To Start-up or not? (Entrepreneurship)

A Start-up is a new business that has just begun. Starting a new business is difficult and Start-ups are very vulnerable trying to compete with more established companies in the Business world.

New businesses are often started in a bedroom or home office. Mark Zuckerberg created Facebook from his Harvard dormitory. Steve Jobs started Apple in his father's garage.

It is difficult for a new business to get funding. Some use a Crowd-funding platform like Kickstarter, where many people invest or donate a small amount of money.

50% of new businesses will fail in the first five years. 25% will fail within the first year. The number one reason is that they offer a product or service that people don't want. Other reasons for failure include financial fraud and a lack of managerial experience.

But what about the ones who succeed? Uber started in 2009 and today has an estimated value of $62.5 billion.

Did you understand the text?

1) What is a Start-up?
   - a) An established business
   - b) A failed business
   - c) A new business
   - d) A successful business

2) Which of these companies is a Crowd-funding platform?
   - a) Apple
   - b) Kickstarter
   - c) Uber
   - d) Facebook

3) Which of these companies started in a university bedroom?
   - a) Apple
   - b) Kickstarter
   - c) Uber
   - d) Facebook

4) What is Crowd-funding?
   - a) Paying for lots of people
   - b) A way for a new business to raise capital (funding)
   - c) A Bank
   - d) A failed business

5) How much is Uber worth today?
   - a) $62.5 billion
   - b) $2009 million
   - c) $62.5 million
   - d) $50 million

6) How many businesses fail within 12 months?
   - a) 50%
   - b) 2009
   - c) 62.5
   - d) 25%

7) How many start-up businesses fail within 5 years?
   - a) 50%
   - b) 2009
   - c) 62.5
   - d) 25%

8) Which of these is NOT listed as a reason for failure?
   - a) The wrong product or service
   - b) Lack of managerial experience
   - c) Not having a garage
   - d) Financial Fraud

©2021 Lingua.com. All Rights Reserved.
Source: https://lingua.com/businessenglish/reading/to-start-up-or-not/
Solution: 1) c 2) b 3) d 4) b 5) a 6) d 7) a 8) c