

Examining different types of business ownership

[Business](#)



Radiant hair and beauty is my local hairdressers. Their aim is to sell good quality hair and beauty products which they have bought from other companies to their customers who live locally. They also give hair, nail and skin treatments to their customers. One purpose is to increase the amount of sales so they give lots of discounts and free products to make customers come back and tell their friends about them. As they exist also to make a profit so that their business can carry on and give their customers the quality of services they give to their customers and so that they can carry on buying products from other companies.

Another purpose is to advertise the shop- they have a website and they are on have reviews written about their services- this is so that they can increase the number of customers . One purpose of Radiant hair and beauty is to improve the quality of the products and services they give to their customers. The advantage of being a sole trader for Radiant hair and beauty is that all profits go to the owner of Radiant hair and beauty because they employ about 3 people because they don't have to pay their employees a lot of money.

Another advantage is that all decisions made by the owner of Radiant hair and beauty - they can choose to do what they want, when they want because there are very few people (the employees etc.) to oppose the owners ideas. On advantage is that the owner of Radiant hair and beauty works when they want to - they can open when they want, they can choose not to come to work if they don't want to and there is no-one to tell them off because there is no-one higher in the business than the owner.

The owner of Radiant hair and beauty can hire and fire at their own free will so if they don't want some-one in their business, they have the power to sack them. The disadvantages of being a sole trader for Radiant hair and beauty is that business at all times - fails to continue when owner dies- this means that they have to be completely devoted to the business - they often can't have holidays or have breaks and often when the owner dies and no-one wants to take over the business, Radiant hair and beauty would not continue.

One of the advantages was you could make your own decisions but that can also be a disadvantage because you are responsible for your actions so you are responsible for all your decisions , you have unlimited liability. Size Radiant Hair and Beauty is a micro sized business because they only employ 1-5 people and the owner doesn't need many employees because he or she knows that they only have a limited number of customers because only local people go there. It is not an international business, it is only in Bermondsey. Scale

Radiant Hair and Beauty is a local business because there is only one shop and that is in one area- Bermondsey. Partnership A partnership is a company that is run by 2 to 20 people who all share the profits and losses, usually equally. In a partnership the owners work together on their business. A partnership is a type of joint investment. There is a deed of partnership which states how the profits and losses will be shared etc. It is easier to set up a partnership than to set up a sole trader business. Most partnerships are small and employ few people but some like D; G are large and employ a lot of people.

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Deed of Partnership A deed of partnership is legally binding documents which all the people involved agree to. It provides information on how the business operates and it states how profit and losses will be shared. It provides information on how much capital each partner contributed.

Advantages of being a Partnership Disadvantages of being a Partnership

Joint Investment Other partner/s might not compromise Business continues in unfortunate circumstances If you fall out then the business won't go well

More connections

You earn less money (share profits) More free time for owners Decisions take longer You share debts Conflict of interest Various ideas/personalities Partner might get greedy Company You might not want to compromise You divide working hours Unlimited Liability You can get out of debt quicker

Disagreements Business Purposes The purpose of Ben & Jerry's partnership is to make a profit from selling high quality ice creams, sundaes and drinks. They became a partnership because they were lifelong friends and they both wanted to do the same thing.

One of Ben ; Jerry purposes is to increase the amount of customers and they do this by giving out free ice creams once a year every year. Lots of people come to the shop for free ice cream and, Ben and Jerry hope, that they will like the ice cream so much that they will come back and PAY for the ice cream. Another purpose to increase the amount of sales- this is linked to increasing the number of customers but they also want their existing customers to buy more so they set lots of deals like buy 1 get one free etc.

One of their other purposes is to advertise their shop so they have their own website and they put up posters on buses and around the world, they also run adverts on TV. They have recently made some hot air balloons with the Ben and Jerry logo on them and one in the shape of an ice cream cone. This created a lot of publicity and increases their customer base. Another of their purposes is to make more profit so that they can increase the quality and the amount of flavours of the ice cream they produce. This in turn will increase the number of customers because the quality is better.

Another purpose is to be better than their competitors such as Magnum, Cornetto, Walls, and TuttiFrutti etc. The advantages of Ben and Jerry's being a partnership is various ideas/personalities this means that if Ben had a business by himself then he wouldn't have all the ideas for different flavours of ice cream, advertising ideas and ideas on how to run the business that Jerry would have had- basically the business has benefited from the ideas Jerry has had- which Ben couldn't have had on his own. More connections are another advantage because Ben might know someone who might invest in them making drinks etc.

and Jerry might not have known this person. Another advantage is they divide working hours which is good because they feel less overworked and don't feel pressurised etc because if they did the business might not run as smoothly as they want it to. The disadvantage of Ben and Jerry's being a partnership is Conflict of interest this means that Ben might want to do something which might, in reality make a lot of profit but Jerry doesn't like it Ben might have to back down - and this causes the business to lose profit.

If Ben had been a sole trader he could have carried on with his plan and made a lot of profit. Another disadvantage is that they share profit which means that if Jerry wasn't in a partnership he could be making double that amount of money he is now. This might cause disagreement between the two because Jerry might want to earn more money and Ben is getting in the way of him doing so. Size Ben and Jerry is a large business because they employ 2782738918 people.

They need this many employees because they have lots of stores worldwide and they have employees all over the world. They make lots of profit-their business is worth around 326 million. They also have lots of customers. Scale Ben and Jerry's is a global business because they have shops all over the world and their products are in most superstores all over the world but they are mostly in the USA, Europe and Asia.