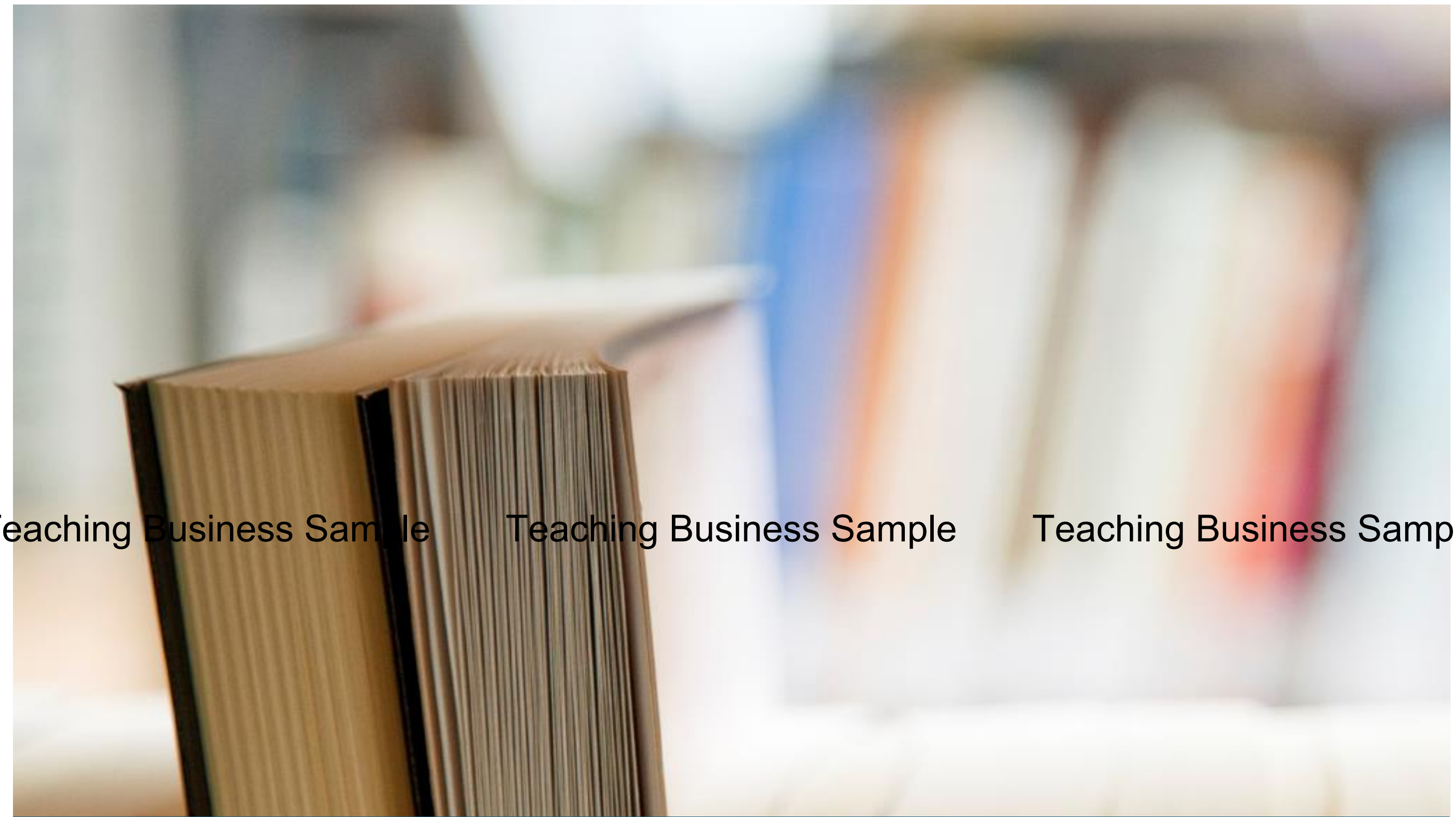
Teaching Business
A Level and GCSE Resources



WJEC/Eduqas Year 12 Worksheet Collection

A Level Business

Teaching Business WJEC/Eduqas Worksheets

Table of Contents

This booklet covers the teaching and learning materials for WJEC A Level Business (Units 1 and 2) and Eduqas A Level Business (Component One).

Worksheet

1

Enterprise and Business Planning

Fill-in-The-Gaps Read through the text and fill-in the gaps with words from the box below.

SMEs are more formally known as small to medium ____________________ and form the majority of businesses in the UK. Behind each start-up is an ____________________ with characteristics such as hard-working, determinated, __________-taking, and passionate about their business idea. Many start-ups might bring new ideas to the market. This ________________ is critical to economic growth and can help to improve levels of efficiency and profits. Entrepreneurs also generate much needed ______________ within a local economy, providing a further boost to growth and the ___________________ is keen to encourage them. New start-ups can be found in all areas of the economy including the primary, secondary and _____________ sectors. Indeed, services now account for nearly 80% of employment in the UK, as the process of de-____________________ saw the decline of the UK manufacturing in industries such as car manufacturing and ship building.

Missing Words				
	Competitive	Industrialisation	Valued	Innovation
	Government	Tertiary	Entrepreneur	Expensive
	Risk	Enterprises	Cheaper	Jobs

Pros and Cons Briefly explain 3 financial and non-financial motives of entrepreneurs.

FINANCIAL MOTIVES	NON-FINANCIAL MOTIVES

?	Scenario: Explain the impact of entrepreneurs and SMEs upon the UK economy.

True or False	Put a Line Through the Incorrect Response e.g. ~~True~~ or False

1. True or False: The local community are a key stakeholder for a business.
2. True or False: The majority of the UK population work in the service sector of the economy.
3. True or False: Entrepreneurs often have to balance risk versus reward in establishing a start-up.
4. True or False: Social enterprises hold no interest in profits.
5. True or False: Shareholders are not a stakeholder of a business.

Key Terms	Write out the correct definition for the following terms.

STAKEHOLDER	
ENTREPRENEUR	
SMEs	

EXAM SHORTS	Outline the meaning of the term business plan. (2)

Do you know?	Suggest **two** benefits to a business start-up of writing a business plan.

BENEFIT 1	
BENEFIT 2	

EXAM SHORTS	Outline how the Welsh Parliament can assist entrepreneurs in setting up a business (2)

Worksheet

2

Market Structures and Segmentation

Fill-in-The-Gaps	Read through the text and fill-in the gaps with words from the box below.

A ____________ is where buyers and sellers interact to exchange goods or services. The level of competition determines how competitive a market is. For example, at one extreme there are ______________ competitive markets with many firms selling identical or ____________________ products. At the other extreme, there are markets with one single producer called a ________________. The lack of competition leads to ______________ and the likelihood of higher prices for ________________. Segmentation divides consumers into smaller groups that share common characteristics such as age or lifestyle. Analysing market ______________ helps businesses track performance against rivals, while studying __________________ reveals shifts in consumer preferences over time. The aim is for firms to be able to better meet the needs of their customers.

Missing Words				
	Competitive	Competition	Monopoly	Trends
	Monopolistic	Homogenous	Consumers	Oligopoly
	Demographics	Perfectly	Market	Inefficiency

Pros and Cons	Explain 2 benefits of mass markets and 2 drawbacks of niche markets.

MASS MARKETS	NICHE MARKETS

?	Scenario: A Welsh skincare brand wants to expand into Southeast Asia. Analyse how market segmentation could aid their strategy.

True or False	Put a Line Through the Incorrect Response e.g. ~~True~~ or False

1. True or False: Seasonal markets experience stable demand throughout the year.
2. True or False: Washing powder and tomato ketchup are examples of mass market goods.

3. True or False: Niche market businesses face little threat from competition.
4. True or False: B2B markets are highly focused on meeting the needs of the end consumer.
5. True or False: A business with 25% market share is a technical monopoly.

Key Terms	Write out the correct definition for the following terms.

MARKET	
MONOPOLY	
SEGMENTATION	

EXAM SHORTS	Suggest **two** methods businesses use to segment markets. (2)

Do you know?	Explain one challenge of operating in a market with monopolistic competition. (2)

EXAM SHORTS	Calculate the percentage market share for Company X if its annual revenue is £8.4m and the total industry revenue is £120 million. (2)

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WJEC/Eduqas Year 12

WORKSHEET ANSWER BOOKLET – A LEVEL BUSINESS

WJEC/EDUQAS WORKSHEETS

Contents

Worksheet

1

Enterprise and Business Planning

Fill-in-The-Gaps	Read through the text and fill-in the gaps with words from the box below.

SMEs are more formally known as small to medium **ENTERPRISES** and form the majority of businesses in the UK. Behind each start-up is an **ENTREPRENEUR** with characteristics such as hard-working, determinated, **RISK**-taking, and passionate about their business idea. Many start-ups might bring new ideas to the market. This **INNOVATION** is critical to economic growth and can help to improve levels of efficiency and profits. Entrepreneurs also generate much needed **JOBS** within a local economy, providing a further boost to growth and the **GOVERNMENT** is keen to encourage them. New start-ups can be found in all areas of the economy including the primary, secondary and **TERTIARY** sectors. Indeed, services now account for nearly 80% of employment in the UK, as the process of de-**INDUSTRIALISATION** saw the decline of the UK manufacturing in industries such as car manufacturing and ship building.

Missing Words				
	~~Competitive~~	Industrialisation	~~Valued~~	Innovation
	Government	Tertiary	Entrepreneur	~~Expensive~~
	Risk	Enterprises	~~Cheaper~~	Jobs

Pros and Cons	Briefly explain 3 financial and non-financial motives of entrepreneurs.

FINANCIAL MOTIVES

Profit – They seek to sell goods and services that meet customer needs and generate a profit for themselves.

Financial Independence – They want to rely upon themselves instead of a salary or wage from an employer.

Higher Income – Many entrepreneurs hope to earn larger sums than they would collect if working for somebody else. (very few become millionaires)

NON-FINANCIAL MOTIVES

Passion – Entrepreneurs want to develop a strong personal interest or hobby into a viable business.

Autonomy – Many people simply prefer the independence of working for themselves.

Social Impact – They might want to resolve a particular social or environmental issue such as homelessness or poverty. **(big growth area)**

Scenario: Explain the impact of entrepreneurs and SMEs upon the UK economy.

One of the main positive impacts of entrepreneurs has been the creation of new job opportunities. This has helped the economy as these people now have higher levels of disposable income for spending in the local shops and on other goods and services bringing about a positive multiplier effect as the local businesses see a rise in demand and need to hire additional workers. This generates higher levels of tax revenue for the government.

Entrepreneurs might also bring new products and services into the market through their innovation. This could generate a competitive advantage for the UK economy leading to an improvement in the UK's balance of payments.

True or False

Put a Line Through the Incorrect Response e.g. ~~True~~ or False

1. True or ~~False~~: The local community are a key stakeholder for a business.
2. True or ~~False~~: The majority of the UK population work in the service sector of the economy.
3. True or ~~False~~: Entrepreneurs often have to balance risk versus reward in establishing a start-up.
4. ~~True~~ or False: Social enterprises hold no interest in profits.
5. ~~True~~ or False: Shareholders are not a stakeholder of a business.

Key Terms

Write out the correct definition for the following terms.

STAKEHOLDER	Individuals and organisations who are affected by the decisions and actions of a particular business.
ENTREPRENEUR	A person who sets up a business by taking on the financial risks in the hope of making a profit.
SMEs	Small and medium sized enterprises with fewer than 250 employees or a turnover of less than £50m.

EXAM SHORTS	Outline the meaning of the term business plan. (2)

A business plan is a working document that outlines the aims and objectives of a business and the various marketing, human resource and financial strategies it intends to use to achieve them. It is often used to try and secure funding and investment by providing evidence of planning which helps to minimise risk.

Do you know?	Suggest **one** benefit and **one** drawback to a business start-up of writing a business plan.

BENEFIT	• The plan helps investors to see the entrepreneur has carefully considered the financial, marketing, human resource and operational issues involved in establishing the business. • It limits risk. • It shows the skills and experiences of the entrepreneur
DRAWBACK	• It takes time to write and plan. This is an opportunity cost with the time perhaps better spent on developing customer and supplier relationships. • Planning is no guarantee of success. • The business plan is only as a reliable and useful as the data upon which it is based. Is the data biased?

EXAM SHORTS	Outline **one** source of information and guidance available to an entrepreneur. (2)

Entrepreneurs might make use of the small business advisor in their local bank who could provide them with information about accessing sources of finance and provide them with advice about starting a new business, perhaps directing them to the Business Wales website.

Worksheet

2

Market Structures and Segmentation

Fill-in-The-Gaps	Read through the text and fill-in the gaps with words from the box below.

A **MARKET** is where buyers and sellers interact to exchange goods or services. The level of competition determines how competitive a market is. For example, at one extreme there are **PERFECTLY** competitive markets with many firms selling identical or **HOMOGENOUS** products. At the other extreme, there are markets with one single producer called a **MONOPOLY**. The lack of competition leads to **INEFFICIENCY** and the likelihood of higher prices for **CONSUMERS**. Segmentation divides consumers into smaller groups that share common characteristics such as age or lifestyle. Analysing market **TRENDS** helps businesses track performance against rivals, while studying **DEMOGRAPHICS** reveals shifts in consumer preferences over time.

The aim is for firms to be able to better meet the needs of their customers.

Missing Words				
	~~Competitive~~	~~Competition~~	Monopoly	Trends
	~~Monopolistic~~	Homogenous	Consumers	~~Oligopoly~~
	Demographics	Perfectly	Market	Inefficiency

Pros and Cons	Explain 2 benefits of mass markets and 2 drawbacks of niche markets.

MASS MARKETS

Economies of Scale – Ability to benefit from lower average unit costs due to the larger volumes of production (bulk buying discounts etc)

Wide Customer Base – The potential to reach a large audience of customers as the product holds mass appeal and meets the needs of the majority of potential customers.

NICHE MARKETS

Limited Growth – The smaller size of the target market makes it harder for the business to grow and expand, restricting its ability to benefit from economies of scale.

Vulnerability – There is a risk of changing consumer trends and tastes changing, leaving a niche product out of favour with declining sales. A business should ideally look to spread the risk by having several products.

?	Scenario: A UK-based skincare brand wants to expand into Southeast Asia. Analyse how market segmentation could aid their strategy.

Market segmentation would allow the brand to identify specific consumer groups, such as teenagers seeking acne solutions or older adults wanting anti-ageing products. By creating products (e.g., oil-free for humid climates) and marketing campaigns for these segments, the brand can increase relevance and brand loyalty.

Segmentation also helps allocate resources efficiently, avoiding wasted spending on uninterested demographics. Promotional campaigns can accurately reflect local needs and culture, and so maximise its impact in Southeast Asian markets e.g. using Asian models in their skincare campaigns.

True or False	Put a Line Through the Incorrect Response e.g. ~~True~~ or False

1. ~~True~~ or False: Seasonal markets experience stable demand throughout the year.
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3. ~~True~~ or False: Niche market businesses face little threat from competition.
4. ~~True~~ or False: B2B markets are highly focused on meeting the needs of the end consumer.
5. True or ~~False~~: A business with 25% market share is a technical monopoly.

Key Terms	Write out the correct definition for the following terms.

MARKET	A place where buyers and sellers meet either physically or virtually, for the mutually beneficial exchange of goods and services.
MONOPOLY	One single producer in a market (pure monopoly). They hold price setting powers and erect barriers to entry for competitors.
SEGMENTATION	The breaking down of a market into smaller groups that share common characteristics such as age, location and ethnicity.

EXAM SHORTS	Suggest **two** methods businesses use to segment markets. (2)

Geographic and demographic segmentation are commonly used methods. Geographic sees businesses segment customers by where they live such as urban or rural areas. Demographic segmentation tends to focus more upon issues of age, gender and social class.

Do you know?	Explain one challenge of operating in a market with monopolistic competition. (2)

A commonly problem is that of holding a weak brand identity which makes it hard to successfully differentiate themselves in a market where lots of other small businesses are competing for the same consumers. Some basic differentiation exists in the market but products remain very similar.

EXAM SHORTS	Calculate the percentage market share for Company X if its annual revenue is £8.4m and the total industry revenue is £120million. (2)

£8.4m / £120m = 0.07

0.07 x 100 = 7% market share