

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". Draw a spider diagram to show any actions that you think Aldi takes to gain a competitive advantage.

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



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 four Ps of the marketing mix are product, place, price and promotion.

Depending on the exam board you are following there may be seven Ps, this includes people, physical environment and process. Is there anything you could now add to your spider diagram?

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. You may want to download the note taker document here to support you whilst watching this clip.

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

Note taker <https://drive.google.com/drive/folders/1pnEkyg45xgmBVRWMBTr7BaNsYvWiSNpJ>

Is there anything you could now add to your spider diagram?

In business you will learn a lot of new terminology. In this worksheet you have been introduced to 6 key terms.

- Market share
- Competitive advantage
- Marketing mix
- Total costs
- Fixed costs
- Variable costs

You will also be expected to gain confidence in quantitative skills. In this worksheet you have been introduced to quantitative skill (QS) 9: interpret, apply and analyse information in written, graphical and numerical forms.