

Business Studies

GRADE 10

Olympiad Paper

Round One

Marks: 30

Time: 1 hour

Date: 7 May 2025



Instructions

Please take time to read the instructions carefully.

If the ANSWER SHEET is not COMPLETE and correct your answer sheet will be invalid.

1. **NB! Please use a HB pencil or a black pen to complete the answer sheet.**
No highlighter or colours pens are allowed.
2. The ANSWER SHEET consist of 3 sections. Accounting, Business Studies and Economics.
Please select and answer the **correct** section/subject
3. There are 4 possible answers per question (A B C D)
Only one answer is correct. Colour a circle completely.
4. Good luck!

PROVERTO EMS OLYMPIAD 2025 – GRADE 10

BUSINESS STUDIES

CHOOSE THE MOST CORRECT OPTION FOR QUESTIONS 1 to 30.

Business environments

1. Which of the following is an example of a business resource in the microenvironment?
 - A Government regulations
 - B Suppliers
 - C Employees
 - D Exchange rates
2. Which business function is responsible for ensuring that goods and services reach customers?
 - A Human Resources
 - B Marketing
 - C Finance
 - D Public Relations
3. A sole trader is characterised by _____.
 - A limited liability.
 - B unlimited liability.
 - C many shareholders.
 - D a separate legal identity.
4. The organisational structure of a business is determined by _____.
 - A the political environment.
 - B the number of employees.
 - C the business's vision and mission.
 - D the supply chain.
5. Which is a key responsibility of general management in a business?
 - A Manufacturing of goods.
 - B Conducting marketing research.
 - C Setting business objectives.
 - D Providing loans.
6. The market environment consists of _____.
 - A competitors, customers, and suppliers.
 - B employees and shareholders.
 - C government policies.
 - D the natural environment.

7. A business is experiencing price competition. Which factor is affecting it?
- A Suppliers
 - B Customers
 - C Competitors
 - D Regulators
8. A major clothing retailer in South Africa struggles as international fast fashion brands expand their market share. How should it respond?
- A Increase prices.
 - B Offer unique value to customers.
 - C Reduce marketing costs.
 - D Focus only on internal resources.
9. A clothing retailer has to adjust its prices due to a rise in import taxes. This demonstrates the relationship between _____
- A the micro and market environments.
 - B the market and macro environments.
 - C the macro and economic environments.
 - D the economic and microenvironments.
10. A company that sources materials from different suppliers is engaging in _____
- A horizontal integration.
 - B vertical integration.
 - C market penetration.
 - D price discrimination.
11. Consumer price inflation is forecast to average 4.5% in 2025. This affects businesses in the _____
- A microenvironment.
 - B market environment.
 - C macro environment.
 - D competitive environment.
12. A local bakery is struggling because a new competitor has opened nearby. Which environment is most affected?
- A Macro environment
 - B Microenvironment
 - C Market environment
 - D Economic environment

13. Which economic factor influences consumer spending power?
- A Weather conditions
 - B Exchange rates
 - C Business culture
 - D Supplier relationships
14. The impact of a global recession on a South African business is an example of a challenge in the _
- A market environment.
 - B macro environment.
 - C microenvironment.
 - D business function environment.
15. How should businesses adapt to rising fuel prices affecting their transportation costs?
- A Increase product prices significantly.
 - B Invest in energy-efficient vehicles.
 - C Reduce supplier diversity.
 - D Increase the number of delivery trucks.

Interconnection between environments

16. When a business fails due to high interest rates, this demonstrates the interaction between ____
- A micro and market environments.
 - B market and macro environments.
 - C micro and macro environments.
 - D political and technological environments.
17. A global chip shortage disrupts the production of smartphones. How does this affect businesses in South Africa?
- A It creates opportunities for local manufacturing.
 - B It reduces the demand for smartphones.
 - C It forces businesses to lower prices.
 - D It only affects international companies.
18. A high unemployment rate affecting the customer base of a retailer illustrates _____
- A a microenvironment challenge.
 - B a market environment challenge.
 - C a macro environment influence.
 - D a business function challenge.

Business and economic sectors

19. What is the likely impact of increasing automation in South Africa's secondary sector?
- A It will improve production efficiency but reduce unskilled job opportunities.
 - B It will have no effect on employment levels.
 - C It will eliminate the need for businesses in this sector.
 - D It will force the government to stop automation.
20. A business that provides legal services operates in the _____
- A primary sector.
 - B secondary sector.
 - C tertiary sector.
 - D government sector.
21. Which economic sector contributes the most to South Africa's GDP?
- A Mining
 - B Manufacturing
 - C Services
 - D Agriculture
22. How could artificial intelligence impact the services sector in South Africa?
- A Increase automation and job displacement.
 - B Reduce digital transformation.
 - C Remove competition in industries.
 - D Lower customer expectations.
23. What long-term effects could a shrinking agricultural sector have on South Africa's economy?
- A It could boost food imports and increase foreign dependency.
 - B It could create more employment in urban areas.
 - C It could lower food prices for consumers.
 - D It could strengthen South Africa's GDP.
24. How could businesses in the tertiary sector adapt to artificial intelligence replacing traditional jobs?
- A Upskilling employees to work alongside AI.
 - B Eliminating all customer service roles.
 - C Reducing investment in digital transformation.
 - D Increased reliance on manual labour.

The circular flow and business functions

25. In the circular flow model, households provide _____
- A goods and services.
 - B factors of production.
 - C government regulations.
 - D marketing strategies.
26. An entrepreneur is best described as someone who _____
- A works for a large corporation.
 - B takes risks to start and manage a business.
 - C avoids competition.
 - D focuses only on financial investments.
27. Which of the following is a key characteristic of a successful entrepreneur?
- A Prefers to work alone.
 - B Takes calculated risks.
 - C Avoids challenges.
 - D Follows trends without innovation.
28. How should businesses respond to South Africa's electricity crisis?
- A Close all operations.
 - B Invest in renewable energy solutions.
 - C Reduce production.
 - D Move operations overseas.
29. How might the rise of remote work affect the circular flow of income in South Africa?
- A It will have no effect on the economy.
 - B It will prevent economic growth.
 - C It will increase the demand for factory workers.
 - D It could reduce spending on transport and urban infrastructure.
30. If South Africa were to increase its reliance on renewable energy, how would this impact the business sector?
- A It would create job opportunities in the green energy sector.
 - B It would decrease investment in businesses.
 - C It would reduce the role of entrepreneurs.
 - D It would only impact government-owned companies.