

NAME _____ Course _____

Wyke Start Summer Preparation for A Level Business and BTEC in Business



Task 1
Define the following words

Profit	
Income	
Expenditure	
Cash Flow Forecast	
Break-even point	
Niche Market	
Mass Market	
Opportunity cost	
Variable Cost	
Fixed Cost	
Bank Loan	
Entrepreneur	
Business Angel	
Venture Capital	
Princes Trust	

Task 2

Place in a logical order

These tasks should be undertaken prior to opening a new retail outlet; but in which order? Use numbers 1 to 6 to give the correct order.

- A. Advertising the store opening in the local paper
- B. Obtaining background census data on the local population size and type
- C. Planning the number and type of staff needed
- D. Conducting some in-depth interviews with a small sample of consumers
- E. Advertising for – and selecting – staff
- F. Mapping the area, noting the location and type of competitors

Task 3

Missing words

Many people think that the main constraint on starting a new business is obtaining finance. In fact this is unlikely to be very difficult if an attractive business opportunity has been identified and researched. The need is to find a gap in the market that can be filled in a way that will be hard for others to imitate. A new product invention can be _____, which gives up to twenty years of protection from direct _____. James Dyson did this with his innovative Dual Cyclone (bagless) cleaner.

Retail business will rarely be based on a new invention that can be patented, but they will be able to register the c_____ on the brand name, logos and packaging they use.

Task 4

Match the type of business to the financial problem

Type of business start-up

1 A new manufacturer of microwaveable Mexican meals that aims to sell to the major supermarket chains

2 A new insurance company founded by the former Chief Executive of a major banking group

3 A new, independent clothes shop specialising in designer fashion clothes

4 A student who has left college early to set up an internet site selling exam advice from the chief examiners!

Financial problem

a. Hard to raise the start-up capital required to make the business seem credible from the outset

b. Start-up costs may be huge in relation to the likely sales turnover of the business

c. Building a customer base will be difficult as there is no cheap way to reach the target market

d. Cash flow may be a severe problem because of lengthy credit periods expected by retail customers

Task 5
Location, location, location

Explain why...

- a. A kebab shop paying a rent of £3,500 a month for a City centre site may be getting a bargain, even though there are sites elsewhere for £800 a month.

- b. New small retail firms find it hard to persuade property developers to let them rent prime sites.

- c. Clever retailers check the pedestrian traffic count at a site before negotiating a rent with the landlord.

- d. New manufacturing firms need to check on the speed and efficiency of road access before making a location decision.

Well done. 😊

Please remember to bring this work with you to your first

Business lesson at Wyke.

Elizabeth, Paul, Dana and Lorna.