

Constraints, aims and objectives of businesses

[Business](#)



An aim is what a business wants to achieve, a business might expand, to make a big profit, the business might aim to survive. An objective is an aim to work towards to. If a business wants to expand it might do this by employing more staff, to introduce new products and market . Another objective might be to make a big a profit as possible, this can be done by increasing their sales by producing new products and starting up promotions such as competitions.

The general aims of Top Marques is to make a big amount of profit as possible. Top Marques can do this by introducing new sports clothes and products, minority sports, such as basketball, hockey, water sports and gliding. This will increase sales as there will be more choice for the consumer.

Top Marques can also increase its profit by introducing promotions such as competitions e. g the competition might be that if a person buys anything from their shop they have the chance to win 100 to spend at Top Marques but it might be 1 in a 1000 chance so that means that every 1 item out of a 1000 will be the winning item, this will increase sales as consumers will be attracted to Top Marques as of the competiton.

It does not matter that they have to give 100 to every winner as the chances of winning is low but sales profit is very high, so even if they lose 100 they make a huge profit wich makes no different to if they lose the 100 or keep it. Survival is very important for a new business, because this is the only way a business can continue to go on and be successful.

When a business is having problems such as when the interest rates are very high this can be a problem when borrowing money as the business will have to pay back more than they borrowed and at times like these the business will be most concerned with survival than anything else. A business must survive if it wants to keep on going. A business might try to solve the problem by lowering prices there are more sales although the profit is smaller on each item sold in order to survive.

Top Marques can have a problem when there is new competitor on the market, there are a number of reasons for this, the new business might advertise better, more choice for the consumer, lower prices, promotion e. g vouchers, competitions. A business may aim to expand their business, there are a number of advantages for this, more profit, new products, obtain cost advantages called economies of scale which means buying in bulk at a cheaper price, a good example of this is a multipack of 24 coke cans each costing 25p which is half of the recommended retail price at 50p. Employing more workers can expand the business. Read about Waitrose aims and objectives

Top Marques can expand their business by producing a new range of sports clothes and products for minority sports, sales will increase as there is more choice for the consumer. More workers can be employed to produce more products, as the company grows more people will start to invest in it, its market share will increase as the market share increases the company will further expand and can open up in different locations. The objectives of the marketing department are to examine the current market, what do

consumers want these are things that are not available on the market or are old.

Identify needs of the customer, the product should be something that a customer wants. Products should be of good quality and satisfy the customers needs, the product should be of a high quality, it should not break easily under normal use, last long a time, the product needs to look good and attractive. Top Marques can introduce new types of sports wear like basketball, hockey, water sports etc which are minority sports to consumers which might not be widely available on the market, the products can be of a very high quality and make them look popular, expensive and attractive.

Top Marques can research the market, they can show their product to people on the street and ask for their opinions, survey different age groups to take their opinion too. If these aims and objectives are achieved, there will be more sales as the new products have been successful and the market research went well, the company will make a higher profit because of the sales, more people invest in to the company so their market share increases, the company would have survived as it is now running successfully and making a profit.

A constraint is when a business has a problem it can inside the business or outside the business. Internal constraint is a problem inside the company e. g there isn't enough time for the company to do something, the company might have enough money to buy the raw materials, the equipment isn't available, staff skills are lacking. External constraints are constraints outside the business, these can be problems like consumer preferences, the consumer

may prefer different products, advertising laws may be a constraint as certain advertising can only be advertised at a certain time.

Consumer laws, products must meet satisfactory result and should be tested before it is sold, the consumer can return the product showing a receipt. There might be another company selling the same things such as a sports shop competing against Top Marques, the new sports shop may have more products, lower prices. Top Marques has an internal constraint, it needs more knowledge of the market by researching the market and finding out about people's opinions, this is important as the consumer is the one buying the products, it needs to know more about the current market and find out what are the needs of the customer.

New staff skills must be introduced as the company is going to start producing clothes and products for minority sports, staff will have to be trained but there is another constraint as the company might not have the time to do this. The external constraints can be customer preferences, the company might not like the products, the company must research to get a knowledge of the market.

Top Marques heavily depends on topical sporting events such as the world cup where sales are very high and a lot of profit is made, a big external constraint is the world crisis about the terrorist attack in New York, two planes were hijacked and crashed into the World Trade Center which has led to problems for many flights, a problem which might arise is the world cup being cancelled which will be a big loss for Top Marques, the company might lose all its shares, it might go bankrupt.