

Role of business in society

<https://www.bbc.co.uk/bitesize/guides/zmx47nb/revision/1>

A business is an organisation that makes, buys or sells goods or provides a service. All businesses aim to satisfy *consumer* needs and wants.

Needs are the basic requirements that are essential for survival such as food, water, clothing, shelter and warmth.

Wants are things we would like to have but don't need to survive. These include luxuries such as mobile phones or holidays.

For a business to survive, it needs to satisfy the needs and wants of the consumer. Business can satisfy needs and wants by providing goods and services to the consumer.

Goods are products that you can see and touch (tangible) such as laptops, clothes or food.

Services are products that you cannot hold or touch (intangible) such as public transport, a haircut or a visit to the cinema.

For a business to be able to provide goods and services it will need to combine a variety of resources. These are known as the *factors of production*.



Needs



Wants

Activity

True or False

Write **T** for True or **F** for False based on the text.

1. A business can only sell goods, not services.
2. Needs are basic requirements for survival.
3. A holiday abroad is considered a need.
4. Goods are tangible products you can see and touch.
5. Services are physical items such as clothing or laptops.