OCR
Oxford Cambridge and RSA

Cambridge **NATIONALS LEVEL 1/2**

ENTERPRISE AND MARKETING

Cambridge NATIONALS

Delivery Guide

Unit R065: Design a business proposal

CONTENTS

INTRODUCTION

This Delivery Guide has been developed to provide practitioners with a variety of creative and practical ideas to support the delivery of this qualification. The Guide is a collection of lesson ideas with associated activities, which you may find helpful as you plan your lessons.

OCR has collaborated with current practitioners to ensure that the ideas put forward in this Delivery Guide are practical, realistic and dynamic. The Guide is structured by learning outcome so you can see how each activity helps you cover the requirements of this unit.

We appreciate that practitioners are knowledgeable in relation to what works for them and their learners. Therefore, the resources we have produced should not restrict or impact on practitioners' creativity to deliver excellent learning opportunities.

Whether you are an experienced practitioner or new to the sector, we hope you find something in this guide which will help you to deliver excellent learning opportunities.

If you have any feedback on this Delivery Guide or suggestions for other resources you would like OCR to develop, please email resources.feedback@ocr.org.uk.

OPPORTUNITIES FOR ENGLISH AND MATHS SKILLS DEVELOPMENT

We believe that being able to make good progress in English and maths is essential to learners in both of these contexts and on a range of learning programmes. To help you enable your learners to progress in these subjects, we have signposted opportunities for English and maths skills practice within this resource. These suggestions are for guidance only. They are not designed to replace your own subject knowledge and expertise in deciding what is most appropriate for your learners.

English

Maths

Please note

The activities suggested in this Delivery Guide **MUST NOT** be used for assessment purposes. The timings for the suggested activities in this Delivery Guide **DO NOT** relate to the Guided Learning Hours (GLHs) for this unit.

Assessment guidance can be found within the Unit document available from http://www.ocr.org.uk/

UNIT AIM

This unit will provide learners with the skills and knowledge to design a product proposal to meet a business challenge scenario. Learners will be able to identify a customer profile for their own product design, develop market research tools and use these to complete market research for their product.

Learners will use their research outcomes to generate product design ideas, assess their strengths and weaknesses and work collaboratively with peers to gain feedback to inform final design decisions. Learners will complete financial calculations to select a pricing strategy and determine whether their proposal is viable.

On completion of this unit, learners will have gained some of the essential skills and knowledge required when considering starting a business, but also the transferable skills of self-assessment, providing and receiving feedback, research and evaluation. The skills and knowledge developed by completing this unit will also be transferable to further learning in related areas and will be required by learners when completing Unit R066 Market and pitch a business proposal.

Unit R065 Design a business proposal	
LO1	Be able to identify the customer profile for a business challenge
LO2	Be able to complete market research to aid decisions relating to a business challenge
LO3	Be able to develop a design proposal for a business challenge
LO4	Be able to review whether a business proposal is viable

To find out more about this qualification please go to: http://www.ocr.org.uk/qualifications/vocational-education-and-skills/cambridge-nationals-enterprise-and-marketing-level-1-and-2-certificate-j819/

RELATED ACTIVITIES

The suggested activities in this delivery guide listed below have been mapped to other Cambridge Nationals Enterprise and Marketing units/learning outcomes (LOs). This could help with delivery planning and enable learners to cover multiple parts of units.

This unit (Unit R065)	Title of suggested activity	Other units/LOs	
LO1	Identifying customers	Unit R064 Enterprise and marketing concepts	LO1 Understand how to target a market
	Location, location	Unit R064 Enterprise and marketing concepts	LO1 Understand how to target a market
LO2	Primary research methods in business	Unit R064 Enterprise and marketing concepts	LO1 Understand how to target a market
	Secondary research methods	Unit R064 Enterprise and marketing concepts	LO1 Understand how to target a market
	Which methods	Unit R064 Enterprise and marketing concepts	LO1 Understand how to target a market
	Devising a questionnaire	Unit R064 Enterprise and marketing concepts	LO1 Understand how to target a market
	Reviews	Unit R064 Enterprise and marketing concepts	LO1 Understand how to target a market
LO3	SCAMPER model in practice	Unit R064 Enterprise and marketing concepts	LO3 Understand product development
	Peer feedback	Unit R064 Enterprise and marketing concepts	LO1 Understand how to target a market
	Different methods of feedback	Unit R064 Enterprise and marketing concepts	LO1 Understand how to target a market
LO4	Financial terms	Unit R064 Enterprise and marketing concepts	LO2 Understand what makes a product or service financially viable
	Types of pricing strategies	Unit R064 Enterprise and marketing concepts	LO4 Understand how to attract and retain customers
	Examples of pricing strategies	Unit R064 Enterprise and marketing concepts	LO4 Understand how to attract and retain customers
	The concept of profit	Unit R064 Enterprise and marketing concepts	LO2 Understand what makes a product or service financially viable
	Junior Dragons Den	Unit R066 Market and pitch a business proposal	LO3 Be able to pitch a proposal to an audience

KEY TERMS

Explanations of the key terms used within this unit, in the context of this unit	
Key term	**Explanation**
Break-even point	The point at which the income received from selling a unit covers the cost of supplying it. This is often described as the point at which total revenue equals total costs. No profit or loss is made at this level of sales.
Collating data	A method that a business uses in order to review information that they have collected e.g. the results of a survey on a new product that could be presented to a manager.
Customer profile	A business will try to identify the type of customer that may be interested in its products and/or services in order to target this customer type, for example holidays for the over 50's.
Market research	The method that a business will use to gain information about customers' needs and wants.
Market segmentation	The method of separating a market up into smaller customer segments. For example, separating the clothing market into gender and/or age groups.
Primary research	A collection of specific information that a business gathers from existing and potential customers that does not currently exist, for example from a survey.
Pricing strategies	A variety of different methods used by businesses to try and persuade customers to purchase items e.g. reducing the price of certain drinks for a limited time by creating a price offer such as buy one, get one free (BOGOF).
Risks	A decision or factor that could damage the business or prevent it from meeting its targets e.g. A new product that the business invests in which does not sell well causing it to lose money.
Self-assessment	How an individual can review their own idea or document in both a positive and negative way so that it can be improved, for example reviewing their proposed design of a new product idea.
Sampling method	A way in which a business selects people to gain opinions for market research, for example, their views on a new theme park attraction in a specific area of the country.
Secondary research	A method of research where a business uses information that has already been gathered. For example, the use of sales data, government publications, purchased research material.
Targeting	When a business aims specific products and services at a group of potential customers e.g. Yoghurt that features super heroes on the packaging to attract children to the product, who will then try to persuade their parents to purchase the item.
Target group	A group of potential customers with similar interests which the business is targeting with a specific product or service, for example the most recent mobile phone produced by Apple.

MISCONCEPTIONS

Some common misconceptions and guidance on how they could be overcome		
What is the misconception?	**How can this be overcome?**	**Resources which could help**
Research is just research	Learners should understand that there are two main different forms of research – primary and secondary research.	The following website link explains the main differences well in the form of both a table and a written explanation: http://www.mymarketresearchmethods.com/an-overview-of-market-research-methods/
All pricing strategies are the same	Learners should be aware of the different forms of pricing strategies that businesses use in order to create a sale.	The following website link explains a variety of different pricing strategies that businesses use with examples shown: www.tutor2u.net/business/reference/pricing-strategies-gcse http://www.bbc.co.uk/schools/gcsebitesize/business/marketing/productpricerev1.shtml http://www.bbc.co.uk/schools/gcsebitesize/business/marketing/productpricerev2.shtml
Losing money is the only risk to a business	There are many risks that a business could face during its lifetime, so it is important that learners are aware of the different forms of risk which can include losing money, losing customers, overspending a budget, loss of investments, bad publicity, Brexit etc.	The following website link explains a 'risks and rewards' of starting a new business, with examples explained: www.tutor2u.net/business/reference/starting-a-business-risks-and-rewards
Breaking even is not important	Break-even is an important aspect of business as it can provide vital information when reviewing the success or failure of a particular business product. Learners should understand the significance of this aspect of costing a product and how it can help a business to plan its targets.	The following website link explains how to calculate break-even with examples shown. There is also the opportunity to complete a quiz on the subject of break-even: www.bbc.co.uk/schools/gcsebitesize/business/finance/profitabilityrev1.shtml

SUGGESTED ACTIVITIES

LO No:	1		
LO Title:	**Be able to identify the customer profile for a business challenge**		
Title of suggested activity	**Suggested activities**	**Suggested timings**	**Also related to**
How to identify potential customers	Learners could use the following websites of businesses to identify the types of customers that the business tries to attract. Learners could then produce a summary paragraph to describe what they consider to be the 'customer profile' of the people who will potentially provide custom for each business. http://www.sportsdirect.com/ http://www.apple.com/uk/ http://www.boots.com/en/No-7/Make-up/ http://www.limos-hire.co.uk/ http://www.scienceboffins.co.uk/kids-parties?gclid=CMufu6i_5s8CFQxmGwodlcEJow	30 minutes	
Why Target?	In groups of four, learners could discuss why a business may choose to target specific customers for its business. They could also discuss the advantages and disadvantages of this for the business. The outcomes of the discussion could then be shared with the rest of the group.	20 minutes	
Identifying customers	Businesses often segment their customers in the following groups in order to aim specific products at particular customers: • Age • Gender • Occupation • Income • Lifestyle. Using these groups, learners could identify between five to ten products and services that are aimed at customers within these groups explaining their reasons why.	30 minutes	Unit R064, LO1
Location, location	Using their knowledge of the UK, learners could identify ten products that they consider would be more popular in particular areas or parts of the UK and explain why. For example: Buckets and spades would be more popular in coastal areas of the UK such as Cornwall because of the attraction of the beach for young children and families. Therefore these areas are more likely to sell more buckets and spades than in a large, midlands city such as Birmingham.	30 minutes	Unit R064, LO1

LO No:	1		
LO Title:	**Be able to identify the customer profile for a business challenge**		
Title of suggested activity	**Suggested activities**	**Suggested timings**	**Also related to**
Children's parties	Children's parties have become a large business area which has grown over the years. Parties can be produced to suit every interest from football or princess parties to science parties, which is why it has become such a lucrative business. Learners could investigate a variety of different children's parties within different budgets such as: £8-£10, £11-£13 and £15+ per person. Learners could use the following websites or choose their own: http://www.scienceboffins.co.uk/kids-parties?gclid=CMufu6i_5s8CFQxmGwodlcEJow https://www.pizzaexpress.com/book/kids-pizza-making-party http://www.snakes-and-ladders.co.uk/brentford/childrens-birthday-parties/ Learners could then consider how these parties will be targeted at specific segments of the market. Their investigations could be shared with the rest of the group.	1 hour	
Apple Magic	Apple® is a very successful business that has been established for many years. They sell a variety of different products and target these at specific groups of customers. Learners could identify the products that Apple® produces and create a list that identifies the product and the specific target market explaining their reasons. This list could be shared and discussed as a group.	30 minutes	

SUGGESTED ACTIVITIES

LO No:	2		
LO Title:	**Be able to complete market research to aid decisions relating to a business challenge**		
Title of suggested activity	**Suggested activities**	**Suggested timings**	**Also related to**
Primary research methods in business	Many businesses like Fat Face® or Marks and Spencer® ask customers to complete a 'short online survey' when they purchase products, which are related to the service received or the products purchased. This is a form of primary market research. These surveys will often have the opportunity to win some money as a prize which provides customers with an incentive to complete the research. Learners could identify other methods of primary research that businesses use, in order to gain the thoughts and opinions of consumers. Learners could discuss if they have ever completed such research for a business and their opinions on the experience.	20 minutes	Unit R064, LO1
Secondary Research methods	Secondary research methods are when a business uses existing information that has already been collated and recorded by others. This could be from Government publications, websites, the media, findings from market research agencies, information from other businesses such as annual reports or a business's own figures, for example past sales, profits and reports. Learners could investigate the famous product 'Marmite® ' which has been produced for over 100 years. Using a variety of different websites, learners could research and produce an article which details the rise and fall of Marmite® over the years, remembering to list the secondary sources of information that are used. Learners could consider if Marmite® will continue to be produced in the future.	1 hour	Unit R064, LO1
Which method?	In small groups, learners could research several different types of market research tools that a business may find useful when wanting to make an important decision. Learners could investigate two or more of these suggested methods of research, identifying if they are primary or secondary research methods: • Survey • Focus Group • Observations • Competitor research • Interviews • Government publications with examples • Published literature with examples.	30 minutes	Unit R064, LO1
Devising a questionnaire	In pairs, learners could produce a short questionnaire to discover the opinions of customers at their local cinema, as the management want to review its current provision. The questionnaire could focus on the facilities that are offered, the methods of purchasing and collecting tickets, the products that can be purchased, the different viewing features etc. Once the questionnaire is produced, it could be exchanged with other groups of learners who could assess and complete the questionnaire in terms of its effectiveness for management. The feedback could be given directly back to the group in order to improve the first draft of the questionnaire.	45 minutes	Unit R064, LO1

LO No:	2		
LO Title:	**Be able to complete market research to aid decisions relating to a business challenge**		
Title of suggested activity	**Suggested activities**	**Suggested timings**	**Also related to**
Sampling methods in practice	Learners could be divided into four small groups to investigate different sampling methods. Each group could be given one of the following four methods; Random, Cluster, Quota, Convenience. In their groups, learners could investigate the different types, the advantages and disadvantages of the different method and produce examples of how this could be used in order to gather specific information for a new business idea.	30 minutes	
Reviews	Using the questionnaire that was produced in Devising a questionnaire activity, learners could ask the opinions of 20 of their peers and collate their findings. Individually, learners could then consider how this information could be presented to the management of the cinema and discuss their ideas with the group, deciding which method will be used. As a group, their findings could then be presented in the form that they considered to be the most suitable and given to the rest of the class group.	1 hour	Unit R064, LO1

SUGGESTED ACTIVITIES

LO No:	3		
LO Title:	**Be able to develop a design proposal for a business challenge**		
Title of suggested activity	**Suggested activities**	**Suggested timings**	**Also related to**
Why product designs are important	As a group, learners could discuss the reasons why a business may want to produce a variety of different 'product designs' to meet the market need for a business. Learners could be given the following headings to channel their thoughts: • Target market • Customer profiles • Market research • Product brief. Once the discussion has taken place, learners could feed back their thoughts with the rest of the group.	30 minutes	
Creative techniques; A learner guide	Individually, learners could produce a 'Learner Guide' which identifies the different creative techniques that a business could use when designing a product or service. The learner guide could include explanations and examples of the following methods: • Mind map • Mood board • SCAMPER model • Deliberate creativity.	1 hour	
SCAMPER model in practice	In groups, learners could create a simple design of a new chocolate bar. Learners could then swap their designs with another group and use the following website to help review the product design using the SCAMPER model. The questions that appear within the article entitled 'Example Questions' could help learners to focus the review of their product design. https://www.mindtools.com/pages/article/newCT_02.htm Once the review is completed, the groups of learners could then use this to redesign their original design.	1 hour	Unit R064, LO3

LO No:	3		
LO Title:	**Be able to develop a design proposal for a business challenge**		
Title of suggested activity	**Suggested activities**	**Suggested timings**	**Also related to**
Peer feedback	Learners could create a feedback form which could be used to review a product that has been designed for a specific purpose. In a separate activity, the feedback form created could be used by their peers to review a product idea, focussing on: • The initial idea • The overall design • The target market • The packaging • The materials used • The price • Where the product is going to be distributed and sold (if this information is provided). The learner's feedback form could enable the users, to provide constructive feedback, focusing on both the positive and negative aspects of the design. The feedback should enable the designer to then use this information to create a second version of the design.	30 minutes	Unit R064, LO1
Design alterations	Learners could view the first few images that appear on the following website: https://pinterest.com/dtatbeaumont/gcse-product-design-project-ideas/ Using this website, learners could select three items, for example, the tablet holder with earphones, the makeup holder with brushes and the light. They could consider the following questions for each of the three products: • Who the product is aimed at? • What they think the price of the product would be? • Where they would expect the product to be sold? • If it is fit for purpose? • What the designer should think about changing, in terms of the design and features? Learners could critically review the three products and produce feedback in a format that could be used by the designers to make amendments to their designs.	45 minutes	Unit R064, LO3

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LO No:	3		
LO Title:	**Be able to develop a design proposal for a business challenge**		
Title of suggested activity	**Suggested activities**	**Suggested timings**	**Also related to**
Different methods of feedback	In pairs, learners could discuss the many different methods of feedback they may have received both in and outside of school, for activities they have completed. For example, feedback may relate to: • A half-time, verbal review of a football or hockey match where tactics may be planned for the second half • A written review of the game after the final result is known • A music examination report • A summary of a dance performance • A teacher review of a project etc. Focusing on the reviewing process within the identified activities, how useful were the reviews to the learner? Did the comments alter what they did in the future? Did anything change? Did they improve? Learners could share their findings with the rest of the group in a group discussion.	45 minutes	Unit R064, LO1

LO No:	4		
LO Title:	**Be able to review whether a business proposal is viable**		
Title of suggested activity	**Suggested activities**	**Suggested timings**	**Also related to**
Financial terms	Learners could individually investigate and explain the meaning of the following business financial terms that are related to producing a new product or service: • Unit • Cost per unit • Selling price • Profit per unit • Total costs • Total profit. Learners could also explain why these costs would be important to a business, for example, why it is necessary to know the profit per unit.	30 minutes	Unit R064, LO2
Types of pricing strategies	Learners could produce a table which includes information on the different types of pricing strategies that businesses use, the advantages and disadvantages of the method and examples of the type of pricing strategy in action. The table could be set out in the following format: *Type of pricing strategy Advantages Disadvantages Example* Learners could investigate the following pricing strategies: • Competitive pricing • Psychological pricing • Price skimming • Price penetration.	30 minutes	Unit R064, LO4
Examples of pricing strategies	Learners could consider one food product such as a particular brand of chocolate bar, and demonstrate their understanding of each method of pricing strategy by producing a sign which could be displayed in a supermarket. Learners could produce examples of each of the following pricing strategies based on the chocolate bar: • Competitive pricing • Psychological pricing • Price skimming • Price penetration. These could then be shared with the rest of the group.	40 minutes	Unit R064, LO4

LO No:	4		
LO Title:	**Be able to review whether a business proposal is viable**		
Title of suggested activity	**Suggested activities**	**Suggested timings**	**Also related to**
The concept of profit	Learners could consider the following case study which introduces the concept of profit:	20 minutes	Unit R064, LO2
	Jane Smyth leases a mobile tea and coffee van for £300 a week. She moves around the local area selling her tea and coffee to customers. She sells everything for £1 which includes speciality tea and coffee made individually for each customer. This makes the pricing easy for her and the customers. Last week she sold 600 teas and coffees so her total revenue was £600. She had to pay for the lease of her van which cost £300 and then her suppliers for the ingredients that she puts into her different teas and coffees which came to £200.		
	Learners could answer the following questions: How much money did Jane make after she had paid all her costs? What other costs may Jane incur e.g. petrol? Do you think Jane would be pleased with the profit that she made? How may Jane increase her profit if she wanted to e.g. increase prices of speciality drinks?		
	The answers could be discussed as a group.		
Young Enterprise Product ideas	Learners could view the following website which focuses on the top 10 most popular young enterprise product ideas several years ago:	30 minutes	
	www.achievertalk.com/achievertalkwp/2010/07/10-popular-young-enterprise-product-ideas/		
	Focusing on the ideas, learners could describe the challenges for a business involved in each of these ideas, which could include: risks such as losing money, consumer demand, original ideas etc.		
Junior Dragons Den	Learners could watch an episode of Junior Dragon's Den which is a television show where participants 'pitch' their product or service ideas to some well-known entrepreneurs who may or may not invest in their business idea. Learners could watch the programme and state whether or not they agreed with the 'Dragons' and if they could invest, which product or service they would have chosen and why. Their ideas could be shared with the rest of the class.	30 minutes	Unit R066, LO3
	The link to the website is below: https://www.youtube.com/watch?v=H0kbMpQ5Qc4		

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