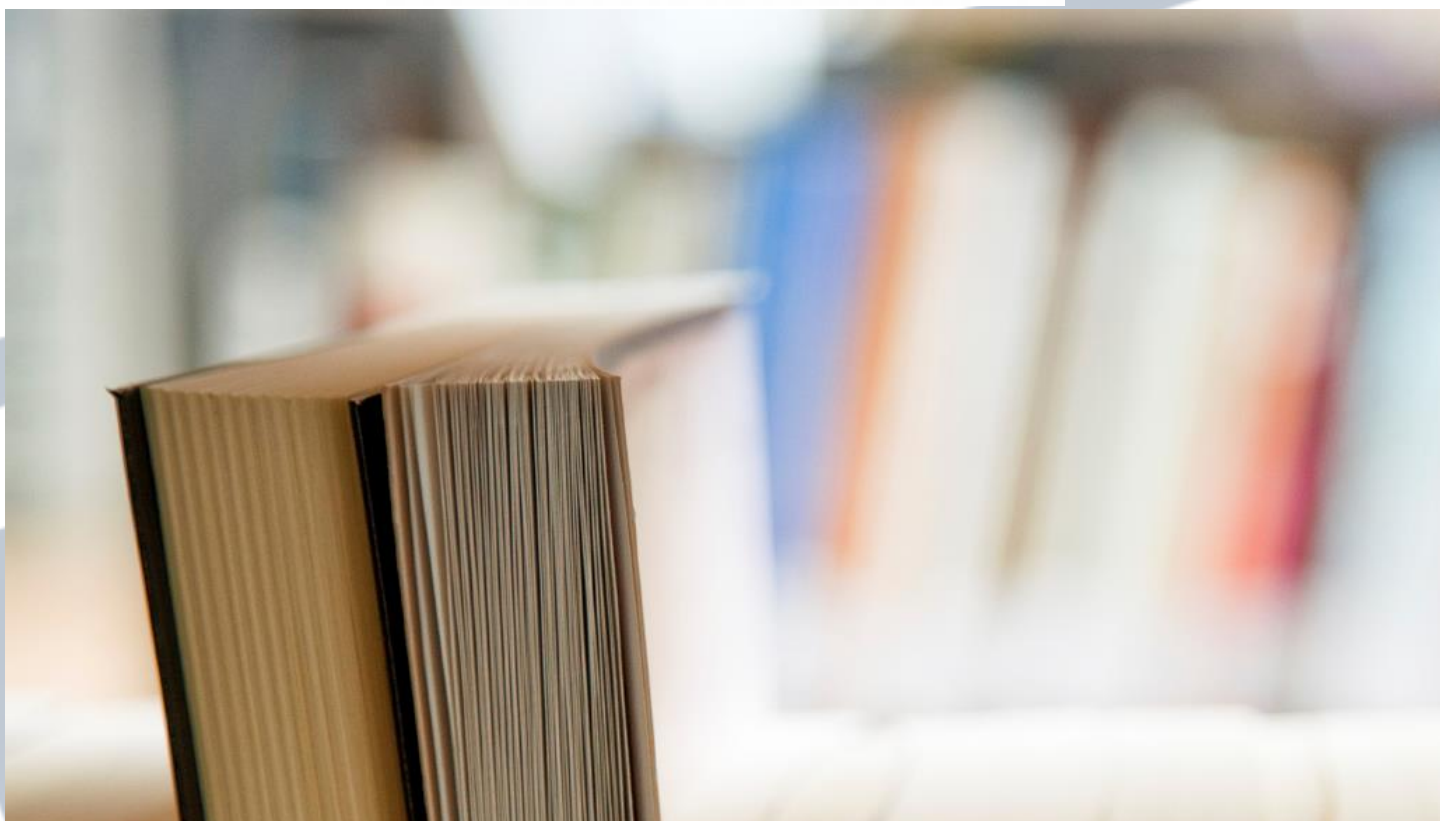




Teaching Business
A Level and GCSE Resources



Edexcel GCSE Business Theme 1 Worksheets

Investigating Small Business

Table of Contents

The Dynamic Nature of Business	2
Risk and Reward	6
The Role of Business Enterprise	10
Customer Needs	14
Market Research	18
Market Segmentation.....	22
The Competitive Environment	26
Business Aims and Objectives	30
Business Revenue, Costs and Profits.....	34
Cash and Cash-Flow	38
Sources of Business Finance	42
The Options for Start-Ups and Small Businesses.....	46
Business Location	50
The Marketing Mix.....	54
Business Plans	58
Business Stakeholders	62
Technology and Business.....	66
Legislation and Business	70
The Economy and Business	74
External Influences.....	78

Whole-School Licence

© [2025] **Teaching Business**. All rights reserved.

Licensed for **internal use across the purchasing school/college**. You may print or photocopy pages for staff and enrolled students within the institution. Redistribution to third parties, resale, or online uploading is prohibited without written permission.

“Edexcel is a registered trademark of Pearson Education Ltd; use here is for identification only and does not imply endorsement.

Permissions and enquiries: teachingbusiness@hotmail.co.uk

Worksheet

1

The Dynamic Nature of Business

Fill in the Gaps

Read through the text and fill-in the gaps with words from the box below.

The _____ in which a business operate are constantly changing. Changes in _____ are linked to new inventions such as the smart phone. These create new _____ for a business, as older products and services become _____ and are no longer wanted by consumers. Advertising on _____ - _____ is another example of a new development and has helped businesses interact with their _____ more effectively. _____ are people who spot _____ in the market and develop new products to meet changing needs.

Missing Words

- | | | | |
|---------------|---------------|------------|--------------|
| Online | Opportunities | Passengers | Business |
| Entrepreneurs | Customers | Markets | Social Media |
| Technology | Obsolete | Gaps | Profits |

Pros and Cons

Explain 3 benefits & drawbacks of changing technology for a business.

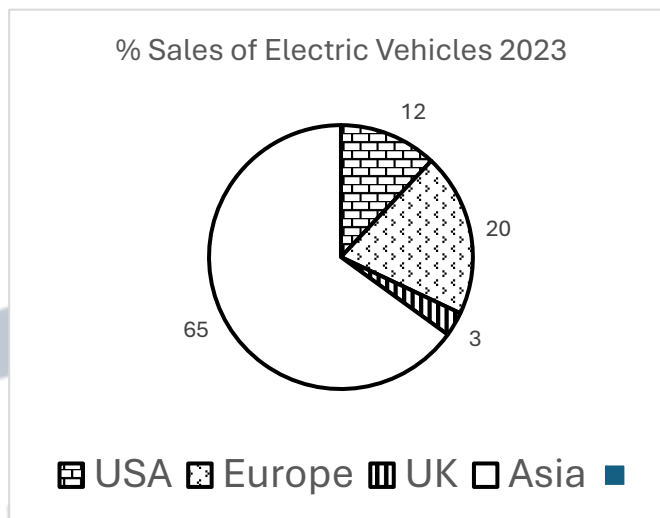
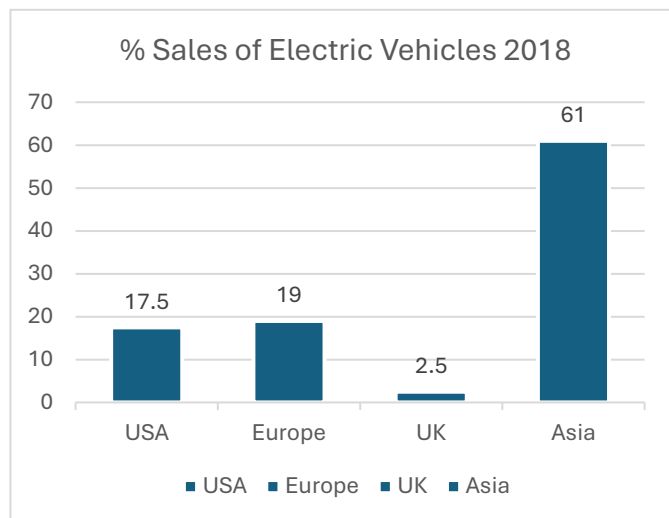
ADVANTAGES

DISADVANTAGES



Use the information in Figure 1 to answer questions 1-3.

Fig.1



[Sources: IEA, EV Volumes, and Statista]

1. Calculate the number of electric vehicles sold in Asian markets if global sales in 2018 were 2.1 million.

..... Vehicles

2. Calculate the percentage change in electric vehicles sales in the UK between 2018 and 2023.

..... %

3. Discuss the impact of changing consumer wants upon the electric vehicle market.



Multiple Choice

Some questions must be answered with a cross in a box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

1. Which **one** of the following products is now considered to be largely obsolete? (1)

Select **one** answer

- ☐ A Air pods
- ☐ B Typewriters
- ☐ C Smart speakers
- ☐ D 3D printing

2. Which **one** of the following is **not** a reason as to why new business ideas come about? (1)

Select **one** answer

- ☐ A Changes in what consumers want
- ☐ B Products and services become obsolete
- ☐ C Changes in technology
- ☐ D Changes in marketing

3. Which **one** of the following is an example of how new products come about? (1)

Select **one** answer

- ☐ A Adapting existing products
- ☐ B Changes in technology
- ☐ C Changes in what consumers want
- ☐ D Products and services becoming obsolete

4. Which **two** of the following are types of technology that can be used by consumers? (2)

Select **two** answers

- ☐ A Market Mapping
- ☐ B Venture Capital
- ☐ C Chat GTP
- ☐ D Crowd Funding
- ☐ E Satellite Navigation

Mix n' Match

Draw a line from the key term to its correct definition

Entrepreneur	Someone who buys and uses goods and services.
Consumer	The act of creating of new products or services.
Competitive Advantage	A good or service that is out of date.
Innovation	A feature of a business that allows it to stand out from its competitors.
Obsolete	An individual who sets up a business and takes on the risks in hope of profit.



Scenario: Analyse whether an entrepreneur should set up a new gaming café with Sony’s PlayStation 5 devices, despite recent media reports suggesting that the games console is becoming obsolete. (6 marks)

Worksheet

9

Business Revenue, Costs and Profits

Fill-in-The-Gaps

Read through the text and fill-in the gaps with words from the box below.

_____ is the money that a business generates from its _____. With the formula of selling price x quantity it is a key measurement for any business. If a business raises their _____ then the amount of sales revenue will rise but this might be bad for _____ who now pay more for the goods and might _____ less as a result. The _____ costs of a business are ones that change depending on the number of units produced. Classic examples include _____ and raw materials costs. Fixed costs do not change with levels of _____ and include salaries and _____. When the two costs are added together we get _____ costs.

Missing Words

- | | | | |
|-----------|----------|--------|---------|
| Customers | Rent | Demand | Revenue |
| Sales | Total | Prices | Wages |
| Social | Variable | Profit | Output |

Pros and Cons

Write down 3 benefits and drawbacks of break-even analysis.

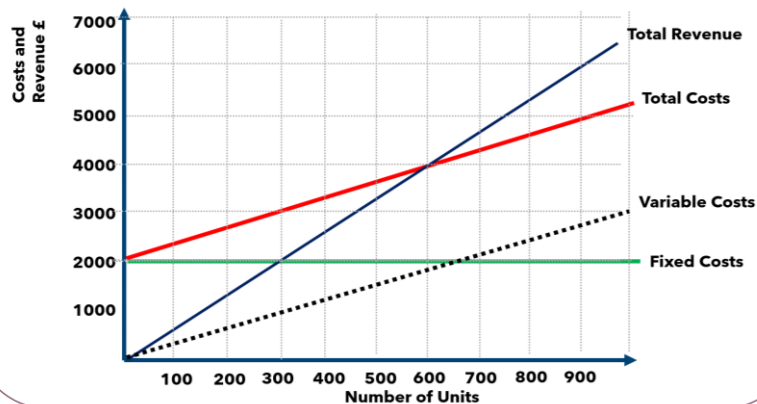
ADVANTAGES

DISADVANTAGES



Use the information in Figure 1 to answer questions 1-4.

Fig. 1



1. Identify the total number of sales that the business will need to break even. (1)

.....

2. Calculate the profit or loss earned by the business if they sell 300 units. (2)

£

3. Identify the margin of safety if output levels reach 800 units (1)

.....

4. Calculate the sales revenue per unit based upon the information in **Fig. 1**. (2)

£



Scenario: Analyse the impact of a conflict between a paint factory and pressure groups about increased traffic congestion and pollution. (6)

True or False

Put a Line Through the Incorrect Response e.g. ~~True~~ or False

1. True or False: Shareholders are not a stakeholder.
2. True or False: Employees' interest in a business often revolve around the issues of pay and job security.
3. True or False: Pressure group activity is limited to large public limited companies such as Tesco.
4. True or False: Stakeholder conflict is when there is a clash of interests between varying groups.
5. True or False: Governments are mainly concerned with job creation and tax revenue.

Key Terms

Write out the correct definition for the following terms.

PRESSURE GROUP

STAKEHOLDER

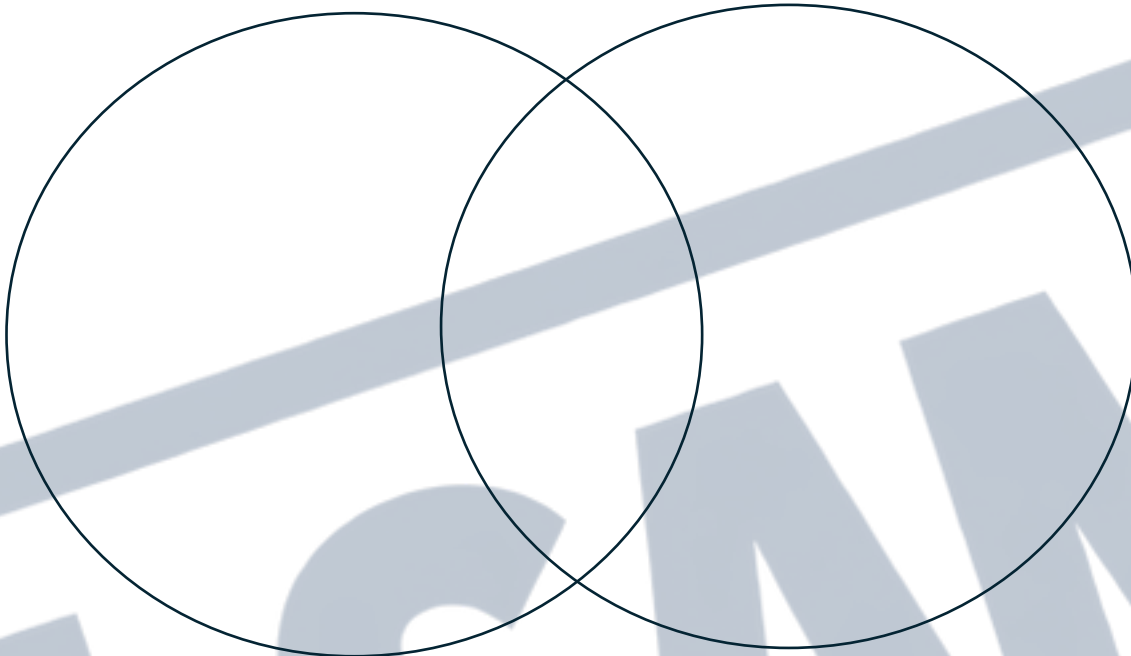
SHAREHOLDER

SOCIAL OBJECTIVE



Venn Diagram: Compare and Contrast Employees and Shareholders

Label one circle "Employees," the other "Shareholders," and the overlapping section "Same" Write down the main interests of employees and shareholders in the activities of a business and add these to their circles. Think about any interest that applies to **both** stakeholder groups and add this to the same section.



Do you know?

Explain the interests of each given stakeholder group in business.

CUSTOMERS

SUPPLIERS

MANAGERS



Teaching Business
A Level and GCSE Resources



Edexcel GCSE Business Theme 2 Worksheets

Building a Business

Table of Contents

Business Growth	2
Changes in Business Aims and Objectives	6
Business and Globalisation	10
Ethics, The Environment And Business	14
Product	18
Price	22
Promotion	26
Place	30
Using the Marketing Mix to Make Business Decisions	34
Business Operations	38
Working with Suppliers	42
Managing Quality	46
The Sales Process	50
Business Calculations	54
Understanding Business Performance	58
Organisational Structures	62
Effective Recruitment	66
Effective Training and Development	70
Motivation	74

Whole-School Licence

© [2025] **Teaching Business**. All rights reserved.

Licensed for **internal use across the purchasing school/college**. You may print or photocopy pages for staff and enrolled students within the institution. Redistribution to third parties, resale, or online uploading is prohibited without written permission.

“Edexcel is a registered trademark of Pearson Education Ltd; use here is for identification only and does not imply endorsement.

Permissions and enquiries: teachingbusiness@hotmail.co.uk

Worksheet

1

Business Growth

Fill-in-The-Gaps

Read through the text and fill-in the gaps with words from the box below.

The growth of a business can be either through _____ or _____ means. Types of internal growth include the development of new products and the discovery of new _____. One of the main benefits of this approach is that the owners maintain greater levels of _____ over the business. In contrast, external growth include the use of _____ and takeovers provide the means of significant and _____ growth but often at a cost of high levels of _____ and there are many examples of this approach failing. This mainly applies to larger _____ limited companies who raise significant sums of capital through the sale of shares upon the _____ exchange.

Missing Words

- | | | | |
|-----------|---------|---------|-----------|
| Profit | Mergers | Private | Control |
| Stock | Organic | Public | Markets |
| Borrowing | Debts | Rapid | Inorganic |

Pros and Cons

Explain 3 benefits & drawbacks of becoming a public limited company.

ADVANTAGES

DISADVANTAGES



Scenario: Discuss the impact on a business of taking over a competitor in the market. (6)

True or False

Put a Line Through the Incorrect Response e.g. ~~True~~ or False

1. True or False: Both private and public limited companies can sell shares on the stock exchange.
2. True or False: Takeovers will often mean reduced choice for consumers.
3. True or False: External growth provides a slower and more controlled means of growth.
4. True or False: Shareholders of a company that is being taken over will benefit from the deal.
5. True or False: A takeover will often result in asset-stripping and the loss of jobs.

Key Terms

Write out the correct definition for the following terms.

MERGER**TAKEOVER****PUBLIC LIMITED COMPANY****STOCK MARKET FLOTATION**

Exam Shorts

Outline one method of internal growth that McDonalds could use (2)



Use the information in Table 1 to answer questions 1 and 2.

Table 1. Approx. Staff Numbers 2023

Business	Numbers of Employees
McDonalds	130 000
Subway	20 000
KFC	29 000
Burger King	18 000
Five Guys	3 000

1. Calculate the average number of staff employed in fast-food restaurants throughout the UK in 2023.

..... Staff

2. Calculate, to 2 decimal places, the percentage of fast-food employees who work for KFC.

..... %



Multiple Choice

Some questions must be answered with a cross in a box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

1. Which **one** of the following is an example of an internal source of finance? (1)

Select **one** answer

- ☐ A Crowd funding
- ☐ B Retained profit
- ☐ C Bank overdraft
- ☐ D Sale of shares

2. Which **one** of the following is an external source of finance used by public limited companies? (1)

Select **one** answer

- ☐ A Stock market flotation
- ☐ B Royalty payments
- ☐ C Personal assets
- ☐ D Dividend payments

3. Which **one** of the following is the percentage of share capital needed for a takeover bid? (1)

Select **one** answer

- ☐ A 100%
- ☐ B 75%
- ☐ C Over 50%
- ☐ D 49%

4. Which **two** of the following are examples of internal growth of a business? (2)

Select **two** answers

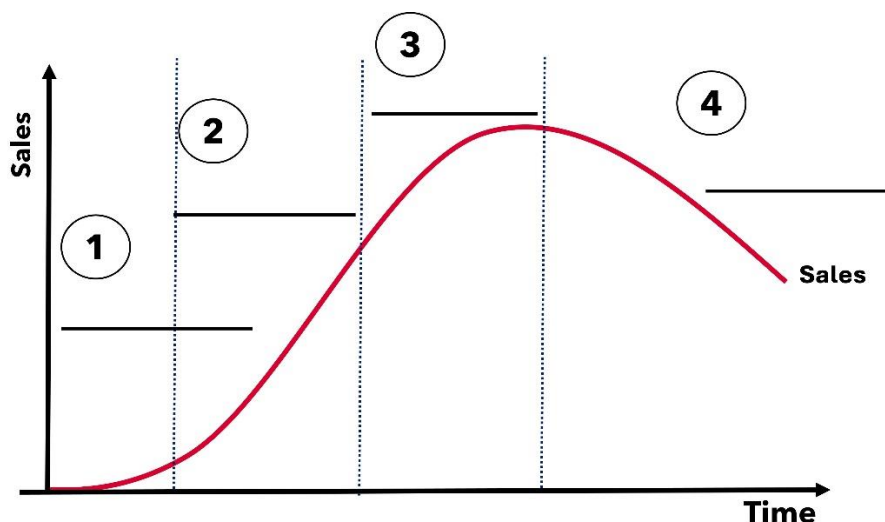
- ☐ A Takeovers
- ☐ B Research and Development
- ☐ C Mergers
- ☐ D Expanding overseas
- ☐ E Inorganic acquisitions

LABEL IT

Correctly label the different stages of the product life cycle.

Label the different stages of the product life cycle by filling in the blanks on **Fig.1** below.

Fig 1.



Exam Shorts

Outline one method McDonalds could use to differentiate their products. (2)

Do You Know?

Explain how each concept helps with extending the life of a product.

LOWER SELLING PRICES

INCREASED ADVERTISING



Multiple Choice

Some questions must be answered with a cross in a box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

1. Which **one** of the following is an element of the design mix? (1)

Select **one** answer

- ☐ A Cost
- ☐ B Quality
- ☐ C Price
- ☐ D Customer Service

2. Which **one** of the following products is most likely to be found in the decline stage of the life cycle? (1)

Select **one** answer

- ☐ A Apple iPod
- ☐ B Kellogg's Coco Pops
- ☐ C Tesla car
- ☐ D 3D printer

3. Which **one** of the following is a stage in the product life cycle? (1)

Select **one** answer

- ☐ A Cost
- ☐ B Growth
- ☐ C Function
- ☐ D Price

4. Which **two** of the following are examples of product extension strategies? (2)

Select **two** answers

- ☐ A Product repositioning
- ☐ B A change of suppliers
- ☐ C Carrying out additional market research
- ☐ D Staff retraining
- ☐ E Modifying the selling price

True or FalsePut a Line Through the Incorrect Response e.g. ~~True~~ or False

1. True or False: Limited edition products are often associated with low prices.
2. True or False: Technology has brought about significant changes to all aspects of the marketing mix.
3. True or False: Pricing and promotional strategies need to align with a suitable distribution channel.
4. True or False: The main elements of an integrated marketing mix are product, price and packaging.
5. True or False: Too strong a focus on one element of the 4Ps could mean missed market opportunities.

Do you Know?

Explain how Aldi makes use of the marketing mix to help it maintain its position as the leading budget supermarket chain in the UK.

PRODUCT**PRICE****PROMOTION****PLACE**

Pros and Cons

Explain 3 benefits and drawbacks of internal recruitment methods.

ADVANTAGES

DISADVANTAGES

Mix n' Match

Draw a line from the key term to its correct definition or example

Curriculum Vitae (CV)

External Recruitment

Internal Recruitment

Job Description

Person Specification

A short account of the main features of the job including the key roles and responsibilities.

Appointing new employees from outside the business.

A document setting out a person's qualifications, experience, and other relevant facts for an employer.

A description of the type of person who'd best fit the job, their character, experience, and skills.

Appointing staff from within the business to a new role.



Teaching Business
A Level and GCSE Resources



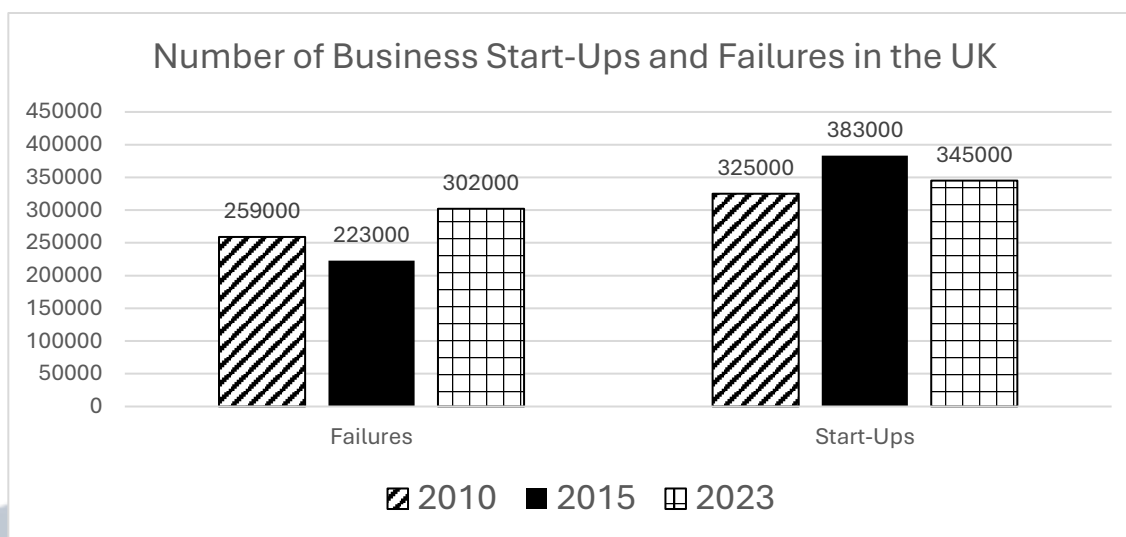
Edexcel GCSE Business Theme 1 Answer Book

Investigating Small Business



Use the information in Figure 1 to answer questions 1-3.

Fig.1



1. Calculate the percentage change in business failures between 2010 and 2023.

2010 failures = 259 000

2023 failures = 302 000

Difference = 302 000 – 259 000 = 43 000 Therefore: $(43\,000 / 259\,000) \times 100 = 16.60\%$

2. Calculate 2015's percentage share of overall business start-ups between 2010 and 2023.

Total business start-ups in the UK between 2010 and 2023 = 1 053 000

2015 business start-ups = 383 000

$(383\,000 / 1\,053\,000) \times 100 = 36.37\%$

3. Examine why 2023 might highlight a growing level of risk for entrepreneurs looking to start their own business in the UK.

There has been a 35.42% rise in the number of business failures and a fall in start-ups of 9.92% between 2015 and 2023 indicating that the economic climate is challenging for entrepreneurs to successfully establish a new business at this time. Levels of consumer demand might be low if jobs are harder to find and levels of consumer spending might have fallen. However, it does depend upon what products the entrepreneur is planning to sell as some businesses do very well during economic downturns e.g. Lidl and Poundland.