ENGLAND GCSE BUSINESS AQA · UNIT 4 · 25 QUESTIONS

Marketing and Finance — 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 smartphone shop has revenue of £17,000 and total costs of £11,000. Its profit is**

- A £60,000
- B £6,000
- C £6,500
- D £28,000

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2 **A bakery borrows £8,000 from a bank at 10% interest a year. The interest paid in one year is**

- A £8,800
- B £800
- C £8,000
- D £850

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3 **Sales at a clothes shop rose from 150 to 180 units. The percentage increase is**

- A 200%
- B 40%
- C 20%
- D 25%

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4 **A business office has fixed costs of £9,000 and variable costs of £9 per unit. It makes 500 units. Total costs are**

- A £4,504,500
- B £9,009
- C £135,000
- D £13,500

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5 **A laptop shop sells 180 laptops at £8 each. Total revenue is**

- A £1,840
- B £1,440
- C £14,400
- D £1,260

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6 **A market stall has revenue of £23,000 and total costs of £16,000. Its profit is**

- A £39,000
- B £7,000
- C £7,500
- D £70,000

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7 Why can a profitable business run out of cash?

- A Profit and cash are the same thing, in certain situations
- B Customers may pay late while bills must be paid now
- C Profitable businesses never fail
- D Cash always equals profit

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8 What is cost of sales?

- A The wages paid to workers
- B The cost of buying or making the goods sold
- C All the costs of a business, in certain situations
- D The rent paid for a shop

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9 **What is market segmentation?**

A Dividing a market into groups of similar customers

B Dividing a business into departments, in certain situations

C Selling to everyone the same way

D Selling products in different shops

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10 **A business has revenue of £4,000 and total costs of £20,000. Its loss is**

A £24,000

B £16,000

C £160,000

D £16,500

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11 **What is a focus group?**

- **A** A small group discussing a product in depth
- **B** An interview with one person, in certain situations
- **C** A large survey sent by post
- **D** A record of sales data

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12 **What is penetration pricing?**

- **A** Charging a high price at launch, in certain situations
- **B** Charging what rivals charge
- **C** Adding a mark-up to costs
- **D** Charging a low price to enter a market

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13 **What is a star in the Boston Matrix?**

A A product with high growth and low share, in certain situations

B A product that is failing

C A product with low growth and low share

D A product with high growth and high market share

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14 **Sales rose from 200 to 220 units. The percentage increase is**

A 20%

B 15%

C 10%

D 100%

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15 **Sales fell from 500 to 400 units. The percentage decrease is**

- A 200%
- B 25%
- C 40%
- D 20%

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16 **What is buying behaviour?**

- A How businesses set prices, in certain situations
- B How products are made
- C How and why customers choose products
- D How workers are paid

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17 **A business starts the month with £2,000. Cash inflows are £12,000 and cash outflows are £6,000. Its closing balance is**

- A £80,000
- B £14,000
- C £20,000
- D £8,000

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18 **What happens above break-even output?**

- A Costs equal revenue
- B The business makes a loss, in certain situations
- C The business makes a profit
- D Sales fall to zero

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19 **A business has revenue of £40,000 and total costs of £8,000. Its profit is**

A £32,500

B £320,000

C £32,000

D £48,000

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20 **A clothes shop sells 150 shirts at £2 each. Total revenue is**

A £300

B £3,000

C £400

D £150

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21 Why is market share important?

- A It sets the price of products
- B It shows how much profit is made
- C It shows how strong a business is against rivals
- D It shows how many workers are needed, in certain situations

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22 What is a sales promotion?

- A A short-term offer such as buy one get one free
- B A newspaper article, which happens in some businesses
- C A sponsorship deal
- D A television advert

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23 **What is a unique selling point (USP)?**

- **A** The price of a product
- **B** The profit made on a product, which a business might do
- **C** The place a product is sold
- **D** Something that makes a product different from rivals

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24 **A business borrows £1,000 at 5% interest a year. The interest paid in one year is**

- **A** £100
- **B** £1,000
- **C** £1,050
- **D** £50

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25 **A business sells 120,000 units in a market of 240,000 units in total. Its market share is**

A 25%

B 55%

C 50%

D 100%

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ANSWER KEY

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

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