



Topic Tests

for OCR L1/2 Cambridge Nationals:
Enterprise & Marketing

R067: Enterprise and Marketing Concepts

zigzageducation.co.uk

POD
12224

Publish your own work... Write to a brief...
Register at publishmenow.co.uk

Follow us on Twitter [@ZigZagBusiness](https://twitter.com/ZigZagBusiness)

Contents

Product Support from ZigZag Education	ii
Terms and Conditions of Use	iii
Teacher's Introduction.....	1
Write-on Topic Tests.....	2
Topic Test 1: 1.1–1.3: Characteristics, risk and reward for enterprise.....	2
Topic Test 2: 2.1: The purpose of market research & 2.2: Primary market research methods.....	6
Topic Test 3: 2.3: Secondary market research methods & 2.4: Types of data	11
Topic Test 4: 2.5: Types of market segmentation & 2.6: Benefits of market segmentation	16
Topic Test 5: 3.1: The costs of producing a product, 3.2: Revenue generated by sales of the product & 3.3: How to calculate profit and loss	20
Topic Test 6: 3.4: Using formula for break-even as an aid to decision-making & 3.5: Importance of cash.....	24
Topic Test 7: 4.1: The marketing mix elements for a good/service & 4.2 How the elements of the marketing mix work together	29
Topic Test 8: 4.3: Types of advertising medium used to attract and retain customers & 4.4: Sales promotion techniques used to attract and retain customers	33
Topic Test 9: 4.5: Public relations & 4.6: How to sell the good or service to the consumer	38
Topic Test 10: 4.7: The product life cycle & 4.8: Extension strategies for products in the product life cycle	43
Topic Test 11: 4.9: Factors to consider when pricing a product & 4.10: Types of pricing strategy	48
Topic Test 12: 5.1: Forms of ownership for business start-up	52
Topic Test 13: 5.2: Sources of capital for business start-ups and expansion & 5.3: Support for enterprise	57
Non-write-on Tests.....	62
Topic Test 1: 1.1–1.3: Characteristics, risk and reward for enterprise.....	62
Topic Test 2: 2.1: The purpose of market research & 2.2: Primary market research methods.....	64
Topic Test 3: 2.3: Secondary market research methods & 2.4: Types of data	66
Topic Test 4: 2.5: Types of market segmentation & 2.6: Benefits of market segmentation	68
Topic Test 5: 3.1: The costs of producing a product, 3.2: Revenue generated by sales of the product & 3.3: How to calculate profit and loss	70
Topic Test 6: 3.4: Using formula for break-even as an aid to decision-making & 3.5: Importance of cash.....	72
Topic Test 7: 4.1: The marketing mix elements for a good/service & 4.2 How the elements of the marketing mix work together	74
Topic Test 8: 4.3: Types of advertising medium used to attract and retain customers & 4.4: Sales promotion techniques used to attract and retain customers	76
Topic Test 9: 4.5: Public relations & 4.6: How to sell the good or service to the consumer	78
Topic Test 10: 4.7: The product life cycle & 4.8: Extension strategies for products in the product life cycle	80
Topic Test 11: 4.9: Factors to consider when pricing a product & 4.10: Types of pricing strategy	82
Topic Test 12: 5.1: Forms of ownership for business start-up	84
Topic Test 13: 5.2: Sources of capital for business start-ups and expansion & 5.3: Support for enterprise	86
Answers	88
Topic Test 1	88
Topic Test 2	91
Topic Test 3	94
Topic Test 4	97
Topic Test 5	100
Topic Test 6	102
Topic Test 7	104
Topic Test 8	108
Topic Test 9	112
Topic Test 10	116
Topic Test 11	119
Topic Test 12	122
Topic Test 13	125

Teacher's Introduction

This resource includes practice topic tests and mark schemes for unit R067 of the OCR Cambridge Nationals L1/2 in Enterprise and Marketing. These tests, with exam-style questions, will test students' understanding of core topics covered in the unit as well as their ability to respond in the appropriate structure to support exam success. Teachers can use the mark schemes to assess students' responses as well as provide students with guidance on how to structure their responses.

Remember!

Always check the exam board website for new information, including changes to the specification and sample assessment material.

Each test contains:

- a mix of **multiple-choice questions** with a detailed mark scheme to explain some misconceptions or errors in students' answers
- **short-answer questions** that test students' understanding of key topics and their ability to apply a context to their answers,
- **long-answer/essay-style questions**, testing students' evaluative capabilities in context. The mark schemes provide indicative and content examples as well as example responses.

The test papers and mark schemes have been written to provide as close an experience as possible to the types of questions students will see in the exam, with careful consideration for the level of required responses to be successful in their exams. Each paper has a scenario to allow assessment of application and use of context. Some scenarios are repeated to replicate the exam-style structure of the actual exam.

This resource aims to support students in their exam preparation, providing qualitative and quantitative practice to offer as close an experience as possible to the exams.

June 2023

Topic Test 1: 1.1–1.3: Characteristics, risk and reward

Section A

Put a tick (✓) in the box next to the correct answer for each question.

1. Which one of the following is not a characteristic of a successful entrepreneur?
☐ a) Being confident in new situations
☐ b) Developing new ideas
☐ c) Finding failure difficult to deal with
☐ d) Spotting gaps in the market
2. Which of the following is not a risk of being an entrepreneur?
☐ a) Loss of personal assets
☐ b) Strained personal relationships
☐ c) Satisfaction in ownership
☐ d) High workload
3. Mia has noticed that there is a significant increase in awareness of the environment among young people and has decided to release an eco-friendly mobile phone case targeted at this group. This is an example of:
☐ a) Discrimination
☐ b) Identifying a gap in the market
☐ c) Delegation
☐ d) Marketing
4. Which of the following is not a reward for taking risks in a business?
☐ a) Self-satisfaction
☐ b) Independence
☐ c) Making a difference
☐ d) Poor reputation
5. Which of the following best describes an entrepreneur?
☐ a) An individual who starts, creates and manages a new business
☐ b) A person who has a great idea for a business
☐ c) Someone capable of starting their own business who works for a large company
☐ d) A person who struggles with stress but is passionate about their idea

INSPECTION COPY

**COPYRIGHT
PROTECTED**



Section B

Answer the questions in Section B using the information in the

You are thinking of opening a small cream tea café in your local village, where there are retired or people with older families. During your apprenticeship, you have learned how to make pastries, cakes and savoury treats from scratch and have been practising delivering high-quality products. You have identified the local bakery, which is in your village, as a possible supplier for your café.

6. Setting up a new business as an entrepreneur comes with taking risks.

a) Explain why an entrepreneur is.

.....

.....

.....

.....

b) Setting up your café comes with some risk. Identify **three** risks of starting your café.

i)

ii)

iii)

c) However, these risks can be rewarding. Identify **three** rewards that you can expect from setting up your café.

i)

ii)

iii)

INSPECTION COPY

COPYRIGHT
PROTECTED



d) Analyse **one** risk and **one** reward of setting up your own business.

i) Risk:

.....

.....

.....

.....

ii) Reward:

.....

.....

.....

.....

e) Explain **three** characteristics you will need to be successful as an entrepreneur.

Characteristic 1:

Explanation:

.....

Characteristic 2:

Explanation:

.....

Characteristic 3:

Explanation:

.....

7. Match the definitions to the skills or characteristics of an entrepreneur.

A discussion aimed at reaching an agreement.

Using your imagination to develop new ideas for business or to solve a problem.

Turning a new idea into a product or a service.

**COPYRIGHT
PROTECTED**



8. Your old boss from the bakery has contacted you to ask if you would consider if he is expanding the business and would like you to run the new branch for him.

You need to decide whether being an entrepreneur is for you. Discuss whether you should be an entrepreneur or work for your old boss as a manager. Your recommendation is:

- An advantage and a disadvantage of being an entrepreneur
- An advantage and a disadvantage of working for someone else
- A justified decision on whether to continue as an entrepreneur or not



**COPYRIGHT
PROTECTED**



INSPECTION COPY

Section A

1. Which one of the following is not a characteristic of a successful entrepreneur?
 - a) Being confident in new situations
 - b) Developing new ideas
 - c) Finding failure difficult to deal with
 - d) Spotting a gap in the market
2. Which of the following is not a risk of being an entrepreneur?
 - a) Loss of personal assets
 - b) Strained personal relationships
 - c) Satisfaction in ownership
 - d) High workload
3. Mia has noticed that there is a significant increase in awareness of the environment among people and has decided to release an eco-friendly mobile phone case targeted at this group. This is an example of:
 - a) Discrimination
 - b) Identifying a gap in the market
 - c) Delegation
 - d) Marketing
4. Which of the following is not a reward for taking risks in business?
 - a) Self-satisfaction
 - b) Independence
 - c) Making a difference
 - d) Poor reputation
5. Which of the following best describes an entrepreneur?
 - a) An individual who starts, creates and manages a new business
 - b) A person who has a great idea for a business
 - c) Someone capable of starting their own business who works for a large company
 - d) A person who struggles with stress but is passionate about their idea

INSPECTION COPY

**COPYRIGHT
PROTECTED**



Section B

Answer the questions in Section B using the information in the

You are thinking of opening a small cream tea café in your local village, where there are retired or people with older families. During your apprenticeship, you have learned how to make pastries, cakes and savoury treats from scratch and have been delivering high-quality products. You have identified the local bakery, which is in your village, as a possible supplier for your café.

6. Setting up a new business as an entrepreneur comes with taking risks.
- Explain what an entrepreneur is.
 - Setting up your café comes with some risk. Identify **three** risks of starting your own business.
 - However, these risks can be rewarding. Identify **three** rewards that you can expect from setting up your café.
 - Analyse **one** risk and **one** reward of setting up your own business.
 - Explain **three** characteristics you will need to be successful as an entrepreneur.
7. Match the definitions to the skills or characteristics of an entrepreneur.

A discussion aimed at reaching an agreement.

Using your imagination to develop a successful business idea or solve a problem.

Turning a new idea into a product or a service.

8. Your old boss from the bakery has contacted you to ask if you would consider running a new branch. He is expanding the business and would like you to run the new branch for him.

You need to decide whether being an entrepreneur is for you. Discuss whether you should be an entrepreneur or work for your old boss as a manager. Your recommendation should include:

- An advantage and a disadvantage of being an entrepreneur
- An advantage and a disadvantage of working for someone else
- A justified decision on whether to continue as an entrepreneur or not

INSPECTION COPY

**COPYRIGHT
PROTECTED**



Preview of Questions Ends Here

This is a limited inspection copy. Sample of questions ends here to avoid students previewing questions before they are set. See contents page for details of the rest of the resource.

Answers

Topic Test 1

Section A

Question	Answer	Explanation
1	c)	<p>a) Entrepreneurs need to be confident in new situations as their initial ideas need to change depending on circumstances</p> <p>b) An entrepreneur needs to be able to develop new ideas to improve their business, from both customers and investors</p> <p>c) An entrepreneur would find spotting a gap in the market a way they can exploit the gap to make their business a success</p>
2	c)	<p>a) Entrepreneurs that start as a sole trader or partnership have personal assets is a risk they take if they start a business and</p> <p>b) Entrepreneurs work long hours, often seven days a week. They use their friendships and personal relationships as the business starts and effort.</p> <p>d) Starting a business involves a lot of hard work, especially in the beginning is trying to get the business up and running</p>
3	b)	<p>a) Discrimination is a negative prejudice against different categories of people</p> <p>c) Delegation is passing on responsibility for a task or project to another person</p> <p>d) Marketing is the activities undertaken by a business to identify customer needs and wants</p>
4	d)	<p>a) If a risk taken results in a reward for the entrepreneur, then it is often a motivation for many entrepreneurs</p> <p>b) Entrepreneurs take risks when starting their own businesses, not else, specifically for the independence of being a business owner</p> <p>c) Taking risks that pay off can make a difference to the business, successful the business, the employees, customers, etc.</p>
5	a)	<p>b) Having a great idea is important for an entrepreneur, but just having an idea is not enough to make a successful business. They must pursue the idea and make it successful</p> <p>c) Entrepreneurs don't work for other companies. They work for themselves</p> <p>d) If an entrepreneur struggles with stress, they may find running a business draining</p>

Section B

Question	Answer/guidance
6 (a)	<p>Example response:</p> <p><i>An entrepreneur is someone who starts and operates their own business (1), identifies a gap in the market and meet customer needs (1).</i></p>
6 (b)	<p>Answers may include:</p> <ul style="list-style-type: none"> Financial loss / Loss of money / Financial risk Poor personal relationships Mental health impacts Health/Well-being No work-life balance <p><i>1 mark per correct identification of a risk, up to 3 marks</i></p>
6 (c)	<p>Answers may include:</p> <ul style="list-style-type: none"> Independence Self-fulfilment Financial reward Making a difference <p><i>1 mark per correct identification of a reward, up to 3 marks</i></p>

INSPECTION COPY

**COPYRIGHT
PROTECTED**



Question	Answer/guidance
6 (d) (i)	<p>Points to analyse could include:</p> <ul style="list-style-type: none"> • Financial loss / Loss of money / Financial risk • Poor personal relationships • Mental health impacts • Health/Well-being • No work-life balance <p>1 mark for identification, 1 mark for explanation, 1 mark for application, 1 mark for evaluation</p> <p>Example: I may lose the money (1) if I invested purchasing the café and supplies (1) and I have to sell my personal assets to cover the debt (1).</p>
6 (d) (ii)	<p>Points to consider could include:</p> <ul style="list-style-type: none"> • Financial independence • Self-satisfaction • Making a difference • Making decisions • Financial reward from the business • Own boss • Set working hours <p>Example: I can make all the decisions in the business (1) which means decisions can be made on the menu (app) and I can change the menu to meet customer needs (1).</p>
6 (e)	<p>Characteristics to consider include:</p> <ul style="list-style-type: none"> • Creativity • Innovation • Confidence • Risk-taking • Determination • Good communication <p>Example: I will need to be willing to take risks (1) to make sure I don't miss any opportunities from my competitors, such as a new and exciting idea for my café (1)</p>
7	<p>A discussion aimed at reaching an agreement – Negotiation Using your imagination to develop a successful business idea or solve a problem – Innovation Turning a new idea into a product or a service – Innovation</p>
8	<p>What is an entrepreneur</p> <p>Advantages of being an entrepreneur include:</p> <ul style="list-style-type: none"> • Make your own decisions • Self-esteem benefits • Keep all the profits • You are your own boss <p><i>Students can demonstrate application with:</i></p> <ul style="list-style-type: none"> • You get to choose the menu for the café • Satisfaction of running your own café and building relationships in local community <p>Disadvantages of being an entrepreneur include:</p> <ul style="list-style-type: none"> • Risk of failure • Impact on personal relationships • Loss of money • Impact on health <p><i>Students can demonstrate application with:</i></p> <ul style="list-style-type: none"> • This is your first business and as such there may be aspects of start-up costs • You may not have all the skills required to run the café alone <p>Take old job to new business</p> <p>Advantages of working for someone else include:</p> <ul style="list-style-type: none"> • The risk is on the owner of the business • Decisions need to be made by you • Secure wages from an established business/owner • Familiarity with the role

COPYRIGHT
PROTECTED



Question	Answer/guidance						
8	<p><i>Students can demonstrate application with:</i></p> <ul style="list-style-type: none"> You have worked for this business owner before so you know you can work for them Opening your own café risks your own finances, but you can run a branch of a café with less risk <p>Disadvantages of working for someone else include:</p> <ul style="list-style-type: none"> You have no control over the direction of the business Working to provide profit for someone else No/limited independence <p><i>Students can demonstrate application with:</i></p> <p>The owner of the bakery would have full decision-making power and you would follow their instructions</p> <ul style="list-style-type: none"> You don't share in the profits no matter how successful you make the business <p>Justification may be based on:</p> <ul style="list-style-type: none"> Confidence in ability to run your own business The importance of independence The importance of security in employment over the risk of ownership <p>Example:</p> <p><i>Running my own café as an entrepreneur means I can decide on the menu (L2) and I wouldn't have to check with anyone else for permission. This also means if something isn't working with my customers, I can change it immediately and avoid losses.</i></p> <p><i>However, as an entrepreneur, all of my own money is at risk and this is my problem. I don't have a lot of experience running the business (L2).</i></p> <p><i>Working for my old boss would be good because I have worked for them before and I am able to do the job well. However, if I make the new branch (app) a success, I won't get the profits, meaning there is no reward for my success.</i></p> <p><i>Overall, I believe I should still open my café and try to make a success of it. The money I put into the business will be rewarded when I make a profit, and all my losses will be made (L3).</i></p> <table border="1"> <tr> <td data-bbox="261 1346 437 1547"> Level 1 (1–3 marks) </td><td data-bbox="437 1346 1075 1547"> Level 1 responses are basic and show an attempt at a discussion, but with a limited analysis, if any, of benefits and drawbacks of the options. Level 1 responses do not make much use of the extract or terminology and may show only a limited understanding of the concepts covered. </td></tr> <tr> <td data-bbox="261 1547 437 1682"> Level 2 (4–6 marks) </td><td data-bbox="437 1547 1075 1682"> Level 2 responses show a good discussion, making use of the extract, but this may be limited in places. Terminology is used throughout to demonstrate an understanding of the concepts covered and an overall understanding. </td></tr> <tr> <td data-bbox="261 1682 437 1816"> Level 3 (7–8 marks) </td><td data-bbox="437 1682 1075 1816"> Level 3 answers demonstrate a good analysis of the options, the impact of the benefits and drawbacks of each option, appropriate use of business terminology and a comprehensive understanding of the concepts demonstrated. A justified decision is reached. </td></tr> </table>	Level 1 (1–3 marks)	Level 1 responses are basic and show an attempt at a discussion, but with a limited analysis, if any, of benefits and drawbacks of the options. Level 1 responses do not make much use of the extract or terminology and may show only a limited understanding of the concepts covered.	Level 2 (4–6 marks)	Level 2 responses show a good discussion, making use of the extract, but this may be limited in places. Terminology is used throughout to demonstrate an understanding of the concepts covered and an overall understanding.	Level 3 (7–8 marks)	Level 3 answers demonstrate a good analysis of the options, the impact of the benefits and drawbacks of each option, appropriate use of business terminology and a comprehensive understanding of the concepts demonstrated. A justified decision is reached.
Level 1 (1–3 marks)	Level 1 responses are basic and show an attempt at a discussion, but with a limited analysis, if any, of benefits and drawbacks of the options. Level 1 responses do not make much use of the extract or terminology and may show only a limited understanding of the concepts covered.						
Level 2 (4–6 marks)	Level 2 responses show a good discussion, making use of the extract, but this may be limited in places. Terminology is used throughout to demonstrate an understanding of the concepts covered and an overall understanding.						
Level 3 (7–8 marks)	Level 3 answers demonstrate a good analysis of the options, the impact of the benefits and drawbacks of each option, appropriate use of business terminology and a comprehensive understanding of the concepts demonstrated. A justified decision is reached.						

**COPYRIGHT
PROTECTED**



Preview of Answers Ends Here

This is a limited inspection copy. Sample of answers ends here to stop students looking up answers to their assessments. See contents page for details of the rest of the resource.