

Question 1

A low exercise price suggests a higher probability of the option being exercised.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1874170>

Question 2

Product differentiation is ultimately an expression of the _____ of individuals and groups within firms and is limited only by the _____ that exist, or that can be created, in a particular industry.

- A) creativity; resources
- B) resources; opportunities
- C) creativity; opportunities
- D) opportunities; resources

Answer: <https://biology-forums.com/index.php?topic=1874082>

Question 3

Mature industries are characterized by elements such as increasing growth in total industry demand, significant increases in product capacity, and an overall increase in the profitability of firms in the industry.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1873977>

Question 4

If Delta Airlines were to significantly change its fare structure and flight schedule to enhance its competitive position in response to aggressive price cutting by Southwest Airlines, this would be an example of

- A) explicit collusion.
- B) tacit collusion.
- C) competitive dynamics.
- D) a harvest strategy.

Answer: <https://biology-forums.com/index.php?topic=1874036>

Question 5

If a firm creates environmental pollution in the process of manufacturing its goods, the pollution is known as an externality.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1874013>

Question 6

The budgeting and reporting activities that Bates uses are examples of

- A) informal management controls.
- B) formal reporting structures.
- C) formal management controls.
- D) primary value chain activities.

Answer: <https://biology-forums.com/index.php?topic=1874032>

Question 7

When information asymmetry exists between firms that currently own assets and firms that may want to purchase these assets, the selling firm will often have difficulty obtaining the full economic value of these assets.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1874391>

Question 8

For multipoint competition to lead to mutual forbearance,

- A) the threat of retaliation must be substantial and the firms pursuing this strategy must have strong linkages among their diversified businesses.
- B) the threat of retaliation must be low and the firms pursuing this strategy must have strong linkages among their diversified businesses.
- C) the threat of retaliation must be low and the firms pursuing this strategy must have weak linkages among their diversified businesses.
- D) the threat of retaliation must be substantial and the firms pursuing this strategy must have weak linkages among their diversified businesses.

Answer: <https://biology-forums.com/index.php?topic=1874304>

Question 9

Which role in the office of the president is responsible for strategy implementation?

- A) chairman of the board
- B) chief executive officer
- C) chief operating officer
- D) chief strategist

Answer: <https://biology-forums.com/index.php?topic=1874337>

Question 10

When companies developed their own software in the United States, they were engaging in backward vertical integration, but when they started using independent companies in India to develop these software, they were more vertically integrated.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1874261>

Question 11

Timing, location, distribution channels, and service and support are all very similar bases of product differentiation and can act as substitutes for each other.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1874117>

Question 12

The strategic management process begins when a firm

- A) determines its objectives.
- B) defines its mission.
- C) makes a strategic choice.
- D) implements its strategy.

Answer: <https://biology-forums.com/index.php?topic=1873882>

Question 13

The greater the uncertainty, the more valuable a real option is.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1874172>

Question 14

A firm that earns below average accounting performance generally experiences a competitive disadvantage.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1873921>

Question 15

Strategic alliances can create economic value through helping firms improve their current operations by

- A) facilitating the development of technology standards.
- B) facilitating tacit collusion.
- C) exploiting economies of scale.
- D) managing uncertainty.

Answer: <https://biology-forums.com/index.php?topic=1874371>

Question 16

What are strategic options?

Answer: <https://biology-forums.com/index.php?topic=1874139>

Question 17

Strategic alliances are generally viewed as a poor substitute for diversification since the economies of scope in diversification can be found in strategic alliances.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1874326>

Question 18

If Polly Kundig decides that Gamma Food Products should react by either decreasing its prices or increase its output, the company is sending out a(n) _____ signal.

- A) soft
- B) strategic
- C) operational
- D) tough

Answer: <https://biology-forums.com/index.php?topic=1874232>

Question 19

Tacit collusion exists when firms cooperate in reducing competition, but engage in no face to face negotiations to do so.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1874198>

Question 20

Sophisticated software can enhance the value that customers receive from a personal computer. Therefore, software can be said to be a complementor of a personal computer.

[b][True or False?]/[b]

Answer: <https://biology-forums.com/index.php?topic=1873966>