

## **Activity 1a Business Activities, Aims and Objectives**

The two businesses that I will compare are:  
Richer Sounds and UKwebco

Richer Sounds size and scale of their business is national, the number of their employees are 403(2009).  
There are 6 key people.

Ukwebco size and scale of their business is local, international and national.  
The number of their employees is 30.  
Their customers are HSBC, Toyota, Harsco track technologies through significant high street and online retailers including Linens Direct, walls, floors and handle store.

Richer Sounds is a public sector and the sector is increasing.  
For the past 20+ years this store has been featured in the Guinness Book of any retail outlet in the world.

Ukwebco is a private sector. This sector is increasing, because for years they have perfected their expertise in designing and managing successful web solutions. They use this expertise to deliver, increased efficiencies for their clients.

The types of activities that are carried out by Richer Sounds are:

- Hifi separates
- Home cinema equipment
- Plasma and LCD screen TVs
- DVD and Mp3 player
- Amplifiers and speakers
- DJ gear and other type of related accessories

The types of activities that are carried out by Ukwebco are:

- Web design and development
- Marketing and Business qualifications
- Ecommerce solutions
- Content management systems
- Flash animation and illustration
- CRM
- Document management and Internal
- Internal systems management and IT

In the past Richer Sounds had attempted to diversify selling telephones, musical equipment and even videos but too bad unfortunately none of these were successful so today they stick to what they are good at.

Ukwebco started their own business in their houses but they had lots of customers so they had to go into an office.

Richer sounds don't expect to change his business in size because his business is already very big. But Ukwebco expect to change in size because the business is growing and they have lots of customers so they need a bigger office.

Richer Sounds main aim is to keep moving their business forward, so their aim is to:

- Provide second to none service and value for money for their customers.
- Provide themselves with secure well paid jobs working in a stimulating and equal opportunities environment.
- Be profitable to ensure their long term growth and survival.

Ukwebco main aim is to:

- Make a profit
- Make sure that their business is working well

To achieve these aims Richer Sounds will change the way they try to achieve their aim, so they will:

- Review and change their product line to ensure that their customers receive value for money.
- They are trying to improve the way they operate with changes in technology, new product developments.
- They will change customers' needs and economic changes.

To achieve these aims Ukwebco wants to work with existing clients.

Richer Sounds has some business competitor so to be the best they want to offer their customers the best value possible and the best customer service so each store has to check the prices of their competitors in their area and fax a weekly competition checklist to purchasing.

## The economics changes that affect Richer Sounds

Richer Sounds prefer interest rate to be as low as possible.

This is because of the following reasons:

- The bank charges are cheaper for their overdraft.
- Customers usually have more money to spend on electronic goods, because they are paying less for mortgages and other essential items.
- Customers may be prepared to spend more to buy better quality goods and may use their credit card to do this, if the interest charged would be less.

An increase in interest rates can therefore cause problems. So they have to sell more goods to cover their own increased charges for their overdraft.

Changing prices will affect them too, because if their supplier's prices increase then they will have to shop around to find better deals.

Richer Sounds is affected by changes in exchange rates because they buy a large amount of their stock abroad.

If the number of competitors increased within the market/sector this can affect their aims and objectives so they will have to:

- Minimise errors
- Maximise Productivity
- Reduce prices
- Offer better deals
- Provide a better service

But, if they have less competitors they can:

- Put up prices
- Open a second shop
- Increase the size of their shop
- Develop the lines that they are selling