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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Which of the following is a key component for a company in developing its own strategy?

|  |  |  |
| --- | --- | --- |
|   | a.  | Predicting the strategies of your competitors |
|   | b.  | Analyzing your own company’s past strategies |
|   | c.  | Understanding the actions of competitors |
|   | d.  | Have full company participation in developing the strategy |

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| --- | --- |
| *ANSWER:* | c |

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| 2. Which of the following will form the basis of any strategy?

|  |  |  |
| --- | --- | --- |
|   | a.  | A competitive advantage |
|   | b.  | A unique product |
|   | c.  | A distinctive marketing campaign |
|   | d.  | A participative workforce |

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| --- | --- |
| *ANSWER:* | a |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 3. What must a company first understand before it can create an advantage that will form the basis of any strategy?

|  |  |  |
| --- | --- | --- |
|   | a.  | The political environment |
|   | b.  | The competitive environment |
|   | c.  | The internal company environment |
|   | d.  | The economic environment |

|  |  |
| --- | --- |
| *ANSWER:* | b |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 4. A company has to distinguish between the various types of competition. Which of the following are the two main types?

|  |  |  |
| --- | --- | --- |
|   | a.  | Domestic and international |
|   | b.  | Canadian and American |
|   | c.  | Head to head and predatory |
|   | d.  | Direct and indirect |

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| --- | --- |
| *ANSWER:* | d |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 5. Branded or product-based competitors that have created substitutes to what a company is offering are referred to as which of the following?

|  |  |  |
| --- | --- | --- |
|   | a.  | Direct competitors |
|   | b.  | Indirect competitors |
|   | c.  | Head to head competition |
|   | d.  | Monopolistic competition |

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| --- | --- |
| *ANSWER:* | a |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 6. Satisfying the customer’s needs rather than competing with a substitute can be referred to as which of the following?

|  |  |  |
| --- | --- | --- |
|   | a.  | Generic competition |
|   | b.  | Indirect competition |
|   | c.  | Direct competition |
|   | d.  | Monopolistic competition |

|  |  |
| --- | --- |
| *ANSWER:* | b |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 7. Which of the following often compete directly but usually without the features and benefits provided by direct competitors?

|  |  |  |
| --- | --- | --- |
|   | a.  | Indirect competitors |
|   | b.  | Head to head competitors |
|   | c.  | Predatory competitors |
|   | d.  | Generic competitors |

|  |  |
| --- | --- |
| *ANSWER:* | d |

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| 8. Which of the following is an example of direct competition for a zoo?

|  |  |  |
| --- | --- | --- |
|   | a.  | Aquarium |
|   | b.  | Movie theatre |
|   | c.  | Science centre |
|   | d.  | Museum |

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| --- | --- |
| *ANSWER:* | a |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 9. Which of the following is an example of indirect competition for a gift shop?

|  |  |  |
| --- | --- | --- |
|   | a.  | A flower shop |
|   | b.  | A chocolate store |
|   | c.  | A grocery store |
|   | d.  | A card store |

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| *ANSWER:* | c |

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| 10. The process for competitive analysis outlined by Ferrell and Hartline (2014) in the textbook included how many stages?

|  |  |  |
| --- | --- | --- |
|   | a.  | Three |
|   | b.  | Four |
|   | c.  | Five |
|   | d.  | Six |

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| --- | --- |
| *ANSWER:* | c |

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| 11. Which of the following is a stage in the competitive analysis that Ferrell and Hartline (2014) outlined?

|  |  |  |
| --- | --- | --- |
|   | a.  | React |
|   | b.  | Response |
|   | c.  | Reply |
|   | d.  | Reassessment |

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| --- | --- |
| *ANSWER:* | b |

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| 12. Which of the following is a stage in the competitive analysis that Ferrell and Hartline (2014) outlined?

|  |  |  |
| --- | --- | --- |
|   | a.  | Capacity |
|   | b.  | Competency |
|   | c.  | Capability |
|   | d.  | Coaction |

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| --- | --- |
| *ANSWER:* | c |

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| 13. Which of the following is the first stage in Ferrell and Hartline’s (2014) process for competitive analysis?

|  |  |  |
| --- | --- | --- |
|   | a.  | Assessment |
|   | b.  | Identification |
|   | c.  | Characteristics |
|   | d.  | Capabilities |

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| *ANSWER:* | b |

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| 14. In the identification stage in Ferrell and Hartline’s (2014) process for competitive analysis what is the focus more on?

|  |  |  |
| --- | --- | --- |
|   | a.  | International competition |
|   | b.  | Direct competitors |
|   | c.  | Indirect competitors |
|   | d.  | Domestic competition |

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| *ANSWER:* | b |

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| 15. In the identification stage in Ferrell and Hartline’s (2014) process for competitive analysis any organization that is attempting to serve a similar market as the firm that is conducting the competitive analysis is referred to as which of the following?

|  |  |  |
| --- | --- | --- |
|   | a.  | Existing competitor |
|   | b.  | Potential competitor |
|   | c.  | Current competitor |
|   | d.  | Future competitor |

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| --- | --- |
| *ANSWER:* | c |

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| 16. Which of the following would be a key aspect to identify in a current competitor?

|  |  |  |
| --- | --- | --- |
|   | a.  | Marketing strategy |
|   | b.  | Positioning |
|   | c.  | Balance sheet |
|   | d.  | Employee performance |

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| --- | --- |
| *ANSWER:* | b |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 17. Which of the following would be a key aspect to identify in a current competitor?

|  |  |  |
| --- | --- | --- |
|   | a.  | Financial performance |
|   | b.  | Marketing success |
|   | c.  | Human resource policies |
|   | d.  | Stock price |

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| --- | --- |
| *ANSWER:* | a |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 18. When investigating potential competitors that are interested in entering a company’s industry what is an important element to understand?

|  |  |  |
| --- | --- | --- |
|   | a.  | Barriers to entry |
|   | b.  | The state of the economy |
|   | c.  | Number of competitors |
|   | d.  | Political environment |

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| --- | --- |
| *ANSWER:* | a |

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| 19. Potential entrants to a firm’s competitive environment can come from which of the following?

|  |  |  |
| --- | --- | --- |
|   | a.  | Firms focusing on similar target markets |
|   | b.  | Companies targeting similar market segments |
|   | c.  | Suppliers to the company |
|   | d.  | An employee starting up their own firm |

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| *ANSWER:* | b |

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| 20. Which of the following makes a marketplace an appealing place for new entrants

|  |  |  |
| --- | --- | --- |
|   | a.  | Beneficial changes in government regulations |
|   | b.  | It’s a new market opening up |
|   | c.  | High profit margins |
|   | d.  | It’s a new product category |

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| *ANSWER:* | c |

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| 21. Which of the following makes a marketplace an appealing place for new entrants?

|  |  |  |
| --- | --- | --- |
|   | a.  | Very little government regulation |
|   | b.  | Few competitors |
|   | c.  | Steady profit margins |
|   | d.  | Low taxes |

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| *ANSWER:* | b |

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| 22. How should companies create barriers to entry against new entrants to the marketplace?

|  |  |  |
| --- | --- | --- |
|   | a.  | Encourage suppliers to only deal with your company |
|   | b.  | Lower your prices |
|   | c.  | Satisfy customer needs |
|   | d.  | Lobby the government to block them |

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| *ANSWER:* | c |

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| 23. Which of the following should be analyzed when conducting an industry analysis?

|  |  |  |
| --- | --- | --- |
|   | a.  | Industry trends |
|   | b.  | Industry prices |
|   | c.  | Competitors’ products |
|   | d.  | Any changes to government rules |

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| --- | --- |
| *ANSWER:* | a |

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| 24. In an industry analysis ranking and rating the competitive strength of firms in the industry is done using one of the following metrics?

|  |  |  |
| --- | --- | --- |
|   | a.  | International reach |
|   | b.  | Inventory turnover |
|   | c.  | Market share |
|   | d.  | Growth rates |

|  |  |
| --- | --- |
| *ANSWER:* | d |

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| 25. Which of the following is an ever-growing field that can be used to assess competitor data?

|  |  |  |
| --- | --- | --- |
|   | a.  | Business analytics |
|   | b.  | Market assessment |
|   | c.  | Competitive intelligence |
|   | d.  | Evaluative enterprise analysis |

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| --- | --- |
| *ANSWER:* | c |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 26. Which of the following is a potential source of competitive data and information?

|  |  |  |
| --- | --- | --- |
|   | a.  | Stock market analysts reports |
|   | b.  | Company annual reports |
|   | c.  | Company events |
|   | d.  | Annual shareholder meeting |

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| *ANSWER:* | b |

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| 27. Which of the following is a primary research technique?

|  |  |  |
| --- | --- | --- |
|   | a.  | Observation at trade shows |
|   | b.  | Annual reports |
|   | c.  | Industry reports |
|   | d.  | News reports and articles |

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| *ANSWER:* | a |

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| 28. Which of the following is a secondary research technique?

|  |  |  |
| --- | --- | --- |
|   | a.  | Trade show observations |
|   | b.  | Interviews |
|   | c.  | Industry reports |
|   | d.  | Survey of ex-employees |

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| *ANSWER:* | c |

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| 29. Which of the following is a way to determine the intentions or actions taken by a competing firm?

|  |  |  |
| --- | --- | --- |
|   | a.  | Company based websites |
|   | b.  | Supplier information |
|   | c.  | Industry Analyst Reports |
|   | d.  | Ex-employees |

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| --- | --- |
| *ANSWER:* | a |

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| 30. In the competitive analysis process the fourth stage aims to undertake a focus on a competitor’s marketing capabilities. This involves creating a list of marketing-related capabilities such as which of the following?

|  |  |  |
| --- | --- | --- |
|   | a.  | Advertising |
|   | b.  | Public relations |
|   | c.  | Promotion |
|   | d.  | Publicity |

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| --- | --- |
| *ANSWER:* | c |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 31. In the competitive analysis process the fourth stage aims to undertake a focus on a competitor’s marketing capabilities. This involves creating a list of marketing-related capabilities such as which of the following?

|  |  |  |
| --- | --- | --- |
|   | a.  | Sales force |
|   | b.  | Advertising ability |
|   | c.  | Marketing reach |
|   | d.  | Place |

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| --- | --- |
| *ANSWER:* | d |

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| 32. Which stage is the final one in the competitive analysis

|  |  |  |
| --- | --- | --- |
|   | a.  | Capabilities |
|   | b.  | Assessment |
|   | c.  | Response |
|   | d.  | Characteristics |

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| --- | --- |
| *ANSWER:* | c |

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| 33. The actions that a competitor is likely to take based on the data and information collected is the focus of which of the following stages?

|  |  |  |
| --- | --- | --- |
|   | a.  | Characteristics |
|   | b.  | Response |
|   | c.  | Assessment |
|   | d.  | Capabilities |

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| --- | --- |
| *ANSWER:* | b |

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| 34. The response stage of competitor analysis requires a solid understanding of which of the following?

|  |  |  |
| --- | --- | --- |
|   | a.  | The current marketing environment |
|   | b.  | The future marketing environment |
|   | c.  | The past marketing environment |
|   | d.  | The international marketing environment |

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| --- | --- |
| *ANSWER:* | a |

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| 35. Which stage is a company able to glean sources of competitive advantage from?

|  |  |  |
| --- | --- | --- |
|   | a.  | Assessment |
|   | b.  | Capabilities |
|   | c.  | Characteristics |
|   | d.  | Identification |

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| --- | --- |
| *ANSWER:* | b |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 36. Which of the following is a likely outcome from the response stage?

|  |  |  |
| --- | --- | --- |
|   | a.  | Thorough understanding of the industry |
|   | b.  | Better understanding of own firm |
|   | c.  | Knowledge of all competition |
|   | d.  | Strategic profile of a competitor |

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| --- | --- |
| *ANSWER:* | d |

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| 37. Which of the following is the best way to determine the likely responses a competitive firm would make?

|  |  |  |
| --- | --- | --- |
|   | a.  | Their website |
|   | b.  | Their past decisions |
|   | c.  | Their current CEO’s statements |
|   | d.  | Their press releases |

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| --- | --- |
| *ANSWER:* | b |

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| 38. What does all the competitive analysis help prepare a company to be able to do?

|  |  |  |
| --- | --- | --- |
|   | a.  | Predict a competitor’s moves |
|   | b.  | Beat the industry trends |
|   | c.  | Know the consumers better |
|   | d.  | Understand the competitor’s weaknesses |

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| *ANSWER:* | a |

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| 39. Competitor analysis can best be compared to which of the following?

|  |  |  |
| --- | --- | --- |
|   | a.  | Crossword puzzle |
|   | b.  | Rubik’s cube |
|   | c.  | Jigsaw puzzle |
|   | d.  | Treasure hunt |

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| --- | --- |
| *ANSWER:* | c |

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| 40. What is the true measure of achievement in the external marketing environment?

|  |  |  |
| --- | --- | --- |
|   | a.  | Increased sales |
|   | b.  | Winning an award for your advertisements |
|   | c.  | Understanding the big picture |
|   | d.  | Having your ad go viral |

|  |  |
| --- | --- |
| *ANSWER:* | c |

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