Unit 1 homework questions

1. Market research
* What is primary research?
* What is secondary research?
* State two methods of primary research
* State two methods of secondary research
* State 2 advantages of primary research
* State 2 advantages of secondary research
1. Market segmentation & market mapping
* Define market segmentation
* List the 6 segments
* What is a market map
* What is the purpose of a market map?
1. Competitor analysis
* What is meant by competitor analysis
* State 2 advantages of carrying out competitor analysis
* What are the elements of a competitor scan?
1. The marketing mix
* What are the four components of the marketing mix
* Define marketing mix
1. Customer service & added value
* Define added value
* State two sources of added value
* Give 3 examples of good customer service
* Give 3 examples of bad customer service
* State 2 advantages of delivering good customer service
* State 2 disadvantages of delivering bad customer service
1. Ownership
* State 2 characteristics of a sole trader
* State 2 advantage of a sole trader
* State 2 disadvantages of a sole trader
* State 2 characteristics of a partnership
* State 2 advantages of a partnership
* State 2 disadvantages of a partnership
* State 2 characteristics of a private limited company
* State 2 advantages of an LTD
* State 2 disadvantages of an LTD
* State 2 characteristics of a public limited company
* State 2 advantages of a PLC
* State 2 disadvantages of a PLC
1. Franchises
* State 3 characteristics of a franchise
* State 3 advantages to a franchisee
1. Start-up & tax issues
* What laws concern the name of a business?
* What records have to be kept?
* What taxes does the business have to pay?
* Explain Vat
* Explain income tax
* Explain national insurance contributions
* Explain corporation tax
1. Objectives
* Define objectives
* What is meant by a financial objective
* List 3 financial objectives
* What is meant by a non-financial objective
* List 3 non-financial objectives
1. Business plan
* What is a business plan?
* Identify 6 elements that are in a business plan
1. Costs/ revenues and profits
* What is the calculation for total costs
* What is the calculation for total variable costs
* What is the calculation for sales revenue
* What is the calculation for profit
* Define what a variable cost is
* State 2 examples of a variable cost
* Define what a fixed cost is
* State 2 examples of a fixed cost
1. Cash flow
* What is a cash flow forecast
* What are cash inflows
* State 2 examples of cash inflows
* What are cash outflows
* State 2 example of cash outflows
* What is the calculation for net cash flow
* What is the calculation for the closing balance
1. Sources of finance
* What is meant by an internal source of finance
* State 3 types of internal finance
* What is meant by an external source of finance
* State 3 types of external finance
* State an advantage of using internal finance
* State a disadvantage of using external finance
1. Recruitment and selection
* What is the 7 stage recruitment process
1. Training, motivation and legislation
* What is induction training
* What is on the job training
* What is off the job training
* What do we mean by motivation
* Identify 2 financial methods of motivation
* Identify 2 non-financial methods of motivation
* What is meant by discrimination
1. Economic cycle
* What is meant by the economic cycle
* State four characteristics of a boom
* State four characteristics of a recession
* What is meant by economic growth
1. Demand and supply
* Define demand
* Define supply
* State 4 determinants of demand
* State 4 determinants of supply
1. Stakeholders
* State 4 different stakeholders and an objective for each
* Give two examples of how two stakeholders would be in conflict
1. Interest rates
* Define interest rates
* How are interest rates set
* State 3 advantages of low interest rates
* State 3 disadvantages of a high interest rates
1. Exchange rates
* Define exchange rates
* What does a higher exchange rate mean for the value of the currency?
* What does a lower exchange rate mean for the value of the currency?
* How do you change pounds into another currency?
* How do you change another currency into pounds?
* If the exchange rate is £1 = E1.5 and a good costs £200 in the UK, what will be the price in France?
* If the exchange rate is £1 = $2 and a good is $300 in the USA, what would be the price in the UK?
* State 2 advantages if the exchange rate increase for the pound
* State 2 disadvantages if the exchange rate decreased for the pound
1. Entrepreneurial and enterprise
* State and explain the 3 elements of enterprise
* What is the difference between invention and innovation
* What is meant by a patent
* What is meant by copyright
* What is meant by a trademark
* What is meant by a calculated risk? Give an example to support your explanation