

Edexcel GCSE Business

1.1.3 The role of business enterprise

Multiple Choice Question Test Bank

MCQ Test 2

This MCQ test contains 13 questions covering the specification content for 1.1.3: The role of business enterprise

Instructions:

- **There are 13 questions in this test.**
- **Your teacher will determine how long you have to complete this test and under what conditions.**
- Only **one** answer per question is allowed for **questions 1-11 inclusive.**
- **Two** answers should be selected for questions **12 and 13.**
- For each answer, completely fill in the circle alongside the appropriate answer(s).
- If you want to change your answer, you must cross out your original answer.
- If you wish to return to an answer previously crossed out, ring the answer you now wish to select.

0 1 When a business launches an updated product with new features, it is best described as adding value through:

- A Convenience
- B Branding
- C Quality
- D Design

[1 mark]

0 2 Which of the following statements best describes the term, unique selling point? When a business:

- A Establishes a clear target market for its products
- B Develops an aspect of a product that makes it different to its rivals
- C Carries out market research effectively
- D Produces a range of goods and services

[1 mark]

0 3 The main purpose of which of the following businesses is to provide a service to customers?

- A An independent bakery
- B A dog grooming parlour
- C A farm
- D A specialist skateboard producer

[1 mark]

0 4 Which of the following statements best describes the term, entrepreneur?

- A Someone who buys a product from a business
- B Someone who uses goods and services produced by a business
- C Someone who works for a business
- D Someone who is willing to take the risk involved in starting a business

[1 mark]

0 5 In order to add value, local grocery stores often sell cheese that has already been grated for the customer. This adds value through:

- A Convenience
- B Branding
- C Quality
- D Customer service

[1 mark]

0 6 One role of an entrepreneur is to organise resources. Which of the following statements best describes this role?

- A The ability to take calculated risks
- B The skill to think creatively
- C Employing workers and buying equipment in order to produce goods
- D The prospect of keeping all profits that are generated

[1 mark]

0 7 Which of the following statements best describes the term, added value?

- A When a product stands out from those of its competitors
- B Making a product widely recognisable
- C The difference between the cost of a product and its selling price
- D Making a product convenient to use

[1 mark]

- 0 8** Which of the following skills best describes an entrepreneur that has successfully created and launched a unique business idea onto the market?
- A Team player
- B Communicative
- C Organised
- D Innovative
- [1 mark]

- 0 9** An entrepreneur has decided to set up a mobile hairdressing business. The main reason for starting this business was:
- A To supply a service to customers
- B To produce goods for customers
- C To supply a service to suppliers
- D To produce goods for suppliers
- [1 mark]

- 1 0** In order to make its products stand out from those of its competitors, a small chocolate manufacturer produces organic, gluten free, chocolate bars. This is classed as adding value through:
- A Customer service
- B A unique selling point
- C Branding
- D Convenience
- [1 mark]

- 1 1** Which of the following best describes how value can be added to a product through branding?
- A When a product is made to high standards demanded by customers
- B When a product saves the customer time
- C When a business is recognisable by its name
- D When a business launches an updated product with new features
- [1 mark]

1 2 Which **two** of the following are disadvantages of being an entrepreneur?

Select **two** answers:

- A Ability to pursue an interest
- B Flexible working hours
- C Possible financial loss
- D Stress of being a decision maker
- E Being your own boss

[2 marks]

1 3 Which **two** of the following businesses produce goods for customers to buy?

Select **two** answers:

- A A local veterinary practice
- B A small producer of specialist mountain bikes
- C A local hairdressing salon
- D An independent travel agent
- E A local ice cream manufacturer

[2 marks]

ANSWERS TO THIS MCQ TEST

Q	CORRECT
1	D
2	B
3	B
4	D
5	A
6	C
7	C
8	D
9	A
10	B
11	C
12	C, D
13	B, E