

# Task 1 Successful Business

## By Chelsea Griffiths

**What makes a successful business?**

### **Finding innovative solutions**

Solving problems by thinking of something new is always a good idea

Having sky or cable TV where you would be able to pause, rewind and fast forward TV programmes.

### **Meeting customer needs**

This means selling products or services that people want to buy at the right price. Clever businesses offer additional services to beat competitors

An example of this would be offering free delivery on all products, or offering a small gift to their customer for thanking them for using their service.

### **Identifying new needs**

Focusing on a new and growing area is always a good idea.

An example of this would be carry out market research

So you would be able to see what products your customers like, sell products online over your website. This would be a good way to promote your business and make sales.

### **Continuing to meet established customer needs**

Some customer needs are standard e.g. food, travel, toiletries but there are still opportunities in the area.

An example of this would be offer a stretch limousine or be a taxi company that offers cheap airport runs

### **Being entrepreneurial**

Taking risks

An example of this would be Anita Roddick, she started off making soaps in her kitchen and then her business quickly evolved and now she is a successful owner of the "body shop"

### **Importance of having a strong vision and seeing it through**

The key is to learn from a problem and not give up.

An example would be Steve Jobs, the founder of Apple. He created Apple and is now very successful and entrepreneurial.

### Comparing 4 businesses

	<b>Asda</b>	<b>Morrison's</b>	<b>Lidl</b>	<b>Aldi</b>
<b>Description</b>	This is a supermarket that sells a range of household products and essentials such as food, clothing, electrical items and toiletries. They also provide a click and collect service for home delivery.	This is a supermarket that sells a range of household products and essentials such as food, clothing, electrical items and toiletries. They are known for their market style over the counter fresh products. They also provide a click and collect service for home delivery.	This is a smaller supermarket that sells a range of household products and essentials such as food, clothing, electrical items and toiletries. They do however sell items for a lot less than Asda and Morrison's. They don't do home delivery.	This is a smaller supermarket that sells a range of household products and essentials such as food, clothing, electrical items and toiletries. They largely sell their own branded products rather than selling products by larger brands such as McVities etc. They do however sell items for a lot less than Asda and Morrison's. They don't do home delivery.
<b>How they advertise</b>	They advertise on TV, billboards, local newspapers and social network sites.	They advertise on TV, billboards, local newspapers and social network sites.	They advertise on TV, billboards, local newspapers and social network sites.	They advertise on TV, billboards, local newspapers and social network sites.
<b>How they meet customer needs</b>	They offer a range of prices and products to suit all kinds of customers. They also offer price comparison against other supermarkets and have a delivery service so you can shop	They offer a range of prices and products to suit all kinds of customers. They also offer price comparison against other supermarkets and have recently started a delivery	They meet their customer needs by providing cheaper brands and products reducing their customers shopping bill. They don't do price comparison but are very	They meet their customer needs by providing cheaper brands and products reducing their customers shopping bill. They don't do price comparison but are very

	online without leaving the house.	service so you can shop online without leaving the house.	competitive on price. They are the cheapest supermarket.	competitive on price. They are one of the cheapest supermarkets and have won many awards for their price and quality.
<b>How have they changed and adapted what they sell?</b>	Asda always update and change their goods to suit the needs of the customer they also have a 'chosen by you range' which has been chosen by its customers. They have also met customer needs by introducing click and collect and offering delivery deals on orders over £40. They also sell a range of cloths and electrical items such as TVs giving their customers the chance to buy everything there.	Morrison's always update and change their goods to suit the needs of the customer and have recently updated their own brand of product. They also sell electrical items to compete with other supermarkets who try to sell everything under one roof. They offer a market/fresh style shopping experience for their customers who like to visit the markets themselves. This is their USP.	Lidl continue to sell cheaper alternative products compared to their similar branded products. For example they sell cheaper products such as biscuits and meat products. They have recently become a leading supermarket since the recession.	Aldi continue to sell cheaper alternative products compared to their similar branded products. For example they sell cheaper products such as biscuits and meat products. They have recently become a leading supermarket since the recession. This is because people are now looking for ways to save money.
<b>Do they have good customer service? How do you know this?</b>	They have a good reputation for having a very good customer service. They offer money back guarantees on any product you are	They have a good reputation for having a very good customer service. They offer money back guarantees on any product you are	They have a good reputation for having a very good customer service. They offer money back guarantees on any product you are	They have a good reputation for having a very good customer service. They offer money back guarantees on any product you are

	unsatisfied with. I know this through my own experiences of visiting Asda. Asda also have customer feedback options on their website.	unsatisfied with. They are always gathering customer information and using questionnaires to make sure they meet customer needs.	unsatisfied with.	unsatisfied with.
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### Comparing features of 2 businesses

	<b>Asda</b>	<b>Lidl</b>
<b>Description of business</b>	This is a supermarket that sells a range of house hold products and essentials such as food, clothing, electrical items and toiletries. They also provide a click and collect service for home delivery.	This is a smaller supermarket that sells a range of house hold products and essentials such as food, clothing, electrical items and toiletries. They do however sell items for a lot less than Asda and Morrison's. They don't do home delivery.
<b>Features of business</b>	Asda always update and change their goods to suit the needs of the customer they also have a 'chosen by you range' which has been chosen by its customers. They have also met customer needs by introducing click and collect and offering delivery deals on orders over £40. They also sell a range of cloths and electrical items such as TVs giving their customers the chance to buy everything there. They have a large range of food types from expensive too cheap to meet different budgets.	Lidl continue to sell cheaper alternative products compared to their similar branded products. For example they sell cheaper products such as biscuits and meat products. They have recently become a leading supermarket since the recession. They also sell small stocks of items such as socks, skiing gear and microwaves on a weekly basis which attracts customers. These items are changing regular and are used to draw in customers who may want to take advantage of a one off deal.
<b>How the features compare</b>	Asda have a large range of products they sell in comparison to Lidl. This gives Asda's customers more choice and opportunities to spend or save money each week. Asda sell a range of clothing, electrical items and toiletries which are not found in Lidl. Lidl are known for selling cheaper products and therefore have less choice available. Lidl don't sell many branded products which can be a drawback for customers who like a lot of choice.	
<b>Strengths</b>	They have a wide variety of products and offer services such as pharmacy, opticians and post office. This means that you can go to Asda to do almost anything.	Lidl is known for offering cheaper high quality food that has become very popular for people who want to reduce their food bill. Lidl's food is also sourced within Europe which makes it cheaper.

<b>Comparison of strengths</b>	Asda have a wide variety of products and offer services such as pharmacy, opticians and post office. Lidl don't offer any of these services and therefore can't supply or meet these customer needs. Although Asda offer a cheaper range of food it still doesn't compare to price or quality that is offered by Lidl. Asda promote selling products that are British whereas Lidl are happy to sell products from abroad.	
<b>Weaknesses</b>	Offer home delivery however they come at different prices. To qualify for free delivery you would need to spend over £40	Lidl do not offer home delivery. This is not meeting the needs of the customer
<b>Comparison of weaknesses</b>	Asda do offer free delivery however you have to pay for the different types of delivery but they are meeting the customer needs by just offering it. However, Lidl so not offer free home delivery, this is not meeting the needs of the customer because they might shop somewhere else where another store offer free delivery	

**4 possible business ideas**

	Hairdressers	Supermarket	Sunbed shop	Florists
<b>The product/service</b>	Because hairdressers is somewhere where you go to get your hair done, it is a product because somebody is doing it for you	I will sell a range of products including food, clothing and toiletries.	A sunbed shop would offer both products and services. They would offer services because you would be using their sunbeds and they would sell products as well because of the sun creams.	A florists would be a service because they would be arranging the bouquets for you
<b>The features and benefits of the product/service</b>	People can look nice	Get shopping delivered for just £1 Not very expensive Very popular	Get a nice tan for a small price	Get bouquets made
<b>The demand</b>	There is quite a popular demand for hairdressers because it is a service that everybody needs but during a recession, the demand for my hairdressers would go down because people would have a lack of money and might not be able to afford to come to my hairdressers. because Recession demand would go down because of lack of money however, it might go back up after Christmas or new year because people could have got	There is a big demand for supermarkets like Asda because it is a service that everybody needs. I wouldn't say that Asda was very expensive however, if you have to pay lots of bills and don't have a lot of money, it could be difficult for you to get grocery shopping because you won't have as much money that you can spend. However, Asda always have lots of offers so that if you don't have a lot of money, you would still be able to afford to get the groceries and essentials.	There is a high demand for sunbed shops and I think it will continue to rise because more and more people want sunbeds. Because they are not as expensive as e.g. a florist's people will start using them more and the demand for them will continue to rise. Even though you might not be getting much money, some people could still be able to afford to use a sunbed because they only charge a small price for so many minutes. I think that even though the demand is	There is a demand for florists but unfortunately it is not as high as a demand for an e.g. Supermarket. If you go to a florist you would find out that they are not that cheap as they have to buy all the materials which can be quite expensive and you are being charged for the materials. During a recession, people might not use a florist as much because of the prices that they charge and some people might not have the money to spend. This is a

	vouchers for the shop or could just have some extra money.		high now, it will continue to rise and rise.	problem because this means the demand for them would go down resulting in florists losing profit.
<b>Market research that needs to be carried out</b>	<p>I would use two methods of market research. The first method I would use would be using Google maps. This could help me a lot because I would be able to get my salon up on Google maps and then look around my area to see how far my competitors are away from me. Because this would be primary research which means that it would be my own research, I know that it would be a trustworthy and accurate source of information to use because I would have found it out myself. My second method of research would be using a questionnaire. This is good because I would be able to think of the questions myself and I would then ask my customers to fill in the questions so that</p>	<p>I could market it by using surveys. This would be a good method because you could place them on the website, so when people order online; you could ask them if they could fill it in. This would be a really effective way of feedback because it is cheap, you could get lots of information from your customers and you can access a large target market. Another way could be by using stock exchange to check your competitor's accounts. This would be a very good way of market research because you would be able to see how popular your competitor's store is and how much profit they are making. This would be my favourite way of market research even though it is secondary research; I think</p>	<p>For a sunbed shop, I would use a questionnaire because you would be able to find out customer feedback quickly and it proves to be an effective way. You could design the questionnaire and ask the questions that you want to know so that you could maybe improve your shop based on customer feedback. Also, it is primary research because you would have collected all of the answers yourself this means that it would be trustworthy and true information. Another effective way of doing market research could be</p>	<p>For a florist' if my customers order online, I would be able to send them an online questionnaire about their experience at my shop. This would be an easy way of doing market research because it would be effective and I wouldn't waste all of my customers time, I could also do paper ones for the customers that come in store. I think this would be the best way to use market research in my shop because I would be able to think of the questions and use questions that I need to find out about my shop from customers. Also, it would be effective because it will be primary research so it will be a trustworthy source of information.</p>



	it would give me some feedback and I would be able to find out more about what my customers like/dislike.	that it would be very accurate information.		
<b>The target customers</b>	The target customers for hairdressers I would say are mostly everyone. Young children, teenagers, adults and old people all need their hair doing at some point.	I would say that the target customers for Asda would be people who have large families because they would have to buy more food but they would want it at a cheaper price, I would also say adults and old ages couples because they would also want food at a decent price.	I would say that my target audience for my sunbed shop would be young adults and adults. I would say this audience because you have to be 18 to use a sunbed.	For a florist, I would say that the target audience would be adults, old people and young adults.
<b>The competition</b>	Because hairdressers are quite important and a popular business, they could have trouble with competition. There are some very popular hairdressers around such as Ted Baker, Daniel James and Lee Stafford. These will be a tricky competition because they are very popular and people might prefer to go to them.	Because Asda is a large, successful supermarket, I would say that it does have a lot of competitors. The competitors would be places like Tesco, Morrison's and Sainsbury's that are also big sized supermarkets. The other competitors would be smaller shops such as Lidl, co- op, aldi, and marks and spencer's. These are smaller stores but they can still be competitive.	Because sunbed shops are quite popular, some sunbed shops might go into competition to win more customers. There is quite a lot of competition for sunbed shops nowadays because the demand for them is going higher. This means that more people will open a sunbed shop and might try and compete with other ones in the local area.	I don't think that there is a lot of competition for a florist. I think this because although florists are popular, I think that the demand for them is not as high as it used to be and they are going down. However, the competition could get very
<b>How will you</b>	I would market	I would market	I would market	Because one of

<p><b>market it</b></p>	<p>my hairdressers by putting an advertisement in the local newspaper so that everybody who reads the local newspaper – which is a lot of people would see the advertisement Another way of marketing my business would be by creating a questionnaire. This would allow me to create the questions so I could get more detailed answers to find out about my shop. This would be a good way to use market research because you would be able to target your customers’ needs and also it would be good to use as feedback on how to improve my store. It will also be primary research because it will be my own information that I would have found out.</p>	<p>Asda by putting products at the right price, having products at a price that everybody would be able to afford this would improve your profits because the amount of customers you get will increase. Also another method of marketing your business would be advertising it – the more expensive the advert the more people will see it. You would be better advertising your store on a popular show for example Coronation street. Thousands of people watch this every night and you could advertise Asda as the sponsors of Coronation Street. Another way of marketing would be selling the product to the right customer.</p>	<p>my sunbed shop by using social networking. I could set up a Facebook page from my shop so that people could get more information about the shop but more importantly, the page could get popular and I could end up getting more customers because there are thousands of people on social media these days and it would be a great way to advertise a business. Another way of marketing it would be flyers. I could get some flyers printed about my shop and then post them through peoples doors. This could give them more information and could make them stop by my shop. I think this is a good way of marketing because it would get the word across.</p>	<p>my businesses would be a florist, I would use business cards to market my business. I would use business cards because not only would I be able to give people information about my shop but I would also be able to promote my business on the back by putting customer testimonials on the back or I could put some images of my work. I like the idea of business cards because they could fit in your purse/wallet and make your business look professional and it would make it stand out. I would choose the colours and design, so I would choose eye catching colours to attract my customers to look at their business cards.</p>
<p>Resources that will be needed – finance, equipment, skills and expertise</p>	<p>Because it is a hairdresser, they would need a lot of equipment and expertise. The equipment</p>	<p>Because Asda is a large supermarket, they would need lots of money to keep it up</p>	<p>Because a sunbed shop has to pay for all of the sunbeds, equipment and bills and wages. I</p>	<p>Because a florists’ would need a lot of equipment, there would have to be a lot of money going into</p>

	<p>wouldn't be cheap at all but they would need a lot of supplies such as shampoo, conditioner, sinks, scissors and hair dyes. Because you would be dealing with customer's hair, you would also need a lot of skills, such as "people skills" and offer good customer service. You would also need to invest a lot of money into your business to get it up and running. I would need a lot of money to pay my bills (gas, electricity and water), to buy the products and equipment that are required, to pay my staffs wages and to pay for training for my staff if needed.</p>	<p>running. They would have to pay for all of the electricity in store, the staffs wages and they would also need to pay for any training that has to be required for new staff. You would also need lots of skills and expertise to work at Asda. If you were going to be a sales assistant you would have to be persistent and would need to have the skills to be able to sell the item. You would need some equipment at Asda but it would mainly be stock what you would need – lots of stock.</p>	<p>would invest a lot of money into my business first to get it all started. This would help massively because I wouldn't have to borrow a loan from the bank that I would then have to pay back with interest. For my equipment, I would need sunbeds, cleaning supplies and lots of towels. These are my main equipment that I will need. For the skills and expertise, I would hire somebody who has experience working in sunbed shops, so I wouldn't have to pay out for training and they could get started straightaway, obviously they would need to know what they was doing and have good customer skills.</p>	<p>my business, this money could come from a loan from the bank or even just my personal savings. I would prefer not to ask the bank for a loan though because I would have to pay it back but with interest added. I would need a lot of equipment such as scissors, flowers, cellophane, ribbon etc. This wouldn't be cheap however I could try and get some offers. E.g. buy 3 packs of cellophane and get one pack free. When working in a florists' you would need lots of skills and expertise. Some of the skills that you would need would be creativity, "people" skills and good customer service.</p>
<p>Any legal aspects that need to be considered</p>	<p>Working in hair dressers, there are quite a few legal aspects that would need to be considered. These are things such as skills; you would need to have lots of different skills to be a hairdresser as you</p>	<p>Working in Asda there would be lots of different aspects that you would need to consider. One would be hygiene because Asda has a bakery and if you are working in that part, it is important that</p>	<p>Because I chose a sunbed shop, would need to consider things such as health and safety – are the premises I have chosen suitable for my business? I would have to make sure that all my</p>	<p>There would be some aspects that would need to be considered such as age restrictions. You wouldn't let a teenager work with you because they would have to be dealing with sharp accessories</p>

	<p>will be dealing with customer's hair. Another aspect would be qualifications; to be a hairdresser you need to have qualifications such as a level 1 NVQ award in hairdressing and barbering. Qualifications Health and safety certificates. Another aspect would be you would have to manage other staff, especially if they are trainees, you would need to watch them in case they are doing something wrong.</p>	<p>you have all of your hygiene certificates and take caution when handling food. Another one would be age constrictions. If you were under 18 you would not be able to work at Asda because it could include you serving alcohol and you have to be 18. If you did, it would be illegal and you could get Asda into trouble. Another aspect would be that you would need to manage all of your staff properly and make sure that they are all doing the right thing. It is important that you do this because if you don't and your staff are doing the wrong things, you would get into trouble. You would have to ensure that they all have the correct training.</p>	<p>electricity sockets were safe as all of my sunbeds will be plugged into these. I would also have to consider hygiene, although I won't be preparing food, I will still need to be hygienic by washing all of the towels every time that they have been used, wiping the sunbeds down after somebody has used them and also having to keep the place tidy and clean. I would also have to keep an eye on my staff because although it won't be a hard job, it would still be good to make sure that they were doing everything right.</p>	<p>such as scissors and if they have an accident and end up hurt, it would all come back on you and you could get done because you would have to make sure they was over e.g. 16 years of age. Another aspect that you would need to consider would be health and safety. This would be in case anything went wrong and a member of staff got hurt.</p>
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