

# Elementary Entrepreneurship Basics

Entrepreneurship · Practice Test · 20 Questions

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## 1. What is the main goal of an entrepreneur?

- A) To create a new product or service and run a business around it.
- B) To invent a new game.
- C) To start a lemonade stand for fun.
- D) To work for someone else's company.

## 2. Which of these is an example of a product an entrepreneur might sell?

- A) Handmade bracelets.
- B) A song.
- C) A drawing.
- D) A story.

## 3. What do we call the money a business earns from selling its products or services?

- A) Revenue.
- B) Profit.
- C) Savings.
- D) Wages.

## 4. To start a business, an entrepreneur often needs to gather resources. What are these resources called?

- A) Capital.
- B) Ideas.
- C) Customers.
- D) Skills.

## 5. What is a 'customer' in the world of business?

- A) Someone who buys a product or service.
- B) Someone who makes the product.
- C) Someone who works in the business.
- D) Someone who has a good idea.

## 6. When an entrepreneur has an idea for a business, what is the first step often involved?

- A) Researching the idea and its market.
- B) Hiring employees.
- C) Opening a store.
- D) Designing a logo.

**7. What does an entrepreneur do if their business is not making enough money?**

- A) Try to find ways to sell more or reduce costs.
- B) Close the business immediately.
- C) Ask for donations.
- D) Change the product completely.

**8. What is a 'service' that an entrepreneur might offer?**

- A) Washing cars.
- B) Selling apples.
- C) Making cookies.
- D) Knitting scarves.

**9. What is 'profit'?**

- A) Money left over after paying all the business's expenses.
- B) The total money earned from sales.
- C) The money needed to start the business.
- D) The money given to employees.

**10. What is the term for the process of creating and running a new business?**

- A) Entrepreneurship.
- B) Innovation.
- C) Management.
- D) Marketing.

**11. An entrepreneur needs to think about how to tell people about their business. What is this called?**

- A) Marketing.
- B) Accounting.
- C) Manufacturing.
- D) Research.

**12. What is a 'risk' for an entrepreneur?**

- A) The possibility of not making money or losing money.
- B) Creating a new product.
- C) Finding customers.
- D) Having a good idea.

**13. Which of these is a common challenge for new businesses?**

- A) Getting enough customers to buy their products.
- B) Having too much money.
- C) Being too popular from the start.
- D) Having too many employees.

**14. What does 'supply' mean in business?**

- A) The amount of a product that is available for sale.
- B) The number of people who want to buy a product.
- C) The money earned from selling a product.
- D) The cost of making a product.

**15. What does 'demand' mean in business?**

- A) The number of people who want to buy a product.
- B) The amount of a product that is available for sale.
- C) The price of a product.
- D) The advertising for a product.

**16. What is a 'brand' for a business?**

- A) A unique name, symbol, or design that identifies a product or service.
- B) The money a business owes.
- C) The place where a business is located.
- D) The list of employees.

**17. Entrepreneurs often need to make decisions. What is a key quality for making good decisions?**

- A) Being observant and thoughtful.
- B) Waiting for others to decide.
- C) Only choosing popular options.
- D) Avoiding any difficult choices.

**18. What is a 'competitor' in business?**

- A) Another business that sells similar products or services.
- B) A customer who buys a lot.
- C) An employee who is very good.
- D) Someone who gives advice.

**19. What is 'innovation' in entrepreneurship?**

- A) Creating new ideas or improving existing ones.
- B) Copying successful businesses.
- C) Working very hard.
- D) Saving money.

**20. Why is it important for an entrepreneur to understand their customers?**

- A) To know what products or services they want to buy.
- B) To make their business more complicated.
- C) To ignore their needs.
- D) To increase costs.