



IO1 – XCAPE Digital  
Breakouts

Compendium of  
Resources

The Risk developed by  
Innoventum



**CAPE**

**BREAKOUT CHALLENGES FOR  
DEVELOPING TRANSVERSAL  
SKILLS**



# XCAPE: Breakout Challenges for Developing Transversal Skills

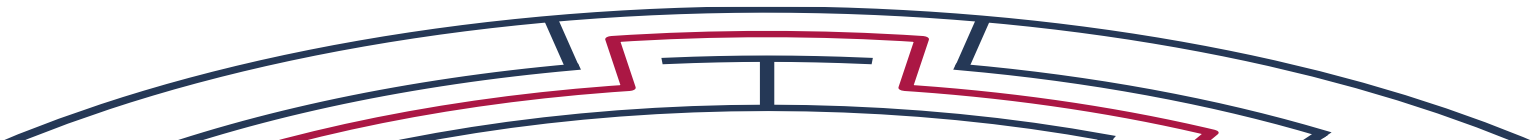
*Project Number: 2019-1-IS01-KA202-051133*

Prototype Digital Breakouts for Entrepreneurial Spirit

Advanced Level

Developed by Innoventum





## IO1 – Digital Breakouts

### 1. Basic information

#### 1.1 Title

The Risk

#### 1.2 Competences addressed

Competence	Thread	Level	Description
Entrepreneurial spirit	Knowledge	Advanced	<ul style="list-style-type: none"> <li>- Theoretical knowledge of key concepts and economic mechanisms</li> <li>- Factual knowledge the interrelations between supply and demand</li> </ul>
Entrepreneurial spirit	Skills	Advanced	<ul style="list-style-type: none"> <li>- Describe different analytical approaches to identify entrepreneurial opportunities</li> <li>- Identify needs and challenges that need to be met</li> <li>- Size the opportunities to respond to challenges and create value for others</li> </ul>
Entrepreneurial spirit	Attitudes	Advanced	<ul style="list-style-type: none"> <li>- Awareness of the different needs of various people</li> <li>- Appreciation of the potential an</li> </ul>

			idea has for creating value
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**2.1 Introduction**

*As every entrepreneur admits, taking risk is a key element of starting a thriving business, however, the key to success is to reduce this risk through careful preparation. So you are committed to conducting comprehensive market research and tracking industry trends to avoid becoming one of the 50% of small businesses that fail within the first five years of operation. By learning all about the industry you are investing in, you will only be able to take the most calculated risks. But there is always a risk, so it is worth learning how to act in difficult situations. Make the right decisions and win!*

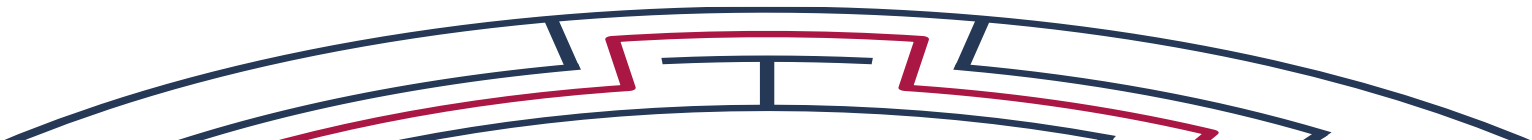
**Level**

*Advanced*

**Cover image**



2. Challenge pages.





Page number 2

2.1 Title

GDP – Challenge 1

2.2 Content

So many home studio owners dream of being their own boss and **making a living from their passion for music production.**

As a music fan, you are considering to start your own vinyl record label, you have analysed market trends such as the growing interest in this product among music fans. In recent years, GDP has been increasing, so you count on gaining customers.

2.3 Type

Text page

2.4. Attachment(s)





## 2.5 Page Challenge (optional)

### Question

1. The period of stable GDP growth limits the investment risk, this period is called:

- economic growth*
- economic development*
- stagflation*
- recession*

### Correct answer

*economic growth*

### Hint

*It is a positive change in GDP*

## 2.6 Congratulate the Learner

Well done, Economic growth is a quantitative concept - we measure it by the change in GDP. Economic development is a broader concept where other factors, including qualitative ones, are also taken into account.

Now that you know a little bit more it is time for your next challenge.

## 3.1 Title

*The equilibrium – Challenge 2*

## 3.2 Content





*If it is known that the seller wants to sell as expensive as possible and the buyer wants to buy as cheaply as possible, how can a compromise, i.e. the equilibrium price, be reached?*

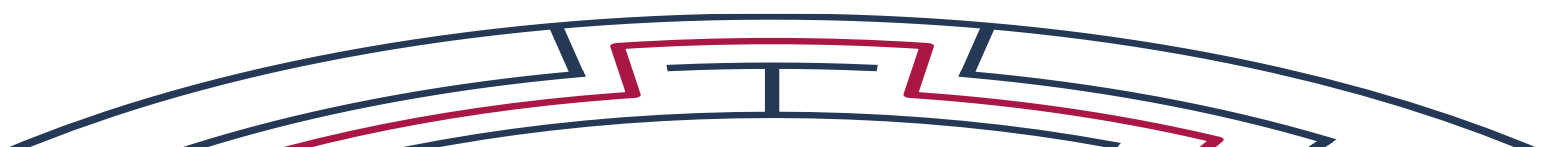
*Whenever we find a product to be too expensive, customers look for another retailer who offers it at a lower price. By selling at too high prices, the seller is exposed to the risk of losing the customer, therefore he has to adapt his pricing policy to the prices prevailing on the market. Market equilibrium occurs when the quantity buyers want to buy at a given price equals the quantity sellers want to sell.*

*In order to assess the risk and profitability of your business, you need to think carefully about what determines the price of your product?*

### 3.3 Type

Text page

### 3.4. Attachment(s)



### 3.5 Page Challenge (optional)

#### Question

*What are the factors determining the price level in a free market economy:*

*demand and sale  
demand and supply  
buying and selling*

#### Correct answer

*demand and supply*

#### Hint

*Relationship between the quantity of a commodity that producers wish to sell at various prices and the quantity that consumers wish to buy*

### 3.6 Congratulate the Learner

#### 4.1 Title

*I can't Get No Satisfaction! – Challenge 3*

#### 4.2 Content

I can't get no satisfaction, I can't get no satisfaction  
'Cause I try and I try and I try and I try ... we all know this song but how is the satisfaction really?

If you want to analyse the client's profile and the risks associated with it, you decide to take a closer look at one of them.

Mac got a vinyl player for his birthday, so he started buying vinyls. We assume that each subsequent album purchased gave him a certain satisfaction measured in points.

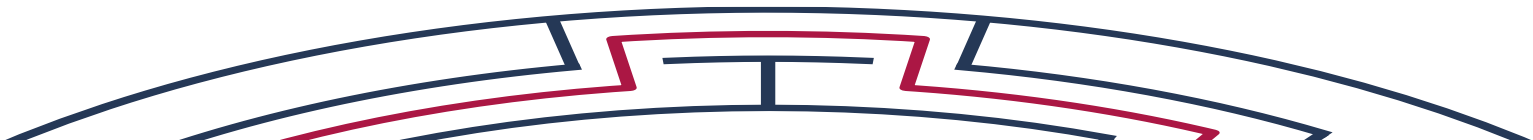
The table shows the total utility (Mac's satisfaction) after purchasing more records.

Quantity(Q)	Total Utility	Marginal utility
1	120	120
2	210	90
3	270	60
4	300	30
5	300	0
6	270	-30
7	240	-60

#### 4.3 Type

Text page

#### 4.4. Attachment(s)







#### 4.5 Page Challenge (optional)

##### Question

When the consumption of each successive unit of good brings you less and less satisfaction (called "utility" by economists), it is called:

growing end utility,  
falling partial satisfaction,  
decreasing marginal utility

##### Correct answer

decreasing marginal utility

##### Hint

The diminishing benefit to the consumer from increasing the consumption of a given good by one unit.

#### 4.6 Congratulate the Learner

Well done, you have correctly answered that question!

*Marginal utility theory examines the increase in satisfaction consumers gain from consuming an extra unit of a good.*

- *Utility is an idea that people get a certain level of satisfaction/happiness/utility from consuming goods and service.*
- *Marginal utility is the benefit of consuming an extra unit.*

*This utility is not constant. Often we get diminishing marginal utility. The first item bought gives more utility than the 7th piece.*

Quantity(Q)	Total Utility	Marginal utility
1	120	120
2	210	90
3	270	60
4	300	30
5	300	0
6	270	-30
7	240	-60

Source: [economicshelp.org](http://economicshelp.org)

### 5.1 Title

*The Demand solutions – Challenge 4*

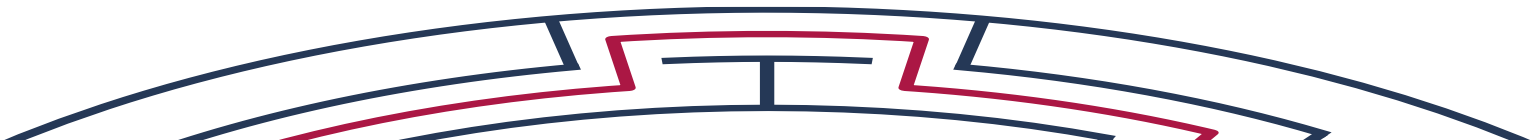
### 5.2 Content

*The lovers of sounds from the disc, as well as their sellers, have certainly noticed that the last years have been a great comeback for vinyl records. They are starting to be everywhere, even in popular food discount stores. Where does the modern fashion for vinyl come from? Does their wide availability also translate into sales data?*

### 5.3 Type

Text page

### 5.4. Attachment(s)



### 5.5 Page Challenge (optional)

#### Question

*What factors are affecting the demand?*

*Transport Improvements*

*Income of consumers !*

*Price !*

*Calamities*

*Advertising !*

*Seasonal/expectations !*

*Price of substitutes !*

*Monopolies*

*Price of complements !*

*Fiscal Policy*

*Changes in taste/fashion !*

#### Correct answer

*Multiple select answers, correct ones indicated by “!”*

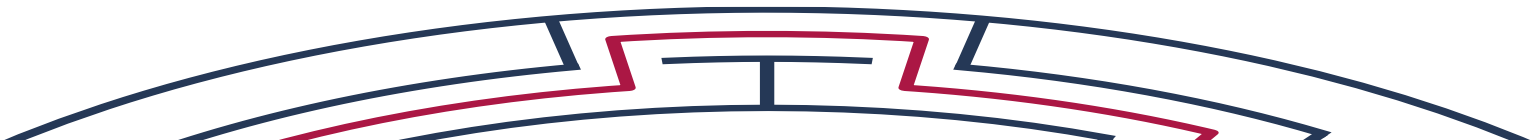
#### Hint

*Try to select more of the right answers!*

### 5.6 Congratulate the Learner

Well done, you have correctly answered all questions!

Congratulations, you have completed all challenges and you won! Excellent!







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