

1.3.1 Edexcel Business

## **Edexcel GCSE Business**

### **1.3.1 Business aims and objectives**

#### **Multiple Choice Question Test Bank**

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# **MCQ Test 1**

**This MCQ test contains 13 questions covering the specification content for 1.3.1: Business aims and objectives**

**Instructions:**

- **There are 13 questions in this test.**
- **Your teacher will determine how long you have to complete this test and under what conditions.**
- Only **one** answer per question is allowed for **questions 1-11 inclusive.**
- **Two** answers should be selected for questions **12 and 13.**
- For each answer, completely fill in the circle alongside the appropriate answer(s).
- If you want to change your answer, you must cross out your original answer.
- If you wish to return to an answer previously crossed out, ring the answer you now wish to select.

**0 1** Which of the following statements is true in relation to business aims and objectives?

- A Aims are specific and objectives are general
- B Aims and objectives are both general
- C Aims are general and objectives are specific
- D Aims and objectives are both specific

[1 mark]

**0 2** Which of the following stakeholders (*a person who is interested or is affected by a business*) is most likely to have profit as an objective?

- A Owners
- B Employees
- C Suppliers
- D Customers

[1 mark]

**0 3** Which of the following statements best defines the term, market share?

- A The increase in total sales made by a business
- B The percentage increase in sales made by a business
- C The increase in total market sales
- D The percentage of total market sales sold by one business

[1 mark]

**0 4** In relation to a start-up business, which of the following best describes the term, social objective?

- A To maximise the amount of sales generated by the business
- B To ensure the entrepreneur can keep full control over decision making
- C To improve the financial performance of the business
- D To help society as a whole and make a positive effect on others

[1 mark]

**0 5** Which of the following type of objective would an entrepreneur set who is aiming to ensure revenue is greater than total costs?

- A Personal objective
- B Profit objective
- C Social objective
- D Market share objective

[1 mark]

**0 6** A small British based cosmetics firm makes products, such as soaps and shampoos. As a new business, its owners were determined not to buy ingredients tested on animals. This is classed as:

- A A sales objective
- B A market share objective
- C A profit objective
- D A social objective

[1 mark]

**0 7** The most likely reason why aims and objectives differ between businesses is because:

- A Employees differ
- B Suppliers differ
- C Owners differ
- D Locations differ

[1 mark]

**0 8** A national sofa business aims to increase the number of sofas it sells in the UK compared to the number sold by all other UK sofa manufacturers. Which of the following best describes this aim/objective?

- A Increasing market share
- B Maximising chances of survival
- C Increasing profit
- D Keeping full control over business decision-making

[1 mark]

**0 9** The purpose of a business setting objectives is:

- A To maximise profits
- B To reduce market share
- C To provide targets
- D To increase sales

[1 mark]

**1 0** Which of the following is a non-financial aim and objective?

- A Market share
- B Survival
- C Sales
- D Social objectives

[1 mark]

**1 1** Which of the following objectives is a start-up business, operating in a competitive market, most likely to set in its first year of trading?

- A Minimise sales
- B National expansion
- C Survival
- D Maximise profit

[1 mark]

**1 2** Which **two** of the following would be classed as financial aims/objectives?

Select **two** answers:

- A Independence and control
- B Survival
- C Personal satisfaction
- D Challenge
- E Market share

[2 marks]

**1 3** Entrepreneurs often start their own business to show what they can do, to gain a sense of achievement and test their personal skills, character and abilities. Which **two** of the following best describes these aims/objectives?

Select **two** answers:

- A Survival
- B Personal satisfaction
- C Challenge
- D Financial security
- E Social objectives

[2 marks]

**ANSWERS TO THIS MCQ TEST**

<b>Q</b>	<b>CORRECT</b>
1	C
2	A
3	D
4	D
5	B
6	D
7	C
8	A
9	C
10	D
11	C
12	B, E
13	B, C