

2.2.4 Edexcel Business

Edexcel GCSE Business

2.2.4 Place

Multiple Choice Question Test Bank

MCQ Test 4

This MCQ test contains 13 questions covering the specification content for 2.2.4: Place

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 is a benefit to a manufacturer of using a national retailer as a channel of distribution?

- A A higher price can be charged
- B Profit margins will be increased
- C Product sales will be guaranteed
- D A wider audience may be reached

[1 mark]

0 2 A direct channel of distribution has:

- A Three intermediaries
- B Two intermediaries
- C One intermediary
- D No intermediaries

[1 mark]

0 3 Which of the following best describes the term e-tailer? A business that:

- A Buys goods from a producer and sells them via a physical shop
- B Manufactures goods and sells them through physical stores
- C Buys goods from a wholesaler and sells them via both physical outlets and online
- D Sells goods online only, as its customers buy electronically

[1 mark]

0 4 Which of the following is true in relation to a producer distributing products through a retail chain?

- A Products are sold directly by the producer to the end user
- B Full control of distribution is kept by the producer
- C A large number of potential customers can see the product
- D The producer makes more profit per unit sold in comparison to the business selling directly to the public

[1 mark]

0 5 Which of the following elements of the marketing mix best describes the different channels of distribution used by businesses?

- A Place
- B Promotion
- C Price
- D Product

[1 mark]

0 6 A physical shop/store that buys its products from a wholesaler, or directly from the business that makes the goods, and then sells these products to customers is known as a:

- A Producer
- B E-tailer
- C Retailer
- D Manufacturer

[1 mark]

0 7 Which of the following is a benefit to a business of distributing products via e-commerce?

- A Website will require frequent updating
- B Customer expectations of timely deliveries will need to be met
- C Large market can be accessed 24 hours a day
- D Intense competition can increase sales

[1 mark]

0 8 Which of the following statements is true?

- A Most grocery sales in the UK are made online
- B Most grocery sales in the UK are made in physical stores
- C All stores that sell groceries offer an online service
- D All grocery stores offer a click and collect service

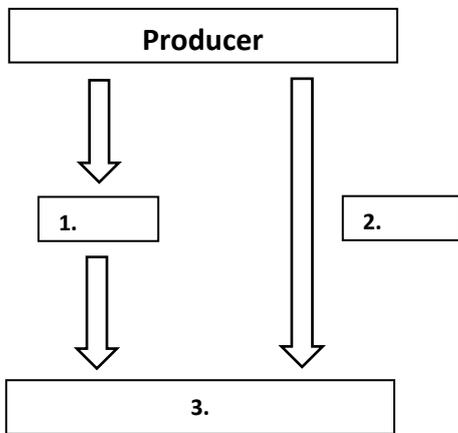
[1 mark]

0 9 Which of the following is an example of indirect selling?

- A E-commerce
- B Retailer
- C E-tailer
- D M-commerce

[1 mark]

1 0 The diagram below shows the different methods of distribution used by businesses.



Which of the following accurately completes the diagram above?

- A 1.E-tailer 2.Consumer 3.Retailer
- B 1.E-tailer 2.Retailer 3.Consumer
- C 1.Retailer 2.E-tailer 3.Consumer
- D 1.Retailer 2.Consumer 3.E-tailer

[1 mark]

1 1 An independent clothes shop, located on a busy high street in a small town, is an example of a:

- A Producer
- B Retailer
- C E-tailer
- D Supplier

[1 mark]

1 2 Which **two** of the following are drawbacks to a business of using e-commerce?

- A The business has the ability to sell to wider markets
- B It appeals to many customers who have busy lifestyles
- C Customers cannot see, touch or try goods which can discourage sales
- D It is can be easier to compete on price as running costs are lower
- E Competition can be intense when operating online

[2 marks]

1 3 Which **two** of the following goods/services are most suitable to be distributed via e-commerce?

- A Flights
- B Hairdressing
- C Insurance
- D Opticians
- E Children's shoe fitting service

[2 marks]

ANSWERS TO THIS MCQ TEST

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