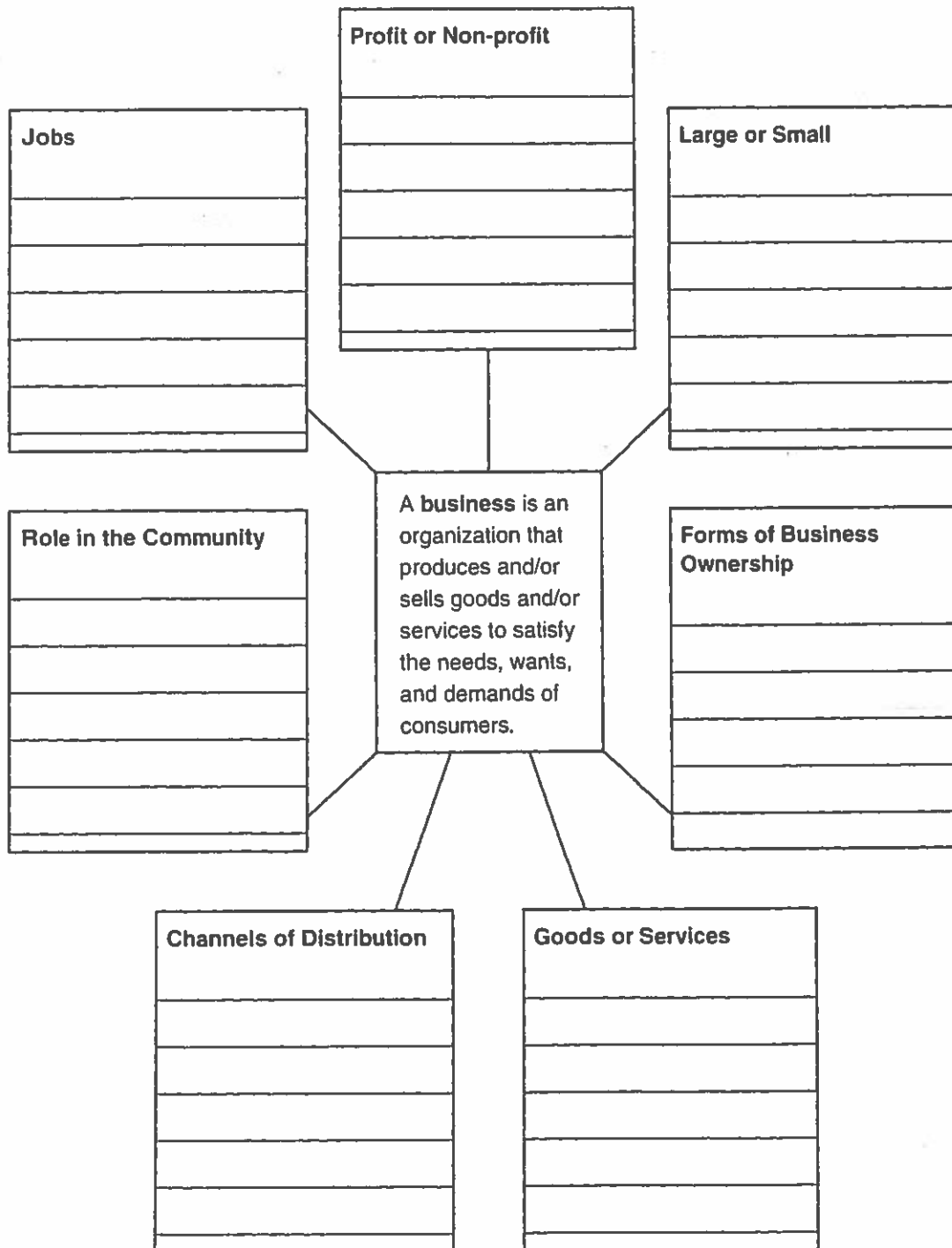


B. Chapter Notes: What Is a Business?

Read the first section, What Is a Business? (pages 6–10), in your textbook, and use the following organizer to help guide your note-taking.

Seven characteristics can be used to classify a business. In the graphic organizer below, explain how each characteristic helps describe a business.



D. Chapter Notes: The Role of the Consumer

Read the second section, The Role of the Consumer (pages 10–14), in your textbook, and answer the following questions.

1. What do the consuming habits of Canadians indicate to businesses? How do businesses use this information?

2. Explain how competition among businesses can influence a marketplace.

3. Why might a product become obsolete? Provide two examples.

4. When determining the price of a product, what factors must producers take into account? What is the effect of such a decision?

5. Explain the difference between a customer and consumer.

F. Activity: Obsolescence

A product that has become obsolete has experienced a decline in its value brought about by an introduction of new technology or changes in demand. As technology changes, new products replace existing ones. This process is ongoing.

1. Each product listed below is in danger of becoming obsolete in the next 10 years. For each one, list the new product(s) that may replace it and explain the ways in which the new product is superior.

Product	What new products may cause it to become obsolete?	In what ways is the new product superior?
Floppy disks		
Film camera		
Portable CD player		
Gift certificates		
Videotapes		

2. Explain why a product might fail in one market but survive in another. Provide an example.

3. List three products in current use that you believe will never become obsolete. What will give these products staying power?

G. Chapter Notes: Starting a Business

Read the third section, Starting a Business (pages 15–22), in your textbook, and answer the following questions.

1. List four characteristics required of an entrepreneur.

2. When planning a new business, what factors need to be considered with respect to potential consumers?

3. There are three ways a business can respond to customer feedback:

1.

2.

3.

4. Explain how having too much inventory can hinder a business.

5. List the five steps of the decision-making model.

Step 1:

Step 2:

Step 3:

Step 4:

Step 5:
