

GAT EXAM : BUSINESS AND ECONOMICS

Multiple choice questions

Choose the appropriate answer from the given alternatives

1. What is the primary goal of a business?

   A) To maximize employee satisfaction

   B) To maximize shareholder wealth

   C) To minimize costs

   D) To provide the best customer service

   Answer: B) To maximize shareholder wealth

2. Which of the following is considered a factor of production?

   A) Money

   B) Technology

   C) Labor

   D) Marketing

   Answer: C) Labor

3. What does GDP stand for?

A) Gross Domestic Product

B) General Domestic Product

C) Gross Development Product

D) General Development Product

Answer: A) Gross Domestic Product

4. In a competitive market, what happens to prices when demand increases?

A) Prices decrease

B) Prices remain the same

C) Prices increase

D) Prices fluctuate randomly

Answer: C) Prices increase

5. Which economic system is characterized by private ownership of resources and minimal government intervention?

A) Socialism

B) Capitalism

C) Communism

D) Feudalism

Answer: B) Capitalism

6. What is the term for the additional benefit received from consuming one more unit of a good or service?

A) Total utility

B) Marginal utility

C) Opportunity cost

D) Diminishing returns

Answer: B) Marginal utility

7. Which of the following is a characteristic of monopolistic competition?

A) A single seller

B) Homogeneous products

C) Many sellers with differentiated products

D) Perfect information

Answer: C) Many sellers with differentiated products

8. What is inflation?

A) A decrease in the general price level

B) An increase in the general price level

C) A stable price level

D) A measure of economic growth

Answer: B) An increase in the general price level

9. Which of the following is NOT a component of the business cycle?

A) Expansion

B) Recession

C) Stagnation

D) Peak

Answer: C) Stagnation

10. What is the primary purpose of a budget in a business?

A) To increase expenses

B) To allocate resources effectively

C) To reduce revenue

D) To eliminate financial risk

Answer: B) To allocate resources effectively

11. What is the term for the cost of the next best alternative foregone when making a decision?

A) Sunk cost

B) Opportunity cost

C) Marginal cost

D) Fixed cost

Answer: B) Opportunity cost

12. Which of the following is a characteristic of an oligopoly?

A) Many sellers

B) Homogeneous products

C) Few large firms dominate the market

D) Perfect competition

Answer: C) Few large firms dominate the market

13. What is the primary function of the Federal Reserve in the United States?

A) To regulate trade

B) To control inflation and stabilize the currency

C) To manage government spending

D) To set tax rates

Answer: B) To control inflation and stabilize the currency

14. Which of the following is a non-renewable resource?

A) Solar energy

B) Wind energy

C) Coal

D) Timber

Answer: C) Coal

15. What is the main purpose of advertising?

A) To increase production costs

B) To inform consumers and persuade them to buy

C) To reduce competition

D) To lower prices

Answer: B) To inform consumers and persuade them to buy

16. Which of the following is a measure of a country's economic performance?

A) Unemployment rate

B) Inflation rate

C) Gross Domestic Product (GDP)

D) All of the above

Answer: D) All of the above

17. What is the term for a market structure where one company has exclusive control over a product or service?

A) Oligopoly

B) Monopoly

C) Perfect competition

D) Monopolistic competition

Answer: B) Monopoly

18. Which of the following is an example of fiscal policy?

A) Changing interest rates

B) Government spending and taxation

C) Regulating money supply

D) Setting exchange rates

Answer: B) Government spending and taxation

19. What is the primary purpose of a business plan?

A) To secure funding and guide the business

B) To increase employee morale

C) To reduce operational costs

D) To eliminate competition

Answer: A) To secure funding and guide the business

20. Which of the following is a characteristic of perfect competition?

A) Few sellers

B) Homogeneous products

C) Barriers to entry

D) Price makers

Answer: B) Homogeneous products

21. What is the term for the total value of all goods and services produced in a country in a given year?

A) Net National Product

B) Gross National Product

C) Gross Domestic Product

D) National Income

Answer: C) Gross Domestic Product

22. Which of the following is a potential disadvantage of globalization?

A) Increased market access

B) Cultural exchange

C) Job displacement in certain industries

D) Lower prices for consumers

Answer: C) Job displacement in certain industries

23. What is the primary goal of monetary policy?

A) To control government spending

B) To manage the money supply and interest rates

C) To regulate trade

D) To set tax rates

Answer: B) To manage the money supply and interest rates

24. Which of the following is a type of market failure?

A) Perfect competition

B) Externalities

C) Monopolistic competition

D) Oligopoly

Answer: B) Externalities

25. What is the term for a situation where the quantity supplied exceeds the quantity demanded?

A) Shortage

B) Surplus

C) Equilibrium

D) Disequilibrium

Answer: B) Surplus

26. Which of the following is a primary function of management?

A) Planning

B) Organizing

C) Leading

D) All of the above

Answer: D) All of the above

27. What is the term for the practice of setting prices based on the perceived value to the customer?

A) Cost-plus pricing

B) Value-based pricing

C) Penetration pricing

D) Skimming pricing

Answer: B) Value-based pricing

28. Which of the following is a common method for measuring inflation?

A) Consumer Price Index (CPI)

B) Producer Price Index (PPI)

C) Gross Domestic Product (GDP) deflator

D) All of the above

Answer: D) All of the above

29. What is the term for a market structure characterized by a single seller and no close substitutes for the product?

A) Oligopoly

B) Monopoly

C) Perfect competition

D) Monopolistic competition

Answer: B) Monopoly

30. Which of the following is a potential benefit of international trade?

A) Increased competition

B) Access to a larger market

C) Economies of scale

D) All of the above

Answer: D) All of the above

31. What is the primary purpose of a SWOT analysis?

A) To evaluate financial performance

B) To assess strengths, weaknesses, opportunities, and threats

C) To analyze market trends

D) To set pricing strategies

Answer: B) To assess strengths, weaknesses, opportunities, and threats

32. Which of the following is an example of a public good?

A) A private school

B) A national defense system

C) A luxury car

D) A restaurant

Answer: B) A national defense system

33. What is the term for the practice of selling a product at a low price to gain market share?

A) Price skimming

B) Price discrimination

C) Penetration pricing

D) Cost-plus pricing

Answer: C) Penetration pricing

34. Which of the following is a characteristic of a recession?

A) Rising GDP

B) Increasing employment

C) Declining consumer spending

D) High inflation

Answer: C) Declining consumer spending

35. What is the primary function of human resources in a business?

A) To manage financial resources

B) To oversee production processes

C) To recruit, train, and manage employees

D) To develop marketing strategies

Answer: C) To recruit, train, and manage employees

36. Which of the following is a type of economic indicator that provides information about the future direction of the economy?

A) Lagging indicator

B) Leading indicator

C) Coincident indicator

D) None of the above

Answer: B) Leading indicator

37. What is the term for the practice of offering different prices for the same product to different customers?

A) Price skimming

B) Price discrimination

C) Dynamic pricing

D) Cost-plus pricing

Answer: B) Price discrimination

38. Which of the following is a key principle of supply and demand?

A) As supply increases, prices decrease

B) As demand increases, supply decreases

C) As prices increase, demand increases

D) As supply decreases, demand increases

Answer: A) As supply increases, prices decrease

39. What is the term for the economic principle that states that as production increases, the cost per unit decreases?

A) Diminishing returns

B) Economies of scale

C) Marginal cost

D) Opportunity cost

Answer: B) Economies of scale

40. Which of the following is a common reason for a business to engage in mergers and acquisitions?

A) To reduce competition

B) To increase market share

C) To achieve synergies

D) All of the above

Answer: D) All of the above

41. What is the term for the practice of analyzing financial statements to assess a company's performance?

A) Financial forecasting

B) Financial analysis

C) Financial auditing

D) Financial planning

Answer: B) Financial analysis

42. Which of the following is a primary reason for businesses to conduct market research?

A) To increase production costs

B) To understand consumer needs and preferences

C) To reduce employee turnover

D) To eliminate competition

Answer: B) To understand consumer needs and preferences

43. What is the term for the difference between total revenue and total cost?

A) Profit

B) Margin

C) Revenue

D) Loss

Answer: A) Profit

44. Which of the following is a characteristic of a command economy?

A) Private ownership of resources

B) Market-driven prices

C) Centralized planning by the government

D) Competition among businesses

Answer: C) Centralized planning by the government

45. What is the primary purpose of a balance sheet?

A) To show a company's profitability

B) To provide a snapshot of a company's financial position at a specific point in time

C) To summarize cash flow

D) To project future earnings

Answer: B) To provide a snapshot of a company's financial position at a specific point in time

46. Which of the following is a potential disadvantage of a sole proprietorship?

A) Limited liability

B) Full control over business decisions

C) Difficulty in raising capital

D) Simple tax structure

Answer: C) Difficulty in raising capital

47. What is the term for the practice of setting prices based on the cost of production plus a markup?

A) Value-based pricing

B) Cost-plus pricing

C) Dynamic pricing

D) Penetration pricing

Answer: B) Cost-plus pricing

48. Which of the following is a common method for evaluating employee performance?

A) SWOT analysis

B) Performance appraisal

C) Market research

D) Financial forecasting

Answer: B) Performance appraisal

49. What is the term for the economic principle that states that as the price of a good increases, the quantity demanded decreases?

A) Law of supply

B) Law of demand

C) Law of diminishing returns

D) Law of opportunity cost

Answer: B) Law of demand

50. Which of the following is a characteristic of a limited liability company (LLC)?

A) Unlimited personal liability for owners

B) Pass-through taxation

C) No formal structure required

D) Limited to one owner

Answer: B) Pass-through taxation

51. What is the term for the practice of diversifying a company's product line to reduce risk?

A) Vertical integration

B) Horizontal integration

C) Diversification

D) Specialization

Answer: C) Diversification

52. Which of the following is a common reason for businesses to implement corporate social responsibility (CSR) initiatives?

A) To increase profits

B) To improve public image and brand loyalty

C) To reduce operational costs

D) To eliminate competition

Answer: B) To improve public image and brand loyalty

53. What is the term for the economic situation where the quantity demanded equals the quantity supplied?

A) Surplus

B) Shortage

C) Equilibrium

D) Disequilibrium

Answer: C) Equilibrium

54. Which of the following is a characteristic of a partnership?

A) Limited liability for all partners

B) Shared decision-making and profits

C) Unlimited lifespan

D) Single ownership

Answer: B) Shared decision-making and profits

55. What is the term for the practice of using financial instruments to hedge against risk?

A) Speculation

B) Diversification

C) Risk management

D) Arbitrage

Answer: C) Risk management

56. Which of the following is a common type of market segmentation?

A) Geographic segmentation

B) Demographic segmentation

C) Psychographic segmentation

D) All of the above

Answer: D) All of the above

57. What is the term for the practice of borrowing money to invest in a business?

A) Equity financing

B) Debt financing

C) Venture capital

D) Angel investing

Answer: B) Debt financing

58. Which of the following is a potential benefit of employee training and development?

A) Increased turnover

B) Improved employee performance

C) Higher operational costs

D) Decreased job satisfaction

Answer: B) Improved employee performance

59. What is the term for the practice of analyzing the costs and benefits of different business decisions?

A) Cost-benefit analysis

B) SWOT analysis

C) Market analysis

D) Financial forecasting

Answer: A) Cost-benefit analysis

60. Which of the following is a common method for financing a startup business?

A) Personal savings

B) Bank loans

C) Venture capital

D) All of the above

Answer: D) All of the above

61. What is the term for the practice of setting prices based on competitors' prices?

A) Cost-plus pricing

B) Competitive pricing

C) Value-based pricing

D) Dynamic pricing

Answer: B) Competitive pricing

62. Which of the following is a characteristic of a non-profit organization?

A) Focus on profit maximization

B) Operates for charitable purposes

C) Limited liability for owners

D) Can distribute profits to shareholders

Answer: B) Operates for charitable purposes

63. What is the term for the economic principle that states that as production increases, the marginal cost of producing each additional unit decreases?

A) Diminishing returns

B) Economies of scale

C) Opportunity cost

D) Marginal utility

Answer: B) Economies of scale

64. Which of the following is a common type of business ownership?

A) Sole proprietorship

B) Partnership

C) Corporation

D) All of the above

Answer: D) All of the above

65. What is the term for the practice of analyzing market trends to make informed business decisions?

A) Market research

B) Financial analysis

C) SWOT analysis

D) Competitive analysis

Answer: A) Market research

66. Which of the following is a potential disadvantage of a corporation?

A) Limited liability

B) Double taxation

C) Easier access to capital

D) Perpetual existence

Answer: B) Double taxation

67. What is the term for the practice of using technology to improve business processes?

A) Automation

B) Outsourcing

C) Streamlining

D) Innovation

Answer: A) Automation

68. Which of the following is a common reason for businesses to conduct a feasibility study?

A) To assess market demand

B) To evaluate financial viability

C) To identify potential risks

D) All of the above

Answer: D) All of the above

69. What is the term for the practice of creating a unique image or identity for a product in the minds of consumers?

A) Branding

B) Positioning

C) Marketing

D) Advertising

Answer: A) Branding

70. Which of the following is a characteristic of a mixed economy?

A) Complete government control

B) Complete market control

C) Combination of private and public ownership

D) No regulation of businesses

Answer: C) Combination of private and public ownership

71. What is the term for the practice of analyzing competitors to identify strengths and weaknesses?

A) Market segmentation

B) Competitive analysis

C) SWOT analysis

D) Benchmarking

Answer: B) Competitive analysis

72. Which of the following is a common type of business strategy?

A) Cost leadership

B) Differentiation

C) Focus

D) All of the above

Answer: D) All of the above

73. What is the term for the practice of managing a company's financial resources to achieve its goals?

A) Financial management

B) Budgeting

C) Accounting

D) Investment analysis

Answer: A) Financial management

74. Which of the following is a potential benefit of e-commerce for businesses?

A) Increased overhead costs

B) Access to a global market

C) Limited customer reach

D) Higher transaction costs

Answer: B) Access to a global market

75. What is the term for the practice of using social media to promote a product or service?

A) Digital marketing

B) Content marketing

C) Social media marketing

D) All of the above

Answer: D) All of the above

76. Which of the following is a common method for measuring employee satisfaction?

A) Financial statements

B) Employee surveys

C) Market analysis

D) SWOT analysis

Answer: B) Employee surveys

77. What is the term for the practice of analyzing the strengths and weaknesses of a business?

A) Market research

B) SWOT analysis

C) Financial analysis

D) Competitive analysis

Answer: B) SWOT analysis

78. Which of the following is a characteristic of a traditional economy?

A) Market-driven prices

B) Centralized planning

C) Reliance on customs and traditions

D) High levels of technology

Answer: C) Reliance on customs and traditions

79. What is the term for the practice of setting aside a portion of profits for future use?

A) Reinvestment

B) Savings

C) Retained earnings

D) Capital allocation

Answer: C) Retained earnings

80. Which of the following is a common reason for businesses to conduct a risk assessment?

A) To identify potential threats

B) To evaluate financial performance

C) To increase market share

D) To improve employee morale

Answer: A) To identify potential threats

81. What is the term for the practice of using data to make informed business decisions?

A) Data analysis

B) Market research

C) Financial forecasting

D) Strategic planning

Answer: A) Data analysis

82. Which of the following is a potential disadvantage of outsourcing?

A) Cost savings

B) Access to specialized skills

C) Loss of control over quality

D) Increased efficiency

Answer: C) Loss of control over quality

83. What is the term for the practice of creating a marketing strategy that targets a specific group of consumers?

A) Market segmentation

B) Target marketing

C) Positioning

D) Branding

Answer: B) Target marketing

84. Which of the following is a characteristic of a service-based economy?

A) Focus on manufacturing

B) Emphasis on agriculture

C) Growth in the service sector

D) High levels of natural resource extraction

Answer: C) Growth in the service sector

85. What is the term for the practice of evaluating the financial performance of a business over time?

A) Financial forecasting

B) Trend analysis

C) Market analysis

D) Cost analysis

Answer: B) Trend analysis

86. Which of the following is a common type of business risk?

A) Market risk

B) Credit risk

C) Operational risk

D) All of the above

Answer: D) All of the above

87. What is the term for the practice of using technology to improve customer service?

A) E-commerce

B) Customer relationship management (CRM)

C) Digital marketing

D) Automation

Answer: B) Customer relationship management (CRM)

88. Which of the following is a potential benefit of employee engagement?

A) Increased turnover

B) Higher productivity

C) Decreased job satisfaction

D) Lower morale

Answer: B) Higher productivity

89. What is the term for the practice of analyzing the external environment to identify opportunities and threats?

A) SWOT analysis

B) PEST analysis

C) Market research

D) Competitive analysis

Answer: B) PEST analysis

90. Which of the following is a common method for evaluating investment opportunities?

A) Return on investment (ROI)

B) Net present value (NPV)

C) Internal rate of return (IRR)

D) All of the above

Answer: D) All of the above

91. What is the term for the practice of analyzing the costs and benefits of different investment options?

A) Investment analysis

B) Cost-benefit analysis

C) Financial forecasting

D) Risk assessment

Answer: B) Cost-benefit analysis

92. Which of the following is a characteristic of a global economy?

A) Isolation of markets

B) Interconnectedness of national economies

C) Limited trade between countries

D) Focus on local production

Answer: B) Interconnectedness of national economies

93. What is the term for the practice of using financial instruments to manage exposure to risk?

A) Hedging

B) Speculation

C) Diversification

D) Arbitrage

Answer: A) Hedging

94. Which of the following is a common type of financial statement?

A) Income statement

B) Balance sheet

C) Cash flow statement

D) All of the above

Answer: D) All of the above

95. What is the term for the practice of setting prices based on the perceived value of a product to the customer?

A) Cost-plus pricing

B) Value-based pricing

C) Competitive pricing

D) Dynamic pricing

Answer: B) Value-based pricing

96. Which of the following is a potential advantage of a franchise?

A) Limited support from the franchisor

B) Established brand recognition

C) High initial investment

D) Complete control over business operations

Answer: B) Established brand recognition

97. What is the term for the practice of analyzing the strengths and weaknesses of competitors?

A) Market research

B) Competitive analysis

C) SWOT analysis

D) Benchmarking

Answer: B) Competitive analysis

98. Which of the following is a common reason for businesses to conduct a market analysis?

A) To identify customer needs

B) To evaluate competition

C) To assess market trends

D) All of the above

Answer: D) All of the above

99. What is the term for the practice of using a combination of marketing strategies to reach a target audience?

A) Integrated marketing

B) Target marketing

C) Market segmentation

D) Branding

Answer: A) Integrated marketing

100. Which of the following is a characteristic of a recession?

A) Rising consumer confidence

B) Decreasing GDP

C) Increasing employment

D) High inflation

Answer: B) Decreasing GDP

101. What is the term for the practice of managing a company's cash flow to ensure it can meet its obligations?

A) Cash management

B) Financial planning

C) Budgeting

D) Investment analysis

Answer: A) Cash management

102. Which of the following is a potential disadvantage of a corporation?

A) Limited liability

B) Double taxation

C) Easier access to capital

D) Perpetual existence

Answer: B) Double taxation

103. What is the term for the practice of using technology to streamline business operations?

A) Automation

B) Outsourcing

C) Innovation

D) Digital transformation

Answer: A) Automation

104. Which of the following is a common type of market structure?

A) Perfect competition

B) Monopoly

C) Oligopoly

D) All of the above

Answer: D) All of the above

105. What is the term for the practice of evaluating the financial performance of a business over time?

A) Trend analysis

B) Financial forecasting

C) Market analysis

D) Cost analysis

Answer: A) Trend analysis

106. Which of the following is a potential benefit of corporate social responsibility (CSR)?

A) Increased operational costs

B) Improved brand reputation

C) Decreased employee morale

D) Limited market reach

Answer: B) Improved brand reputation

107. What is the term for the practice of analyzing the external environment to identify opportunities and threats?

A) SWOT analysis

B) PEST analysis

C) Market research

D) Competitive analysis

Answer: B) PEST analysis

108. Which of the following is a common method for evaluating employee performance?

A) Performance appraisal

B) Market research

C) Financial analysis

D) SWOT analysis

Answer: A) Performance appraisal

109. What is the term for the practice of using data to make informed business decisions?

A) Data analysis

B) Market research

C) Financial forecasting

D) Strategic planning

Answer: A) Data analysis

110. Which of the following is a potential disadvantage of a sole proprietorship?

A) Limited liability

B) Full control over business decisions

C) Difficulty in raising capital

D) Simple tax structure

Answer: C) Difficulty in raising capital

111. What is the term for the practice of creating a unique image or identity for a product in the minds of consumers?

A) Branding

B) Positioning

C) Marketing

D) Advertising

Answer: A) Branding

112. Which of the following is a characteristic of a mixed economy?

A) Complete government control

B) Complete market control

C) Combination of private and public ownership

D) No regulation of businesses

Answer: C) Combination of private and public ownership

113. What is the term for the practice of analyzing competitors to identify strengths and weaknesses?

A) Market segmentation

B) Competitive analysis

C) SWOT analysis

D) Benchmarking

Answer: B) Competitive analysis

114. Which of the following is a common type of business strategy?

A) Cost leadership

B) Differentiation

C) Focus

D) All of the above

Answer: D) All of the above

115. What is the term for the practice of managing a company's financial resources to achieve its goals?

A) Financial management

B) Budgeting

C) Accounting

D) Investment analysis

Answer: A) Financial management

116. Which of the following is a potential benefit of e-commerce for businesses?

A) Increased overhead costs

B) Access to a global market

C) Limited customer reach

D) Higher transaction costs

Answer: B) Access to a global market

117. What is the term for the practice of using social media to promote a product or service?

A) Digital marketing

B) Content marketing

C) Social media marketing

D) All of the above

Answer: D) All of the above

118. Which of the following is a common method for measuring employee satisfaction?

A) Financial statements

B) Employee surveys

C) Market analysis

D) SWOT analysis

Answer: B) Employee surveys

119. What is the term for the practice of analyzing the strengths and weaknesses of a business?

A) Market research

B) SWOT analysis

C) Financial analysis

D) Competitive analysis

Answer: B) SWOT analysis

120. Which of the following is a characteristic of a traditional economy?

A) Market-driven prices

B) Centralized planning

C) Reliance on customs and traditions

D) High levels of technology

Answer: C) Reliance on customs and traditions

121. What is the term for the practice of setting aside a portion of profits for future use?

A) Reinvestment

B) Savings

C) Retained earnings

D) Capital allocation

Answer: C) Retained earnings

122. Which of the following is a common reason for businesses to conduct a risk assessment?

A) To identify potential threats

B) To evaluate financial performance

C) To increase market share

D) To improve employee morale

Answer: A) To identify potential threats

123. What is the term for the practice of using a combination of marketing strategies to reach a target audience?

A) Integrated marketing

B) Target marketing

C) Market segmentation

D) Branding

Answer: A) Integrated marketing

124. Which of the following is a characteristic of a service-based economy?

A) Focus on manufacturing

B) Emphasis on agriculture

C) Growth in the service sector

D) High levels of natural resource extraction

Answer: C) Growth in the service sector

125. What is the term for the practice of evaluating the financial performance of a business over time?

A) Financial forecasting

B) Trend analysis

C) Market analysis

D) Cost analysis

Answer: B) Trend analysis

126. Which of the following is a common type of business risk?

A) Market risk

B) Credit risk

C) Operational risk

D) All of the above

Answer: D) All of the above

127. What is the term for the practice of using technology to improve customer service?

A) E-commerce

B) Customer relationship management (CRM)

C) Digital marketing

D) Automation

Answer: B) Customer relationship management (CRM)

128. Which of the following is a potential benefit of employee engagement?

A) Increased turnover

B) Higher productivity

C) Decreased job satisfaction

D) Lower morale

Answer: B) Higher productivity

129. What is the term for the practice of analyzing the external environment to identify opportunities and threats?

A) SWOT analysis

B) PEST analysis

C) Market research

D) Competitive analysis

Answer: B) PEST analysis

130. Which of the following is a common method for evaluating investment opportunities?

A) Return on investment (ROI)

B) Net present value (NPV)

C) Internal rate of return (IRR)

D) All of the above

Answer: D) All of the above

131. What is the term for the practice of managing a company's supply chain to improve efficiency?

A) Supply chain management

B) Inventory management

C) Logistics

D) Procurement

Answer: A) Supply chain management

132. Which of the following is a characteristic of a monopoly?

A) Many sellers

B) Homogeneous products

C) Single seller with significant market power

D) Perfect competition

Answer: C) Single seller with significant market power

133. What is the term for the practice of using financial instruments to speculate on price movements?

A) Hedging

B) Arbitrage

C) Speculation

D) Diversification

Answer: C) Speculation

134. Which of the following is a common reason for businesses to conduct a feasibility study?

A) To assess market demand

B) To evaluate financial viability

C) To identify potential risks

D) All of the above

Answer: D) All of the above

135. What is the term for the practice of creating a marketing strategy that targets a specific group of consumers?

A) Market segmentation

B) Target marketing

C) Positioning

D) Branding

Answer: B) Target marketing

136. Which of the following is a potential disadvantage of a partnership?

A) Shared decision-making

B) Unlimited liability for partners

C) Easier access to capital

D) Limited lifespan

Answer: B) Unlimited liability for partners

137. What is the term for the practice of analyzing the costs and benefits of different business decisions?

A) Cost-benefit analysis

B) SWOT analysis

C) Market analysis

D) Financial forecasting

Answer: A) Cost-benefit analysis

138. Which of the following is a characteristic of a command economy?

A) Market-driven prices

B) Centralized planning by the government

C) Private ownership of resources

D) Competition among businesses

Answer: B) Centralized planning by the government

139. What is the term for the practice of using financial ratios to assess a company's performance?

A) Financial analysis

B) Market analysis

C) Trend analysis

D) Cost analysis

Answer: A) Financial analysis

140. Which of the following is a common type of market segmentation?

A) Geographic segmentation

B) Demographic segmentation

C) Psychographic segmentation

D) All of the above

Answer: D) All of the above