GCSE BUSINESS · EVERY EXAM BOARD

How to answer a business question

One point, taken all the way through, beats three points listed. Every time.

Your point	so that...	which means...	therefore...
State it once. No run-up, no repeating the question.	What that does inside the business.	The consequence — usually money, customers or staff.	What you think, and why.

THE BUSINESS IN THE QUESTION

Zara's Cakes is a small bakery next to a sixth-form college. She is thinking about opening on Sundays.

A short answer
One thing, stated. Then stop.

> Opening on Sundays would increase her revenue.

No development, no context — and none is wanted. Writing more here wins nothing and costs you time you need later.

A developed answer
One point, taken all the way through.

> Opening on Sundays would increase Zara's revenue, so that she sells to students who are not in college during the week, which means her fixed costs are spread over more sales.

One point, three links, and the business named. Three separate undeveloped points score less than this.

A calculation answer
Working, units, then what it means.

> Fixed costs £400 ÷ (£3.00 − £1.20) = 223 cakes. Zara has to sell 223 cakes a week to break even — about 32 a day, which is more than she sells on a Saturday now.

The number is one mark. Saying what it means for this business is the other, and it is the one most often missed.

An extended answer
The chain, the other side, then a decision.

> ...which means her fixed costs are spread over more sales. However, she would have to pay staff at weekend rates, and Sunday trade near a college may be slow in the holidays. Therefore it is worth trying for a term and reviewing the takings, because the cost of stopping again is small.

Both sides, then a judgement that commits — with a reason. A balanced answer that decides nothing has not evaluated anything.

WHEN A QUESTION ASKS WHAT YOU THINK, IT DEPENDS ON

its aims
A business chasing growth and one chasing survival make opposite decisions with the same information.

its customers
Who they are, and whether they can easily go somewhere else.

the timeframe
Almost everything costs money now and pays back later. Say which you mean.

WHAT LOSES MARKS

- × Three points listed, none of them developed
- × Advantages and disadvantages, then no decision
- × A judgement with no "because" after it
- × Writing about "a business" when the question named one
- × Repeating the question back as your opening sentence
- × Numbers quoted from the case study but never used

The structures, the worked example and the notes are ours. Command words and mark allocations differ between awarding bodies; the shape of a developed, applied, judged answer does not, which is why nothing on this sheet names a board.

GCSE BUSINESS · EVERY EXAM BOARD

Business terms, in plain English

The ones that come up in nearly every question. Say them the way they are written here.

BUSINESS ACTIVITY

Enterprise
Spotting a chance to make something people will pay for, and taking it.

Entrepreneur
The person who starts the business and carries the risk if it fails.

Risk
The chance it does not work and the money put in is lost.

Reward
What you get if it does work: profit, independence, or doing it your own way.

Aims and objectives
What the business is trying to achieve. Aims are broad, objectives are measurable.

Stakeholder
Anyone affected by the business — owners, staff, customers, suppliers, the local area.

Limited liability
If the business fails, the owner loses what they invested, not their house.

Organic growth
Growing by selling more of what you already do, rather than buying another business.

FINANCE

Revenue
All the money coming in from sales. Price × quantity. Not the same as profit.

Fixed costs
Costs that stay the same however much you sell — rent, insurance, salaries.

Variable costs
Costs that rise as you make more — ingredients, materials, packaging.

Profit
What is left when every cost has been taken off the revenue.

Break even
The point where revenue exactly covers costs. No profit, no loss.

Cash flow
The money moving in and out, and when. A profitable business can still run out of cash.

Gross profit
Revenue minus the cost of making the thing, before any other bills.

Net profit
Gross profit minus everything else — rent, wages, interest.

MARKETING

Market research
Finding out what customers want before spending money guessing.

Primary research
Data you collect yourself: surveys, interviews, watching what people buy.

Secondary research
Data someone else already collected: reports, websites, government figures.

Segmentation
Splitting customers into groups so you can aim at one of them properly.

Target market
The group the business has decided to sell to.

Marketing mix
Price, product, promotion and place — all four, working together.

Brand
What people already think of you before they have bought anything.

Unique selling point
The reason to pick you rather than the shop next door.

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GCSE BUSINESS · EVERY EXAM BOARD

Business terms, in plain English

Operations, people, and everything acting on the business from outside.

OPERATIONS

Production
How the thing actually gets made.

Procurement
Buying in the materials and services needed to make it.

Supply chain
Everyone between the raw material and your customer.

Quality
Meeting the standard the customer expects — every time, not on average.

Just in time
Stock arrives as it is needed. Cheap to store, expensive when a delivery is late.

Productivity
How much output you get per worker, or per hour.

Economies of scale
The cost of making each one falls as you make more.

Customer service
What happens before, during and after the sale.

PEOPLE

Organisational structure
Who reports to whom, drawn as a chart.

Span of control
How many people one manager is responsible for.

Recruitment
Finding and hiring the right people.

Internal recruitment
Filling the job from staff the business already has.

External recruitment
Hiring somebody from outside the business.

Motivation
Why somebody works hard when nobody is watching.

Financial motivation
Pay, bonus, commission — motivation you can count.

Non-financial motivation
Training, promotion, responsibility, being told you did well.

Training
Teaching staff to do the job better than they do it now.

Retention
Keeping the staff you already have, instead of replacing them.

THE OUTSIDE WORLD

Globalisation
Businesses buying, selling and competing across the world rather than one country.

Legislation
The laws a business has to follow. Not a judgement call.

Consumer law
The rules protecting people who buy things.

Employment law
The rules protecting people who work.

Interest rates
The cost of borrowing. When they rise, loans cost more and customers spend less.

Recession
A period when the economy shrinks and people spend less.

Inflation
Prices rising, so the same money buys less than it did.

Ethics
Doing the right thing even when it costs more to do it.

Sustainability
Meeting needs now without wrecking things for later.

E-commerce
Selling online rather than, or as well as, from a shop.

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