offices, police, schools/colleges, the Army, the DWP, etc, in order to beat competition and win over contracts. These agencies will be influenced to work with PC World due to how good they have delivered on their NHS contract. Extensive business like this can lead to PC World purchasing more with their profits and using more of their staff, but can give them the opportunity to increase the size of their companies, leaving multiple PC World’s to have separate contracts, widening their franchise, sales, location and profits.

- This contract with the NHS can lead PC World into spreading their business through other business customers. The money from these would increase their gross profit and can help them afford to form larger warehouses for bigger business. Location of these warehouses can be very useful to the way sales are dealt with the government. Because it is the government which increases spending for other businesses, PC World make indirect sales with them. But if these warehouses are in premises close to where the government is, as a customer, they would be dealt with directly, making it faster for PC World to make sales.

**Conclusion.**

To conclude, PC World can be affected in many ways with government spending increased for IT schools and college’s equipment, and even more ways to make decisions in reaction to the rise in spending for many businesses, in both the short run and long run. Also, if everything is successful when achieving the order then higher income is made, it can lead to forming contracts with businesses and strengthen the position of the company. PC World can win over and fulfil contracts efficiently. The deals they make with schools and colleges can be a good example for other agencies to be interested, making PC World a worthy company.