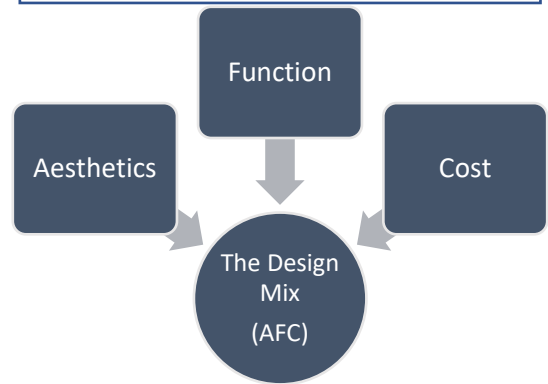


**THEME 2 – 2020 100% sheet**



**Impacts of poor customer service**

- Complaint
- Damage brand/reputation
- Loss of sales
- Loss of market share
- May have to reduce selling price

**Benefits of using social media to interact with customers**

- Tweet special offers
- Target advertising

**Impacts of poor supplier reliability**

- Not be able to meet customer needs
- Customer Complaints
- May run out of stock
- Loss of customers
- Productivity could fall

**Impacts of becoming a public limited company**

- Business can issue large number of shares
- Can raise large amounts of capital
- Selling more shares means owners losses ownership
- Losing control

**Drawbacks of differentiating products**

- Cause variable cost to increase
- Expensive to produce

**Impacts from increased globalisation**

- more markets open
- Global awareness
- Higher competition
- Could be cheaper to source from abroad
- Trade barriers

**Benefits Of External Recruitment**

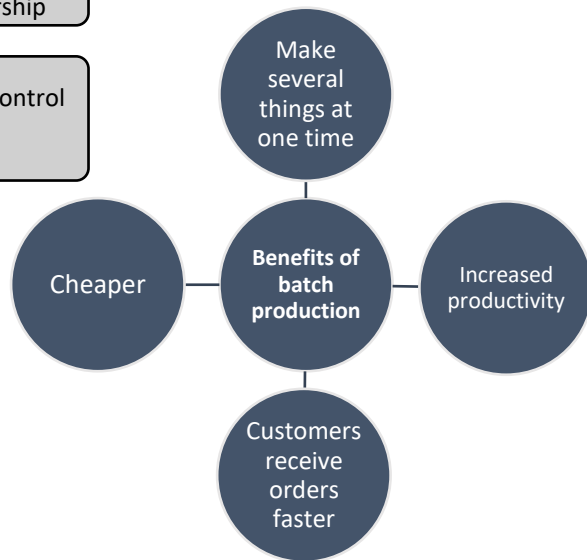
- Bring in new ideas
- They will have a different way of thinking
- Different skills
- Other experiences

**Impacts of Lack of communication**

- Employees unsure as to what to do
- Lack of staff motivation
- Mistakes

**Benefit of withdrawing a product when it is in the decline stage of the product life cycle**

- Managers can concentrate on products in the growth stage
- Save money



Key Term	Definition/Formular
<b>Gross Profit</b>	Sales Revenue – Cost Of Sales (variable cists)
<b>Pressure Group</b>	An organization or group that aims to make a government or business change its decision making
<b>Percentage change</b>	Difference /original x 100

	Advantages	Disadvantages
<b>Lower Prices</b>	Make things seem better value Increase sales Increase in market share	Lower profit margin Perceived poor quality
<b>Use Viral advertising</b>	Reach wide audience Quick Cheaper than traditional methods	Might not be passed on Can be altered/changes before reposted

	Advantages	Disadvantages
<b>Offer permanent contracts</b>	Staff feel secure Increase motivation Better productivity Better customer service	Expensive – long term
<b>Offer temporary Contracts</b>	Lot more flexibility Ability nit to renew contracts if things change Cheaper long term	Provides lack of security Low motivation

	Advantages	Disadvantages
<b>Banning plastic packaging</b>	USP Increase sales with ethically minded shoppers Competitive advantage Increase in market share Better for the environment	Increase variable costs – other packaging may cost more May have to increase selling price

**IT DEPENDS ON**  
What customers needs are, target market, what competitors are doing