

MULTIPLE CHOICE QUESTIONS

- The goal of SWOT analysis is to _____ the organization's opportunities and strengths while _____ its threats and _____ its weaknesses.
(a) avoid; neutralizing; correcting (b) exploit; neutralizing; correcting
(c) avoid; capitalizing; neutralizing (d) exploit; avoiding; ignoring
- SWOT analysis is an evaluation of the organization's _____ strengths and weaknesses and its _____ opportunities and threats.
(a) external; internal (b) internal; internal
(c) external; external (d) internal; external
- External opportunities and threats are usually:
(a) the minor cause of organizational demise or success
(b) least important for CEOs and the board of directors
(c) not as important as internal strengths and weaknesses
(d) largely uncontrollable activities outside the organization
- The sustainability of competitive advantage and a firm's ability to earn profits from its competitive advantage depends upon:
(a) Durability, reliability, transferability, approximately
(b) Appropriability, durability, transferability, imitability
(c) Transferability, imitability, reliability, approximately
(d) Imitability, durability, reliability, appropriability
- Internal _____ are activities in an organization that are performed especially well.
(a) Opportunities (b) Competencies
(c) Strengths (d) Management
- 'Strategic group mapping' helps in-
(a) Identifying the strongest rival companies
(b) Identifying weakest rival companies
(c) Identifying weakest and strongest rival companies
(d) None of the above

7. In Michael Porter's generic strategy _____ emphasizes producing standardized products at a very low per unit-cost for consumers who are price sensitive.
- (a) Cheap leadership (b) Inferior product leadership
(c) Cost leadership (d) Cost benefit
8. Differentiation Strategy can be achieved by following measures:
- (1) Match products with tastes and preferences of customers.
(2) Elevate the performance of the product.
(3) Rapid product innovation
- Which of the above is true:
- (a) (1) and (2) (b) (1) and (3)
(c) (2) and (3) (d) (1), (2) and (3)
9. What are the three different bases given by Michael Porter's Generic Strategies to gain competitive advantage?
- (a) differentiation, integration and compensation
(b) integration, focus and differentiation
(c) compensation, integration and focus
(d) cost leadership, differentiation and focus
10. A firm successfully implementing a differentiation strategy would expect:
- (a) Customers to be sensitive to price increases.
(b) To charge premium prices.
(c) Customers to perceive the product as standard.
(d) To automatically have high levels of power over suppliers
11. A core competence is all except?
- (a) Valuable (b) Rare
(c) Impossible to imitate (d) Non-substitutable
12. Anything that a firm does especially well compared to rival firms is referred to as ____.
- (a) Competitive advantage (b) Comparative advantage
(c) Opportunity cost (d) Sustainable advantage
13. Marketing and Sales of Hindustan Unilever Limited and lowering of operating cost by Walmart are examples of what?
- (a) Competitive Advantage (b) Core Competency
(c) Strategic Planning (d) Key Performance Indicators (KPIs)
14. SK, an organic farming expert, was consulting a group of farmers to build a sustainable brand of their corn produce. He suggested following the strategy of the biggest player in this business. Which of the following can be used to identify such a player?
- (a) BCG Matrix (b) ADL Matrix
(c) Dominant Force Analysis of the Industry (d) Strategic Group Mapping

15. A _____ consists of those rival firms which have similar competitive approaches and positions in the market.
- (a) BCG Matrix. (b) Strategic group.
(c) Strategy Map. (d) Industry.
16. According to C.K. Prahalad and Gary Hamel, major core competencies are identified in three areas - ____, ____, and application to other markets.
- (a) Competitor differentiation, customer value. (b) Competitor differentiation, focus.
(c) Cost leadership, differentiation. (d) Profits, growth.
17. Which of the following is not true for core competency:
- (a) It distinguishes a company competitively.
(b) It is a source of competitive advantage.
(c) It is an individual skill and separate technique.
(d) It is often visible in the form of organisational function
18. SK Mart an online marketplace where people from all over Delhi come and sell their goods is charging zero commission for listing goods but they take 1% of the sales per month from the seller. It is defined as?
- (a) Business Intent (b) Business Idea
(c) Business Definition (d) Business Model
19. Michael Porter Generic strategies to gain competitive advantage include all except:
- (a) Cost leadership (b) Differentiation
(c) Focus (d) Revenue generation
20. SK, a manufacturer of private helicopters, offers unique features that fulfil the demands of a narrow market. It competes in the market based on its uniqueness and custom-oriented private helicopters. SK provides a limited number of high-end helicopters with ultimate features. Which business strategy is being followed by SK?
- (a) Differentiation (b) Focused differentiation
(c) Cost leadership (d) Focused cost leadership
21. DMart sells fast moving consumer goods at wholesale prices to retail customers, is this a strategy of?
- (a) Market Penetration (b) Cost Differentiation
(c) Cost Leadership (d) Market Development
22. Best Cost provider strategies
- (a) Seek to attract buyers on the basis of charging low price for low quality
(b) Aim at giving customers less value for more money
(c) Seek to attract buyers on the basis of charging high price for high quality
(d) Aim to giving customers low cost and better-quality

23. Best-cost provider strategy is related to providing customers more value for money by:
- (a) Highlighting low cost and low quality difference.
 - (b) Emphasizing low cost and better quality difference.
 - (c) Producing high cost and low quality differences.
 - (d) Managing high cost and low quality difference
24. Porter' cost leadership is a _____ strategy
- (a) Functional level
 - (b) Business level
 - (c) Corporate level
 - (d) Implementation
25. Competitive rivalry has the most effect on the firm's ____ strategies than the firm's other strategies.
- (a) Business level
 - (b) Corporate level
 - (c) Functional level
 - (d) All of these
26. SK Pharmaceuticals Limited manufactures a cough syrup SK. It has modified SK syrup, claiming that the SK cough syrup is sugar-free, and the consumer will not feel drowsiness after consuming this cough syrup. Consumers found this product to be unique. The sales of SK cough syrup have increased as expected. The price of this sugar-free syrup is higher by 20% than the earlier syrup. Identify the strategy adopted by SK Pharmaceuticals Limited.
- (a) Focus strategy
 - (b) Best cost provider strategy
 - (c) Differentiation strategy
 - (d) Cost leadership strategy
27. SK is a small company based in the Himalayan ranges in India. It is known in the region for its hill walking sticks. SK sell specialist walking equipment in their small shop at the foot of the mountains. They do not have a website yet are able to sell their products at premium prices. Which of the following one of Porter's generic strategies best fits SK?
- (a) Cost leadership
 - (b) Differentiation
 - (c) Focused cost leadership
 - (d) Focused differentiation
28. SK, a hearing aid manufacturer recently introduced an AI based management tool that has the capabilities of managing teams across functions. What could be their new organizational structure post this implementation?
- (a) Divisional Structure
 - (b) Matrix Structure
 - (c) Hourglass Structure
 - (d) Network Structure
29. A campaign advocating the message of 'save water' is:
- (a) Services Marketing
 - (b) Holistic marketing
 - (c) Social Marketing
 - (d) Direct Marketing
30. The process of creating, maintaining, and enhancing strong, value-laden relationships with customers and other stakeholder is:
- (a) Social marketing
 - (b) Augmented marketing
 - (c) Direct marketing
 - (d) Relationship marketing

31. The marketing strategy which is used to reduce or shift the demand is:
- (a) Enlightened Marketing (b) Synchro-Marketing
(c) Place Marketing (d) Demarketing
32. Airlines providing special lounge access to loyal customers is a type of marketing?
- (a) Augmented Marketing (b) Direct Marketing
(c) Relationship Marketing (d) Services Marketing
33. Which of these refers to period over which competitive advantage is sustained & which depends on rate at which firm's resources?
- (a) Durability (b) Transferability
(c) Imitability (d) Appropriability
34. How many strategic group does an industry contains when all sellers pursue essentially identical strategies & have comparable market position?
- (a) More than 2 (b) Less than 10
(c) Only One (d) None of these
35. Which area of core competencies provide a company an edge compared to competitors & allows company to provide better to market with no fear that competitor can imitate?
- (a) Competitor differentiation (b) Customer Value
(c) Profitability of industry (d) Application to other market
36. Which strategy has its objective to increase market share, even by foregoing short-term earnings?
- (a) Build (b) Hold
(c) Harvest (d) Divest
37. Types of distribution channels used to access ____ .
- (a) System (b) Control
(c) Customer (d) Process
38. Which of these is meant that ability of rivals to attack position of competitive advantage relies on their gaining access to necessary resources & capabilities?
- (a) Durability (b) Transferability
(c) Imitability (d) Appropriability
39. Determine the flow of creating the competitive advantage.
- (i) Assign the firms
(ii) Plot firms on a two-variable map
(iii) Identify competitive characteristic
(iv) Draw circle around each strategic group
- (a) (i), (iii), (ii), (iv) (b) (ii), (i), (iv), (iii)
(c) (iii), (ii), (i), (iv) (d) (iv), (i), (ii), (iii)

40. Which is not the characteristic of SWOT analysis?
- (a) Provides Logical framework (b) Helps in crafting strategy
(c) Present a cooperative account (d) Guides in strategy identification
41. Which criteria of core competency is related with the capabilities that allows firm to exploit opportunity or avert threats in its external environment?
- (a) Valuable (b) Rare
(c) Costly to Imitate (d) Non-substitutable
42. If you don't have a competitive advantage, don't compete', it is said by _____ .
- (a) Igor H. Ansoff (b) Willium F. Gluek
(c) Jack Welch (d) Arthur D. Little
43. Which of these is a measurement through which value can be measured?
- (a) Price (b) Willing to pay
(c) Cost (d) All the above
44. Which of the following is not the characteristic of competitive advantage?
- (a) appropriability (b) Transferability
(c) Imitability (d) Tractability
45. The concept of the core competency was developed by _____ .
- (a) H.N. Prashad & F.W. Taylor (b) R.K. Narayan & Arthur D. Little
(c) C.K. Prahalad & Gary Hamel (d) Ansoff & Willium F. Gluek
46. _____ are capabilities that serves as a source of competitive advantage for a firm over its rivals.
- (a) Concurrent Filters (b) Core competencies
(c) Driving Forces (d) Core Identity Forces
47. Capabilities that do not have strategic equivalents are known as **Capabilities**.
- (a) Non-Substitutable (b) Valuable
(c) Rare (d) Non-Imitable
48. Which of these is a unique feature of a company & its products that are perceived by the target market as significant & superior to the competition?
- (a) Strategic Leadership (b) Competitive Advantage
(c) Strategic Intent (d) Competitive Landscape
49. Which of the following is unique feature of company & its products that are perceived by target market?
- (a) Strategic Leadership (b) Competitive Advantage
(c) Strategic Intent (d) Globalization

50. Resources are foundation of _____ & unique bundle of _____ generate competitive advantage leading to wealth creation.
- (a) Resource, Plan (b) Strategy, Resource
(c) Policies, Procedure (d) Resources, Capabilities
51. _____ is defined as a combination of skills & techniques rather than individual skill or separate technique.
- (a) Competency (b) Driving Force
(c) Core Identity Force (d) Concurrent Filter
52. Firm is successful in achieving _____ only after other firm's effort to duplicate or imitate it are failed.
- (a) Strategic Leadership (b) Competitive Advantage
(c) Strategic Intent (d) Competitive Landscape
53. Determine the flow of creating the competitive advantage.
- (i) Resources
(ii) Competitive advantage
(iii) capabilities
- (a) (i), (iii), (ii) (b) (ii), (i), (iii)
(c) (iii), (ii), (i) (d) (i), (ii), (iii)
54. In industries where rate of _____ is fast, _____ are quite likely to become obsolete.
- (a) Product Innovation, Product Patents (b) Market Innovation, Firm's Name
(c) Product Innovation, Firm's Name (d) Market Innovation, Product Patents
55. Which of these is useful analytical tool for comparing market position of each firm separately when an industry has so many competitors that it is not practical to examine each of them?
- (a) Strategic Group Mapping (b) Scenario Analysis
(c) Strategic Core Analysis (d) PESTEL Analysis
56. Which is not the area identified in major core competencies?
- (a) Competitor differentiation (b) Customer Value
(c) Profitability of industry (d) Application to other market
57. Which strategy is not suggested by Michael Porter?
- (a) Cost Leadership Strategy (b) Focused Strategy
(c) Differentiation Strategy (d) None of these
58. Which strategies are the course of action adopted by organization to serve identified customer group & provide value to customer by satisfaction of their needs?
- (a) Corporate Level Strategy (b) Business Level Strategy
(c) Functional Level Strategy (d) None of these

59. Which strategy aimed at producing products & services considered unique industrywide & directed at consumers who are relatively price incentive?
- (a) Cost Leadership (b) Differentiation
(c) Focused strategy (d) None of these
60. Which is not the risk of pursuing cost leadership strategy?
- (a) Competitors may imitate the strategy
(b) Technological breakthrough in industry
(c) Buyers interest may swing to differentiating feature
(d) Higher prize may lead to less demand of product
61. Which is the measure that could be adopted by an organization?
- (a) Selecting specific niches (b) Creating superior skills
(c) Developing innovating ways (d) All the above
62. Firms must search for products that perform the same, or nearly the same, function as their existing products.
- (a) Threats of new entrance (b) Bargaining power of buyer
(c) Threats of Substitutes (d) Nature of industry rivalry
63. Which means producing products & services that fulfil the needs of small groups of consumers who are relatively price-sensitive?
- (a) Cost Leadership (b) Differentiation
(c) Focused strategy (d) None of these
64. Which action can be taken for achieving cost leadership strategy?
- (a) Forecast the demand promptly (b) Optimum utilization of resources
(c) Resistance to differentiation (d) All the above
65. Which is measure for achieving differentiation strategy?
- (a) Elevate the performance of product (b) Rapid product innovation
(c) Offer utility for customers (d) All the above
66. Which is not the advantage of focused strategy?
- (a) Premium Prize (b) Difficulty for competitors
(c) Both (a) & (b) (d) None of these
67. Which refers the cost of customer to change the product & move to another's product?
- (a) Handling Cost (b) Emergency Cost
(c) Switching Cost (d) Durability Cost
68. The more intensive the _____, the less attractive is the industry.
- (a) Rivalry (b) Controls
(c) Strategy (d) Management

69. Which is the disadvantage of cost leadership strategy?
- (a) Technological changes (b) May not be remaining for longtime
(c) Depend upon high sales volume (d) All the above
70. Which is not the disadvantage of differentiation?
- (a) Uniqueness is difficult to sustain (b) Charging Higher price
(c) Not valued by customers (d) All the above
71. Which is the disadvantage of focused differentiation strategy?
- (a) Lacking in distinctive competencies (b) Higher cost of product/services
(c) Niche could be Disappear (d) All the above
72. Product development is example of strategy that offers the advantage of _____ .
- (a) Cost Leadership (b) Differentiation
(c) Focused (d) None of these
73. Which is depend on an industry segment that is of sufficient size, has good growth potential & is not crucial to success of other major competitors?
- (a) Cost Leadership (b) Differentiation
(c) Focused Strategy (d) None of these
74. Which is not the way of best cost provider strategy?
- (a) Lower price with comparable feature (b) Similar price with more feature
(c) Higher price with same feature (d) None of these
75. Which allows a firm when it is successful, to charge a higher price for its product & to customer loyalty?
- (a) Cost Leadership (b) Differentiation
(c) Focused (d) None of these
76. Which strategy is most effective when consumers have distinctive preferences or requirement & rival firms are not attempting to specialize in same target segment?
- (a) Cost Leadership (b) Differentiation
(c) Focused strategy (d) None of these
77. Which of these is a marketing philosophy holding that a company's marketing should support the best long-run performance of marketing system?
- (a) Concentrated Marketing (b) Differential Marketing
(c) Enlightened Marketing (d) Synchro Marketing

Answer Key

1. (b)	2. (d)	3. (d)	4. (b)	5. (c)	6. (c)	7. (c)	8. (d)	9. (d)	10. (b)
11. (c)	12. (a)	13. (b)	14. (d)	15. (b)	16. (a)	17. (c)	18. (d)	19. (d)	20. (b)
21. (c)	22. (d)	23. (b)	24. (b)	25. (a)	26. (c)	27. (d)	28. (b)	29. (c)	30. (d)
31. (b)	32. (c)	33. (a)	34. (c)	35. (a)	36. (a)	37. (c)	38. (b)	39. (c)	40. (b)
41. (a)	42. (c)	43. (b)	44. (d)	45. (c)	46. (b)	47. (a)	48. (b)	49. (b)	50. (b)
51. (a)	52. (b)	53. (a)	54. (a)	55. (a)	56. (c)	57. (d)	58. (b)	59. (b)	60. (d)
61. (d)	62. (c)	63. (c)	64. (d)	65. (d)	66. (d)	67. (c)	68. (a)	69. (d)	70. (d)
71. (d)	72. (b)	73. (c)	74. (c)	75. (b)	76. (c)	77. (c)			