ENGLAND GCSE BUSINESS OCR · UNIT 3 · 25 QUESTIONS

Operations and Influences — 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 shop has revenue of £28,000 and total costs of £21,000. Its profit is**

- A £49,000
- B £7,000
- C £70,000
- D £7,500

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2 **A delivery van business has fixed costs of £8,000 and variable costs of £12 per unit. It makes 400 units. Total costs are**

- A £128,000
- B £3,204,800
- C £12,800
- D £8,012

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3 **A factory has revenue of £16,000 and total costs of £11,000. Its profit is**

- A £27,000
- B £5,000
- C £5,500
- D £50,000

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4 **A shop has £500 in coins in the till and £1,500 in the bank. Its total cash is**

- A £500
- B £1,500
- C £20,000
- D £2,000

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5 **A cafe sells 300 cups of coffee at £9 each. Total revenue is**

- A £3,150
- B £2,400
- C £2,700
- D £27,000

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6 **Sales at a bakery rose from 100 to 150 units. The percentage increase is**

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

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7

What is a competitive advantage?

A Something that makes customers choose one business over rivals

B A shop with no customers, which depends on the business and the situation

C A product nobody wants

D A law that bans rivals

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8

Why might a business use sustainable materials?

A The law bans all other materials

B Workers refuse to use other materials

C Sustainable materials are always cheaper, in certain situations

D Customers may prefer green products and pay more

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9

How has technology helped businesses sell?

A By stopping all advertising, in certain situations

B By closing all shops

C By making products by hand

D Through e-commerce, selling online at any time

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10

What is a risk of relying on one supplier?

A Prices always fall

B Quality always improves

C Delivery is always faster, in certain situations

D If the supplier fails, production stops

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11 **How should a business respond to new technology?**

A It should close its website

B It may adopt it to stay competitive

C It should stop selling online

D It should ignore all new technology

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12 **What is an advantage of batch production?**

A It needs no machinery

B Every product is identical

C It always has the lowest unit costs, in certain situations

D It offers variety while keeping some cost savings

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

A Borrowing becomes more expensive

B The business pays less tax, in certain situations

C Borrowing becomes cheaper

D Customers spend more

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14 **What is insurance for a business?**

A A loan from a bank

B Paying a premium so an insurer covers a loss

C A wage paid to workers, in certain situations

D A tax on profits

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15 **What is a stock level?**

A The number of workers employed, in certain situations

B The amount of materials or goods held at a time

C The price of a product

D The profit a business makes

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16 **Why might a business import raw materials?**

A The law forces all imports

B Imports are always more expensive, in certain situations

C They may be cheaper or unavailable at home

D Local suppliers never sell

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17 **What is quality?**

A How cheap a product is

B How well a product meets customer expectations

C How quickly a product is made, in certain situations

D How many products are sold

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18 **How can a business give good customer service?**

A By ignoring complaints

B By training staff to be helpful and solving problems quickly

C By employing as few staff as possible, which a business might do

D By charging the highest prices

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19

What must a product be under consumer law?

A Safe and as described

B The cheapest available

C Sold only in shops

D Made in the UK

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20

What is competition?

A Rival businesses selling similar products

B A business with no rivals

C Customers buying from one shop, in certain situations

D Businesses working together

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21 **What is an ethical issue in business?**

A Donating to a charity, in certain situations

B Paying workers fairly

C Recycling waste

D Using child labour in a supply chain

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22 **How can a website help a small business?**

A It removes the need for products, in certain situations

B It stops rivals from trading

C It guarantees a profit

D Customers far away can find and buy from it

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23 **Why is choosing the right supplier important?**

- A Suppliers employ the workers
- B Suppliers set the selling price, in certain situations
- C Suppliers affect quality, cost and delivery
- D Suppliers choose the products

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

- A To pay workers less, in certain situations
- B To cut its profit
- C To lose customers
- D To protect its profit margin

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25 **What is a disadvantage of job production?**

A Output is always very high, which a business might do

B Unit costs are high because each product is unique

C Products are identical

D Workers need few skills

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ANSWER KEY

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

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