

## Advance Information for Summer 2022

### GCSE (9-1)

### Business

### J204

We have produced this advance information to help support teachers and students with revision for the Summer 2022 examinations.

#### Information

- This notice covers all examined components.
- There are no restrictions on who can use this notice.
  1. You are **not** permitted to take this notice into the exam.
  2. This document has **5** pages.

#### Advice

- Students and teachers should consider how to focus their revision of other parts of the specification, for example to review whether other topics may provide knowledge which helps your understanding in relation to the areas being tested in 2022.
- Students and teachers can discuss this advance information.
- The information is presented in specification order and not in question order.

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## J204/01 Business 1: business activity, marketing and people

The following areas of content are suggested as key areas of focus for revision and final preparation, in relation to the Summer 2022 examinations.

The aim should still be to cover all specification content in teaching and learning.

### 1. Business activity

Topic	Content
1.1 The role of business enterprise and entrepreneurship	<ul style="list-style-type: none"> <li>Characteristics of an entrepreneur</li> </ul>
1.2 Business planning	<ul style="list-style-type: none"> <li>The role, importance and usefulness of a business plan</li> </ul>
1.3 Business ownership	<ul style="list-style-type: none"> <li>The features of different types of business ownership</li> </ul>
1.4 Business aims and objectives	<ul style="list-style-type: none"> <li>The aims and objectives of business</li> <li>How and why objectives might change as businesses evolve</li> </ul>
1.5 Stakeholders in business	<ul style="list-style-type: none"> <li>The role and objectives of internal and external stakeholder groups</li> <li>The effect business activity has on stakeholders</li> </ul>
1.6 Business growth	<ul style="list-style-type: none"> <li>Organic growth</li> <li>External growth</li> </ul>

### 2. Marketing

Topic	Content
2.2 Market research	<ul style="list-style-type: none"> <li>The purpose of market research</li> <li>Primary research methods</li> <li>How appropriate different methods and sources of market research are for different business purposes</li> <li>The use and interpretation of qualitative and quantitative data in market research</li> </ul>
2.3 Market segmentation	<ul style="list-style-type: none"> <li>The use of segmentation to target customers</li> </ul>
2.4 The marketing mix	<ul style="list-style-type: none"> <li>Product</li> <li>Product - stages of the product life cycle</li> <li>Pricing methods</li> <li>Promotion – advertising</li> <li>The use of the marketing mix to inform and implement business decisions</li> </ul>

### 3. People

Topic	Content
<b>3.1</b> The role of human resources	<ul style="list-style-type: none"> <li>• The purpose of human resources in business</li> </ul>
<b>3.2</b> Organisational structures and different ways of working	<ul style="list-style-type: none"> <li>• Why businesses have different organisational structures</li> </ul>
<b>3.3</b> Communication in business	<ul style="list-style-type: none"> <li>• The importance of business communications</li> <li>• The influence of digital communication on business activity</li> </ul>
<b>3.4</b> Recruitment and selection	<ul style="list-style-type: none"> <li>• Why businesses recruit</li> <li>• Methods of selection</li> </ul>
<b>3.5</b> Motivation and retention	<ul style="list-style-type: none"> <li>• Financial methods of motivation</li> <li>• The importance of employee motivation</li> </ul>
<b>3.6</b> Training and development	<ul style="list-style-type: none"> <li>• Different training methods</li> <li>• Why businesses train their workers</li> <li>• Staff development</li> <li>• The benefits to employees and businesses of staff development</li> </ul>
<b>3.7</b> Employment law	<ul style="list-style-type: none"> <li>• The impact of current legislation on recruitment and employment</li> </ul>

## J204/02 Business 2: operations, finance and influences on business

The following areas of content are suggested as key areas of focus for revision and final preparation, in relation to the Summer 2022 examinations.

The aim should still be to cover all specification content in teaching and learning.

Students will be expected to draw on knowledge, skills and understanding from across the specification when responding to synoptic questions

### 4. Operations

Topic	Content
4.1 Production processes	<ul style="list-style-type: none"> <li>Different production processes and their impact on businesses</li> <li>The influence of technology on production and the impact on businesses</li> </ul>
4.2 Quality of goods and services	<ul style="list-style-type: none"> <li>Methods of ensuring quality</li> <li>The importance of quality in both the production of goods and the provision of services</li> </ul>
4.3 The sales process and customer service	<ul style="list-style-type: none"> <li>Methods of selling</li> <li>The contribution of product knowledge and customer engagement to good customer service</li> </ul>
4.4 Consumer law	<ul style="list-style-type: none"> <li>The impact of consumer law on businesses</li> </ul>
4.5 Business location	<ul style="list-style-type: none"> <li>Factors influencing business location</li> </ul>
4.6 Working with suppliers	<ul style="list-style-type: none"> <li>The impact of logistical and supply decisions on businesses</li> </ul>

### 5. Finance

Topic	Content
5.1 The role of the finance function	<ul style="list-style-type: none"> <li>The influence of the finance function on business activity</li> </ul>
5.2 Sources of finance	<ul style="list-style-type: none"> <li>Ways of raising finance</li> </ul>
5.3 Revenue, costs, profit and loss	<ul style="list-style-type: none"> <li>The concept of revenue, costs and profit and loss in business and their importance in business decision-making</li> <li>The different costs in operating a business</li> <li>Calculation of costs and revenue</li> <li>Calculation of profit/loss</li> <li>Calculation and interpretation of profitability ratios</li> <li>Calculation and interpretation of average rate of return</li> </ul>
5.4 Break-even	<ul style="list-style-type: none"> <li>Simple calculation of break-even quantity</li> <li>The usefulness of break-even in business decision-making</li> </ul>
5.5 Cash and cash flow	<ul style="list-style-type: none"> <li>The difference between cash and profit</li> <li>Completion of cash flow forecasts</li> </ul>

## 6. Influences on business

Topic	Content
6.1 Ethical and environmental considerations	<ul style="list-style-type: none"> <li>Ethical considerations and their impact on businesses</li> <li>Environmental considerations and their impact on businesses</li> </ul>
6.2 The economic climate	<ul style="list-style-type: none"> <li>The economic climate and its impact on businesses</li> </ul>
6.3 Globalisation	<ul style="list-style-type: none"> <li>The concept of globalisation</li> <li>The impact of globalisation on businesses</li> </ul>

## 7. The interdependent nature of business

Content
<ul style="list-style-type: none"> <li>the interdependent nature of business operations, finance, marketing and human resources within a business context</li> <li>the impact of risk and reward on business activity</li> <li>the use of financial information in measuring and understanding business performance and decision</li> </ul>

## Quantitative skills

All quantitative skills listed in the specification will be covered in the 2022 exams, with the exception of:

- (calculation of) gross profit margin and net profit margin ratios

Therefore the following skills are all covered:

### Calculation

- Percentages and percentage changes
- Averages
- Revenue, costs and profit
- Average rate of return
- Cash flow forecasts, including total costs, total revenue and net cash flow

### Interpretation

- Information from graphs and charts
- Profitability ratios (gross profit margin and net profit margin)
- Financial data, including profit and loss, average rate of return and cash flow forecasts
- Marketing data, including market research data
- Market data, including market share, changes in costs and changes in prices

## END OF ADVANCE INFORMATION

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