

1. The ___ is the actual difference between the cost of a product and the final selling price.
 - A. gross balance
 - B. price point
 - C. markup
 - D. discount rate

2. The ___ pricing-strategy sets price largely on the basis of the prices charged by competitors.
 - A. predatory
 - B. going-rate
 - C. common denominator
 - D. Jones's

3. All of the following are important considerations when opening a new business except _____.
 - A. government subsidy
 - B. financial support
 - C. market research
 - D. location

4. Words used in spoken or written messages are _____.
 - A. verbal symbols
 - B. nonverbal symbols
 - C. gestures
 - D. senders

5. Which reports examine a problem and suggest solutions?
 - A. formal
 - B. persuasive
 - C. analytical
 - D. informational

6. The strategic plan is presented to prospective investors. Which part of the strategic plan outlines what an organization wants to be?
 - A. objective
 - B. strategy
 - C. mission
 - D. vision

7. Which of the following is the aim of the product concept?
 - A. improve the marketing of a firm's best products
 - B. market only those products with high customer appeal
 - C. focus on the target market and make products that meet those customers' demands
 - D. focus on making continuous product improvements

8. It is important to remember that naming a product should include all of the following except

- ____.
- A. choosing a name that reflects the product
 - B. selecting a name that can be used in only one product line
 - C. using a legally protected name
 - D. selecting an easily pronounced and memorable name
9. Which of the following is true about social media?
- A. destroys the reputation of businesses
 - B. interferes with traditional forms of business communication
 - C. neutral impact on business communication
 - D. increased communication options for a business
10. A(n) _____ is the set of actual and potential buyers of a product or service.
- A. market
 - B. control group
 - C. subsidiary
 - D. focus group
11. _____ is judging another culture solely by the values and standards of one's own culture.
- A. Diversity
 - B. Social judgment
 - C. Global dependency
 - D. Ethnocentrism
12. What is the procedure when a third party listens the dispute and makes a decision that is binding on both parties?
- A. Mediation
 - B. Reconciliation
 - C. Collective bargaining
 - D. Arbitration
13. A good business plan includes sales projections for the long term, which is considered
- A. ten years in the future
 - B. two to five years after startup
 - C. five years in the future
 - D. the first year
14. Which of the following is not a communication barrier?
- A. different language
 - B. texting
 - C. eye contact
 - D. noise

15. A robotics manufacturer wishing to bring a new, high quality product to the market would most commonly use a ___ pricing strategy.
- A. predatory
 - B. skimming
 - C. penetration
 - D. liability
16. Which of the following is not true about planning?
- A. means every employee become actively involved in the actions of the organization
 - B. helps members of the organization become more future oriented
 - C. guarantees successful results
 - D. can empower employees
17. A common disadvantage of a sole proprietorship is
- A. that the owner must share profits with others.
 - B. the limited life of the business.
 - C. double taxation of earnings.
 - D. difficulty of starting the business.
18. Which of the following is not a reason for international business meeting failure?
- A. Expect a meeting to start on time.
 - B. Plan a quick trip.
 - C. Expect the unexpected and be prepared for a variety of situations.
 - D. Try to multitask to accomplish the maximum results.
19. Marketers are limited in the use of price elasticity for price changes based upon what the consumers believe to be ____.
- A. not of value
 - B. profitable for the company
 - C. reasonable and fair
 - D. spoiled goods
20. Certain Hilton Hotels brands offer free coffee all day their guests. This is referred to as a marketing ____.
- A. hook
 - B. tactic
 - C. ploy
 - D. mix
21. Trademarks include ____ that identify and distinguish the source of the goods or services.
- A. inventions and innovations
 - B. general services readily available
 - C. words, symbols, or designs
 - D. original works

22. Which of the following situations is not an example of global dependency?
- A. automobiles are manufactured domestically to improve a national economy
 - B. a country buys tools from another country because it does not have the technology to make the tools
 - C. massive crop failures require buying food from another country
 - D. doctors travel to another country to provide health care because there is a shortage of medically trained professionals in that country
23. Security at an event is associated with what management function?
- A. control
 - B. planning
 - C. implementing
 - D. organizing
24. Which of the following is not one of the major requirements for a contract?
- A. genuine assent
 - B. consideration
 - C. offer and accommodation
 - D. capacity
25. Constantly looking at your cell phone while you are in a business meeting indicates
- A. focus on the meeting topic.
 - B. multitasking ability.
 - C. an extremely busy schedule.
 - D. lack of respect for the person you are meeting.
26. What is not an appropriate strategy for handling violations of work rules?
- A. ignoring minor violations and responding to major violations
 - B. putting a written reprimand in the employee's file
 - C. providing a verbal warning for the first infraction
 - D. giving the employee a short suspension
27. Organizational charts show all of the following except _____.
- A. positions in the company
 - B. long-term company vision
 - C. relationships in the company
 - D. ranks in the company
28. The acquisition of rights to affiliate or associate with an organization's product, service, or event with the intent to receive benefits from the affiliation is referred to as ____.
- A. partnering
 - B. sponsorship
 - C. licensing

D. exhibiting

29. _____ refers to expressions, gestures, and posture that has different meanings in different cultures.

- A. Haptics
- B. Proxemics
- C. Kinesics
- D. Chromatics

30. Of the following business transactions, the only one that describes an importing activity is a

- A. retailer in Sweden receives goods from Mexico to sell in a chain of stores.
- B. computer manufacturer in one state ships computers to numerous other states.
- C. restaurant food supplier in Japan ships sushi ingredients to a restaurant in Turkey.
- D. wholesaler in Brazil packs goods for shipment to Liberia.

31. ____ is the quantity of a product that consumers are willing and able to purchase at a specified price.

- A. Demand
- B. Consumption
- C. Control
- D. Purchasing

32. Of the following characteristics, a less-developed country is least likely to have

- A. low economic wealth.
- B. an emphasis on agriculture and mining.
- C. poor housing and health care.
- D. a highly educated population.

33. ____ is not an example of an uncontrollable factor.

- A. Technology
- B. Marketing mix
- C. Producers
- D. Economy

34. Many developing countries must continue to use manual production systems because

- A. they may not be able to afford the initial cost of machinery.
- B. machines would replace workers and lead to high unemployment.
- C. handmade items are considered more valuable than machine-made items.
- D. it was the earliest means of production.

35. Special words or expressions that are used by a particular profession or group and are difficult for others to understand are

- A. body language.
- B. linguistics.

- C. foreign exchange.
 - D. jargon.
36. Political instability for a country
- A. has a major negative impact on that country's economy.
 - B. presents numerous opportunities for international trade.
 - C. has a major positive impact on that country's economy.
 - D. has no impact on that country's economy.
37. When the price is not specified in contracts between merchants for the sale of goods, _____.
- A. the lowest market price is used
 - B. the current market price is used
 - C. the contract is null and void
 - D. the highest market price is used
38. In a SWOT analysis, which of the following is considered a threat to businesses?
- A. Lack of credibility in the market
 - B. Limited consumer base
 - C. Lack of adequate financial resources
 - D. New entrants into the industry or market
39. The value of a country's currency would be increased by
- A. political instability.
 - B. an unfavorable balance of trade.
 - C. higher interest rates.
 - D. lower inflation.
40. _____ are a system of moral principles governing the appropriate conduct for a person or business.
- A. Rules
 - B. Ethics
 - C. Goals
 - D. Objectives
41. Markets are categorized into either a ____.
- A. bull or sheep
 - B. production or consumption
 - C. monocious and dioecious
 - D. consumer and business
42. An organization that bonds countries together to allow a free flow of products is called a(n)
- A. balance of trade agreement.
 - B. economic community.
 - C. industry.

- D. monopoly.
43. A monopoly market structure will include ___ seller(s) of a specific type of product.
- A. 3
 - B. 1
 - C. 12
 - D. unlimited
44. International business most commonly affects consumers by creating
- A. a change in taxes.
 - B. fewer stores for consumers to select.
 - C. fewer buying choices.
 - D. a greater variety of buying choices.
45. The partnership form of organization is common for businesses _____.
- A. pooling the skills of two or more people
 - B. that furnish one kind of product or service
 - C. with owners wanting limited liability
 - D. that need money from outside investors
46. Which is not a demographic trend in the United States?
- A. growing Hispanic population
 - B. growing population in the agriculture industry
 - C. growing population of retired people
 - D. growing service industry
47. Body language _____.
- A. includes facial expressions
 - B. does not include gestures
 - C. does not include eye contact
 - D. is less powerful than written communication
48. The main purpose of a business plan is to _____.
- A. attract lenders and investors
 - B. enable an entrepreneur to take his or her company public
 - C. meet legal requirements designed to protect lenders and investors
 - D. guide a company by plotting a strategy for its success
49. Private or public ___ warehouses store products requiring payment of a federal tax before imported or domestic products can be removed.
- A. conglomerate
 - B. commodity
 - C. hazardous
 - D. bonded

50. Which type of leader gives direct, clear, and precise orders with detailed instruction about what, when, and how work is to be done?
- A. situational
 - B. democratic
 - C. autocratic
 - D. open
51. The greatest reason for failure of international business deals is
- A. lack of doing your homework in advance.
 - B. flexibility.
 - C. cultural respect.
 - D. cancelled flights.
52. Government entities encourage the development of new products in order to give consumers ____.
- A. flashier options
 - B. less tax payments
 - C. ownership of products
 - D. more choices to satisfy their needs
53. All of the following are elements of quality control except _____.
- A. performance integrity
 - B. high salaries for employees
 - C. defined process
 - D. job management
54. Which of the following is an example of public relations?
- A. television commercial advertising the business
 - B. pop-up advertisement
 - C. new billboard advertising the business
 - D. positive news story about a business
55. A responsible business does all of the following except _____.
- A. undercuts the competition in the community
 - B. participates in community events and festivals
 - C. provides a quality living experience for people in the community
 - D. pays property taxes to support local education
56. College students gain international work experience by participating in
- A. domestic internships.
 - B. enrolling in international business courses.
 - C. international internships.
 - D. international student organizations.

57. ____ are individuals and business organizations that resell products after transforming them in some way for profit or to use them in their operations.
- A. Producers
 - B. Wholesellers
 - C. Marketers
 - D. Consumers
58. Which type of organization is the most efficient?
- A. team
 - B. line
 - C. matrix
 - D. line-and-staff
59. The most popular form of business ownership in the United States is the _____.
- A. partnership
 - B. cooperative
 - C. sole proprietorship
 - D. corporation
60. A _____ is a set of unwritten rules according to which people in a particular group, class, or situation are supposed to behave.
- A. objective
 - B. mission
 - C. code of ethics
 - D. vision
61. The process where representatives for a labor union meet with management to negotiate salaries and benefits is called _____.
- A. plea bargaining
 - B. collective bargaining
 - C. stalemate
 - D. strike
62. _____ communicate with the public on behalf of companies, organizations or governments.
- A. Public relations specialists
 - B. Advertising managers
 - C. Marketing analysts
 - D. Marketing strategists
63. A car manufacturing plant decides to locate in the United States instead of Korea. Not locating the plant in Korea is an example of
- A. opportunity cost.
 - B. lost opportunity.

- C. superior choice.
 - D. rational decision making.
64. A good rule when preparing budgets is to _____.
- A. overestimate income and underestimate expenses
 - B. not make decisions based on past financial performance
 - C. overestimate expenses and underestimate income
 - D. count on constantly growing income
65. Of the following language-related statements, the only statement that is true is:
- A. English is the only language ever used for international business purposes.
 - B. For a career in international business, you need to learn at least ten languages besides your native language.
 - C. Generally, body language has a consistent meaning throughout the world.
 - D. International businesspersons often prefer to transact business in their native languages, even if they speak English well.
66. Business opportunities can be evaluated through all of the following except _____.
- A. market planning
 - B. personal instinct
 - C. customer segmentation
 - D. territory design
67. The type of business owned and managed by one person is a _____.
- A. partnership
 - B. sole proprietorship
 - C. corporate entity
 - D. limited partnership
68. Which of the following is not one of the functions of management?
- A. evaluating
 - B. planning
 - C. controlling
 - D. organizing
69. Research that uses information already accumulated by the government and industry is called _____ research.
- A. primary
 - B. market
 - C. target
 - D. secondary
70. Per capita GDP is a better measure of a nation's economic development than total GDP because
- A. it gives a better comparison between countries of different population sizes.

- B. it shows how the unemployment rate affects GDP.
 - C. it shows the total production for an entire country for one year.
 - D. it shows the average wealth for each person in the country.
71. The form of business ownership that has limited liability is the _____.
- A. cooperative
 - B. corporation
 - C. partnership
 - D. sole proprietorship
72. Which of the following is not an example of virtual marketing?
- A. buying furniture on e-Bay
 - B. distribution of electronic tickets to a concert
 - C. processes for making electronic payment for purchases
 - D. fliers for a local pizza parlor left in potential customers' mailboxes
73. The ____ will ultimately determine the highest possible price to be charged for a product or service.
- A. gross margins
 - B. target market
 - C. leader sales
 - D. wholesalers
74. A cultural factor affecting international business activities would be
- A. the availability of natural resources.
 - B. stability of the money supply.
 - C. government policies toward business.
 - D. family relationships.
75. All of the following characteristics refer to an entrepreneur except _____.
- A. capitalizes on opportunities
 - B. desires to achieve a profit
 - C. desires fewer work hours per week
 - D. willing to take a risk
76. A new licensing organization should do all of the following except ____.
- A. develop a plan for protecting licensees
 - B. provide licensees leeway in creativity
 - C. pre-screen licensees
 - D. conduct a trademark search
77. When speaking and corresponding with people from other cultures _____.
- A. expect others to adapt to your communication style
 - B. be careful about using humor

- C. realize that English is the language of choice around the world
 - D. assume that the statements you have read about the culture are true
78. One of the main goals of the World Trade Organization is to _____.
- A. settle trade disputes among its members
 - B. provide favorable terms of trade to a few selected countries
 - C. restrict the free flow of trade
 - D. encourage dumping among trading nations
79. A ___ new product typically will go through a complex product development process that includes extensive business analysis to determine the possibility of success.
- A. yearly
 - B. radically
 - C. standard
 - D. failed
80. Which of the following is not a level of management?
- A. supervisory
 - B. executive
 - C. administrative
 - D. hourly wage earners
81. Which is an advantage of partnerships?
- A. the unlimited liability for partners
 - B. uncertain life of the business
 - C. greater credit potential
 - D. being bound by contracts of others
82. Giving responsibilities to other members on the team is called _____.
- A. assigning
 - B. associating
 - C. tasking
 - D. delegating
83. Expenses that stay the same from month-to-month for a business are _____ expenses.
- A. variable
 - B. nonrecurring
 - C. fixed
 - D. incidental
84. The most frequently used form of communication is _____.
- A. listening
 - B. speaking
 - C. writing

D. reading

85. When a beach front hotel offers rooms at a significant discount, it is referred to as a ____.

- A. seasonal discount
- B. prestige pricing
- C. price slashing
- D. fire sale

86. Which laws indicate where business and residential construction may occur in a city?

- A. municipal
- B. real estate
- C. statutes
- D. zoning

87. The professional resume for an international position should

- A. include a current picture.
- B. list your experience and career objective.
- C. include your age.
- D. list all education since elementary school.

88. Profits peak during the _____ stage of the product life cycle.

- A. saturation
- B. growth
- C. decline
- D. maturity

89. Prospective investors for a new business are interested in the company's vision ten years down the road. This is an example of a(n) _____.

- A. objective
- B. short-term goal
- C. vision
- D. long-term goal

90. The "P" of the marketing mix concerned with channels of product distribution.

- A. Price
- B. Place
- C. Promotion
- D. Parts

91. A country's _____ is a national accounting system that records all monetary transactions to entities in other countries and all receipts coming into the nation.

- A. international monetary system
- B. global financial system
- C. balance of payments

D. chart of account

92. A way of classifying a business by the main activity it is involved in is called a(n) _____.

- A. brand
- B. career field
- C. industry
- D. establishment

93. Which of the following is not a benefit associated with starting a business?

- A. guaranteed revenue
- B. freedom to make decisions
- C. setting your own schedule
- D. more leisure time off

94. A country's need to purchase food from other countries is an example of

- A. exporting.
- B. domestic business.
- C. global dependency.
- D. a trade barrier.

95. Tesla has developed aluminum car that are completely recyclable and operate on very limited fossil fuel. This is an example of responding ____ towards environmental force.

- A. reactively
- B. negatively
- C. competitively
- D. proactively

96. Which of the following is not a characteristic of culture?

- A. unifying
- B. learned
- C. always written down
- D. shared

97. The term used to describe a group of individuals or organizations with the ability, willingness, and authority to purchase an item.

- A. friends
- B. market
- C. target mix
- D. subcontractors

98. Which of the following is not an element of the financial section of a business plan?

- A. identification of risks
- B. funding request and return on investment
- C. financial statements

D. market information

99. Which of the following expenses is not a start-up cost for a business?

A. supplies

B. salary for the owner

C. rent

D. legal compliance

100. Anything the customer receives in an exchange.

A. Product

B. Promotion

C. Place

D. Price

Answer Key

1	C	35	D	69	D
2	B	36	A	70	A
3	A	37	B	71	B
4	A	38	D	72	D
5	C	39	D	73	B
6	D	40	B	74	D
7	D	41	D	75	C
8	B	42	B	76	B
9	D	43	B	77	B
10	A	44	D	78	A
11	D	45	A	79	B
12	D	46	B	80	D
13	B	47	A	81	C
14	C	48	D	82	D
15	B	49	D	83	C
16	C	50	C	84	A
17	B	51	A	85	A
18	C	52	D	86	D
19	C	53	B	87	B
20	B	54	D	88	B
21	C	55	A	89	D
22	A	56	C	90	B
23	A	57	A	91	C
24	C	58	B	92	C
25	D	59	C	93	A
26	A	60	C	94	C
27	B	61	B	95	D
28	B	62	A	96	C
29	C	63	A	97	B
30	A	64	C	98	D
31	A	65	D	99	B
32	D	66	B	100	A
33	B	67	B		
34	A	68	A		