

ANESTAR SCHOOLS

END TERM

BUSINESS

FORM 2

Name_____adm_____class_____

1. Define the following terms:

a) Business (2mks)

Any activities that is carried out by an individual or an organization concerning provision of goods and services with a view of making profit.

b) Business studies(2mks)

Is the study of the activities that are carried out in and around production, distribution, and consumption of goods and services.

2. State four importance of studying business in society (4mks)

- **Help individuals to develop positive attitude towards the environment.**
- **Assists individuals to acquire self discipline and positive attitude towards work.**
- **Enable individuals understand role of government in business activities.**
- **Equips individuals to understand the role of communication and information technology in modern business management**

3. State four types of business activities.(4mks)

- **Extraction**
- **Processing of raw materials**
- **Manufacturing**
- **Construction**
- **trade**

4. State four sources of business idea.(4mks)

- **Hobbies**
- **Survey**
- **Shows and exhibitions.**
- **Newspapers.**

5. Classify the following as either renewable or non-renewable resources (4mks)

Sunshine	Renewable
Furniture	Non-renewable
Crude oil	Non-renewable
Building stones	Non-renewable

6. State four types of business utility.(4mks)

- **Time utility**
- **Possessive utility**
- **Form utility**
- **Place utility**

7. Highlight four characteristics of direct production (4mks)

- **Low quality.**
- **Leads to individualism.**
- **Hinders specialization.**
- **Tiring.**

8. State four factors of production and their rewards (4mks)

- **Land-rates**
- **Capital-interest**
- **Labour-wage/salary**
- **Entrepreneurship-profit**

9. Outline four factors that one should consider when selecting equipment. (4mks)

- **Cost**
- **Adaptability**
- **Durability**
- **Effect on staff moral**
- **Availability of complimentary resources.**

10. Outline four devices offered by wholesalers to producers. (4mks)

- **Relieves the producer's problem of distribution.**
- **Relieves producers from marketing risks.**
- **Relieves producers storage risks.**
- **Relieves producers from problem of market research.**

11. Highlight four importance of product promotion.(4mks)

- **Creates awareness of existence of a product to consumers.**
- **Reminds consumers about existence of a product.**
- **Informs the consumers on where to get a product.**
- **Helps build a consumer loyalty on the product.**

12. Give the meaning of the following types of advertising.(4mks)

a) Productivity

Aims at increasing the sale of a particular brand of a product.

b) Institution advertising

Popularizes the business organization and not individual products.

c) Celebrity advertising

Used to remind customers that the product is still available using a renowned personality.

d) Reminder advertising

Remind the customer that the product is still available.

13. State four factors that influence individuals demand for commodity.(4mks)

- **Price of the commodity.**
- **Level of customer income.**
- **Change in population.**
- **Seasonal changes.**
- **Government policies.**

14. State four factors that influence location of a firm. (4mks)

- **Availability of raw materials.**
- **Market availability.**
- **Availability of human resources.**
- **Government policies.etc.**

15. Highlight four features of a good filling system.(4mks)

- **Accessibility.**
- **Economical.**
- **Flexibility.**
- **Suitability. Etc.**

16. The following are factors influencing business, tick appropriately (4mks)

factors	Internal environment	External environment
Business technology		
Financial		
Demographics		
Legal political		

17. State four characteristics of basic human wants (4mks)

- **One cannot do without them.**
- **They are felt needs.**
- **They cannot be postponed.**
- **They are satisfied before secondary wants.**

18. Differentiate between forms of communication and means of communication. (2mks))

Forms-**methods or ways of passing on messages.**

Means-**is the device used to pass on information.**