Chapter 8 Quiz Group 6

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ refers to the processes by which goods, services, capital, people, information, and ideas flow across national borders.
   1. Globalization
   2. Supply Chain
   3. Borderless Business
   4. International Trade
2. Purchasing Power parity is a theory that states:
   1. If the strength of a country’s currency is stronger than another they have purchasing power over that country
   2. When a company makes over 150% profits they hold the purchasing power
   3. If the exchange rates of two countries are in equilibrium, a product purchased in one will cost the same in the other, if expressed in the same currency
   4. When supply and demand are equal there is a parity of purchasing power
3. What is NOT one of the four factor key elements of a country’s infrastructure
   1. Transportation
   2. Land
   3. Communication
   4. Commerce
   5. Distribution Channel
4. What governmental action should we NOT be concerned about?
   1. Trade Agreements
   2. National Holidays
   3. Exchange Control
   4. Tariffs
5. All of these are Hofstede’s cultural dimensions that offer a foundation Except:
   1. Power Distance
   2. Individualism
   3. Indulgence
   4. Strategic Alliance
6. What is globalization?
   1. When companies initially develop products for niche or underdeveloped markets, and then expand them into their original or home markets.
   2. The process of firms standardizing their products globally, but using different promotional campaigns to sell them.
   3. When a firm maintains 100 percent ownership of its plants, operation facilities, and offices in a foreign country, often through the formation of wholly owned subsidiaries.
   4. Formed when a firm entering a new market pools its resources with those of a local firm to form a new company in which ownership, control, and profits are shared.
7. What should be considered when marketing a product in a different country?
   1. Literacy levels are almost the same in every country
   2. Firms do not choose whether to adapt to language differences
   3. Cultural and religious differences
   4. All of the above
   5. None of the above
8. Which of the following are the BRIC countries?
   1. Brazil, Russia, Indonesia, China
   2. Brazil, Russia, India, China
   3. Brazil, Russia, Italy, Canada
   4. Bolivia, Russia, Ireland, Chile
9. A trade deficit
   1. Results when a country imports more goods than it exports
   2. Occurs when a country has a higher level of exports than imports
   3. Consist of those countries that have signed a particular trade agreement
   4. Results when a country exports more goods than it imports
10. Which of these is NOT one of the three global product strategies:
    1. Sell the same product or service in both the home country market and the host country
    2. Sell a product or service similar to that sold in the home country but include minor adaptations
    3. Develop products for undeveloped markets, and then expand them into their original home markets
    4. Sell totally new products or services
11. \_\_\_\_\_ reflects the link between consumers' demand for a company's product and the company's purchase of necessary inputs to manufacture or assemble that particular product.
    1. institutional purchasing demand
    2. distribution
    3. derived demand
    4. wholesaling
12. In B2B markets, \_\_\_\_\_ are firms that buy and reprocess products and services before selling them again to the next buyer.
    1. manufactures
    2. institution
    3. producers
    4. resellers
13. A(n) \_\_\_\_\_\_\_\_\_ refers to the maximum quantity of a good that may be imported during a specified time period.
    1. Threshold
    2. Quota
    3. Limit
    4. Tariff
14. When a firm enters into a joint venture agreement with a local firm, the two investors will then share all of these benefits and responsibilities except for?
    1. ownership of the firm
    2. any profit gained
    3. voting shares in each company's other divisions
    4. control of business operations
15. Marketers are especially concerned with which four key elements of a country’s infrastructure?
    1. Transportation, Distribution Channels, Communication, Commerce.
    2. Transportation, Airports, Roads, Communication.
    3. Buildings, Architecture, Transportation, Money.
    4. Communication, Commerce, Culture, Casinos.
16. Marketers analyze which four governmental actions:
    1. Exchange control, Trade agreements, Currency, Tariff.
    2. Tariff, Quota, Embargo, Currency.
    3. Tariff, Quota, Exchange control, Trade agreements.
    4. Trade agreements, Exchange Rates, Tariff, Culture.
17. Which of the following is not part of the economic analysis using metrics?
    1. general economic environment
    2. market size and population growth
    3. real income
    4. demographics
18. What is called when a country regulates its own currency \_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_?
    1. Exchange Rate
    2. Trading Block
    3. Exchange Control
    4. Quota System
19. A designation of a minimum or maximum quantity of a product that may be brought into a country during a specified time period is a(n) \_\_\_\_\_\_\_\_\_\_?
    1. Exchange Control
    2. Quota
    3. Trade Deficit
    4. Duty
20. Which is NOT a reason global STP is more complicated than domestic STP?
    1. Consumers often view products and their role as consumers differently in different countries
    2. Subcultures within each country also must be considered
    3. Global STP is difficult for those who do not enjoy traveling by airplane
    4. Firms considering a global expansion have much more difficulty understanding the culture nuances of other countries

Answer Key:

1. A
2. C
3. B
4. B
5. D
6. B
7. C
8. B
9. A
10. A
11. C
12. A
13. B
14. C
15. A
16. C
17. D
18. C
19. B
20. C

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