

Which coffee supplier for the Corner Cafe?

Student tasks | Original TBS lesson for GCSE Business (AQA 8132 content, section 3.3.2 The role of procurement)

The Corner Cafe is a small independent cafe known for good coffee. Its customers pay £3.20 for a cup. The owner, Priya, must choose a new supplier of coffee beans. Use the figures to compare the three suppliers, then recommend one.

Before you start you should know: procurement means finding and buying the supplies a business needs. Just in time (JIT) means ordering small amounts often so little stock is held. Just in case (JIC) means keeping spare stock in case of delays or extra demand. You need a calculator. This is original classroom practice, not an exam paper. The cafe, the suppliers and every figure are fictional.

The three suppliers

	Supplier X	Supplier Y	Supplier Z
Price per kg of beans	£14.00	£16.50	£12.50
Deliveries on time (last 50)	47	49	40
Taste test score (out of 10)	6	9	5
How often it delivers	Once a week	Twice a week	Once every 4 weeks
Smallest order	One week's beans	Half a week's beans	80 kg

The cafe sells 1,600 cups of coffee a week. Each cup uses 12.5 grams of beans. Its dry store holds 50 kg of beans. Renting extra storage would cost £15 a week. Beans taste best within 4 weeks of roasting.

Starter: which word?

Match each description to procurement, JIT or JIC.

Description	Word
(i) Keeping extra stock in case of problems	
(ii) Finding and buying the supplies a business needs	
(iii) Ordering small amounts often, so little stock is held	

Task 1: what does it cost?

The cafe sells 1,600 cups a week and each cup uses 12.5 grams of beans. Prices per kg: Supplier X £14.00, Supplier Y £16.50, Supplier Z £12.50.

a. How many kilograms of beans does the cafe use each week? Show your working.

b. Complete the table. Weekly cost = kilograms per week x price per kg. Cost per cup = weekly cost / 1,600, in pence to one decimal place.

	Supplier X	Supplier Y	Supplier Z
Weekly cost (£)			
Cost per cup (pence)			

Working space:

Task 2: how reliable?

a. Of their last 50 deliveries, Supplier X made 47 on time, Supplier Y 49 and Supplier Z 40. Calculate the percentage on time for each supplier.

b. Explain one problem the cafe could face if its coffee beans arrive late.

Task 3: just in time or just in case?

Supplier Z only delivers once every 4 weeks, with a smallest order of 80 kg. The cafe uses 20 kg of beans a week, its dry store holds 50 kg, and renting extra storage costs £15 a week. Supplier Z's beans cost £250 a week.

a. How many weeks of beans is 80 kg? Will 80 kg fit in the cafe's dry store?

b. If Priya rents extra storage, what is Supplier Z's weekly cost including storage?

c. Supplier Y delivers twice a week, so the cafe would use just in time. Give one benefit and one risk of just in time for the cafe.

Task 3: just in time or just in case? (continued)

d. With Supplier X, Priya could keep 10 kg of spare beans in the store just in case a delivery is late. Give one benefit and one cost of keeping this spare stock.

Task 4: what matters most? (pairs)

With a partner, rank price, quality and reliability from 1 (most important for the Corner Cafe) to 3. Give a reason for your first choice that uses a fact about the cafe.

Factor	Rank (1 to 3)
Price	
Quality	
Reliability	

Reason for our first choice:

Task 5: recommend

Write about 80 words recommending Supplier X, Y or Z to Priya. Use at least two figures from your answers. Explain why the supplier's strength matters more than its weakness for this cafe.

Exit ticket

a. What is procurement?

b. A supplier made 18 of its last 20 deliveries on time. Calculate the percentage on time.
