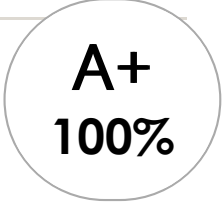


20 Multiple choice questions



A+
100%

1. where groups of workers interact in the workplace to achieve a common business goal
 - a. total market
 - b. tactical plans
 - c. trend analysis
 - d. **CORRECT: team approach**

2. a long-term general plan that outlines the vision and future direction for the business
 - a. tactical plans
 - b. price points
 - c. **CORRECT: strategic plan**
 - d. operational plans

3. comprises all the people who want to buy a particular product
 - a. target market
 - b. **CORRECT: total market**
 - c. team approach
 - d. objective

4. the way in which a business divides its potential market into different demographic groups or segments
 - a. target market
 - b. strategic plan
 - c. **CORRECT: market segmentation**
 - d. product differentiation

5. a specific description of what the business needs to do to achieve a particular goal; convert goals into effective action plans
 - a. outsourcing
 - b. price points
 - c. **CORRECT: objective**
 - d. skimming

6. the differences between products of competing businesses as perceived by consumers; is based on features including quality of service, price and product image
 - a. product life cycle
 - b. market segmentation
 - c. price points
 - d. **CORRECT: product differentiation**

7. contracting with other businesses to supply some of the key business functions or inputs needed for production
 - a. skimming
 - b. price points
 - c. objective
 - d. **CORRECT: outsourcing**

8. psychological pricing strategies based on customers' perception of value for money
 - a. skimming
 - b. **CORRECT: price points**
 - c. variable costs
 - d. tactical plans

9. a pricing strategy that involves setting the price of a new product lower than the prices of competing products
 - a. **CORRECT: penetration pricing**
 - b. outsourcing
 - c. strategic plan
 - d. operational plans

10. the costs of inputs that vary as output varies
 - a. target market
 - b. tactical plans
 - c. **CORRECT: variable costs**
 - d. price points

11. more detailed plans that translate the goals and objectives from the strategic plan into actions and tasks for the short to medium term
 - a. price points
 - b. strategic plan
 - c. **CORRECT: tactical plans**
 - d. operational plans

12. very small (1-9 employees), small (10-49), medium (50-149) and large (150+)
 - a. market segmentation
 - b. team approach
 - c. product differentiation
 - d. **CORRECT: small to medium enterprises**

13. the four stages that a product goes through from its launch on the market to its removal, and its associated levels of sales, volume, and market share
 - a. price points
 - b. variable costs
 - c. **CORRECT: product life cycle**
 - d. product differentiation

14. outlines what a business wants to be or achieve through operations
 - a. **CORRECT: vision statement**
 - b. mission statement
 - c. total market
 - d. target market

15. a concise outline of the overall activities and aims of a business and contains its philosophies, goals, ambitions and statements about business culture
 - a. target market
 - b. **CORRECT: mission statement**
 - c. vision statement
 - d. total market

16. an analysis that allows a business to understand its internal and external; situation, its customer base, markets and what the business is capable of achieving
- a. **CORRECT: situational analysis**
 - b. operational plans
 - c. trend analysis
 - d. tactical plans
17. a pricing strategy that involves setting a high price while demand is high price while demand for the product is high and before competitors enter the market
- a. **CORRECT: skimming**
 - b. objective
 - c. outsourcing
 - d. price points
18. a tool used by management to gauge past economic history and prepare for future events
- a. team approach
 - b. price points
 - c. situational analysis
 - d. **CORRECT: trend analysis**
19. the specific segment of the total market at which the product is aimed
- a. objective
 - b. total market
 - c. price points
 - d. **CORRECT: target market**
20. the ongoing plans that deal with the day-to-day functions necessary to achieve business goals and objectives
- a. situational analysis
 - b. strategic plan
 - c. tactical plans
 - d. **CORRECT: operational plans**