



## Worksheet 3: Making appropriate choices

Based on the outline of the business below, rank the options in terms of their appropriateness.

### Quality Fencing

Quality Fencing is owned by Seojun.

Most of his customers own houses with gardens in City X.

Seojun is an entrepreneur who has an aim to be rich. He set up Quality Fencing recently using all of his savings.

Seojun wants to gain more customers for Quality Fencing and needs to promote his business in the local area.

**1** Rank the following sources of finance, based on how appropriate they might be for Quality Fencing to finance future promotion.

- Share capital
- Owner's savings
- Bank loan

Choices	Ranking	Explanation
<b>Most appropriate</b>		
		
<b>Least appropriate</b>		

**2** Rank the following above the line promotion methods, based on how appropriate they might be for Quality Fencing to gain more customers.

- Television advertisement
- Social media promotion
- Direct mail

Choices	Ranking	Explanation
<b>Most appropriate</b>		
		
<b>Least appropriate</b>		



Based on the outline about the business below, rank the options in terms of their appropriateness.

## Bob's Furniture

Bob is a carpenter who is thinking of setting up his own business making furniture. In some recent market research, he discovered the following:

- Potential customers want unique pieces of furniture.
- Potential customers have high incomes.

1 Rank the following methods of production, based on how appropriate they might be for Bob's Fencing to produce furniture.

- Job production
- Batch production
- Flow production

Choices	Ranking	Explanation
<b>Most appropriate</b>		
		
<b>Least appropriate</b>		

2 Rank the following pricing methods, based on how appropriate they might be for Bob's Fencing when pricing furniture.

- Price skimming
- Cost-based pricing
- Price discrimination

Choices	Ranking	Explanation
<b>Most appropriate</b>		
		
<b>Least appropriate</b>		