

TRUE/FALSE - Write 'T' if the statement is true and 'F' if the statement is false.

1) A stakeholder is a person or group that has an interest or concern in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

2) A leadership plan that achieves a specific set of goals or objectives is a business strategy.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

3) To combat business challenges, leaders communicate and execute business strategies from the Greek word stratus for army and ago for leading.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Difficulty : 2 Medium

Gradable : automatic

4) Businesses rarely need to update business strategies as the business environment remains relatively stable.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Difficulty : 2 Medium

Gradable : automatic

5) Attracting new customers, decreasing costs, and entering new markets are all examples of successful business strategies.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Difficulty : 2 Medium

Gradable : automatic

6) Decreasing customer loyalty, increasing costs, and decreasing sales are all examples of business strategies.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Difficulty : 2 Medium

Gradable : automatic

7) A first-mover advantage is the process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

8) FedEx created a first-mover advantage by developing its customer self-service software, which allows people to request parcel pickups, print mailing slips, and track parcels online.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

9) A SWOT analysis will evaluate potential internal strengths, internal weaknesses, and external opportunities.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

10) A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

11) A SWOT analysis evaluates an organization's strengths, weaknesses, objectives, and threats.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

12) A SWOT analysis evaluates an organization's strengths, worries, opportunities, and technologies to identify significant influences that work for or against business strategies.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

13) In a SWOT analysis, strengths and weaknesses originate inside an organization, or internally. Opportunities and threats originate outside an organization, or externally, and cannot always be anticipated or controlled.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

14) In a SWOT analysis, potential internal strengths are helpful when they identify all key strengths associated with the competitive advantage including cost advantages, new and/or innovative services, special expertise and/or experience, proven market leader, improved marketing campaigns, and so on.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

15) In a SWOT analysis, potential internal weaknesses are harmful when they identify all key areas that require improvement. Weaknesses focus on the absence of certain strengths, including absence of an Internet marketing plan, damaged reputation, problem areas for service, outdated technology, employee issues, and so on.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

16) In a SWOT analysis, potential external opportunities are helpful when they identify all significant trends along with how the organization can benefit from each, including new markets, additional customer groups, legal changes, innovative technologies, population changes, competitor issues, and so on.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

17) In a SWOT analysis, potential external threats are harmful when they identify all threats or risks detrimental to your organization, including new market entrants, substitute products, employee turnover, differentiating products, shrinking markets, adverse changes in regulations, economic shifts, and so on.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

18) Competitive advantages provide the same product or service either at a lower price or with additional value that can fetch premium prices.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

19) Mark Peterson identified Porter's five forces model which analyzes the competitive forces within a business environment.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

20) Porter's five forces model outlines the process for a sales strategy.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

21) With the Five Forces Model, companies should watch the forces in the market. If the forces are strong competition generally increases and if the forces are weak competition typically decreases.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

22) There are many challenges to changing doctors, including transferring medical records and losing the doctor–patient relationship along with the doctor’s knowledge of the patient’s history. Changing doctors provides a great example of switching costs.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

23) Supplier power is one of Porter’s five forces and it measures the suppliers’ ability to influence the prices they charge for supplies (including materials, labor, and services).

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

24) Polaroid had a unique competitive advantage for many years until it forgot to observe competitive intelligence. The firm went bankrupt when people began taking digital pictures. Polaroid provides a great example of Porter’s supplier power.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Bloom's : Analyze

Difficulty : 3 Hard

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

25) Product differentiation occurs when a company develops unique differences in its products or services with the intent to influence demand.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

26) Buyer power is the ability of buyers to affect the price they must pay for an item.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

27) Rivalry among existing competitors refers to the ability of buyers to affect the price they must pay for an item.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

28) The threat of substitute products or services refers to the power of customers to purchase alternatives.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

29) The threat of substitute products or services refers to the power of competitors to enter a new market.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

30) Tiffany & Company competes in the marketplace by offering high-cost custom jewelry. Tiffany & Company is following a broad market and cost leadership strategy.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Analyze

Difficulty : 3 Hard

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

31) Porter has identified three generic business strategies including focused, broad cost leadership, and switching strategy.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

32) According to Porter's three generic strategies, Walmart is following a business strategy that focuses on "broad market and low cost."

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

33) According to Porter, it is recommended to adopt only one of the three generic strategies.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

34) Buyer power is included as one of Porter's three generic strategies.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

35) Value chain analysis views a firm as a series of business processes that each adds value to the product or service.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

36) A standardized set of activities that accomplish a specific task is called a supply chain component.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

37) The value chain will group a company's activities into two categories: primary value activities and support value activities.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

38) A business process is a standardized set of activities that accomplish a specific task, such as processing a customer's order.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

39) A primary value activity is a standardized set of activities that accomplish a specific task, such as processing a customer's order.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

40) Inbound logistics and operations are part of the primary value activities.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

41) Inbound logistics and operations are part of the support value activities.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

42) Firm infrastructure and human resource management are part of the primary value activities.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

43) Firm infrastructure and human resource management are part of the support value activities.

- true
- false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.

44) Which of the following is not a typical way that a company would duplicate a competitive advantage?

- A) Acquiring the new technology
- B) Copying the business operations
- C) Hiring away key employees
- D) Carrying large product inventories

Question Details

Accessibility : Keyboard Navigation

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Difficulty : 3 Hard

Gradable : automatic

45) When a company is the first to market with a competitive advantage, this is called a first-mover advantage. All of the following companies were first-movers except _____.

- A) FedEx—online self-service software
- B) Apple—iPad
- C) Apple—iPod
- D) Microsoft—Bing search engine

Question Details

Accessibility : Keyboard Navigation

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Analyze

Difficulty : 3 Hard

Gradable : automatic

46) Which of the following is a tool a manager can use to analyze competitive intelligence and identify competitive advantages?

- A) The three generic strategies
- B) The threat of substitute buyer power
- C) Differentiated costs
- D) Supplier loyalty

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

47) Identifying competitive advantages can be difficult and explains why they are typically _____.

- A) temporary
- B) satisfactory
- C) terminated
- D) unsuccessful

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

48) Updating business strategies is a continuous undertaking as internal and external environments _____.

- A) become less competitive
- B) remain stagnant
- C) rapidly change
- D) become more consistent

Question Details

Accessibility : Keyboard Navigation

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Difficulty : 2 Medium

Gradable : automatic

49) Which of the following represents a reason why competitive advantages are typically temporary?

- A) The competitor will hire away your key employees.
- B) The competitor quickly seeks ways to duplicate your business operations.
- C) The competitor will purchase new technology.
- D) All of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Difficulty : 2 Medium

Gradable : automatic

50) What is a competitive advantage?

A) A product that an organization's customers place a lesser value on than similar offerings from a competitor.

B) A feature of a product or service on which customers place a lesser value than they do on similar offerings from a supplier.

C) A service that an organization's customers place a lesser value on than similar offerings from a supplier.

D) A feature of a product or service on which customers place a greater value than they do on similar offerings from competitors.

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

51) Which of the following is not a common tool used in industry to analyze and develop competitive advantages?

A) Five forces model

B) Three generic strategies

C) Competitive analysis model

D) Value chain analysis

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

52) What is the process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed?

- A) Feedback
- B) Information
- C) Competitive intelligence
- D) Data

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

53) Who is a person or group that has an interest or concern in an organization?

- A) Stakeholder
- B) Business strategy
- C) Supplier
- D) Partner

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

54) Which group of stakeholder's primary interests include reliable contracts, ethical materials handling, and responsible production?

- A) Partners/suppliers
- B) Shareholders/investors
- C) Community
- D) Government

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

55) Which group of stakeholder's primary interests include adhering to regulations/laws, increasing employment, and ethical taxation reporting?

- A) Partners/suppliers
- B) Shareholders/investors
- C) Community
- D) Government

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

56) Which group of stakeholder's primary interests include maximizing profits, growing market share, and high return on investment?

- A) Partners/suppliers
- B) Shareholders/investors
- C) Community
- D) Government

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

57) Which group of stakeholder's primary interests include exceptional customer service, high-quality products, and ethical dealings?

- A) Partners/suppliers
- B) Shareholders/investors
- C) Community
- D) Customers

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

58) Which group of stakeholder's primary interests include fair compensation, job security, and ethical conduct/treatment?

- A) Employees
- B) Shareholders/investors
- C) Community
- D) Customers

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

59) Which group of stakeholder's primary interests include professional associations, ethical recycling, and increasing employment?

- A) Employees
- B) Shareholders/investors
- C) Community
- D) Customers

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

60) What is a feature of a product or service on which customers place a greater value than they do on similar offerings from competitors?

- A) Competitive advantage
- B) Competitor advantage
- C) Power advantage
- D) First Mover advantage

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

61) Which of the following evaluates a project's position?

- A) SWOT analysis
- B) The five forces model
- C) Value chain analysis
- D) Three generic strategies

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

62) What is a SWOT analysis?

- A) Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.
- B) Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry.
- C) Views a firm as a series of business processes, each of which adds value to the product or service.
- D) Generic business strategies that are neither organization nor industry-specific and can be applied to any business, product, or service.

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

63) What evaluates industry attractiveness?

- A) SWOT analysis
- B) The five forces model
- C) Value chain analysis
- D) Three generic strategies

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

64) What is Porter's five forces model?

- A) Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.
- B) Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry.
- C) Views a firm as a series of business processes, each of which adds value to the product or service.
- D) Generic business strategies that are neither organization nor industry-specific and can be applied to any business, product, or service.

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Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

65) What executes business strategy?

- A) SWOT analysis
- B) The five forces model
- C) Value chain analysis
- D) Three generic strategies

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

66) What is a value chain analysis?

A) Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

B) Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry.

C) Views a firm as a series of business processes, each of which adds value to the product or service.

D) Generic business strategies that are neither organization nor industry-specific and can be applied to any business, product, or service.

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Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

67) Which strategy below helps an organization choose its business focus?

- A) SWOT analysis
- B) The five forces model
- C) Value chain analysis
- D) Three generic strategies

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

68) What are Porter's three generic strategies?

- A) Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.
- B) Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry.
- C) Views a firm as a series of business processes, each of which adds value to the product or service.
- D) Generic business strategies that are neither organization nor industry-specific and can be applied to any business, product, or service.

Question Details

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Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Gradable : automatic

69) What is included in a SWOT analysis?

- A) Strengths, weaknesses, organizations, and technology
- B) Strengths, weaknesses, opportunities, and threats
- C) Success, willingness, opportunities, and technology
- D) Success, weaknesses, organizations, and threats

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

70) Which of the following statements is correct when considering a SWOT analysis?

- A) Strengths and weaknesses originate inside an organization.
- B) Opportunities and threats originate inside an organization.
- C) Strengths and threats originate inside an organization.
- D) Opportunities and weaknesses organization outside an organization.

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

71) Which of the following statements is correct when considering a SWOT analysis?

- A) Strengths and weaknesses originate outside an organization.
- B) Opportunities and threats originate outside an organization.
- C) Strengths and threats originate inside an organization.
- D) Opportunities and weaknesses organization outside an organization.

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

72) Which of the following are included as potential internal strengths in a SWOT analysis that are helpful to an organization?

- A) Core competencies, market leaders, cost advantages, excellent management
- B) Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated product line
- C) Expanded product line, increase in demand, new markets, new regulations
- D) New entrants, substitute products, shrinking markets, costly regulatory, requirements

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

73) Which of the following are included as potential internal weaknesses in a SWOT analysis that are harmful to an organization?

- A) Core competencies, market leaders, cost advantages, excellent management
- B) Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated product line
- C) Expanded product line, increase in demand, new markets, new regulations
- D) New entrants, substitute products, shrinking markets, costly regulatory, requirements

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

74) Which of the following are included as potential external opportunities in a SWOT analysis that are helpful to an organization?

- A) Core competencies, market leaders, cost advantages, excellent management
- B) Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated product line
- C) Expanded product line, increase in demand, new markets, new regulations
- D) New entrants, substitute products, shrinking markets, costly regulatory, requirements

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

75) Which of the following are included as potential external weaknesses in a SWOT analysis that are harmful to an organization?

- A) Core competencies, market leaders, cost advantages, excellent management
- B) Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated product line
- C) Expanded product line, increase in demand, new markets, new regulations
- D) New entrants, substitute products, shrinking markets, costly regulatory, requirements

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

76) Where would you categorize strengths in a SWOT analysis?

- A) Internal, helpful
- B) Internal, harmful
- C) External, helpful
- D) External, harmful

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

77) Where would you categorize weaknesses in a SWOT analysis?

- A) Internal, helpful
- B) Internal, harmful
- C) External, helpful
- D) External, harmful

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

78) Where would you categorize opportunities in a SWOT analysis?

- A) Internal, helpful
- B) Internal, harmful
- C) External, helpful
- D) External, harmful

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

79) Where would you categorize threats in a SWOT analysis?

- A) Internal, helpful
- B) Internal, harmful
- C) External, helpful
- D) External, harmful

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Understand

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

80) Which of the following describes a stakeholder?

- A) A leadership plan that achieves a specific set of goals or objectives
- B) A feature of a product or service on which customers place a greater value
- C) A person or group that has an interest or concern in an organization
- D) Information about a competitive environment

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

81) There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for customers?

- A) Exceptional customer service
- B) Fair compensation
- C) Professional associations
- D) Reliable contracts

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

82) There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for employees?

- A) Exceptional customer service
- B) Fair compensation
- C) Professional associations
- D) Reliable contracts

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

83) There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for the community?

- A) Exceptional customer service
- B) Fair compensation
- C) Professional associations
- D) Reliable contracts

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

84) There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for partners/suppliers?

- A) Exceptional customer service
- B) Fair compensation
- C) Professional associations
- D) Reliable contracts

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

85) There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for the government?

- A) Maximize profits
- B) Adhere to regulations/laws
- C) Exceptional customer service
- D) Reliable contracts

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

86) There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for shareholders/investors?

- A) Maximize profits
- B) Adhere to regulations/laws
- C) Exceptional customer service
- D) Reliable contracts

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

87) There are many different stakeholders found in an organization with common business interests. Depending on the stakeholder's perspective, the business strategy can change. Which of the following is not a main concern for shareholders/investors?

- A) Maximize profits
- B) Grow market share
- C) Job security
- D) High return on investment

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

88) What does a SWOT analysis perform?

- A) Evaluates an organizations strengths, weaknesses, objectives, and threats
- B) Evaluates an organization's strengths, weaknesses, opportunities, and threats
- C) Evaluates an organization's supporters, weaknesses, opportunities, and technology
- D) Evaluates an organization's systems, warehouses, outputs, and technology

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

89) In a SWOT analysis, strengths and weaknesses originate _____ an organization.

- A) inside (internally)
- B) outside (externally)
- C) both inside (internally) and outside (externally)
- D) All of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

90) In a SWOT analysis, opportunities and threats originate _____ an organization.

- A) inside (internally)
- B) outside (externally)
- C) Both inside (internally) and outside (externally)
- D) All of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

91) In a SWOT analysis, which of the following could you discover as potential internal strengths (helpful)?

- A) Cost advantages
- B) Damaged reputation
- C) New markets
- D) Competitor issues

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

92) In a SWOT analysis, which of the following could you discover as potential inner weaknesses (harmful)?

- A) Cost advantages
- B) Damaged reputation
- C) New markets
- D) Competitor issues

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

93) In a SWOT analysis, which of the following could you discover as potential external opportunities (helpful)?

- A) Cost advantages
- B) Damaged reputation
- C) New markets
- D) Improved marketing campaigns

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Topic : Identify the Four Key Areas of SWOT

Gradable : automatic

94) Managers use four common tools to analyze competitive intelligence and develop competitive advantages. Which of the following is not one of these tools?

- A) The three generic strategies
- B) The five forces model
- C) First-mover advantage
- D) SWOT analysis

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Gradable : automatic

95) The Victory Wireless store in Denver is currently offering a fabulous marketing strategy for potential new iPhone customers. Victory Wireless offers customers who purchase an iPhone with a two-year subscription a free Otter phone case, car charger, earphones, and speakers. In terms of Porter's five forces, what is Victory Wireless attempting to achieve with this marketing strategy?

- A) Increase buyer power
- B) Increase substitute products
- C) Decrease supplier power
- D) Decrease buyer power

Question Details

Accessibility : Keyboard Navigation

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Bloom's : Analyze

Difficulty : 3 Hard

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

96) Gina Brooks works for Aquarium Retail Services selling high-end saltwater fish and tank supplies. Aquarium Retail Services is the current market leader in Gina’s city. Gina has recently been approached by Deep Blue Incorporated with an opportunity to run its corporate nation-wide marketing and sales division. Gina decides to jump at the opportunity! Deep Blue is attempting to gain a competitive _____ by stealing its competitor’s key employees.

- A) power
- B) entry barrier
- C) advantage
- D) loyalty

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

97) The banking industry has implemented several competitive advantages including ATMs, online bill pay services, and electronic statements. Of course, these competitive advantages were quickly duplicated by any competitor that wanted to remain in the banking industry. These were all examples of _____ competitive advantages.

- A) acquiring new technology products and services
- B) hiring new employees
- C) reducing expenses
- D) gaining invaluable feedback from customers

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

98) Michael Porter defined the five forces model and the potential pressures that can hinder sales. Which of the following is not one of the potential pressures that can hurt sales?

- A) Influential suppliers can drive down profits by charging higher prices for supplies
- B) New market entrants can steal potential investment capital.
- C) Substitute products can steal customers.
- D) Less competition will increase the number of customers

Question Details

Accessibility : Keyboard Navigation

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Bloom's : Analyze

Difficulty : 3 Hard

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

99) Kevin Campbell is an incoming freshman at your college. Kevin is frustrated by the cost of books, tuition, and expenses and he also needs to purchase a rather expensive laptop. In an effort to save money, Kevin begins a Facebook group finding other college students who need to purchase laptops. Soon, Kevin's Facebook group has close to 100,000 students. Kevin decides to collectively approach different computer companies to see if his group qualifies for a special discount. What business strategy is Kevin using to purchase laptops?

- A) Collecting business intelligence
- B) Decreasing entry barriers
- C) Purchasing a substitute product
- D) Increasing buyer power

Question Details

Accessibility : Keyboard Navigation

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Bloom's : Analyze

Difficulty : 3 Hard

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

100) What are costs that make customers reluctant to switch to another product or service?

- A) Support activities
- B) Switching costs
- C) Loyalty rewards
- D) Value chain activities

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

101) Callie Crystal owns and operates one of the most successful local coffee shops in Denver, called The Edgewater Café. Each time a customer purchases their hundredth cup of coffee at The Edgewater Café, they receive a free pound of coffee of their choice. What is Callie attempting to create with her unique "Free Pound of Coffee" marketing program?

- A) Reducing buyer power with a loyalty program
- B) Increasing buyer power with a loyalty program
- C) Decreasing supplier power with a differentiated product
- D) Creating a substitute product

Question Details

Accessibility : Keyboard Navigation

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Bloom's : Analyze

Difficulty : 3 Hard

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

102) What includes all parties involved, directly or indirectly, in obtaining raw materials or a product?

- A) Support chain
- B) Supply chain
- C) System chain
- D) Supply choice

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

103) Which of the below represents a company in a supply chain?

- A) Customer and competitor
- B) Supplier and competitor
- C) Knowledge worker and supplier
- D) Supplier and customer

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

104) In the center of Porter's five forces model is competition. Which of the below represents the four outer boxes?

- A) Buyer power, systems power, threat of false entrants, and threat of substitute products or services
- B) Buyer power, systems power, threat of new entrants, and threat of substitute products or services
- C) Buyer power, supplier power, threat of new entrants, and threat of substitute products or services
- D) Business power, supplier power, threat of new entrants, and threat of powerful services

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

105) Shawn McGill is on the executive board for ABC Pharmaceuticals. The company produces the number one selling cancer fighting drug on the market. Due to its incredible success ABC Pharmaceuticals has decided to increase the cost of the drug from \$8 a pill to \$15 a pill. Which force is ABC Pharmaceuticals using to increase its drug price?

- A) Supplier power
- B) Buyer power
- C) Threat of false entrants
- D) Business power

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

106) What is one of the most common ways a company can decrease supplier power?

- A) Charge lower prices
- B) Charge higher prices
- C) Use MIS to find and create alternative products
- D) Companies cannot impact supplier power

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

107) If a supplier has high power what can it do to influence its industry?

- A) Charge higher prices
- B) Shift costs to industry participants
- C) Limit quality or services
- D) All of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

108) How can a company reduce the threat of substitute products or services?

- A) Market the product to less than ten customers.
- B) Ignore competitive forces.
- C) Offer additional value through wider product distribution.
- D) Offer less value making the product far more generic and similar to the competition.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

109) Which one of Porter's five forces is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market?

- A) Threat of new entrants
- B) Threat of substitute products or services
- C) Threat of buyer power
- D) Supply chain competition

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

110) John Cleaver is the CEO of Tech World, which is a retail store that sells computers, monitors, cameras, televisions, and many other electronic products. John and his executive team are meeting to brainstorm new ideas on how to grow the business. One idea is to mimic a competitor's product that is attempting to sell a new product in a different industry. After performing a Porter's five forces analysis John determines that all of the forces are high in this new industry. What should John do?

- A) Explode into the market with an overflow of the product.
- B) Contemplate other products to introduce at the same time in this new market.
- C) Compare the competitor's prices and offer his product lower in this new market.
- D) Not introduce the product because all five forces are strong and this would be a highly risky business strategy.

Question Details

Accessibility : Keyboard Navigation

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Bloom's : Analyze

Difficulty : 3 Hard

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

111) What is a feature of a product or service that customers have come to expect and entering competitors must offer the same if they want to survive?

- A) Significant barrier
- B) Entry barrier
- C) Product differentiation
- D) Entry chain

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

112) Which of the following represents a typical supply chain?

- A) Company–customers–suppliers
- B) Company–suppliers–customers
- C) Suppliers–company–customers
- D) Suppliers–customers–company

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

113) Imagine you are creating a new product to sell in an up-and-coming market. Which of the below statements indicates that it would be easy for you as the new entrants to compete in this market?

- A) The threat of new entrants' force is high in the up-and-coming market.
- B) The threat of new entrants' force is low in the up-and-coming market.
- C) The threat of new entrants' force is impossible to define in the up-and-coming market.
- D) All of the choices depending on the time of year.

Question Details

Accessibility : Keyboard Navigation

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Bloom's : Analyze

Difficulty : 3 Hard

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

114) Imagine you are creating a new product to sell in an up-and-coming market. Which of the below statements indicates that it would be difficult for you to enter this new market?

- A) The threat of new entrants' force is high in the up-and-coming market.
- B) The threat of new entrants' force is low in the up-and-coming market.
- C) The threat of new entrants' force is high during the summer months in the up-and-coming market.
- D) All of the choices depending on the time of year.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

115) Which of the following offers an example where Porter's five forces are mostly strong and competition is high?

- A) A dog walking business
- B) A ski resort
- C) A professional hockey team
- D) All of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

116) Which of the following offers an example where Porter's five forces are mostly weak and competition is low?

- A) An international hotel chain purchasing milk
- B) A coffee shop
- C) A single consumer purchasing milk
- D) A dog walking business

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

117) Some industries' competition is much more intense than others. Retail grocery stores such as Kroger, Safeway, and Albertson's in the United States experience fierce competition and offer similar marketing campaigns to compete. What is this an example of in terms of Porter's Five Forces?

- A) Rivalry among new entrants
- B) Rivalry among existing competitors
- C) Threat of substitute products or services
- D) Buyer power

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

118) Amazon.com uses a customer profiling system whenever a customer visits its website. Using this system, Amazon can offer products tailored to that particular customer's profile and buying pattern. What is Amazon using to achieve this competitive advantage?

- A) Rivalry
- B) Buyer power
- C) Product differentiation
- D) Substitute product

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

119) Your boss, Penny Dirks, has asked you to analyze the music industry using Porter’s five forces model. Which of the following represents supplier power in the music industry?

- A) Established record labels like EMI, Sony, Universal.
- B) Walmart, Target, iTunes.
- C) Game systems like Xbox, social networks like Facebook.
- D) Taylor Swift, Beyoncé, The Beatles, The Stones.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

120) Your boss, Penny Dirks, has asked you to analyze the music industry using Porter’s five forces model. Which of the following represents buyer power in the music industry?

- A) Established record labels like EMI, Sony, Universal.
- B) Walmart, Target, iTunes.
- C) Independent record labels.
- D) Game systems like Xbox, social networks like Facebook.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

121) Your boss, Penny Dirks, has asked you to analyze the music industry using Porter's five forces model. Which of the following represents the threat of substitute products or services in the music industry?

- A) Established record labels like EMI, Sony, Universal.
- B) Independent record labels.
- C) Game systems like Xbox, social networks like Facebook.
- D) Taylor Swift, Beyoncé, The Beatles, The Stones.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

122) Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's five forces model. Which of the following represents supplier power in the soft drink industry?

- A) Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
- B) Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
- C) Zevia Natural Diet Soda begins selling directly over the Internet.
- D) Vitamin water, fruit juice, coffee.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

123) Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's five forces model. Which of the following represents buyer power in the soft drink industry?

- A) Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
- B) Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
- C) Zevia Natural Diet Soda begins selling directly over the Internet.
- D) Vitamin water, fruit juice, coffee. Coke and Pepsi submit bids to the owner of a football stadium for the exclusive sale of their products during games.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

124) Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's five forces model. Which of the following represents a threat of a new entrant in the soft drink industry?

- A) Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
- B) Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
- C) Zevia Natural Diet Soda begins selling directly over the Internet.
- D) Vitamin water, fruit juice, coffee.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

125) Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's five forces model. Which of the following represents a substitute product in the soft drink industry?

- A) Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
- B) Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
- C) Zevia Natural Diet Soda begins selling directly over the Internet.
- D) Vitamin water, fruit juice, coffee.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

126) What is buyer power?

- A) The ability of buyers to affect the price they must pay for an item.
- B) The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services).
- C) High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.
- D) High when there are many alternatives to a product or service and low when there are few alternatives from which to choose.

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Bloom's : Understand

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

127) What is supplier power?

- A) The ability of buyers to affect the price they must pay for an item.
- B) The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services).
- C) High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.
- D) High when there are many alternatives to a product or service and low when there are few alternatives from which to choose.

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Bloom's : Understand

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

128) What is threat of substitute products or services?

- A) The ability of buyers to affect the price they must pay for an item.
- B) The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services).
- C) High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.
- D) High when there are many alternatives to a product or service and low when there are few alternatives from which to choose.

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Bloom's : Understand

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

129) What is threat of new entrants?

- A) The ability of buyers to affect the price they must pay for an item.
- B) The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services).
- C) High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.
- D) High when there are many alternatives to a product or service and low when there are few alternatives from which to choose.

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Bloom's : Understand

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

130) What is rivalry among existing competitors?

- A) The ability of buyers to affect the price they must pay for an item.
- B) The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services).
- C) High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.
- D) High when competition is fierce in a market and low when competitors are more complacent.

Question Details

Accessibility : Keyboard Navigation

Difficulty : 1 Easy

Bloom's : Understand

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

131) Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's five forces model. Which of the following represents rivalry in the soft drink industry?

- A) Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
- B) Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
- C) Zevia Natural Diet Soda begins selling directly over the Internet.
- D) Coke and Pepsi submit bids to the owner of a football stadium for the exclusive sale of their products during games.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : automatic

132) Porter identified three generic strategies that a business could follow after identifying a market it wanted to enter. Which of the following is not included as one of Porter's three generic strategies?

- A) Broad differentiation
- B) Supplier cost differentiation
- C) Focused strategy
- D) Broad cost leadership

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

133) When analyzing Porter's three generic strategies for entering a market, if you have a focused strategy what market should you target?

- A) A niche market
- B) A broad market
- C) Neither niche nor broad markets
- D) Both niche and broad markets

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

134) Which of the following offers an example of a company operating in a narrow focused-market operating as the low-cost provider?

- A) Walmart
- B) Tiffany & Co.
- C) Neiman Marcus
- D) Payless Shoes

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

135) Broad differentiation, broad cost leadership, and _____ create the three generic strategies identified by Porter.

- A) narrow market leadership
- B) high cost versus low cost
- C) focused strategy
- D) None of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

136) Jennifer Bloom is writing a paper and she must determine which of Porter's three generic strategies The Museum Company has implemented. Jennifer finds out that The Museum Company offers specialty products found only in museums around the world to affluent customers. What would Jennifer determine The Museum Company is using as its generic strategy?

- A) Broad market, low cost
- B) Narrow market, high cost
- C) Broad market, high cost
- D) Narrow market, low cost

Question Details

Accessibility : Keyboard Navigation

Bloom's : Analyze

Difficulty : 3 Hard

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

137) According to Porter companies that wish to dominate broad markets should operate using a _____ strategy.

- A) cost leadership with a low cost
- B) differentiation with a low cost
- C) cost leadership with a high cost
- D) All of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

138) Which of the following demonstrates a company that has implemented a low-cost, broad-market strategy?

- A) Neiman Marcus
- B) Payless shoes
- C) The Sharper Image
- D) Walmart

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

139) If a business is following a focused strategy, then its competitive scope is _____.

- A) broad market
- B) narrow market
- C) broad range of products
- D) broad range of services

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

140) When applying Porter's three generic strategies, Tiffany & Co. has a competitive scope and cost strategy that is _____.

- A) broad market–high cost strategy
- B) Narrow market–low cost strategy
- C) Narrow market–high cost strategy
- D) Broad market–low cost strategy

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

141) When analyzing the book store industry, some of today's businesses compete with different business strategies and cost strategies. Which of the following is using a broad market competitive scope along with a low-cost strategy?

- A) Amazon.com
- B) Local independent bookstore specializing in antique books
- C) Barnes & Noble
- D) Bookstore at the airport

Question Details

Accessibility : Keyboard Navigation

Bloom's : Analyze

Difficulty : 3 Hard

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

142) Which of the below is similar to focused strategy versus broad strategy?

- A) Large market versus leadership
- B) Large market versus uniqueness
- C) Niche market versus large market
- D) Niche market versus generic

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

143) Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter's three generic strategies. Which of the following companies are using a cost leadership strategy?

- A) Southwest, Horizon, Frontier, and JetBlue
- B) British Airways, Singapore Airlines, and Virgin Atlantic
- C) Sky Taxi—a rent by the hour personal plane service
- D) All of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies—Choosing a Business Focus

Gradable : automatic

144) Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter's three generic strategies. Which of the following companies are using a differentiation strategy?

- A) Southwest, Horizon, Frontier, and JetBlue.
- B) British Airways, Singapore Airlines, and Virgin Atlantic.
- C) Sky Taxi—a rent by the hour personal plane service.
- D) All of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies—Choosing a Business Focus

Gradable : automatic

145) Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter's three generic strategies. Which of the following companies are using a focused strategy?

- A) Southwest, Horizon, Frontier, and JetBlue.
- B) British Airways, Singapore Airlines, and Virgin Atlantic.
- C) Sky Taxi—a rent by the hour personal plane service.
- D) All of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : automatic

146) When reviewing Porter's value chain analysis, which of the below provides customer support after the sale of goods and services?

- A) Inbound logistics
- B) Outbound logistics
- C) Operations
- D) Service

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

147) Which of the below represents procurement as part of the support value activities in a value chain analysis?

- A) Purchases inputs such as raw materials, resources, equipment, and supplies
- B) Applies MIS to processes to add value
- C) Distributes goods and services to customers
- D) Promotes, prices, and sells products to customers

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

148) What includes support value activities and primary value activities and is used to determine how to create the greatest possible value for customers?

- A) Supplier power
- B) Operations management
- C) Porter's five forces model
- D) The value chain analysis

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

149) What is a standardized set of activities that accomplishes a specific task?

- A) Business strategy
- B) Business outcome
- C) Business process
- D) Knowledge process

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

150) Which of the following analyzes a company's business processes and is useful for determining how to create the greatest possible value for customers?

- A) Product analysis
- B) Primary supplier power
- C) Value chain analysis
- D) Buyer chain analysis

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

151) The goal of value chain analysis is to identify processes in which the firm can add value for the customer and create a competitive advantage for itself, with a _____ or _____.

- A) focused strategy, product differentiation
- B) focused strategy, cost advantage
- C) cost advantage, primary value activities
- D) cost advantage, product differentiation

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

152) What are the two main categories in a value chain analysis?

- A) Primary value activities and secondary value activities
- B) Primary value activities and support value activities
- C) Primary value activities and strengthening value activities
- D) None of the choices is correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

153) Which of the following is not considered a category within the primary value activities in a value chain analysis?

- A) Inbound logistics
- B) Firm infrastructure
- C) Operations
- D) Service

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

154) Which of the following is not considered a category within the support value activities in a value chain analysis?

- A) Technology development
- B) Outbound logistics
- C) Human resource management
- D) Firm infrastructure

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

155) What is the support value activity that provides employees with training, hiring, and compensation?

- A) Procurement
- B) Operations resource management.
- C) Human resource management
- D) Firm infrastructure

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

156) Sandy Fiero works as the Chief Knowledge Officer for Bend Lumbar Company. She has been given the responsibility to create a product or service that will bring an added value to its customers to increase the company's revenue. Sandy determines that the best value she can add is by creating a service that offers free next day shipping on any order over \$50. Where in the value chain is Sandy adding value?

- A) The primary value activity outbound logistics
- B) The primary value activity inbound logistics
- C) The primary value activity marketing and sales
- D) The primary value activity operations

Question Details

Accessibility : Keyboard Navigation

Bloom's : Analyze

Difficulty : 3 Hard

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

157) When evaluating the value chain, all of the following are included in the primary value activities except _____.

- A) inbound activities
- B) operations
- C) service
- D) MIS development

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

158) When evaluating the value chain, which of the following is included in the support value activities?

- A) Inbound activities
- B) Marketing and sales
- C) Firm infrastructure
- D) Finance and sales

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : 1 Easy

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

159) Which of the following decisions does a firm need to make as soon as it has identified the activities from the value chain that are bringing the highest added value to their customers?

- A) Target high value-adding activities to further enhance their value
- B) Target low value-adding activities to increase their value
- C) Perform some combination of the two
- D) All of the choices are correct.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Difficulty : 2 Medium

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

160) MIS can add value to both primary activities and support activities in the value chain. Which of the following is not an example of a company adding value by the use of MIS in a primary activity?

- A) Scottrade Corp. creating an online system for employees to track paychecks, benefits, wellness rewards programs, and other employee benefit items.
- B) A system for the sales and marketing departments to track specific sales targets and follow up processes.
- C) An easy electronic survey, similar to the survey monkey, to be sent to the customer right after a service was completed.
- D) Royal Crest Dairy using their custom order and delivery system through an easily accessible Web portal for the customer to track delivery status.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Analyze

Difficulty : 3 Hard

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

161) MIS can add value to both primary and support activities within a business. Which of the following is not an example of a company adding value by the use of MIS in a support activity?

A) Netflix creating a business strategy for the video rental market that delivers videos via the mail.

B) The human resources department creates a tracking system to efficiently reward employees based on their performance.

C) Scottrade Corp. creating an online system for employees to track paychecks, benefits, wellness rewards programs, and other employee benefit items.

D) The University of Forks creates a program to automatically order office supplies such as pens and pads of paper for its employees.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Analyze

Difficulty : 3 Hard

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : automatic

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

162) Explain why competitive advantages are temporary.

Question Details

Accessibility : Keyboard Navigation

Topic : Identifying Competitive Advantages

Learning Outcome : 02-01 Explain why competitive advantages are temporary along with the four key are

Bloom's : Analyze

Difficulty : 3 Hard

Gradable : manual

163) Describe Porter's five forces model and explain each of the five forces.

Question Details

Accessibility : Keyboard Navigation

Learning Outcome : 02-02 Describe Porter's five forces model and explain each of the five forces.

Bloom's : Analyze

Difficulty : 3 Hard

Topic : The Five Forces Model–Evaluating Industry Attractiveness

Gradable : manual

164) Compare Porter's three generic strategies.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Analyze

Difficulty : 3 Hard

Learning Outcome : 02-03 Compare Porter's three generic strategies.

Topic : The Three Generic Strategies–Choosing a Business Focus

Gradable : manual

165) Demonstrate how a company can add value by using Porter's value chain analysis.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Analyze

Difficulty : 3 Hard

Learning Outcome : 02-04 Demonstrate how a company can add value by using Porter's value chain analysis

Topic : Value Chain Analysis–Executing Business Strategies

Gradable : manual

Answer Key

Test name: Baltzan9E_TB_CH02

1) TRUE

2) TRUE

3) TRUE

4) FALSE

5) TRUE

6) FALSE

7) FALSE

8) TRUE

9) TRUE

A SWOT analysis will evaluate potential internal strengths, internal weaknesses, and external opportunities.

10) TRUE

A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

11) FALSE

A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

12) FALSE

13) TRUE

14) TRUE

15) TRUE

16) TRUE

- 17) TRUE
- 18) TRUE
- 19) FALSE
- 20) FALSE
- 21) TRUE
- 22) TRUE
- 23) TRUE
- 24) FALSE
- 25) TRUE
- 26) TRUE
- 27) FALSE
- 28) TRUE
- 29) FALSE
- 30) FALSE
- 31) FALSE
- 32) TRUE
- 33) TRUE
- 34) FALSE
- 35) TRUE
- 36) FALSE
- 37) TRUE
- 38) TRUE
- 39) FALSE
- 40) TRUE
- 41) FALSE
- 42) FALSE
- 43) TRUE
- 44) D

Ways that companies duplicate competitive advantages include acquiring new technology, copying the business operations, and hiring away key employees.

45) D

First-mover advantage is an advantage that occurs when a company can significantly increase its market share by being first with a competitive advantage. Google was first to market with search engine technology.

46) A

Managers utilize three common tools to analyze competitive intelligence and develop competitive advantages including: 1) the five forces model, 2) the three generic strategies, and 3) value chain analysis.

47) A

Competitive advantages are typically temporary.

48) C

Updating business strategies is a continuous undertaking as internal and external environments rapidly change.

49) D

Competitive advantages are typically temporary because competitors often quickly seek ways to duplicate them by acquiring new technology, copying the business operations, and hiring away key employees.

50) D

This is the definition of competitive advantage.

51) C

A competitive analysis model is not discussed in this text.

52) C

Competitive intelligence is the process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed.

53) A

A stakeholder is a person or group that has an interest or concern in an organization.

54) A

Partners/suppliers primary interests are in reliable contracts, ethical materials handling, and responsible production.

55) D

Government primary interests include adhere to regulations/laws, increase employment, and ethical taxation reporting.

56) B

Shareholders/investors primary interests include maximize profits, grow market share, and high return on investment.

57) D

Customers' primary interests includes exceptional customer service, high-quality products, and ethical dealings.

58) A

Employees' primary interests include fair compensation, job security, and ethical conduct/treatment.

59) C

Community primary interests include professional associations, ethical recycling, and increasing employment.

60) A

A competitive features a product or service on which customers place a greater value than they do on similar offerings from competitors.

61) A

A SWOT analysis evaluates a project's position.

62) A

A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

63) B

The five forces model evaluates industry attractiveness.

64) B

The five forces model analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry.

65) C

The value chain analysis executes business strategy.

66) C

Value chain analysis, which views a firm as a series of business processes, each of which adds value to the product or service.

67) D

The three generic strategies chooses the business focus.

68) D

Porter's three generic strategies are generic business strategies that are neither organization nor industry-specific and can be applied to any business, product, or service.

69) B

SWOT includes strengths, weaknesses, opportunities, and threats.

70) A

Strengths and weaknesses originate inside an organization.

71) B

Opportunities and threats originate outside an organization.

72) A

Internal strengths include core competencies, market leaders, cost advantages, and excellent management.

73) B

Internal weaknesses that are harmful to an organization include lack of strategic direction, obsolete technologies, lack of managerial talent, and outdated product line.

74) C

Potential external opportunities that are helpful include expanded product line, increase in demand, new markets, and new regulations.

75) D

External weaknesses that are harmful to an organization include new entrants, substitute products, shrinking markets, costly regulatory, and requirements

76) A

Strengths are internal and helpful.

77) B

Weaknesses are internal and harmful.

78) C

Opportunities are external and helpful.

79) D

Threats are external and harmful.

80) C

A stakeholder is a person or group that has an interest or concern in an organization.

81) A

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Customers of an organization are generally concerned with exceptional customer service, high-quality products, and ethical dealing.

82) B

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Employees of an organization are generally concerned with fair compensation, job security, and ethical conduct/treatment.

83) C

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. The community around an organization is generally concerned with professional associations, ethical recycling, and increase in employment.

84) D

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Partners/suppliers of an organization are generally concerned with reliable contracts, ethical materials handling, and responsible production.

85) B

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. The government is generally concerned that organizations adhere to regulations/laws, increase employment, and ethically report taxation.

86) A

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Shareholders/investors are generally concerned that organizations maximize profits, grow the market share, and have a high return on investment.

87) C

Shareholders/investors are generally concerned that organizations maximize profits, grow the market share, and have a high return on investment. It is not uncommon to find stakeholders' business strategies have conflicting interests such as investors looking to increase profits by eliminating employee jobs.

88) B

A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

89) A

Strengths and weaknesses originate inside an organization, or internally. Opportunities and threats originate outside an organization, or externally, and cannot always be anticipated or controlled.

90) B

Strengths and weaknesses originate inside an organization, or internally. Opportunities and threats originate outside an organization, or externally, and cannot always be anticipated or controlled.

91) A

Potential internal strengths (helpful) identify all key strengths associated with the competitive advantage, including cost advantages.

92) B

Potential internal weaknesses (harmful) identify all key areas that require improvement, including a damaged reputation.

93) C

Potential internal weaknesses (harmful) identify all significant trends along with how the organization can benefit from each, including new markets.

94) C

Managers use four common tools to analyze competitive intelligence and develop competitive advantages: SWOT analysis, the five forces model, the three generic strategies, and value chain analysis.

95) D

Victory Wireless is attempting to decrease buyer power by offering products at a lower price or competing on price.

96) C

Ways that companies duplicate competitive advantages include acquiring the new technology, copying business processes, and hiring away employees.

97) A

The banking industry, for example, has utilized competitive advantage by all now offering ATMs, online bill pay services, and e-statements are all examples of ways they duplicated each other by acquiring new technology products and services.

98) D

Michael Porter defined the five forces model. Before formally presenting his model, he identified pressures that can hurt potential sales, which include: 1) knowledgeable customers can force down prices by pitting rivals against each other, 2) influential suppliers can drive down profits by charging higher prices for supplies, 3) competition can steal customer, 4) new market entrants can steal potential investment capital, and 5) substitute products can steal customers.

99) D

Buyer power is one of Porter's five forces, which measures the ability of buyers to affect the price they must pay for an item. Kevin's group is attempting to increase its buyer power.

100) B

Switching costs are costs that make customers reluctant to switch to another product or service.

101) A

One way to reduce buyer power is with a loyalty program which is a program to reward customers based on their spending.

102) B

Supply chain includes all parties involved, directly or indirectly, in obtaining raw materials or a product.

103) D

In a typical supply chain, a company will be both a supplier and a customer.

104) C

The four competitive forces that work amongst the power of competitors are buyer power, supplier power, threat of new entrants, and threat of substitute products or services.

105) A

Supplier power is one of Porter's five forces, measures the suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services).

106) C

Using MIS to find alternative products is one way of decreasing supplier power.

107) D

If the supplier power is high, the supplier can influence the industry by 1) charging higher prices, 2) limiting quality or services, and 3) shifting costs to industry participants.

108) C

One way a company can reduce the threat of substitute products or services is to offer additional value through wider product distribution.

109) A

Threat of new entrants is one of Porter's five forces, high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.

110) D

When the five forces are all strong or high, it is a poor business strategy, when the forces are low, this is a great time to execute the business strategy.

111) B

Entry barrier is a feature of a product or service that customers have come to expect and entering competitors must offer the same for survival.

112) C

A traditional business supply chain operates like this: supplier–company–customers.

113) A

The threat of new entrants is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.

114) B

The threat of new entrants is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.

115) A

With Porter's five forces model, these are all examples of strong forces, where it increases competition: 1) a single consumer purchasing milk, 2) a company that makes pencils, 3) coffee from McDonald's, 4) a dog walking business, and 5) a coffee shop.

116) A

With Porter's five forces model, these are all examples of weak forces, where it decreases competition: 1) an international hotel chain purchasing milk, 2) a company that makes airline engines, 3) cancer drugs from a pharmaceutical company, 4) a professional hockey team, and 4) department of motor vehicles.

117) B

Some industries' competition is much more intense than others. The retail grocery stores such as Kroger, Safeway, Albertson's, and Ralph's in the United States have fierce competition and similar programs to compete with each other.

118) C

Product differentiation is an advantage that occurs when a company develops unique differences in its products with the intent to influence demand.

119) A

An example of supplier power in the music industry includes established record labels like EMI, Sony, and Universal.

120) B

Buyer power in the music industry includes Walmart, Target, and iTunes who purchase music from record labels to sell online and in their stores.

121) C

Game systems like Xbox and social networks offer alternatives or substitute products to purchasing music for a consumer.

122) A

Supplier power in the soft drink industry is represented by Pepsi.

123) B

Buyer power in the soft drink industry is represented by Walmart.

124) C

Zevia Natural Diet Soda represents a new entrant in the soft drink industry.

125) D

Vitamin water, fruit juice, or coffee are all substitute products to a soft drink.

126) A

Buyer power is the ability of buyers to affect the price they must pay for an item.

127) B

Supplier power is the suppliers' ability to influence prices.

128) D

Threat of substitute products or services is high when there are many alternatives to a product or service and low when there are few alternatives from which to choose.

129) C

Threat of new entrants is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.

130) D

Rivalry is high when competition is fierce in a market and low when competitors are more complacent.

131) D

The rivalry between Coke and Pepsi is famous in the soft drink industry.

132) B

Porter has identified three generic business strategies for entering a new market: 1) broad cost leadership, 2) broad differentiation, and 3) focused strategy.

133) A

When analyzing Porter's three generic strategies for entering a market, if you have a focused strategy you should target a narrow market, niche market, or a unique market.

134) D

Payless competes by offering a specific product (narrow market)—shoes at low prices. Their strategy is to be the low-cost provider of shoes.

135) C

The three strategies proposed by Porter are: 1) broad cost leadership, 2) broad differentiation, and 3) focused strategy.

136) B

The Museum Company competes using a narrow market and high cost focus.

137) A

According to Porter, broad markets should utilize cost leadership with a low cost and differentiation with a high cost.

138) D

Walmart competes by offering a broad range of products at low prices. Its business strategy is to be the low-cost provider of goods for the cost-conscious consumer.

139) B

When you have a market segment, their competitive scope should be a narrow market, and the cost strategy should be a focused strategy.

140) C

Tiffany & Co. competes by offering a differentiated product, jewelry, at high prices. Its business strategy allows it to be a high-cost provider of premier designer jewelry to affluent consumers.

141) A

Amazon.com competes by offering a broad range of differentiated products at low prices.

142) C

Focused strategies versus broad strategies is synonymous to niche market versus large markets.

143) A

Southwest, Horizon, Frontier, and JetBlue all use cost leadership business strategies.

144) B

British Airways, Singapore Airlines, and Virgin Atlantic all compete using differentiation strategies.

145) C

Sky Taxi is using a focused-strategy targeting individuals that want to hire private planes.

146) D

The service activity within the primary value activities will provide customer support after the sale of goods and services.

147) A

Procurement is the process of the support value activity which purchases inputs such as raw materials, resources, equipment, and supplies.

148) D

The support activity firm infrastructure coupled with the primary value activity of outbound logistics is a part of the value chain analysis.

149) C

A business process is a standardized set of activities that accomplish a specific task.

150) C

The value chain analysis views a firm as a series of business processes that each add value to the product or service.

151) D

The goal of value chain analysis is to identify processes in which the firm can add value for the customer and create a competitive advantage for itself, with a cost advantage or product differentiation.

152) B

The value chain groups a firm's activities into two categories: primary value activities and support value activities.

153) B

Primary value activities are found at the bottom of the value chain, these include business processes that acquire raw materials and manufacture, deliver, market, sell, and provide after-sales services.

154) B

Support value activities are found along the top of the value chain and include business processes, such as firm infrastructure, human resource management, technology development, and procurement that support the primary value activities.

155) C

Human resource management provides employee training, hiring, and compensation.

156) A

Outbound logistics distributes goods and services to customers.

157) D

The primary value activities include 1) inbound logistics, 2) operations, 3) outbound logistics, 4) marketing and sales, and 5) service.

158) C

The support value activities found along the top of the value chain include 1) firm infrastructure, 2) human resource management, 3) technology development, and 4) procurement.

159) D

When a firm has identified the activities from the value chain that are bringing the highest added value to their customers, they need to make decisions regarding the competitive advantage by determining whether to 1) target high value-adding activities to further enhance their value, 2) target low value-adding activities to increase their value, and 3) perform some combination of the two.

160) A

MIS can add value to both primary and support activities within a business. All are primary activities except Scottrade Corp. creating an online system for employees to track paychecks, benefits, wellness rewards program, and other employee benefit items. This is a support value activity.

161) A

MIS can add value to both primary and support activities within a business. All are support activities except for the example, Netflix creating a business strategy for the video rental market that makes renting a movie simplified with their inexpensive, no late fee, quick mail delivery system. This is a primary value activity.

162) A competitive advantage is a feature of a product or service on which customers place a greater value than they do on similar offerings from competitors. Competitive advantages provide the same product or service either at a lower price or with additional value that can fetch premium prices. Unfortunately, competitive advantages are typically temporary, because competitors often quickly seek ways to duplicate them. In turn, organizations must develop a strategy based on a new competitive advantage. Ways that companies duplicate competitive advantages include acquiring the new technology, copying business processes, and hiring away employees.

163) Porter's five forces model analyzes the competitive forces within the environment in which a company operates, to assess the potential for profitability in an industry. Buyer power is the ability of buyers to affect the price they must pay for an item. Supplier power is the suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services). Threat of substitute products or services is high when there are many alternatives to a product or service and low when there are few alternatives from which to choose. Threat of new entrants is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to entering a market. Rivalry among existing competitors is high when competition is fierce in a market and low when competition is more complacent.

164) Organizations typically follow one of Porter's three generic strategies when entering a new market: 1) broad cost leadership, 2) broad differentiation, 3) focused strategy. Broad strategies reach a large market segment. Focused strategies target a niche market. Focused strategies concentrate on either cost leadership or differentiation.

165) To identify competitive advantages, Michael Porter created value chain analysis, which views a firm as a series of business processes that each add value to the product or service. The goal of value chain analysis is to identify processes in which the firm can add value for the customer and create a competitive advantage for itself, with a cost advantage or product differentiation. The value chain groups a firm's activities into two categories—primary value activities and support value activities. Primary value activities acquire raw materials and manufacture, deliver, market, sell, and provide after-sales services. Support value activities, along the top of the value chain in the figure, include firm infrastructure, human resource management, technology development, and procurement. Not surprisingly, these support the primary value activities.

