













**OCR Enterprise and Marketing**  
**R067 – Enterprise & Marketing Concepts**  
**Skills Check**







Learning Objective	My Rating			Teacher Rating			Comments
<b>Learning Objective 1 – Characteristics, risk and reward for enterprise</b>							
<b>1.1 Characteristics of successful entrepreneurs</b>							
◇ Creativity							
◇ Innovation							
◇ Risk-taking							
◇ Communication							
◇ Negotiation							
◇ Confidence							
◇ Determination							
<b>1.2 Potential rewards for risk taking</b>							
◇ Financial							
◇ Independence							
◇ Self-satisfaction							
◇ Making a difference/change							
<b>1.3 Potential drawbacks for risk taking</b>							
◇ Financial							
◇ Health/wellbeing							
◇ Work-life balance							
◇ Personal relationships							

Learning Objective	My Rating			Teacher Rating			Comments
<b>Learning Objective 2 – Market research to target a specific customer</b>							
<b>2.1 The purpose of market research</b>							
◇ To reduce risk							
◇ To aid decision making							
◇ To understand the market							
◇ To gain customers' views and understand their wants and needs							
◇ To inform product development							
◇ To understand how a good/service complements others on the market							
<b>2.2 Primary market research methods</b>							
◇ Observations							
◇ Questionnaires/surveys/interviews							
◇ Focus groups							
◇ Consumer trials							
◇ Test marketing/pilots							
<b>2.3 Secondary market research sources</b>							
◇ Internal data							
◇ Books/newspapers/trade magazines							
◇ Competitors' data							
◇ Government publications and statistics							
◇ Mintel or similar							
<b>2.4 Types of data</b>							
◇ Quantitative							
◇ Qualitative							
<b>2.5 Types of market segmentation</b>							

◊ Age							
◊ Gender							
◊ Occupation							
◊ Income							
◊ Location							
◊ Lifestyle							
<b>2.6 The benefits of market segmentation to a business</b>							
◊ Ensure specific customer needs are matched and met							
◊ Potential for increased profits/profitability							
◊ Enables targeted marketing							
◊ Increased customer retention							
◊ Potential for an increase in market share							

Learning Objective	My Rating			Teacher Rating			Comments
<b>Learning Objective 3 – What makes a product financially viable</b>	😊	😐	😞	😊	😐	😞	
<b>3.1 Cost of producing the product</b>							
♦ Advertising							
♦ Insurance							
♦ Loan interest							
♦ Rent							
♦ Salaries							
♦ Utilities							
♦ Definitions of key terms – fixed costs, variable costs and total cost							
Calculations such as:							
♦ Total cost							
♦ Total cost per unit							
♦ Variable cost							
♦ Variable cost per unit							
♦ Fixed cost							
♦ Fixed cost per unit							
♦ Different time periods							
♦ Raw materials/components							
♦ Packaging							
♦ Wages							
<b>3.2 Revenue generated by sales of the product</b>							
♦ Calculate total revenue (selling price per unit x number of sales)							
<b>3.3 Profit/loss</b>							
♦ Calculate profit/loss per unit							
♦ Calculate profit for a given level of output							
<b>3.4 How to use the formula for break-even as an aid to decision making</b>							







◊ Definition of break-even							
◊ Formula for break-even							
◊ Interpretation of a break-even graph to identify the break-even point							
◊ How break-even information is used by an entrepreneur							
<b>3.5 Importance of cash</b>							
◊ The difference between cash and profit							
◊ Consequences of a lack of cash							

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<b>Learning Objective 4 – Creating a marketing mix to support a product</b>							
<b>4.1 The marketing mix elements for a good service</b>							
◇ Product							
◇ Price							
◇ Place							
◇ Promotion							
<b>4.2 How the elements of the marketing mix work together</b>							
◇ Each element affects the appropriateness of decisions regarding other elements							
◇ Consideration of the whole marketing mix and how the elements work together to create a specific brand image, such as premium or economy							
◇ Satisfying the target market segment's needs							
<b>4.3 Types of advertising medium used to attract and retain customers and the appropriateness of each</b>							
Non-digital:							
◇ Leaflets							
◇ Newspapers							
◇ Magazines							
◇ Radio							
◇ Posters/billboards							
◇ Cinema							
Digital:							
◇ Social Media – video, feedback, social networks							
◇ Websites							

◊ Online banners/pop ups							
◊ SMS texts							
◊ Podcasts							
◊ Vlogs/blogs							
<b>4.4 Sales promotion techniques used to attract and retain customers and the appropriateness of each</b>							
◊ Discounts							
◊ Competitors							
◊ Buy one get one free (BOGOF)							
◊ Point of sale advertising							
◊ Free gifts/product trials							
◊ Loyalty schemes							
◊ Sponsorship							
<b>4.5 Public relations</b>							
◊ Product placement							
◊ Celebrity endorsement							
◊ Press/media releases							
<b>4.6 How to sell the good/service to the customer</b>							
◊ Physical – shops, face to face							
◊ Digital – e-commerce, websites, social media, marketplace sites, online auction sites, downloads							
<b>4.7 The product lifecycle</b>							
◊ Development							
◊ Introduction							
◊ Growth							
◊ Maturity							
◊ Decline							

<b>4.8 Extension strategies for products in the product lifecycle and the appropriateness of each</b>							
◇ Advertising							
◇ Price changes							
◇ Adding value							
◇ Exploration of new markets (geographic or target market)							
◇ New packaging							
<b>4.9 Factors to consider when pricing a product to attract and retain customers</b>							
◇ Income levels of target customers							
◇ Price of competitor products							
◇ Cost of production							
◇ Stage of the product life cycle							
<b>5.10 Types of pricing strategies and the appropriateness of each</b>							
◇ Competitive pricing							
◇ Psychological pricing							
◇ Price skimming							
◇ Price penetration							



Learning Objective	My Rating			Teacher Rating			Comments
<b>Learning Objective 5 – Factors to consider when starting up and running an enterprise</b>							
<b>5.1 Appropriate forms of ownership for business start-ups</b>							
◊ Sole trader							
◊ Partnership, including limited liability partnerships							
◊ Private Limited Company (Ltd)							
◊ Franchise							
Features of each form of ownership:							
◊ Ownership							
◊ Limited liability							
◊ Unlimited liability							
◊ Responsibility for decision making							
◊ Distribution of profit to the owners							
<b>5.2 Source(s) of capital for business start-ups and expansion</b>							
◊ Own savings							
◊ Friends and family							
◊ Loans							
◊ Crowdfunding							
◊ Grants							
◊ Business angels							
<b>5.3 Support for enterprise</b>							
◊ Finance providers, e.g. bank, business angel							
◊ Local council enterprise department							
◊ Accountants							
◊ Solicitors							

◇ Friends/family							
◇ Chamber of Commerce							
◇ Government							
◇ Charities							