

Quiz - Ch. 1

Multiple Choice

Each answer is worth 4 points.

1. A _____ is any activity that provides goods and services in an effort to earn a profit.

a) core goal b) business c) value d) all of the above
2. _____ refers to the products and goods available to a population at a given time.

a) Quality of life b) Economic growth
c) Entrepreneurship d) Standard of living
3. A business's core goal is to generate long term profits while delivering _____ to its customers.

a) value b) data c) communication
d) consistency
4. Entrepreneurs are commonly characterized as

a) risk takers and decision makers. b) price manipulators. c) disgruntled employees.
d) the most productive workers employed by corporations.
5. According to a survey described in your textbook, approximately what percentage of American adults have taken steps towards entrepreneurship?

a) 33% b) 47% c) 70% d) 92%
6. The evolution of business included the

a) entrepreneurship era. b) marketing era.
c) production era. d) all of the above.
7. In the relationship era, firms began to recognize that cultivating current customers is more profitable than constantly

a) creating new goods and services.
b) seeking global competition. c) partnering with community investors. d) seeking new customers.
8. Leading edge businesses maintain a competitive advantage by introducing products:

a) just as the market becomes ready to embrace them. b) 12-18 months before the market is really ready to embrace them.
c) long before anyone else has even thought of them, and at least 2 years before the majority of customers will express interest in them.
d) right before the demand for the product reaches its highest level.
9. The production era is recognized for

a) increasingly specialized jobs, resulting in higher productivity and lower costs and prices.
b) power shifting away from business toward consumers. c) the rise of monopoly power giving big business the ability to raise prices almost at will. d) creating satisfied customers who acted as advocates for business.
10. Buckeye's Bowling Alley has recently decided to develop a franchise venture overseas. What concept would Buckeye's use in creating a distinctive business for the global market?

a) Marketing concept b) Production concept
c) Entrepreneurial concept d) Relationship concept
11. Businesses in the relationship era focus efforts on building long-term customer relationships. One key tool for business development during this era was utilizing

a) production. b) services. c) technology.
d) entrepreneurship.
12. During the marketing era businesses concentrated on:

- a) recovering and rebuilding in the aftermath of World War II. b) building long-term customer relationships. c) developing brands to differentiate their products from those of competitors. d) none of the above.
13. Types of nonprofit organizations include
- a) museums. b) theatres. c) schools. d) all of the above.
14. Nonprofit organizations are commonly recognized for
- a) employing people. b) building revenue. c) producing goods and services. d) all of the above.
15. Nonprofit organizations are commonly known for supporting
- a) religion. b) art. c) community service. d) all of the above.
16. Urban Teens, a nonprofit organization, provides 12-18 year olds with housing when families are affected by domestic violence. As a nonprofit organization Urban Teens' primary goal is to reinvest money raised in
- a) care for these teenagers. b) care for the families of teenagers receiving counseling. c) promoting the program community wide. d) all of the above.
17. Which of the following is the best example of capital as a factor of production?
- a) cash b) a tractor c) sunlight d) corporate bonds
18. Your college has contracted with a construction company to build a new bookstore. The heavy machinery and equipment the contractor will use in the construction process are classified as:
- a) current resources. b) human resources. c) natural resources. d) capital.
19. Too much taxation, an overuse of regulation, and limited choices in the broader business environment is likely to result in:
- a) a decrease in entrepreneurial activities. b) an increase in entrepreneurship. c) an increase in global trade. d) a social crisis.
20. The five key dimensions of the broader business environment include
- a) economic, competitive, technological, social, and global. b) technological, economic, demographic, global, and social. c) global, social, technological, market forces, and value. d) customers, vendors, suppliers, wholesalers, and retailers.
21. Tide-to-Go bleach stick and the Swiffer are examples of breakthrough _____ products.
- a) consumer-focused b) market-focused c) business-focused d) government-focused
22. According to the Pew Internet and American Life Survey, _____ percent of U.S. adult Internet users have created cyber content by building or contributing to Web sites.
- a) 28% b) 37% c) 44% d) 52%
23. Lisa is a marketing consultant who is trying to help a regional company design an advertising campaign that will appeal to the local population. Her report should take into account _____ factors such as the age, income and ethnic composition of the area's population.
- a) psychographics b) sociological warfare c) natural resource management d) demographics
24. As life spans increase and birthrates decrease, the working population will decrease while the number of retirees will increase. One example of new *business* growth reflecting this market might be a(n):

a) increase in the number of assisted living facilities b) increase in the number of school-age after school programs c) rise in the number of state laws requiring employers to offer prescription benefit plans d) new federal healthcare premium program adjusted for age

25. Tiny Timbers Tree Farm sells a variety of trees for different customers. Recently, the company received notice from the U.S. Department of Fish and Wildlife that a shortage of fir trees is affecting a rare moth population. The federal agency has ruled that tree farms must refrain from cultivating fir trees for business use until further notice. Which element of Tiny Timbers' environment is most directly affected by this ruling?

a) Economic b) Technological c) Global
d) Social

