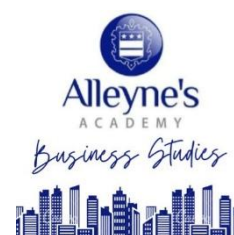


Summer Bridging Project 2026



Subject: Applied General Business

Exam Board: Pearson



Welcome to Applied General Business. We are delighted that you are considering Applied General Business as an option in Year 12. To demonstrate your commitment to the course and to prepare you for September, you must complete the following tasks to the best of your ability. These tasks are compulsory and must be completed prior to your first Business lesson in Year 12. You will then hand them in to one of your Business teachers.

We expect you spend at least 6 hours completing the tasks outlined in this pack. The activities have been designed to help you begin to develop some of the key skills you will need for Applied General Business.

Learning Objectives:

- To develop a basic understanding of the Applied General Business course
- To build on GCSE Business skills, in particular from the Finance module
- To start to construct a marketing campaign that will mirror your exam in Year 12

Contacts for Support:

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Task 1: Developing a Marketing Campaign

As part of Unit 2 on your Applied General Course, you will undertake an external exam where you will be required to complete a marketing campaign under timed conditions, so we thought what better way to get you prepared, than to set you one now!

You will be presented with a piece of research that you need to analyse and from this research (you can also add your own research) you need to type or write up a marketing campaign using the structure attached. The marketing campaign is meant to advise the business which direction their marketing strategy should take in the future.

Please take your time, don't give up and just try your best! We work on this unit from September – April so we are not expecting this to be perfect, this will just give you an idea of what you will doing for Unit 2.

If you have any questions, please email either Miss Newnes or Mrs Chadwick.

Set Task Brief

You have been asked to write a proposal for a marketing campaign for a business called **Decreal Gear**. The business produces and sells sportswear.

The business owners want to **increase revenue**.

You are required to use given research independently to analyse the market for sportswear in the UK.

This research will include primary and secondary data relating to:

- competitors
- market size, share and structure
- target market
- trends
- external influences
- costs
- timescale

Sportswear Market in the UK

By 2023, the market for sportswear in the UK is predicted to achieve a growth of 21%, according to GlobalData. An estimated £6.7 billion is forecast to be spent on sportswear in the UK. The growth in sportswear is likely to be higher than in all other areas of retail.

JD Sports and Sports Direct are the two leading sportswear retailers in the UK, with shops located across the country. In 2020, JD Sports had a £6.1 billion worldwide revenue with Sports Direct achieving £3.9 billion. In addition, Statista report that online purchasing has become more popular, with 55% of people in the UK using the internet to make purchases of clothes, shoes and associated items.

The most popular participation sports in the UK in 2020, according to Statista were:

Sport	Number of participants	Sport	Number of participants
Running	7 million	General fitness	2.2 million
Fitness classes	6.4 million	Football	1.4 million
Gym sessions	4 million	Golf	0.8 million
Exercise machines	3.3 million	Tennis	0.7 million
Hill walking	2.9 million	Boxing	0.6 million
Interval sessions	2.6 million	Badminton	0.6 million
Weight sessions	2.4 million	Rowing	0.4 million
Swimming	2.4 million		

The growth of sportswear was influenced by the COVID-19 pandemic. Many people were spending more time at home as a result of national/local lockdowns and working from home. This resulted in people wearing casual clothing and sportswear worn for leisure more often. This continued post-lockdown, with people being accustomed to wearing sportswear for multi purposes – to exercise, to wear casually during the day and even as part of an evening outfit.

The closure of sports facilities and gyms also changed the way that many people engaged in exercise, with home exercise and outdoor pursuits becoming more popular. The pandemic made people more aware of their health and wellbeing.

Market analyst Kayla Marci stated that in 2020 there was an increase in purchases of sportswear for relaxing or exercising at home, for instance jogging bottoms, t-shirts, hooded sweatshirts and leggings. In the first quarter of 2020 the sales of men's sportswear grew by 18% while women's was up 43% in comparison to the same quarter of 2019. According to Pi Datametrics, the top 10 most popular online searches related to sportswear were loungewear, women's tracksuits, men's tracksuits, running shoes, sports bras, pyjamas for women, joggers, loungewear sets and gym leggings.

In 2020 people became more interested in choosing exercise linked to improving wellbeing to help manage their stress and anxiety. An impact of this was an overall 36% increase year on year in the sale of yoga sportswear, with a 45% increase in yoga-wear for men.

2021 saw an increase in people buying sportswear for the outdoors, with sports jackets and running clothes being very popular. Retailers are stocking 14% more loungewear products in 2021 compared to 2020.

The most popular sports clothing brands in the UK in 2021 were Nike, Adidas, Puma, Reebok, Slazenger, Lacoste and Fred Perry, with a large number of other branded competitors in the sportswear industry. These brands ranged from high street to luxury brands as well as sustainable sportswear businesses such as BAM, Contur, Olly Olly & Co, SOS Activewear and Tala, who use recycled and/or sustainable materials.

Some of the 2021 trends in the sportswear industry were:

- Collaborating with fashion designers. Japanese designer Nigo has designed a range called "Human Wear" for Adidas. Victoria Beckham designs sportswear for Reebok.
- Collaborating with celebrities and influencers. Alo Yoga associates with supermodels Candice Swanepoel and the Hadid sisters. Supermodel Kate Moss and her daughter Lila are fans of PRISM Squared. PE Nation is worn by the Jenners and the Hadids.
- Creating unisex sportswear items which can be worn by either male or female as designed by Spirit Jersey and Zoezi Sport.
- A focus on black and white colours, as favoured by brands such as Kith and Rick Owens, or a focus on pastel colours, used by brands such as FP Movement.
- Using colour blocks in the design, as used by brands like Port De Bras and Outdoor Voices.
- The use of technology such as special fabrics that absorb sweat and odours or 3D knitting.

According to Kayla Marci, the average price of women's sportswear in the UK increased in Spring 2020, in comparison with Spring 2019.

Women's	Spring 2019	Spring 2020	Men's	Spring 2019	Spring 2020
Hooded tops	£60	£68	Hooded tops	£68	£67
Leggings	£53	£61	Leggings	£53	£64
Shorts	£32	£35	Shorts	£39	£39
Jogging bottoms	£55	£57	Jogging bottoms	£62	£62
T-shirts	£28	£29	T-shirts	£31	£30

Retailers offered bigger discounts in Spring 2020 than in the previous year, with average discounts of between 32–42% off the full price.

In 2020, some brands including Nike and Gymshark adapted their marketing messages towards supporting customers through the first Covid-19 lockdown. Nike created a social media campaign called "Play inside, play for the world", encouraging people to stay at home. Nike also gave free access to Nike Training Club apps, with hundreds of home workouts and health advice. Gymshark temporarily changed its brand name on Twitter to Homeshark, to remind everyone to stay at home and continued to build relationships with customers by providing online access to home workouts, healthy recipes and tips to support mental health.

In 2021 sportswear marketing messages have evolved to promote both outdoor exercise and home exercise. Some brands have also used themes of diversity in their advertising. Many brands have introduced a more inclusive range of product sizing and used models of different shapes and sizes to reinforce the message that exercise is for everyone. Brands such as Nike have promoted their maternity range of exercise clothing, using images of heavily pregnant females participating in exercise. Further examples of diversity in sportswear advertising comes from Sweaty Betty's "#RespectYourSweat" campaign, which shows images of a boxer wearing a hijab, sports people with disabilities and an older person on roller skates.

Decreal Gear: Market Research Report

Date: Saturday 25th September 2021

Sample size: 100

Location: City centre

The sample: People aged 17–35 who exercised on average twice a week or more

Summary of questionnaire responses

1 Sex:

Male	Female	Other
52	45	3

2 How often do you exercise on average per week?

2 times per week	3–4 times per week	5–6 times per week	Every day
21	36	34	9

3 What type of exercise do you enjoy (answer as many as relevant)?

Gym/weights (in a gym or at home):	61
Cardio/Exercise classes (in a gym or at home):	30
Yoga/Pilates/Tai Chi	26
Running	36
Cycling	31
Football/Rugby	34
Netball/Hockey/Other team sports	21

4 How much do you spend per year on sportswear (excluding footwear)?

0–£50	£51–£100	£101–£150	£151–£200	£201–£250	£251–£300	£301 +
2	7	14	24	31	13	9

5 How important is branded sportswear?

I rarely buy branded sportswear	I sometimes buy branded sportswear	I often buy sportswear from different brands	I usually buy sportswear from one brand
5	16	45	34

6 Thinking about your favourite sportswear brand, what entices you to purchase that brand (answer all relevant)?

Quality	Price	Fashionable	Celebrity endorsed	Environment factors	Technology enhanced
81	24	71	56	36	67

7 What would enhance your relationship with a brand (answer all relevant)?

Training videos	Fitness trackers	Access to sports experts	Wellness and stress support
67	86	43	34
Loyalty scheme	Discounts	Nutrition advice	Being part of an online community
95	99	23	31

Research on media selection

Decreal Gear has researched the following options for increasing revenue through increased brand awareness and loyalty for their sportswear products.

1 Influencers

- Cost – varies depending on influencer – typically £110 per post.
- Typically generates between 3 000–15 000 new followers per month depending on the influencer.

2 TikTok ads

- Tik Tok has 100 million European users/community,
- TikTok has 3.7 million active users in the UK who engage with the app for an average of 41 minutes a day. This is lower than the global average TikTok user, who spends 52 minutes actively using the app.
- In 2019, 26% of TikTok users were aged 18–24 and 9.3% were 25–34 in the UK, accessing TikTok from smartphones.

3 Google ads: Pay per click – with spend cap

- Monthly budget cap which you can vary month by month.
- Budget of £102 /month will generate estimated clicks or calls of 140–235
- Google ads allows you to do your own demographic targeting, e.g. age, gender, household income, parental status.

4 YouTube

- Allows you to set a budget – daily budget from £6 dependent on exposure needed.
- More than 35.6 million adults in the UK use the platform.
- 35% of the UK population are active users of YouTube.
- 46% of women use YouTube in the UK vs 54% of men.
- YouTube use is growing the fastest amongst Baby Boomers and Gen-X-ers.
- The most active demographic is aged 25–44, accounting for 44% of all users.

5 Trade/consumer fairs

- There are many trade and consumer exhibitions that showcase health and fitness products, some of which are focused on particular areas of fitness, such as weight training, cardio classes, running or yoga.
- International Fitness Showcase – Blackpool
- Elevate – London

- Bodypower Experience – Birmingham
- Run Fit Expo – Liverpool
- National Running Show – Birmingham and Farnborough
- OM Yoga Show – London and Manchester
- A stand at an exhibition in the UK typically costs £300–£350 per square metre, so even a small exhibition stand is likely to cost around £3 000.
- This is a direct route to the UK gym and fitness market – connect directly with hundreds of thousands of consumers, influencers and trade buyers.
- Create brand awareness and showcase your products alongside the latest trends in health and fitness.
- Source fresh leads from an industry guest-list packed full of the leading professionals from across the UK.

6 Print media

- Flyers – A5 premium glossy 1 000 – £30.51; 5 000 – £79.62
- Business cards – 100 from £12.65

7 Billboards

- Billboard rental costs in the UK vary according to the size and location of the billboard. Typically, a standard billboard costs £500–£600 for two weeks and smaller advertising panels like bus stop shelter advertisements cost £240–£270 for two weeks.

8 Other

- Video production – £500 – £10 000
- Animation – from £1 000
- Voice over – from £500
- Motion graphics – from £3 000
- Filming – from £2 000 min
- Stock images/video £500

Part B Set Task Information

UK sportswear market

The UK sportswear market is estimated to be worth £6.7 billion by 2023. This amount represents a growth of nearly 21% between 2018 and 2023. The growth is influenced by three main factors:

- an increase in people doing exercise to get fit
- more people working from home and choosing to wear comfortable sportswear
- the impact of celebrities and influencers being photographed wearing sportswear.

The UK sportswear market is well established. Adidas and Nike dominate the UK market and other well-known brands, including Puma, Lululemon, Gymshark, and Sweaty Betty compete for market share. The market includes a number of independent brands. These brands often focus on a particular target market such as yoga, skate, gym or dance enthusiasts.

Many brands use social media to build customer relationships. Nike has an app that features over 190 different workouts, including gym, yoga and cardio training. Nike also publishes running tips on its website. It offers a progress tracker app with a facility to share achievements with friends. Gymshark features training workouts and nutritional advice from influencers and bloggers on its social media platforms. Gymshark also provides information about mental health and wellbeing to support customers.

Around two thirds of sportswear consumers exercise several times a week. Brands typically launch new products linked to the staging of major sporting events. There is usually a short-term increase in the level of exercise during and after those events.

Sportswear brands sometimes partner with fashion designers or celebrities to extend their product lines. Nike collaborated with four leading female designers to create a range of football inspired sportswear for the 2019 FIFA Women's World Cup. Adidas has a lifetime sponsorship deal with footballer Lionel Messi. It offers a range of competitively priced sportswear featuring the Messi brand.

Most major sportswear brands sell through retail outlets. They also sell online via their own websites and through other websites such as Amazon. The amount of online sales as a percentage of total sales has continued to rise in recent times. Smaller independent brands often sell directly to customers online. Some also sell through online clothing retailers.

Figure 1 shows the average price of sportswear.

Product	Average price Spring 2020	Average price Spring 2019
Hoodies	£68	£60
Sports leggings	£61	£53
Joggers	£57	£55
Shorts	£35	£32
T-shirts	£29	£28

Figure 1

Sportswear brands offered discounts of an average of 38% off products in April 2020. Many sportswear brands offer discounts to students, apprentices, fitness industry workers and other key customers. Some brands offer discounts on the first purchase. Other brands provide a customer loyalty scheme collecting points that can be used to obtain a discount on future purchases.

Decreal Gear

Decreal Gear is an independent sportswear company that designs and makes its own products.

Figure 2 shows the price range of different products for *Decreal Gear* in Spring 2020.

Product	Price Spring 2020
Hoodies	£40–£50
Sports leggings	£25–£45
Joggers	£30–£45
Shorts	£20–£35
T-shirts	£15–£30

Figure 2

Decreal Gear has an excellent reputation for quality and its clothing range is stylish. The company collaborates with a number of graduate designers.

Decreal Gear sells exclusively through its own website. It aims to deliver within 48 hours. Delivery is free and customers can also return items free of charge if they are not happy with them.

Research undertaken by *Decreal Gear* suggests that its customers are mainly fitness enthusiasts, aged 25–35. A few customers are fitness influencers in the UK, with their own YouTube and Instagram accounts. Despite this popularity amongst fitness enthusiasts and influencers, sales revenues at *Decreal Gear* have not grown over the past three years.

Increasing revenue

The owners of *Decreal Gear* want to increase revenue through increased brand awareness and loyalty. They want to build relationships with their existing customers. They believe that the trend for staying healthy and wearing sportswear for exercise and everyday use will continue. They want to increase sales from existing customers by encouraging them to interact with the company's social media platforms. They also want to attract more new customers.

The owners of *Decreal Gear* are considering two options to help them achieve their goals.

EITHER

1. To create content for social media to provide information about fitness, training programmes and other useful advice.

OR

2. To introduce a loyalty scheme for existing and new customers.

The marketing budget for the campaign is £20 000. The campaign should run for thirty weeks.

What is sportswear?

Clothing worn for sport or physical activities or casual indoor or outdoor use.

From the information above, you need to choose either Option 1 or 2 to help Decreal Gear increase their revenue. Note the budget you have (£20,000) and the time scale, you will need to use this information in your marketing campaign. You should end up with 2 parts; Activity A and B which both need submitting to your teacher when you return to Sixth Form in September.

HELP SHEET

Structure for Activity 1:

You should use the following headings and follow the help provided. Remember you also need analysis and to discuss the impact on Decreal Gear throughout.

Introduction- *"In this marketing campaign I am going to be conducting rationale for Decreal Gear. They want to increase their revenue through brand awareness and customer loyalty."*
You then could include some statistics from the research above about how they may be struggling in what is quite a saturated market.

Marketing Aims & Objectives- Discuss SMART aims and objectives, what they are and why Decreal Gear need to have them. You should then suggest 3 objectives that Decreal Gear could set to help them increase revenue- *remember they need to be SMART!*

Market Research- Discuss the primary and secondary research you have been given above. The primary research is in the tables under the heading Market Research report and the secondary information is throughout. Use the following headings to separate your secondary research:

- **Market Size and Structure**
- **Trends**
- **Competitors**

PESTLE Analysis- Discuss what a PESTLE analysis is. You then need to discuss each factor of a PESTLE in detail (political, economic, social, technological, legislation, environmental- how do these affect Decreal Gear?) You can pick these out from the information given above or use your own knowledge.

SWOT Analysis- Discuss what a SWOT analysis is. You then need to discuss the strengths, weaknesses, opportunities and threats towards Decreal Gear- remember strengths and weaknesses are INTERNAL and opportunities and threats are EXTERNAL

Structure for Activity 2

The Marketing Mix-

Marketing Message- What message is your campaign aiming to deliver? Think the message must be constant and aimed at whichever option you chose. You need to create a marketing message for Decreal Gear, based on whether you've chosen Option 1 or Option 2 from above.

Product: you need to discuss that the product is gym wear, what do they currently sell? Could they expand their product portfolio?

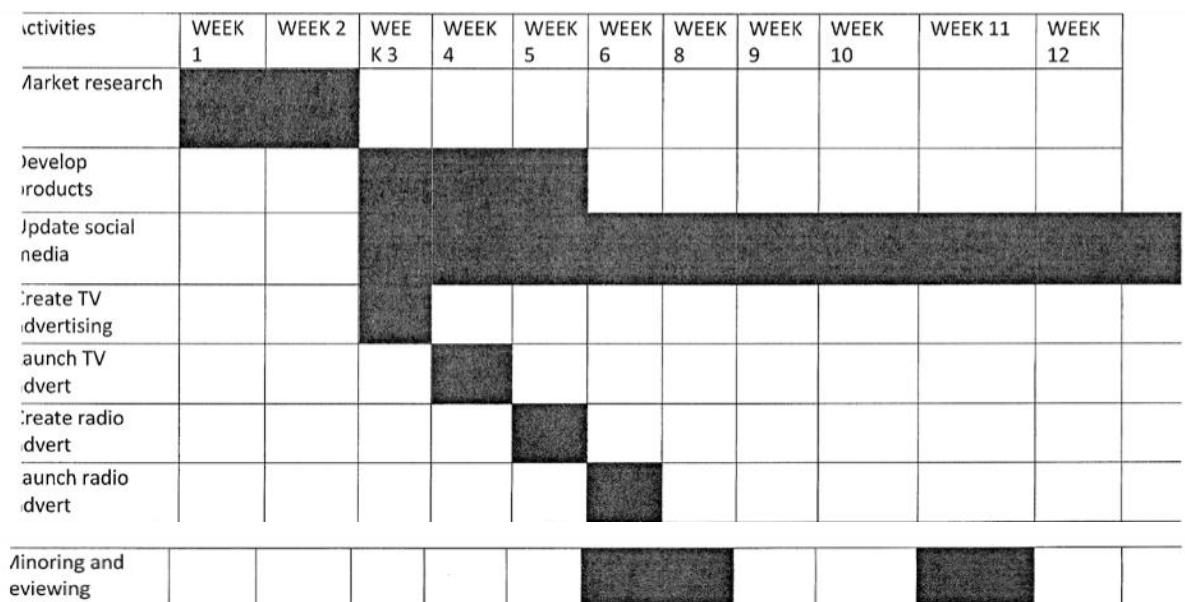
Price: How much are the products from Decreal Gear? How do they compare with competitors? Could you suggest a pricing strategy that Decreal Gear could use?

Place: Discuss where Decreal Gear currently sell their products from, offer alternatives such as e-commerce and m-commerce.

Promotion: Discuss different types of promotion Decreal Gear could use (from the list given at the end of the information you've been provided with).

Selection of Media & Campaign budget- You need to state the campaign budget is £20,000 and must last 30 weeks. This is where you will suggest appropriate media that Decreal Gear can use. You need to include costs and how you are spending the £20,000 budget. You then need to explain WHY you have chosen these particular methods.

Gantt Chart- You need to explain what a gantt chart is and why you would use one. This is an example of one below, but yours needs to relate to your campaign and how you have chosen to spend the budget.



The highlighted boxes show when you will use each different piece of media throughout the time of your campaign.

You have now completed a marketing campaign- well done 😊 Save your work and get it printed or emailed to Miss Newnes (c.newnes@alleynes.staffs.sch.uk) when you start sixth form in September.

Task 2: Personal and Business Finance

As part of Unit 3 on your Applied General Course, you will undertake an external exam about Personal and Business Finance. Some of this will be a cross over with your GCSE course, however most of it will be brand new information that will help you with life skills.

The questions below are taken from a past exam paper. Please answer all questions. You may find it beneficial to use GCSE structure: PeCAn and AJIM.

Taylor is 30 years old and has just bought her first property. She has a £150 000 mortgage but no other debts. Taylor wants to renovate the property and sell it in two years' time. Taylor will need to purchase decorating materials and new bathroom equipment for her property. She estimates that this will cost her £2 500. She has £500 in her savings account. She is wondering whether to save up the money for the renovations, or to borrow from a bank.

- 5 Discuss whether Taylor should save her own money for the renovations or borrow from a bank.

(6)

This image shows a full page of white paper with horizontal blue dashed lines, typical of primary school writing paper. The lines are evenly spaced and run across the entire width of the page. There are no margins, text, or other markings present.

9 State **two** outflows that could be recorded in a cash flow forecast.

1

.....

2

.....

(Total for Question 9 = 2 marks)

Kai owns a business called *Hole in One* that makes and sells high quality doughnuts throughout the UK.

Kai is introducing a new premium product to his range called *The Good One*. *The Good One* will be gluten free, lactose free and vegan. Kai knows that the specialist ingredients for this will be twice as expensive as for his current range. He will also need to invest in a separate production line to prevent cross-contamination of allergens. This investment will increase his fixed costs as he intends to lease the new production line.

Kai has estimated the following figures for *The Good One*:

- variable costs £2 per box
- selling price £5 per box.

He estimates he will sell 1 100 boxes of doughnuts per month in his first year of trading.

10 (a) Complete the table below.

(2)

Quantity (boxes)	0	500	1 000	1 500
Fixed costs (£)	1 200	1 200	1 200	1 200
Total variable costs (£)	0	1 000	2 000	(ii)
Total costs (£)	1 200	2 200	3 200	4 200
Total revenue (£)	0	(i)	5 000	7 500

(b) Use the figures in 10(a) to complete the break-even chart by **plotting** and **labelling** the following:

- Total revenue
- Fixed costs
- Total costs
- Break-even point.

(4)

Break-even chart for *The Good One*

