JA BizTown Classroom Curriculum®

Quiz: Post-Session 4.2: Setting Prices

Answer the following questions so we can match your surveys for this program.

What are the first three letters of your **first** name? _____ _____ _____

What are the first three letters of your **last** name? _____ _____ _____

On what **month** and **day** were you born? _____ _____

                                                    MONTH   DAY

Circle the best answer for each question.

1. **What is the best definition for revenue?**

    a. the amount of money earned from sales

    b. the money a buyer pays for a product or service

    c. the goods that a business has in stock to sell

    d. the money left over after paying business costs

2. **What is the best definition for inventory?**

    a. the amount of money earned from sales

    b. the money a buyer pays for a product or service

    c. the goods that a business has in stock to sell

    d. the money left over after paying business costs

3. **What is one of the factors that affect the selling price of a product?**

    a. the amount of inventory you have

    b. the cost of operating your business

    c. consumer demand

    d. all of the above

4. **What is one way to decide the selling price of a product?**

    a. multiply items in inventory by cost of production

    b. decide how much you want to make

    c. determine the average cost of the item and add a little

    d. calculate the cost per item and increase the price if the item is in high demand

_____

5. **Which phrase correctly describes the relationship between revenue, costs, and profit?**

   a. as revenue increases, costs increase

   b. as production costs increase, revenues increase

   c. as production costs increase, profits decrease

   d. None of these phrases correctly describes the relationship.

6. **A business has too many fuzzy beanies in its inventory, and the weather is changing. What is the most direct way for the business to reduce its inventory and cover the cost of the beanies?**

   a. raise the price of other items

   b. lower the cost of production

   c. lower the price of the beanies

   d. increase revenue