

Answer **all** the questions in the spaces provided.

1. Daniel Woods is a very successful entrepreneur whose company, DW Engineering Ltd, makes brake-pads for large lorries. In a recent interview he was asked what motivated him to go into business. He replied "I knew that I had to satisfy my **needs** and **wants** to give me the luxury lifestyle I hoped for. I decided that the best way would be to start a business where I could provide goods and services at a price people were prepared to pay and would give me a healthy profit. The secret is to find the right product or service to sell and then to sell nationally and internationally".

(a) With the aid of examples, distinguish between *needs* and *wants*. [4]

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(b) Explain **two** possible advantages to DW Engineering Ltd of selling its products internationally. [4]

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