



GAGE

University College

MANAGEMENT
PART 1 WORKSHEET FOR EXIT
EXAM ON THEMATIC AREA 5

EXIT EXAM PART 1 WORKSHEET

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STUDENT NAME:	
STUDENT ID NO:	
SECTION:	
DEPARTMENT	ACCOUNTING AND FINANCE

INSTRUCTIONS TO THE STUDENTS

- ALL the questions are compulsory and **MUST** be answered
- Use only PEN for writing answers.
- Observe correct spelling.
- Double answers will not carry any marks.

LEVEL: UNDERGRADUATE

Date& Day	21 December 2015/Monday	Time	
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Type of Questions	TOTAL QUESTIONS	ACTUAL MARK	REMARK
I. MULTIPLE CHICE ONLY	194		

TOTAL MARKS SECURED IN WORDS: _____

Suggested Time: 4HR

1. Which of the following statements is correct?

- A. Marketing is the term used to refer only to the sales function within a firm
- B. Marketing managers usually don't get involved in production or distribution decisions
- C. Marketing is an activity that considers only the needs of the organization, not the needs of society as a whole
- D. Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large

2. Which of the following is NOT an element of the marketing mix?

- A. Distribution
- B. Product
- C. Target market
- D. Pricing

3. Marketing decision makers in a firm must constantly monitor competitors' activities-their products, prices, distribution, and promotional efforts-because

- A. The competitors may be violating the law and can be reported to the authorities
- B. The actions of competitors may threaten the monopoly position of the firm in its industry
- C. The actions of competitors may create an oligopoly within an industry
- D. New product offerings by a competitor with the resulting competitive variations may require adjustments to one or more components of the firm's marketing mix

4. _____ is the collection and interpretation of information about forces, events, and relationships that may affect the organization.

- A. Environmental scanning
- B. Stakeholder analysis
- C. Market sampling
- D. Opportunity analysis

5. When companies make marketing decisions by considering consumers' wants and the long-run interests of the company, consumer, and the general population, they are practicing which of the following principles?

- A. Innovative marketing
- B. Consumer-oriented marketing
- C. Value marketing

D. Societal marketing

6. The _____ holds that consumers will favour products that are available and highly affordable (therefore, work on improving production and distribution efficiency).

- A. Product concept
- B. Production concept
- C. Production cost expansion concept
- D. Marketing concept

7. The term marketing refers to:

- A. New product concepts and improvements
- B. Advertising and promotion activities
- C. A philosophy that stresses customer value and satisfaction
- D. Planning sales campaigns

8. The term "marketing mix" describes:

- A. A composite analysis of all environmental factors inside and outside the firm
- B. A series of business decisions that aid in selling a product
- C. The relationship between a firm's marketing strengths and its business weaknesses
- D. A blending of four strategic elements to satisfy specific target markets

9. Early adopters of which opinion leaders are largely comprised of and tend to be _____

- A. Generalized; that is, they tend to lead the group on most issues
- B. More likely to buy new products before their friends do and voice their opinions about them
- C. From the upper class; people from other classes are more likely to be followers
- D. Quiet, withdrawn people who don't make fashion statements or take risks easily

10. A marketing philosophy summarized by the phrase "a good product will sell itself" is characteristic of the _____ period.

- A. Production
- B. Sales
- C. Marketing
- D. Relationship

11. Today's marketers need _____

- A. Neither creativity nor critical thinking skills
- B. Both creativity and critical thinking skills
- C. Critical thinking skills but not creativity
- D. Creativity but not critical thinking skills

12. The process that turns marketing strategies and plans into marketing actions in order to accomplish strategic marketing objectives is called _____

- A. Marketing strategy.
- B. Marketing control.
- C. Marketing analysis.
- D. Marketing implementation

13. Segmentation is the process of:

- A. Dividing the market into homogenous groups
- B. Selecting one group of consumers among several other groups
- C. Creating a unique space in the minds of the target consumer
- D. None of these

14. Good marketing is no accident, but a result of careful planning and _____.

- A. Execution
- B. Selling.
- C. Research.
- D. Strategies.

15. The traditional view of marketing is that the firm makes something and then _____ it.

- A. Markets.
- B. Sells.
- C. Prices.
- D. Services.

16. Groups that have a direct or indirect influence on a person's attitudes or behaviour is known as _____

- A. Reference groups
- B. Family.
- C. Roles.
- D. Status.

17. Re-marketing is related with creating demand for _____.

- A. Fresh products.
- B. Non-usable products
- C. Low quality products.
- D. Renewed use of products.

18. Demographic segmentation refers to.

- A. The description of the people and the place in society.
- B. The description of the people's purchasing behaviour

- C. The location where people live
- D. Geographic regions.

19. Which of the following reflects the marketing concept philosophy?

- A. "You won't find a better deal anywhere".
- B. "When its profits versus customer's needs, profits will always win out".
- C. "We are in the business of making and selling superior product".
- D. "We won't have a marketing department; we have a customer department".

20. In selling concept, maximization of project of the firm is done through_____.

- A. Sales volume.
- B. Increasing production.
- C. Quality.
- D. Services.

21. In_____segmentation, buyers are divided into different groups on the basis of life style or personality and values.

- A. Geographic.
- B. Demographic
- C. Psychographic.
- D. Behavioural.

22. Which of the following is not part of demographic segmentation?

- A. Age.
- B. Income.
- C. Education.
- D. Interest.

23. When a consumer decides to buy without much logical thinking, his decision is said to be _____

- A. Patronage.
- B. Emotional.
- C. Rational.
- D. None of these.

24. _____Marketing means serving a small market not Served by competitions.

- A. Niche.
- B. Mega.
- C. Meta.
- D. None of these.

25. The task of any business is to deliver_____at a profit.

- A. Customer needs
- B. Products.

- C. Customer value
- D. Quality.

26. _____ is the next stage of market segmentation.

- A. market targeting
- B. Positioning.
- C. MIS.
- D. Marketing.

27. In the traditional _____ concept, the main strategy of the company is to find customers for the product, manufactured by them and somehow convince the customer into buying this product.

- A. Selling.
- B. Product.
- C. Production.
- D. Marketing.

28. Some companies are now switching from being product- centred to being more _____centred.

- A. Competency.
- B. Marketing.
- C. Sales.
- D. Customer-segment.

29. _____ environment consists of the factors like inflation rate, interest rate and unemployment.

- A. Geographic.
- B. Economic.
- C. Demographic.
- D. Technological.

30. When a firm practice _____ concept, all its activities are directed to satisfy the consumer.

- A. Selling.
- B. Production.
- C. Marketing.
- D. Societal.

31. Marketing channel that involves no intermediaries to made their products available to final buyers is classified as

- A. Direct channel
- B. Indirect channel

- C. Static channel
- D. Flexible channel

32. Identify the incorrect statement about multiple channels:

- A. Internet banking is an example of low-cost channel that is offered by banks
- B. Customers usually use only one channel for all transactions even if multiple channels are offered
- C. Service sensitive customers prefer the full-service channels
- D. Economic considerations should not be the only criteria for deciding what combination of channels to be used

33. The_____ function of marketing makes the products available in different geographic regions.

- A. Production.
- B. Selling.
- C. Distribution.
- D. Promotion.

34. Logistics means _____.

- A. Production.
- B. Flow of goods.
- C. Consumption.
- D. Marketing channel.

35. Logistics management is a part of _____.

- A. Production.
- B. Marketing channel
- C. Supply chain management.
- D. Consumption.

36. Which of the following is not included in the function of physical supply?

- A. Standardization.
- B. Storage.
- C. Packaging.
- D. Transportation.

37. The best channel of distribution for vacuum cleaner is_____.

- A. Direct marketing.
- B. Tele marketing.
- C. Retail chains.
- D. None of these.

38. Transportation belongs to_____function of marketing.

- A. Research.
- B. Exchange.
- C. Physical supply
- D. Facilitating.

39. _____ is a broad range of activities concerned with efficient movement of finished goods from the end of the production line to the consumer.

- A. Physical distribution.
- B. Channel of distribution
- C. Intensive distribution.
- D. None of these.

40. Which of the following is not a non-store retailing?

- A. Tele marketing.
- B. Direct marketing.
- C. Kiosk marketing.
- D. Retail chains.

41. In _____, manufacturers supply products to a limited number of outlets in the target market.

- A. Selective distribution
- B. Geographical distribution
- C. Intensive distribution.
- D. Executive distribution.

42. Which company is the pioneer in direct marketing?

- A. Johnson & Johnson.
- B. Eureka Forbes.
- C. Avon cosmetics.
- D. Cipla.

43. Ensuring the availability of the products and services as and when required by the customers is _____ utility.

- A. Time.
- B. Place.
- C. Form.
- D. Profession

44. The process of moving the raw materials from the place of the suppliers to the place of the producers is known as _____.

- A. Inbound logistics.
- B. Outbound logistics
- C. Inventory management.

D. Acquisition of raw materials.

45. The flow of goods from production to consumption is known as _____.

- A. Inbound logistics.
- B. Outbound logistics.
- C. Process logistics.
- D. Reverse logistics

46. A strength of radio advertising is _____

- A. the ability to reach segmented audiences
- B. the ability to reach prospective customers on a personal and intimate level
- C. low cost per thousand
- D. short lead-times
- E. All of the above

47. Marketers can enhance the consumers' ability to access knowledge structures by _____

- A. using loud music
- B. using colorful ads
- C. employing verbal framing
- D. repeating brand information
- E. increasing curiosity about the brand

48. All marketing activities that attempt to stimulate quick buyer action or immediate sales of a product are known as _____.

- A. Sponsorship
- B. Advertising
- C. personal selling
- D. sales promotion
- E. Publicity

49. A detergent that advertises how clean it gets clothes is appealing to the _____ consumer need.

- A. Functional
- B. Symbolic
- C. Biological
- D. Utilitarian
- E. Experiential

50. Which of the following is NOT a requirement for setting advertising objectives?

- A. Objectives must specify the amount of change.
- B. Objectives must be stated in terms of profits.
- C. Objectives must be realistic.
- D. Objectives must be internally consistent.

E. Objectives must be clear and in writing.

51. The _____ component of attitudes focuses on behavioral tendencies.

- A. Affective
- B. Instrumental
- C. Conative
- D. Cognitive
- E. Behavioral

52. The process of translating thought into a symbolic form is known as -----.

- A. Encoding
- B. Feedback
- C. Noise
- D. Decoding
- E. the message channels

53. Margaret Stephens notices the television commercial because of the loud sounds. This is an example of _____.

- A. exposure
- B. involuntary attention
- C. non-voluntary attention
- D. voluntary attention
- E. interpretation

54. The series of steps that must be followed by salespersons is classified as:

- A. Marketing process
- B. Selling process
- C. Intermediation process
- D. Nominal process

55. The concept which states information about value, opportunities and rewards of good performance as thought by salespersons is called:

- A. Organizational Climate
- B. Media Climate
- C. Sales Climate
- D. Outbound Climate

56. According to consumer promotion technique, the cash refunds is also classified as:

- A. Price packs
- B. Sweepstakes
- C. Point of Purchase Promotions
- D. Cash Rebate

57. The consumer promotion technique according to which product consumers are told to submit their names for drawing is classified as

- A. Cash Refunds
- B. Cash Sample
- C. Sweepstakes
- D. Cents off deals

58. The promotion tools such as sweepstakes, event sponsorship, samples and coupons are classified in category of:

- A. Organizational Promotion
- B. Consumer Promotions
- C. Inbound Promotion
- D. Outbound Promotion

59. The consumer promotion technique in which customer purchase proof is sent to manufacturer which then refunds some part of price is called:

- A. Cash refund
- B. Coupon
- C. Sample
- D. Premium

60. The individual who represent company by performing selling, servicing, information gathering, and prospecting is classified as:

- A. Sales person
- B. Promoting manager
- C. Prospering manager
- D. Persuasion manager

61. What are the primary functions of business management?

- A. Planning, organizing, controlling
- B. Strategizing, communicating, planning
- C. Finance, operations, management
- D. Marketing, accounting, human resource management

62. The standard of living for a nation's people depends mainly on

- A. the quality of the natural environment
- B. how much political freedom they have
- C. their incomes and the prices of the good and services they buy
- D. the amount of labor and capital available employed in the manufacturing sector

63. The total value of final goods and services produced within a nation's borders in a given year is known as that nation's

- A. aggregate production quota
- B. aggregate domestic output

- C. index of aggregate economic output
 - D. gross domestic product
64. The nation of Tryland has seen the total value of the goods and services it produces increase rapidly over the past year. What is the most likely result of this change?
- A. A rise in Tryland's GDP
 - B. A rise in Tryland's CPI
 - C. A rise in Tryland's unemployment rate
 - D. A decline in the number of workers who are structurally unemployed
65. Which of the following statements about government deficit spending is most accurate?
- A. Although the government used to run big deficits, it has consistently run surpluses since the late 1980s.
 - B. One reason the government has a hard time reducing deficits is that there is a great deal of pressure on the government to increase its spending each year.
 - C. The federal government violates the law by running deficits because the Constitution requires the government to balance its budget each year.
 - D. The government has used deficit spending to lower the national debt.
66. What measure is used to report price changes at the wholesale level?
- A. Gross domestic product (GDP)
 - B. Consumer price index (CPI)
 - C. Wholesale price index (WPI)
 - D. Producer price index (PPI)
67. Jack is the sole proprietor of a gift shop in a small shopping center. Any profit Jack's business earns is
- A. totally tax-free
 - B. taxed only as Jack's personal income
 - C. taxed only if and when it is distributed to investors
 - D. taxed twice, once as business income, then again as Jack's personal income
68. What is the easiest form of business to start and to end?
- A. Sole proprietorship
 - B. Limited partnership
 - C. Corporation
 - D. Cooperative
69. A (n)___ is a person who assumes the risk of starting a business.
- A. manager
 - B. stakeholder
 - C. entrepreneur
 - D. private investor
70. Which theory states that a nation should produce and sell goods that it produces most efficiently to other countries, and buy goods that are produced more efficiently by other countries?
- A. Comparative advantage

- B. Absolute advantage
- C. Bilateral advantage
- D. Mercantilism

71. Which of the following would be a unique focus of an integrity-based ethics code?

- A. Shared accountability among employees
- B. Improved awareness of the relevant laws
- C. Increased penalties for code violators
- D. Increased control over employee actions

72. When managers work to create conditions and systems to ensure that everything and everyone works together to achieve the organization's goals, they are involved in the _____ function of management.

- A. controlling
- B. leading
- C. planning
- D. organizing

73. A national chain of hotels utilizes a centralized authority structure. What is the most likely reason why top management favors centralized authority?

- A. They want to maintain a uniform image and high quality service.
- B. They want to improve customer service response time.
- C. They intend to empower its first-line employees.
- D. They want to utilize a cross-functional organization.

74. Which of the following terms describes the set of values, beliefs, rules, language, and institutions held by a specific group of people?

- A. Culture
- B. Ethnocentricity
- C. Social beliefs
- D. Institutional society

75. To implement a policy of empowerment, sometimes an organization has to restructure itself so that

- A. workers agree to work overtime without extra pay
- B. an entire level of management is removed from the organization
- C. managers have more responsibility and employees learn to follow directions
- D. managers have less authority and employees have more responsibility

76. What is the purpose of the double-entry procedure in accounting?

- A. To create the financials
- B. To record debits and credits
- C. To prepare the journals
- D. To keep the accounting equation in balance

77. Which of the following instruments has the longest duration?

- A. Bridge loan
- B. Treasury bill
- C. Treasury note
- D. Treasury bond

78. What term is used to describe the core characteristics that define a brand?

- A. Brand essence
- B. Brand quality
- C. Brand element
- D. Brand nature

79. What type of marketing channel consists of the producer and the consumer?

- A. Direct channel marketing
- B. Indirect channel marketing
- C. Traditional marketing
- D. Mono-channel marketing

80. What is the difference between perfect competition and monopolistic competition?

- A. Perfect competition has a large number of small firms while monopolistic competition does not.
- B. In perfect competition, firms produce identical goods, while in monopolistic competition, firms produce slightly different goods.
- C. Perfect competition has no barriers to entry, while monopolistic competition does.
- D. Perfect competition has barriers to entry while monopolistic competition does not.

81. The market type known as perfect competition is

- A. almost free from competition and firms earn large profits.
- B. highly competitive and firms find it impossible to earn an economic profit in the long run.
- C. dominated by fierce advertising campaigns.
- D. marked by firms continuously trying to change their products so that consumers prefer their product to their competitors' products.

82. Which of the following market types has all firms selling products so identical that buyers do not care from which firm they buy?

- | | |
|-----------------------------|--------------|
| A. perfect competition | B) oligopoly |
| C) monopolistic competition | D) monopoly |

83. Perfect competition is characterized by all of the following EXCEPT

- A. well-informed buyers and sellers with respect to prices.
- B. a large number of buyers and sellers.
- C. no restrictions on entry into or exit from the industry.
- D. considerable advertising by individual firms.

84. Which of the following is the best example of a perfectly competitive market?

- | | | | |
|-------------|-------------------|----------------|------------|
| A. diamonds | B) athletic shoes | C) soft drinks | D) farming |
|-------------|-------------------|----------------|------------|

85. Which of the following market types has the fewest number of firms?

- | | |
|------------------------|-------------|
| A. perfect competition | B) monopoly |
|------------------------|-------------|

C) monopolistic competition

D) oligopoly

86. Which of the following market types has a large number of firms that sell similar but slightly different products?

A. perfect competition

B) oligopoly

C) monopolistic competition

D) monopoly

87. Which of the following market types has only a few competing firms?

A. perfect competition

B) monopolistic competition

C) monopoly

D) oligopoly

88. In a perfectly competitive market, the type of decision a firm has to make is different in the short run than in the long run. Which of the following is an example of a perfectly competitive firm's short-run decision?

A. what price to charge buyers for the product

B. whether or not to enter or exit an industry

C. the profit-maximizing level of output

D. how much to spend on advertising and sales promotion

89. In perfect competition, a firm maximizes profit in the short run by deciding

A. how much output to produce.

B) whether or not to enter a market.

C) what price to charge.

D) how much capital to use.

90. In a perfectly competitive market, the type of decision a firm has to make is different in the short run than in the long run. Which of the following is an example of a perfectly competitive firm's long-run decision?

A. what price to charge buyers for the product

B. how much to spend on advertising and sales promotion

C. the profit-maximizing level of output

D. whether or not to enter or exit an industry

91. A price-taking firm

A. cannot influence the price of the product it sells.

B. talks to rival firms to determine the best price for all of them to charge.

C. sets the product's price to whatever level the owner decides upon.

D. asks the government to set the price of its product.

92. A large number of sellers all selling an identical product implies which of the following?

A. horizontal market supply curves

B. large losses by all sellers

C. the inability of any seller to change the price of the product

D. market chaos

93. Perfectly competitive firms are price takers because

A. each firm is very large.

B) there are no good substitutes for their goods.

C) many other firms produce identical products.

D) their demand curves are downward sloping.

94. If demand for a seller's product is perfectly elastic, which of the following is correct?

A. There is no incentive to sell at a price below the market price.

B. It will not sell any output at all if it tries to price its product above the market price.

C. There are a very large number of perfect substitutes for the seller's product.

D. All of the above answers are correct.

95. One of the requirements for a monopoly is that

A. the product cannot be produced by small firms.

B. there are several close substitutes for the product.

C. there is a unique product with no close substitutes.

D. products are high priced.

96. A monopoly is a market with

A. no barriers to entry.

B) many substitutes.

C) many suppliers.

D) one supplier.

97. Firms face competition when the good they produce

A. is in a market with natural barriers to entry.

B) is unique.

C) is in a market with legal barriers to entry.

D) has a close substitute.

98. Which of the following statements is correct?

A. The market demand and the firm's demand are the same for a monopoly.

B. Monopolies have perfectly inelastic demand for the product sold.

C. Monopolies are guaranteed to earn an economic profit.

D. All of the above are correct.

99. Which describes a barrier to entry?

A. anything that protects a firm from the arrival of new competitors

B. a government regulation that bars a monopoly from earning an economic profit

C. something that establishes a barrier to expanding output

D. firms already in the market incurring economic losses so that no new firm wants to enter the market

100. A barrier to entry is

A. an open door.

B. the economic term for diseconomies of scale.

C. illegal in most markets.

D. anything that protects a firm from the arrival of new competitors.

101. Which of the following would create a natural monopoly?

A. requirement of a government license before the firm can sell the good or service

B. technology enabling a single firm to produce at a lower average cost than two or more firms

C. an exclusive right granted to supply a good or service

D. ownership of all the available units of a necessary input

102. If the technology for producing a good enables one firm to meet the entire market demand at a lower price than two or more firms could, then that firm has

A. a legal barrier to entry.

B) a natural monopoly.

C) increasing average total costs.

D) patented the market.

103. Which of the following goods is the best example of a natural monopoly?

A. natural gas

B) diamonds

C) a patented good

D) first-class mail

104. Which of the following is the best example of a natural monopoly?

- A. owning the only licensed taxicab in town
- B. the United States Postal Service
- C. ownership of the only ferry across Puget Sound for twenty miles
- D. the cable television company in your hometown

105. Which barrier to entry is an exclusive right granted to the author or composer of a literary, musical, dramatic or artistic work?

- A. government license
- B) patent
- C) public franchise
- D) copyright

106. Patents

- A. stimulate innovation.
- B. encourage the invention of new products and production methods.
- C. are exclusive rights granted to the inventor of a product or service.
- D. All of the above answers are correct.

107. Which of the following is NOT correct about patents?

- A. Patents stimulate innovation.
- B. A patent is a barrier to entry.
- C. Patents enable a firm to be a permanent monopoly.
- D. Patents encourage invention of new products.

108. Recently in a small city, building contractors lobbied the city council to pass a law requiring all people working on residential dwellings be licensed by the city. Why would the contractors lobby for this requirement?

- A. to reduce the cost of building dwellings
- B. There is no good explanation for this type of lobbying.
- C. to guarantee that work on dwellings is of high quality
- D. to create a legal barrier to entry

109. Ownership of a necessary input creates what type of barrier to entry?

- A. natural barrier to entry
- B) a public franchise
- C) a government license
- D) legal barrier to entry

110. An industry with a large number of firms, differentiated products, and free entry and exit is called

- A. oligopoly.
- B) monopoly.
- C) monopolistic competition.
- D) perfect competition.

111. In monopolistic competition, each firm supplies a small part of the market. This occurs because

- A. there are barriers to entry.
- B) firms produce differentiated products.
- C) there are no barriers to entry.
- D) there are a large number of firms.

112. In monopolistic competition, the products of different sellers are assumed to be

- A. similar but slightly different.
- B) identical perfect substitutes.
- C) either identical or differentiated.
- D) unique without any close or perfect substitutes.

- 113.** Which of the following is different about perfect competition and monopolistic competition?
- A. Firms in monopolistic competition compete on their product's price as well as its quality and marketing.
 - B. In monopolistic competition, entry into the industry is unblocked.
 - C. Perfect competition has a large number of independently acting sellers.
 - D. Only firms in monopolistic competition can earn an economic profit in the short run.
- 114.** In an industry with a large number of firms,
- A. collusion is impossible.
 - B. one firm will dominate the market.
 - C. each firm will produce a large quantity, relative to market demand.
 - D. competition is eliminated.
- 115.** Which of the following is an example of a monopolistically competitive industry?
- A. wheat farming
 - B) colleges and universities
 - C) the local electricity producer
 - D) the domestic automobile producing industry
- 116.** All of the following are examples of product differentiation in monopolistic competition EXCEPT
- A. new and improved packaging.
 - B. lower price.
 - C. acceptance of more credit cards than the competition.
 - D. location of the retail store.
- 117.** A differentiated product has
- A. many perfect substitutes.
 - B) close but not perfect substitutes.
 - C) no close substitutes.
 - D) no substitutes of any kind.
- 118.** As the degree of product differentiation increases among the products sold in a monopolistically competitive industry, which of the following occurs?
- A. The cost of production falls.
 - B. The amount of marketing expenditures decreases for each firm.
 - C. The demand curve for each seller's product becomes more horizontal.
 - D. Each seller's demand becomes more inelastic.
- 119.** Marketing consists of what?
- A. selling at a lower price than rivals sell for
 - B) producing more output to lower average costs
 - C) advertising and packaging
 - D) None of the above answers are correct.
- 120.** Firms use marketing to
- A. influence a consumer's buying decision.
 - B. convince customers that their product is worth its price.
 - C. persuade buyers that their product is superior to others.
 - D. All of the above answers are correct.

- 121.** If a monopolistically competitive seller can convince buyers that its product is of better quality and value than products sold by rival firms,
- A. demand increases.
 - B) the firm gains more control over its price.
 - C) demand becomes more inelastic.
 - D) all of the above occur.
- 122.** If you have found the percentage of the value of sales accounted for by the four largest firms in an industry, you have found the
- A. elasticity of supply value.
 - B) Herfindahl-Hirschman Index.
 - C) elasticity of demand value.
 - D) four-firm concentration ratio.
- 123.** Which of the following four-firm concentration ratios would be the best indication of a perfectly competitive industry?
- A. 100 percent
 - B) 78 percent
 - C) 0.25 percent
 - D) 31 percent
- 124.** Which of the following four-firm concentration ratios is consistent with monopolistic competition?
- A. 0 percent
 - B) 25 percent
 - C) 100 percent
 - D) 75 percent
- 125.** Different strategies are suitable for different companies depending on their particular situation. This is articulated by the “EPRG Framework”. What are the four options of the EPRG Framework?
- A. Ethno Policies, Private Policies, Racial Policies, Geography
 - B. Ethnocentrism, Polycentrism, Regiocentrism, Geocentrism
 - C. Energy, Privacy, Real-World, Giggity
 - D. Ethnocentrism, Polycentrism, Racialism, Governmental
- 126.** For any company looking to expand internationally, be it first-time exporter or a major multinational, a fundamental question has been, and continues to be:
- A. New Market, New Product
 - B. New Market, Same Product
 - C. The extent to which the marketing mix should or can be standardized across the countries in which the firm operates
 - D. PDI, PDV
- 127.** European and Japanese managers have been “thinking international” from the outset (beginning).
- A. True
 - B. False
- 128.** Distribution channels vary depending on which of the following?
- A. Target market size
 - B. Competition
 - C. Available distribution intermediaries
 - D. All of the above

129. Within the firm, it is primarily the _____ or _____ managers who argue for standardization for the sake of economies of scale.

- A. Production, Finance
- B. Marketing, Distribution
- C. Logistic, Manufacturer
- D. Primary, Secondary

130. Which country has more retailers than the rest of the world combined?

- A. Japan
- B. China
- C. India
- D. Germany

131. The process of international market selection is typically done by using _____ to enable a quick and relatively low-cost overview of as many markets as possible.

- A. Quantitative data
- B. Secondary data
- C. Primary data
- D. All of the above

132. Ethnocentrism can simply be defined as:

- A. Developing a simple diverse strategy for new markets
- B. Develop one strategy for all countries worldwide
- C. Use everywhere the same strategy as at home.
- D. Being ethnically centred on a global scale

133. Which of the following would you consider to be a socio-cultural influence on international marketing?

- A. Language
- B. Religion
- C. Social organization
- D. All of the above

134. An overall strategy that involves the firm pouring all of its available resources into one or a select few markets is known as:

- A. Maximum investment strategy
- B. Sprinkler Strategy
- C. Waterfall Strategy
- D. Standardization

135. All of the following are actual modes of market-entry EXCEPT:

- A. Licensing
- B. Standardization

- C. Franchising
- D. Exporting

136. _____ suggests spreading the company's resources in order to gain even small footholds across as many markets as possible

- A. Direct Exporting
- B. Sprinkler Strategy
- C. Agent Intermediaries
- D. Waterfall Strategy

137. Conditions that may encourage an organization in a domestic environment to expand are:

- A. Market Saturation, Slow Population, Growth, Product Adolescence
- B. Factors related to the firm's industrial sector, or to the company itself and its products
- C. A unique product with a strong competitive advantage, a forward-looking managerial philosophy, corporate objectives calling for rapid growth, as well as as of the right of talents and skills for international operations
- D. All of the above

138. ____ usually means that the company sells to a customer in another country, be it an intermediary or an end-customer.

- A. Indirect exporting
- B. Direct Exporting
- C. Franchising
- D. Cross selling

139. Which of the following alternative market entry modes offers the least risk?

- A. Consortia
- B. Strategic International Alliance
- C. Contract Manufacturing
- D. Mergers and Acquisitions

140. Which of the following alternative market entry modes offers the most control and risk?

- A. Franchising
- B. Licensing
- C. Greenfield
- D. Strategic Alliance

- 141.** MEA stands for Manufacturer Export Agent
- A. True
 - B. False
- 142.** __are a partnership of two or more companies that join forces to create a separate legal entity.
- A. International Joint Ventures
 - B. International Consortia
 - C. Mergers and Acquisitions
 - D. Co-Branding
- 143.** An unconscious reference to one's own cultural values, experiences, and knowledge as a basis for decisions.
- A. Self-Reference Criterion
 - B. Pro Globalist
 - C. Tolerance Effect
 - D. Culture
- 144.** For managers selling capital equipment and big-ticket industrial services, understanding the concept of ____ demand is absolutely fundamental to their success.
- A. Kinked
 - B. Sliding
 - C. Multiple
 - D. Derived
- 145.** The concept of quality encompasses many factors, and the perception of quality rests solely with the _____.
- A. Price
 - B. Value
 - C. Sellers
 - D. Customer
- 146.** ISO 9000 concerns the registration and certification of a manufacturer's _____.
- A. Goods
 - B. Services
 - C. Quality systems
 - D. MIS

147. The _____ measures customers' satisfaction and perceptions of quality of a representative sample of U.S. goods and services.
- A. ISO 9000
 - B. MIS
 - C. ACSI
 - D. API
148. The ability to match the acceptable behaviour, norms, and values is called a product's:
- A. Relative advantage
 - B. Compatibility
 - C. Complexity
 - D. Trial-ability
149. One of the early problems faced by BMW when it attempted to market its line of automobiles in the United States was a severe shortage of spare parts. If BMW's management makes the decision to correct this problem, in which of the following components of the product component model would management need to make improvement?
- A. Core component
 - B. Functional component
 - C. Support services component
 - D. First stage component
150. How do the vast majority of services enter a foreign market?
- A. Exporting
 - B. Importing
 - C. Brokers
 - D. Licensing, Franchising, or Direct Investment
151. A successful _____ is the most valuable resource a company has.
- A. Marketing Campaign
 - B. CEO
 - C. Product
 - D. Brand
152. Any influence that the company of manufacture, assembly, or design has on a consumer's positive or negative perception of a product is called the:
- A. Polar effect
 - B. Alteration effect
 - C. Country-of-origin effect
 - D. Transference effect
153. The foundation of the Japanese distribution system is the:
- A. Middleman

- B. Upperman
- C. Small retailer
- D. Big retailer

- 154.** Three questions are central to strategy. Which is not one of them?
- A. When do we compete?
 - B. With whom do we need to develop key relationships?
 - C. Where do we compete?
 - D. How do we compete?
- 155.** There are complaints towards globalization. Which is not one of them?
- A. unhealthy dietary patterns
 - B. legal rights
 - C. unsustainable consumption
 - D. loss of local Culture
- 156.** Web sales are characterized as having which of the following challenging aspects?
- A. Delivery of goods
 - B. Discounts for volume purchase
 - C. Consumer loyalty
 - D. Payment
- 157.** Which of the following external intermediaries does not take title to the goods that they process?
- A. Merchant intermediaries
 - B. Export merchants
 - C. Trading companies
 - D. Agent intermediaries
- 158.** James Bond is looking for an intermediary that specializes in researching foreign markets for a client's products. Additionally, he would like this intermediary to handle all the routine details of getting his products to the foreign customers that he anticipates he will have during the next business year. Which of the following would be the best choice for Mr. Bond if he wants to meet his objectives?
- A. Export management company
 - B. Import management company
 - C. A jobber
 - D. A robber
- 159.** As Global Retailers like Idea, Costco, Toys "R" Us, or Wal-Mart expand their global coverage, they are becoming major ___ for international markets
- A. Domestic intermediaries
 - B. International intermediaries

- C. Globally renowned
- D. EMC

160. MEA stands for Manufacturer Export Agent

- A. True
- B. False

161. Which of the following international intermediaries often has exclusive sales rights in a specific country and works in close cooperation with the manufacturer?

- A. Foreign-country broker
- B. Managing agent
- C. Dealer
- D. Foreign distributor

162. Distribution channels vary depending on which of the following?

- A. Target market size
- B. Competition
- C. Available distribution intermediaries
- D. All of the above

163. Conditions that may encourage an organization in a domestic environment to expand are:

- A. Market Saturation, Slow Population, Growth, Product Adolescence
- B. Factors related to the firm's industrial sector, or to the company itself and its products
- C. A unique product with a strong competitive advantage, a forward-looking managerial philosophy, corporate objectives calling for rapid growth, as well as as of the right of talents and skills for international operations
- D. All of the above

164. Which country has more retailers than the rest of the world combined?

- A. Japan
- B. China
- C. India
- D. Germany

165. Which of the following C's must be considered if the company is to achieve the optimum volume of sales, secure a reasonable market share, and gain satisfactory market penetration?

- A. Coverage
- B. Control
- C. Character
- D. Continuity

166. Which of the following C's must be considered with regard to ownership of the salesforce and distribution system?

- A. Control
- B. Cost
- C. Continuity
- D. Coverage

167. As a result of international trade and global interdependence, countries' inflation rates tend to:

- A. increase
- B. moderate
- C. be unpredictable
- D. be unstable

168. Because of trade (and imports), inflation:

- A. increases
- B. decreases
- C. moderates
- D. disappears

169. A strong orientation toward the home country is an indication of:

- A. ethnocentricity
- B. polycentricity
- C. geocentricity

170. This is the feeling within a culture that its values are superior to those of foreign cultures.

- A. ethnocentricity
- B. polycentricity
- C. geocentricity

171. Which of the following would you consider to be a socio-cultural influence on international marketing?

- A. Language
- B. Religion
- C. Social organisation
- D. All of the above

- 172.** A _____ is a tax-free enclave in which imported goods can be stored or processed. It is also not considered part of the country as far as import and other regulations are concerned
- A. Free trade zone
 - B. Port storage centre
 - C. Corporate housing unit
 - D. Manufacturing den
- 173.** In countries with rapid inflation goods are often sold below their cost of replacement
- A. True
 - B. False
- 174.** Deflation results in decreasing prices and creates a positive result for consumers, but it puts pressure on everyone in the supply chain to lower costs
- A. True
 - B. False
- 175.** A _____ exists when various companies producing similar products or services work together to control their markets
- A. Inflation period
 - B. Deflation period
 - C. Cartel
 - D. Service
- 176.** Domestic cartelization is legal in North America
- A. True
 - B. False
- 177.** Canada does not allow foreign-market cartels if the results have an adverse impact on the Canadian economy
- A. True
 - B. False
- 178.** Ethnocentrism can simply be defined as:
- A. Developing a simple diverse strategy for new markets
 - B. Develop one strategy for all countries worldwide
 - C. Use everywhere the same strategy as at home.
 - D. Being ethnically centred on a global scale

- 179.** All of the following are actual modes of market-entry EXCEPT:
- A. Licensing
 - B. Standardization
 - C. Franchising
 - D. Exporting
- 180.** According to the textbook, international marketing is “the multinational process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives.” The definition fails to recognize:
- A. nonprofit marketing
 - B. business-to-business marketing
 - C. consumer marketing
 - D. integration of the 4 Ps
- 181.** ISO 9000 concerns the registration and certification of a manufacturer's _____. I
- A. Goods
 - B. Services
 - C. Quality systems
 - D. MIS
- 182.** Distribution channels vary depending on which of the following?
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 - C. Available distribution intermediaries
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 - D. All of the above
- 184.** Which country has more retailers than the rest of the world combined?
- A. Japan
 - B. China
 - C. India
 - D. Germany

- 185.** The set of processes developed in an organization to create, gather, store, transfer, and apply knowledge, best describes:
- A. organizational learnings
 - B. knowledge management
 - C. organizational memory
 - D. knowledge assets
- 186.** Expertise and experience of organizational members that has not been formally documented is known as:
- A. knowledge sharing
 - B. tacit knowledge
 - C. organizational learning
 - D. organizational memory
- 187.** The stored learning from an organization's history that can be used for decision-making and other purposes best describes:
- A. Organizational learning
 - B. Knowledge warehouse
 - C. Best practices
 - D. Organizational memory
- 188.** The most successful solutions or problem-solving methods that have been developed by a specific organization or industry best describes:
- A. Organizational memory
 - B. Knowledge management
 - C. Best practices
 - D. Standard operating procedures
- 189.** Major knowledge work applications include:
- A. Investment workstations, computer-aided design systems, and intelligent agents
 - B. Document imaging systems
 - C. Virtual reality systems, intelligent agents, and investment workstations
 - D. Computer-aided design systems, virtual reality systems, and investment workstations

- 190.** Interactive graphics software and hardware that create computer-generated simulations which provide sensations that emulate real world-activities describes:
- A. VRML
 - B. Fuzzy neural networks
 - C. Virtual reality systems
 - D. Genetic algorithms
- 191.** Artificial intelligence systems:
- A. Do not exhibit the same level of intelligence as human beings
 - B. Can solve all problems intelligently
 - C. Substitute for experts
 - D. Can come up with new and novel solutions to problems
- 192.** A knowledge-intensive computer program that captures the expertise of a human in limited domains of knowledge describes:
- A. virtual reality
 - B. a neural network
 - C. a decision support system
 - D. an expert system
- 193.** A collection of internal and external knowledge in a single location for more efficient management and utilization by the organization, best describes:
- A. a knowledge repository
 - B. organizational memory
 - C. a data warehouse
 - D. knowledge management
- 194.** Which of the following refers to rule-based AI tolerates imprecision by using non-specific terms called membership functions to solve problems?
- A. Genetic algorithms
 - B. Expert system
 - C. Hybrid system
 - D. Fuzzy logic

The End