

## **TASK 1: Overview (P2)**

### **Introduction**

This assignment aims to look at three different sectors such as primary, secondary and tertiary. I will also describe the activities of five different organisations in the three sectors. I will begin with a simple definition for each of these sectors and will then introduce five companies to demonstrate the differences.

My line manager suggests that it is important to be able to show how any one business relates to the broader context. The main classification of businesses is into the primary, secondary and tertiary sectors: I should choose five different organisations covering these sectors and for each one:

- a) Describe its main activities (what does it make, do, sell or provide?).
- b) Explain which sector it is in and why.

Primary, secondary and tertiary are sectors in the businesses. A definition of each sector is given below:-

#### **Primary sector:-**

This sector is the first stage which involves businesses that are involved in producing raw materials, businesses such as farming, quarrying and mining.

#### **Secondary sectors:-**

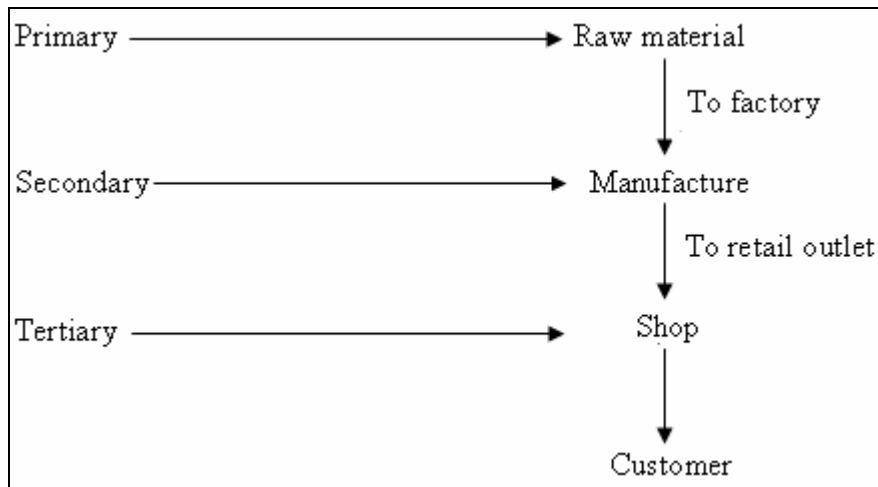
This sector is made up of businesses that manufactures / construct goods (make finished goods). For example, milk is turned into cheese and yogurt.

### Tertiary sector:-

This sector includes all businesses that provide a service to a business or to individuals.

This is the largest sector of production.

All these sectors are linked as a sequence of production. The chain of production diagram is shown below to create a better understanding:-



The five companies that I am going to choose are:-

From the primary:-

UK Coal.

Secondary:-

Nestle and Toyota.

Tertiary:-

Amazon and BT.

I will also describe its activities and explain which sector these companies are in and why:-

UK Coal:-

UK Coal is in the primary sector because it extracts coal. UK coal has 7 deep mines located in Central and Northern England with large reserves and employs 4,200 people. It has 5 active surface mine sites and a large land bank of prospective sites. They provide energy for electricity generation.

NESTLE:-

Nestle is in the secondary sector because they manufacture foods. They have factories in Hayes, and other factories in Swiss, France.

Nestle manufactures coffee, chocolate, pet food, drinks, cereals. Some examples of their product are:-

NESCAFE, SMARTIES, KITKAT, NESQUIK, VETTEL.

Toyota:-

Toyota is in the secondary sector because they manufacture cars. They have a large market share in the United States and Europe. It has significant market shares in several fast-growing south-east Asian countries. The company produces a large range of vehicles which are generally highly regarded for their quality, engineering, and value; their designs set global standards for safety, reliability and ease of maintenance. They also produce other cars, including the Camry, Corolla, and the Sequoia.

Amazon:-

This is in the tertiary sector because it provides a service. They sell books, computers, mobile phones, camras, DVD's, software and many more. Amazon is a website where people have access to order what they want from the ranges that Amazon provides.

#### BT:-

This is in the tertiary sector because it provides a service. In these services they provide home and business phone services, they also provide products such as phones. BT also have global services like worldwide business solutions and services. They also provide broadband and dial up internet and network services.

#### **How sectors sizes have changed in UK:-**

Changes is measured in two ways by the employment and by the output (value of goods produced).

Below there is a chart to show the difference in each sector.

	Primary	Secondary	Tertiary
1993	2.2%	24%	73.8%
1998	2.0%	23%	75.0%
2000	1.7%	21.8%	76.5%
2003	1.4%	19.9%	78.7%

Source: BTEC First business book.

This chart shows the employment rate; looking at this chart I can say that the demand for tertiary has increased every year. But in primary very few are employed and secondary even fewer are employed this is so because products are manufactured from outside the UK. Employment in the primary sector is falling partly due to automation. By the word automation I mean production is done completely by machine. Employment in the secondary sector is falling.

	Primary	Secondar	Tertiary
--	---------	----------	----------

		y	
1993	4.1%	28.9%	67.0%
1998	4.0%	28.7%	67.3%
2000	3.5%	26.5%	70.0%
2003	3.1%	22.5%	74.4%

Source: BTEC First business book.

This chart shows the output rate; we can see that the output is falling in the primary sector but falling less than employment. In secondary sector the output is also falling but in tertiary the output is increasing each year because of its activities.

Overall the tertiary sector increases because this sector includes:-

Wholesales and retailers, consumers buy everyday products and people are in need of wholesales and retailers.

Hotel and restaurants, type of entertainment people go out to enjoy them selves.

Transport, storage and communication firms

Financial services

Real estates and business activity

Employment and output is increasing every year.