ENGLAND GCSE BUSINESS AQA · UNIT 2 · 25 QUESTIONS

Influences on Business — Practice Test

This practice test was made by AI and there may be mistakes. If a question or answer looks wrong, use the Flag a mistake button so it can be fixed.

1 **A bakery borrows £10,000 from a bank at 5% interest a year. The interest paid in one year is**

- A £10,500
- B £500
- C £550
- D £10,000

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2 **A business office has revenue of £25,000 and total costs of £18,000. Its profit is**

- A £43,000
- B £7,000
- C £70,000
- D £7,500

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3 **A clothes shop has revenue of £14,000 and total costs of £10,000. Its profit is**

- A £4,000
- B £4,500
- C £24,000
- D £40,000

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4 **Sales at a smartphone shop rose from 50 to 75 units. The percentage increase is**

- A 55%
- B 500%
- C 50%
- D 100%

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5 **A delivery van business has revenue of £22,000 and total costs of £16,000. Its profit is**

- A £6,500
- B £38,000
- C £60,000
- D £6,000

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6 **A factory has fixed costs of £2,000 and variable costs of £5 per unit. It makes 200 units. Total costs are**

- A £2,005
- B £3,000
- C £30,000
- D £401,000

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7 **What is sustainability?**

A Making the cheapest products

B Meeting present needs without harming future generations

C Ignoring the environment

D Using up resources as fast as possible, in certain situations

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8 **Why might a business use digital communication with workers?**

A It is fast and cheap

B Managers never need to meet workers

C Workers prefer letters

D It always avoids mistakes

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9 **How can a business spot external changes early?**

- A By ignoring the outside world, in certain situations
- B By asking only its workers
- C By never reading reports
- D By watching the news, rivals and the economy

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10 **Why might a business lower its prices?**

- A To pay workers more
- B To win customers from rivals
- C To reduce the number of customers
- D To make more profit per sale

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11 **What is business risk?**

A A guarantee of profit, which depends on the business and the situation

B A loan from a bank

C A new product launch

D The chance that something goes wrong and harms the business

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12 **What happens to spending in a boom?**

A Businesses close down

B Consumers spend less

C Consumers spend more

D Unemployment rises sharply

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13 **Why might new laws increase business costs?**

A Workers always accept lower pay, in certain situations

B Businesses never follow laws

C The business may need new equipment or training

D Laws always cut costs

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14 **What is an import?**

A A service provided locally

B A good or service bought from another country

C A good sold to another country, in certain situations

D A product made at home

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15 **What is a pressure group?**

A A group of business owners

B A group that campaigns to change what businesses do

C A group of shareholders

D A group of workers in one firm, in certain situations

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16 **What is a drawback of e-commerce for customers?**

A They cannot compare prices

B They must visit the shop

C They pay more than in shops

D They must wait for delivery

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17 **Why might a business change its prices when costs rise?**

A To protect its profit margin

B To cut its profit

C To pay workers less, in certain situations

D To lose customers

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18 **What is competition?**

A Businesses working together

B A business with no rivals

C Rival businesses selling similar products

D Customers buying from one shop, in certain situations

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19 **How can a business reduce risk?**

- A By researching the market before deciding
- B By ignoring all information
- C By never changing anything
- D By borrowing as much as possible, in certain situations

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20 **How do higher interest rates affect a business?**

- A Borrowing becomes cheaper
- B The business pays less tax, in certain situations
- C Borrowing becomes more expensive
- D Customers spend more

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21 Why does the law affect businesses?

- A To make products more expensive
- B To protect workers, consumers and the environment
- C To help businesses make more profit, in certain situations
- D To stop all competition

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22 Why might a business sell abroad?

- A To make products more slowly, in certain situations
- B To reach more customers and grow
- C To avoid all competition
- D To pay higher wages

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23 **What is business ethics?**

- A Avoiding all tax legally
- B Making the largest profit possible, in certain situations
- C Doing what is right, not just what makes money
- D Paying the lowest wages allowed

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24 **What is m-commerce?**

- A Buying and selling using a mobile phone
- B Advertising on the radio
- C Selling goods in a market
- D Paying by cheque in a shop, in certain situations

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25

What is a business environment?

A All the external factors affecting a business

B The workers a business employs, in certain situations

C The products a business sells

D The inside of a shop

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ANSWER KEY

1. B
2. B
3. A
4. C
5. D
6. B
7. B
8. A
9. D
10. B
11. D
12. C
13. C
14. B
15. B
16. D
17. A
18. C
19. A
20. C
21. B
22. B
23. C
24. A
25. A

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