

3 Miguel plans to start up a gym (sports club). It will offer a range of fitness classes including yoga. The business will be a partnership with his sister. Miguel thinks the size of the business will remain small. Secondary market research will be used to help make decisions including which pricing method to use. Miguel knows it is important for a new business to select a suitable location.

(a) Define ‘partnership’.

[2]

(b) Identify **two** ways to measure the size of a business.

Way 1:

Way 2:

[2]

(c) Outline **two** pricing methods Miguel could use.

Method 1:

Method 2:

[4]

(d) Explain **one** advantage and **one** disadvantage to Miguel of using secondary market research.

Advantage: .....

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Explanation: .....

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Disadvantage: .....

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Explanation: .....

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..... [6]

(e) Do you think access to employees is the most important factor for a new business to consider when deciding on a suitable location? Justify your answer.

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2 Max is an entrepreneur who wants to start up a business selling books. He has decided to use ecommerce. Max has been told there is government support for start-up businesses. He will use market research to help make business decisions. Max knows it is important for a new business to build customer loyalty.

(a) Define ‘entrepreneur’.

[2]

(b) Identify **two** reasons why governments support start-up businesses.

Reason 1:

Reason 2:

[2]

(c) Outline **two** opportunities for Max’s business of using ecommerce.

Opportunity 1:

Opportunity 2:

[4]

(d) Explain **two** ways Max could use market research to help make business decisions.

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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(e) Explain **two** ways a business could build customer loyalty. Which is likely to be the best way for a new business to use? Justify your answer.

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1 (a) Explain **four** ways a business plan could help Kathryn.

Way 1: .....  
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Way 2: .....  
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Way 3: .....  
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Way 4: .....  
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[8]

- (b) Consider the following **two** methods Kathryn could use to communicate with her suppliers. Which method should Kathryn use if an order is needed quickly? Justify your answer.
- Telephone calls
  - Emails

Telephone calls: .....

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Emails: .....

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Recommendation: .....

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1 Brendan wants to be a successful entrepreneur. He plans to start up a flower shop using government support. Brendan’s brother has offered to form a business partnership with him. Brendan knows it is important for a new business to use a suitable pricing method. He has already identified ways the business can increase added value. Brendan wants to know how an economic boom might affect his business.

(a) Define ‘business partnership’.

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[2]

(b) Identify **two** ways a government can support business start-ups.

Way 1: .....

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Way 2: .....

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[2]

(c) Outline **two** ways an economic boom might affect Brendan’s business.

Way 1: .....

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Way 2: .....

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[4]

(d) Explain **two** ways Brendan could increase added value for his business.

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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..... [6]

(e) Explain **two** pricing methods a new business might use. Which is likely to be the best method to use? Justify your answer.

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1 (a) Explain **four** reasons why new businesses are at a greater risk of failing than existing businesses.

Reason 1: .....  
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Reason 2: .....  
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Reason 3: .....  
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Reason 4: .....  
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[8]

(b) Consider the following **two** types of business organisation that Charly could choose for her new business. Which type of business organisation should Charly choose? Justify your answer.

- Sole trader
- Private limited company

Sole trader: .....

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Private limited company: .....

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Recommendation: .....

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2 Mitchell is an entrepreneur. He wants to start up a business selling books. As part of his business plan Mitchell has carried out some market research. An extract is shown in Fig. 2.1. Mitchell will use microfinance as a source of finance. He wants to know whether the opportunities of using ecommerce for a new business are greater than the threats.

Extract from Mitchell’s market research data for 2023

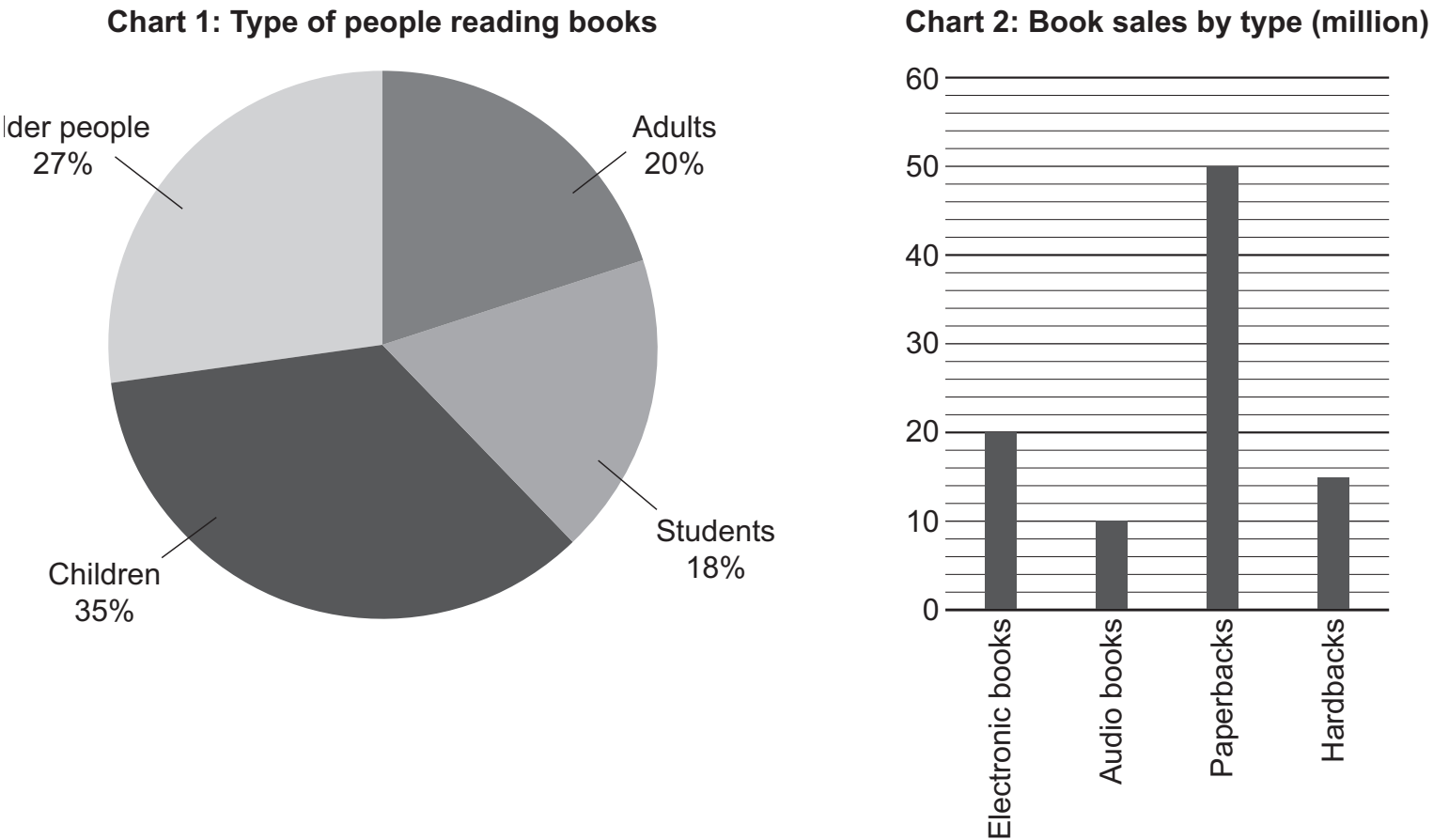


Fig. 2.1

(a) Define ‘entrepreneur’.

[2]

(b) Define ‘business plan’.

[2]

(c) Outline **one** advantage and **one** disadvantage to Mitchell of using microfinance as a source of finance.

Advantage: .....  
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Disadvantage: .....  
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[4]

(d) Explain how the market research data in Chart 1 and Chart 2 in Fig. 2.1 could help Mitchell when making decisions.

Chart 1: .....  
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Explanation: .....  
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Chart 2: .....  
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Explanation: .....  
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[6]

- (e)** Do you think the opportunities of ecommerce for a new business are greater than the threats? Justify your answer.

[illegible]

[6]

1 (a) Explain **four** reasons why a business might remain small.

Reason 1: .....  
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Reason 2: .....  
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Reason 3: .....  
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Reason 4: .....  
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[8]

- (b) Consider the following **three** roles of packaging for CC’s products. Which role is most important for CC? Justify your answer.
- Protecting the product
  - Promoting the brand image
  - Providing information about the product

Protecting the product: .....

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Promoting the brand image: .....

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Providing information about the product: .....

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Conclusion: .....

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