2 Rachel's business produces and sells chocolate bars. Quality is important. Rachel is a sole trader who received government support when she started up her business. The business operates in a competitive market. Rachel is considering ways to increase sales of her best-selling product. She is also planning to introduce a new chocolate bar. Rachel knows deciding which pricing method to use for a new product is important.

(a) Define 'sole trader'.

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..... [2]

(b) Identify **two** ways a government can support business start-ups.

Way 1: .....

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Way 2: .....

..... [2]

(c) Outline **two** ways Rachel could increase sales of her best-selling product.

Way 1: .....

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Way 2: .....

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..... [4]

(d) Explain **two** reasons why quality is important to Rachel's business.

Reason 1: .....

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Explanation: .....

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Reason 2: .....

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Explanation: .....

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..... [6]

(e) Do you think price skimming is the best pricing method for a business to use when introducing a new product? Justify your answer.

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..... [6]