

National Testing Agency

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Advanced Corporate Strategy

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Advanced Corporate Strategy

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Question Number : 1 Question Id : 89951410260 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0

Which of the following can be classified as a type of diversification?

1. Horizontal Diversification
2. Vertical Integration
3. Geographic Diversification
4. All of the above

Options :

- 89951440322. 1
- 89951440323. 2
- 89951440324. 3
- 89951440325. 4

Question Number : 2 Question Id : 89951410261 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0

Which of the statements about outsourcing is correct?

1. Helps firms convert fixed costs into variable costs
2. Allows for activities that are best performed by specialists with economies of scale and scope
3. Helpful in industries fraught with frequent changes
4. All of the above

Options :

- 89951440326. 1
- 89951440327. 2
- 89951440328. 3

89951440329. 4

Question Number : 3 Question Id : 89951410262 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is not a pillar of the OLI framework?

- 1.Ownership
- 2.Integration
- 3.Internationalization
- 4.Location

Options :

89951440330. 1
89951440331. 2
89951440332. 3
89951440333. 4

Question Number : 4 Question Id : 89951410263 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Businesses are classified as 'cash cows' when they are in:

1. Low growth industries with low market shares
2. Low growth industries with dominant market positions
3. High growth industries with low market shares
4. High growth industries with dominant positions

Options :

89951440334. 1
89951440335. 2
89951440336. 3
89951440337. 4

Question Number : 5 Question Id : 89951410264 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which category of businesses neither consume a lot of cash nor generate it?

1. Cash cows
2. Stars
3. Dogs
4. Question marks

Options :

89951440338. 1
89951440339. 2
89951440340. 3
89951440341. 4

Question Number : 6 Question Id : 89951410265 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which matrix focuses on parenting advantage?

1. GE McKinsey Matrix
2. BCG Matrix
3. Growth share model
4. Ashridge portfolio matrix

Options :

89951440342. 1
89951440343. 2
89951440344. 3
89951440345. 4

Question Number : 7 Question Id : 89951410266 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which is the first step in the M&A process?

1. Articulate intent
2. Target appraisal and selection
3. Valuation
4. Due diligence

Options :

89951440346. 1
89951440347. 2
89951440348. 3
89951440349. 4

Question Number : 8 Question Id : 89951410267 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following best describes Heartland businesses?

1. They do not have any fit or synergies with the existing businesses
2. They represent opportunities for high value creation due to similarities with existing businesses
3. They generate lesser cash than existing businesses
4. They can neither add significant value to the business, nor can leverage synergies from its existing businesses

Options :

89951440350. 1
89951440351. 2
89951440352. 3
89951440353. 4

Question Number : 9 Question Id : 89951410268 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following best describes related-linked diversification strategy?

1. It leverages both operational and corporate relatedness in its diversification strategy
2. It leverages operational relatedness with little corporate relatedness
3. It leverages only operational relatedness
4. It leverages corporate relatedness more than operational relatedness

Options :

89951440354. 1

89951440355. 2

89951440356. 3

89951440357. 4

Question Number : 10 Question Id : 89951410269 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following statements is true?

1. Legal frameworks are stronger in emerging economies than in developed countries such as Japan
2. There is a mature market for intermediate products and services in developed countries
3. Labour markets are stronger in emerging markets due to their large workforce
4. Access to capital has not been a constraint for entrepreneurial growth in emerging markets

Options :

89951440358. 1

89951440359. 2

89951440360. 3

89951440361. 4

Question Number : 11 Question Id : 89951410270 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

When a firm chooses to buy a portion of its input from the market and make the rest by itself, it is known as:

1. Forward integration
2. Backward integration
3. Tapered integration
4. Vertical integration

Options :

89951440362. 1

89951440363. 2

89951440364. 3

89951440365. 4

Question Number : 12 Question Id : 89951410271 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Which of the following is not a benefit of an alliance?

1. It is easier to terminate an alliance

2. Their losses are contained as partners share equity

3. Reduces redundant resources

4. The companies have complementary resources

Options :

89951440366. 1

89951440367. 2

89951440368. 3

89951440369. 4

Question Number : 13 Question Id : 89951410272 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

What kind of a contract should be used if the asset specificity and durability are high, but the frequency of transactions is rare?

1. Detailed, standard contracts
2. Standardized contracts
3. Detailed, custom-drafted contracts
4. No contracts are required

Options :

- 89951440370. 1
- 89951440371. 2
- 89951440372. 3
- 89951440373. 4

Question Number : 14 Question Id : 89951410273 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

When should a firm adopt tapered outsourcing for an activity?

1. When the market failure is high, and the activity is critical for competitive advantage
2. When there are sufficient number of vendors, and the activity is not critical for competitive advantage
3. When the activity is critical for competitive advantage and the potential for market failure is low
4. When the activity is not critical for competitive advantage, but the potential for market

Options :

- 89951440374. 1
- 89951440375. 2
- 89951440376. 3
- 89951440377. 4

Question Number : 15 Question Id : 89951410274 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following *is* one of the early reasons for developed country MNEs to enter emerging markets?

1. Enter new markets in response to specific customer enquiries
2. To respond to their competitors' internationalization behaviours
3. Internationalize only after their domestic operations have stabilized
4. Extending the product life cycle

Options :

- 89951440378. 1
- 89951440379. 2
- 89951440380. 3
- 89951440381. 4

Question Number : 16 Question Id : 89951410275 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following best describes the international organizational form as described by Bartlett and Ghosal?

1. Need for global integration is low and need for local responsiveness is low
2. Need for global integration is low and need for local responsiveness is high
3. Need for global integration is high and need for local responsiveness is low
4. Need for high global integration is high and need for local responsiveness is high

Options :

89951440382. 1

89951440383. 2

89951440384. 3

89951440385. 4

Question Number : 17 Question Id : 89951410276 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is not an indicator of economic distance?

1. Cost of labor

2. Managerial capabilities

3. Organizational capabilities

4. Free trade agreements

Options :

89951440386. 1

89951440387. 2

89951440388. 3

89951440389. 4

Question Number : 18 Question Id : 89951410277 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is evaluated by firms during the due diligence stage of the M&A process?

1. Cultural fit
2. Current and future profitability potential
3. Investment needs and opportunities
4. All of the above

Options :

- 89951440390. 1
- 89951440391. 2
- 89951440392. 3
- 89951440393. 4

Question Number : 19 Question Id : 89951410278 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

What kind of a firm would acquirers *not* target with the purpose of restructuring?

1. Those with inefficient operations
2. Those with inferior market positions despite acceptable product quality
3. Those with stable financial performance
4. Those which are unable to expand or grow

Options :

- 89951440394. 1
- 89951440395. 2
- 89951440396. 3
- 89951440397. 4

Question Number : 20 Question Id : 89951410279 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which statement matches the definition of liability of origin?

1. Include those barriers imposed on the firm, primarily due to it not belonging to the host country
2. The firm's need to establish the credibility of its home country as a legitimate producer of such goods and services
3. The need for the firm to compete with established incumbents
4. The need to offer products and services using proven technologies and stable processes

Options :

- 89951440398. 1
- 89951440399. 2
- 89951440400. 3
- 89951440401. 4

Question Number : 21 Question Id : 89951410280 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

When should a firm avoid an alliance?

1. When there are high transaction - specific investments
2. When its headquarters is far away from the other firm
3. When critical employees from the target company are likely to leave
4. When the two firms cannot be integrated easily because of cultural and structural issues

Options :

- 89951440402. 1
- 89951440403. 2
- 89951440404. 3

89951440405. 4

Question Number : 22 Question Id : 89951410281 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is not a disadvantage of exporting?

1. Transportation costs and import duties may be high
2. Uncertainty may be high due to fluctuation in exchange rates
3. The firm needs to handle only marketing and distribution
4. It is difficult to customize products through local markets

Options :

89951440406. 1
89951440407. 2
89951440408. 3
89951440409. 4

Question Number : 23 Question Id : 89951410282 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following statements about licensing and franchising is incorrect?

1. Local contractors may not adhere to contractual agreements
2. Local contractors may undertake action that maybe harmful to the company's reputation
3. It allows the firm to customize products and services to the local market
4. The firm could lose its intellectual property to local contractors

Options :

89951440410. 1
89951440411. 2

89951440412. 3

89951440413. 4

Question Number : 24 Question Id : 89951410283 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

During an alliance between a multinational company from a developed market and a local player from an emerging market, which of the following complementary resources does the local player provide?

- 1.Knowledge about the host country and take actions to reduce legal and political risks
- 2.Product development capabilities
- 3.Advanced management practices
- 4.Brands and cutting-edge technologies

Options :

89951440414. 1

89951440415. 2

89951440416. 3

89951440417. 4

Question Number : 25 Question Id : 89951410284 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following statements is incorrect?

1. Vertical integration destroys value when the market for intermediate goods is mature and there are many suppliers available to produce these products competitively
2. Vertical integration destroys value when it reduces bureaucratic costs of coordination
3. Vertical integration destroys value when the intermediate products are not critical to quality and could be manufactured through generic investments by competitive supplier
4. Vertical integration destroys value when outsourcing contracts are easy to govern

Options :

- 89951440418. 1
- 89951440419. 2
- 89951440420. 3
- 89951440421. 4

Question Number : 26 Question Id : 89951410285 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following does not describe a divestiture?

- 1. Firms that sell a unit of the firm to other firms
- 2. The converse of an acquisition
- 3. Firms find partners who perform non-core activity
- 4. Sale of ownership, including sale of controlling stake to another firm

Options :

- 89951440422. 1
- 89951440423. 2
- 89951440424. 3
- 89951440425. 4

Question Number : 27 Question Id : 89951410286 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

According to the CAGE framework, which of the following does not fall under administrative distance?

- 1. Political associations
- 2. Common administrative and legal framework
- 3. Historical link
- 4. Social norms and values

Options :

- 89951440426. 1

89951440427. 2

89951440428. 3

89951440429. 4

Question Number : 28 Question Id : 89951410287 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is not a drawback of a multidivisional firm as compared to a business group?

1. The business units do not have the freedom to make their own strategic decisions
2. The business units have constraints on how they can design incentives
3. Resource allocation between business units is a challenging task due to mismatches in demand and supply of money, bureaucratic delays and politicking
4. The business units can leverage intangible resources like brands throughout the firm

Options :

89951440430. 1

89951440431. 2

89951440432. 3

89951440433. 4

Question Number : 29 Question Id : 89951410288 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Why are cross border acquisitions difficult?

1. Sufficient information about the target is not available
2. Formal and informal barriers operate against foreign companies
3. The post-merger integration is complex due to cultural and structural differences
4. All of the above

Options :

89951440434. 1

89951440435. 2

89951440436. 3

89951440437. 4

Question Number : 30 Question Id : 89951410289 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following leads to high bureaucratic costs in a multi-business firm?

1. Corporate resource allocation
2. Hiring of plant workers
3. Branding and marketing of products
4. Research and development

Options :

89951440438. 1

89951440439. 2

89951440440. 3

89951440441. 4

Question Number : 31 Question Id : 89951410290 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Firms do not engage in Mergers and Acquisitions when the industry is characterized by:

1. Low entry barriers
2. High costs of learning
3. Over-capacity
4. High minimum economies of scale

Options :

89951440442. 1

89951440443. 2

89951440444. 3

89951440445. 4

Question Number : 32 Question Id : 89951410291 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Transaction costs do not include:

1. Costs of monitoring and enforcing contracts
2. Costs of finding an appropriate supplier
3. Costs of negotiating a contract
4. Setting up joint ventures with foreign firms

Options :

89951440446. 1
89951440447. 2
89951440448. 3
89951440449. 4

Question Number : 33 Question Id : 89951410292 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

On the continuum of diversification strategies, which of the following is located at one end?

1. Related-constrained diversification
2. Related – linked diversification
3. Tapered diversification
4. Conglomerate diversification

Options :

89951440450. 1
89951440451. 2

89951440452. 3

89951440453. 4

Question Number : 34 Question Id : 89951410293 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is *not* a motive for diversification?

1. Leveraging economies of scope
2. Decreasing economies of scope
3. Increasing and sustaining market power
4. Leveraging financial economies and managing risks

Options :

89951440454. 1

89951440455. 2

89951440456. 3

89951440457. 4

Question Number : 35 Question Id : 89951410294 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is a cornerstone of alliance management capabilities?

1. Prior alliance experience
2. Creation of a dedicated alliance function
3. Implementation of firm-level processes to accumulate and leverage alliance management know-how and skills
4. All of the above

Options :

89951440458. 1

89951440459. 2

89951440460. 3

89951440461. 4

Question Number : 36 Question Id : 89951410295 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0

Which of the following is a benefit of a firm having market power?

1. Decrease customers' switching costs
2. Encourage competitors to enter the market through predatory pricing
3. Prevent new companies from entering the market by lowering entry barriers
4. Raise its prices well over its marginal costs

Options :

- 89951440462. 1
- 89951440463. 2
- 89951440464. 3
- 89951440465. 4

Question Number : 37 Question Id : 89951410296 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0

Which of the following is an advantage of buying from an independent supplier?

1. Achieve lower economies of scale
2. It is easier to fire an employee than an external supplier
3. Easier to provide high powered incentives in markets
4. An outside supplier has neither lower costs nor higher quality

Options :

- 89951440466. 1
- 89951440467. 2
- 89951440468. 3
- 89951440469. 4

Question Number : 38 Question Id : 89951410297 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

A firm can be a successful price discriminator if:

1. It can ensure that different groups of people do not sell to each other
2. It cannot identify segments of buyers with different willingness to pay and demand elasticities
3. It becomes a price taker
4. If it benchmarks its price with global competitors

Options :

- 89951440470. 1
- 89951440471. 2
- 89951440472. 3
- 89951440473. 4

Question Number : 39 Question Id : 89951410298 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is a reason for market failures?

1. No asymmetric information between the principal and vendor
2. Too many vendors
3. High asset specificities resulting in increased hold up risks
4. Many products fail

Options :

- 89951440474. 1
- 89951440475. 2

89951440476. 3

89951440477. 4

Question Number : 40 Question Id : 89951410299 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is one of the benefits of outsourcing?

1. Helps firm reduce fixed costs and translate them into variable costs
2. Allows for reduction of external coordination costs
3. Presence of high-powered incentives within the firm
4. It reduces the core competencies of the firm

Options :

89951440478. 1

89951440479. 2

89951440480. 3

89951440481. 4

Question Number : 41 Question Id : 89951410300 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Corporate Strategy is concerned with which of the following:

1. Types of diversification
2. Modes of diversification
3. How to manage a diversified firm
4. All of the above

Options :

89951440482. 1

89951440483. 2

89951440484. 3

89951440485. 4

Question Number : 42 Question Id : 89951410301 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following statements about the post-merger integration process after an acquisition is correct?

1. It is important to fire the top management of the target company
2. It is important to keep the finances of the two companies separate for as long as possible
3. It is valuable to slow down the integration process
4. It is important to integrate systems, processes, routines, and rituals.

Options :

89951440486. 1

89951440487. 2

89951440488. 3

89951440489. 4

Question Number : 43 Question Id : 89951410302 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following best describes joint ventures?

1. Firms enter into partnerships with other firms with complementary businesses to enter into new businesses, without creating a new entity
2. Are actions where an acquiring firm buys controlling stake and ownership of a target firm
3. Special form of strategic alliances where a new entity is formed
4. Two firms combine their activities and form a single combined entity

Options :

89951440490. 1

89951440491. 2

89951440492. 3

89951440493. 4

Question Number : 44 Question Id : 89951410303 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which one of the following does not measure the performance of M&A?

1. Financial returns for shareholder
2. Improvement in competitive position
3. Increased managerial compensation
4. Achievement of intended synergies

Options :

89951440494. 1

89951440495. 2

89951440496. 3

89951440497. 4

Question Number : 45 Question Id : 89951410304 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is not an actual liability of internationalization?

1. Liability of foreignness
2. Liability of newness
3. Liability of origin
4. Liability of capital

Options :

89951440498. 1
89951440499. 2
89951440500. 3
89951440501. 4

Question Number : 46 Question Id : 89951410305 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is an advantage of a business group?

1. Each company must return their excess cash to the shareholders
2. Each group company has access to sister companies that it can utilize for growth opportunities
3. Incentives in one company are tied to the incentives of another company
4. Individual companies in a business group have less autonomy in decision making because they have their own board of directors

Options :

89951440502. 1
89951440503. 2
89951440504. 3
89951440505. 4

Question Number : 47 Question Id : 89951410306 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following statements about how parent firms can create value is correct?

1. Leave each business to itself to set their own strategies
2. Decrease coordination between businesses
3. Preventing sharing of resources across businesses
4. Making choices as to what should be in its portfolio

Options :

89951440506. 1
89951440507. 2
89951440508. 3
89951440509. 4

Question Number : 48 Question Id : 89951410307 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is a feature of the 'transnational organization form' as described by Bartlett and Ghosal?

1. Balance between high global integration and demand for high local responsiveness
2. More concerned about local responsiveness than global products and services
3. Tightly integrated with the global headquarters in terms of their policies and procedures
4. Financially independent local organizations

Options :

89951440510. 1
89951440511. 2
89951440512. 3
89951440513. 4

Question Number : 49 Question Id : 89951410308 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is an advantage of cross border greenfield expansion?

1. Firms can have much more control over their operations
2. This mode is also the least risky since the firm has to set up new operations in a country that it may not be familiar with
3. The liability of foreignness is low
4. It is faster compared to acquiring a local company

Options :

- 89951440514. 1
- 89951440515. 2
- 89951440516. 3
- 89951440517. 4

Question Number : 50 Question Id : 89951410309 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

What is first degree price discrimination?

- 1. When the seller is able to identify the specific willingness to pay for each individual buyer and charge that price for each of them
- 2. Occurs when different sellers charge different prices for different quantities of purchases
- 3. Charge different prices for different segments of buyers, differentiated on parameters other than quantity
- 4. Sellers charge different prices for different products

Options :

- 89951440518. 1
- 89951440519. 2
- 89951440520. 3
- 89951440521. 4

Question Number : 51 Question Id : 89951410310 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Second degree price discrimination is also known as:

- 1. Competitive price discrimination
- 2. Block pricing discrimination
- 3. Perfect price discrimination
- 4. Continuous price discrimination

Options :

89951440522. 1
89951440523. 2
89951440524. 3
89951440525. 4

Question Number : 52 Question Id : 89951410311 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which among the following is a step involved in the process of internationalization?

1. Decisions on which markets to enter
2. Choosing the mode of entry
3. Deciding whether to transfer technology to manufacturers or assemblers in foreign markets
4. All of the above

Options :

89951440526. 1
89951440527. 2
89951440528. 3
89951440529. 4

Question Number : 53 Question Id : 89951410312 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

In which of the following ways can alliances create value?

1. Improving current operations
2. Destroying the competitive environment
3. Preventing entry and exit
4. All of the above

Options :

89951440530. 1
89951440531. 2
89951440532. 3

89951440533. 4

Question Number : 54 Question Id : 89951410313 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Diversifying acquirers revitalize target firms through:

1. Diluting equity
2. Investing in operational efficiency
3. Eliminating the need for having contracts
4. Reducing returns to stockholders

Options :

- 89951440534. 1
- 89951440535. 2
- 89951440536. 3
- 89951440537. 4

Question Number : 55 Question Id : 89951410314 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

A conglomerate merger is characterized by:

1. Long gestation returns to small investments
2. Transfer of industry-specific managerial capability
3. Large investment opportunity
4. Low capital investment for sustainable growth

Options :

- 89951440538. 1
- 89951440539. 2
- 89951440540. 3
- 89951440541. 4

Question Number : 56 Question Id : 89951410315 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Moral hazards and hold-ups can be mitigated by:

1. Improving quality
2. Relying on trust and reputation in managing relationships
3. Tapered diversification
4. Investment in new product development

Options :

- 89951440542. 1
- 89951440543. 2
- 89951440544. 3
- 89951440545. 4

Question Number : 57 Question Id : 89951410316 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is a feature of Capability Acquisition M&A?

1. Lack of technological innovation
2. Matching growth rate
3. Specific mismatches across the value chain
4. Product diversification

Options :

- 89951440546. 1
- 89951440547. 2
- 89951440548. 3
- 89951440549. 4

Question Number : 58 Question Id : 89951410317 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Which of the following can hurt success of MNEs when they expand globally?

1. Not having the ability to replicate their business model in countries that have structural similarities
2. Incapable of adapting their business models to developed markets
3. Inability to acquire global capabilities to compensate for institutional voids
4. All of the above

Options :

- 89951440550. 1
- 89951440551. 2
- 89951440552. 3
- 89951440553. 4

Question Number : 59 Question Id : 89951410318 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

A dodger is defined as:

1. A firm that focuses on leveraging local assets in market segments where multinationals are weak
2. A firm that focuses on expanding into markets similar to those of the home base, using competencies developed at home
3. A firm that focuses on a locally oriented link in the value chain
4. A firm that focuses on upgrading capabilities and resources, starting with niche markets

Options :

- 89951440554. 1
- 89951440555. 2
- 89951440556. 3
- 89951440557. 4

Question Number : 60 Question Id : 89951410319 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

A defender strategy is likely to be successful when:

1. The pressure to globalize is high, but the firm's resources and capabilities are customized to the local market
2. The pressure to globalize is low and the firm is focused on market segments where multinationals are weak
3. The firm has resources and capabilities that are useful in other countries
4. The pressure to globalize is high, and the firm has capabilities to go beyond borders

Options :

- 89951440558. 1
- 89951440559. 2
- 89951440560. 3
- 89951440561. 4

Question Number : 61 Question Id : 89951410320 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

An EMNE should consider entering other emerging markets because:

1. The administrative distance and economic distance are likely to be higher
2. An EMNE's liability of origin will be higher
3. The growth rates are higher in emerging economies
4. The EMNE can overcome its liability of newness

Options :

- 89951440562. 1
- 89951440563. 2
- 89951440564. 3
- 89951440565. 4

Question Number : 62 Question Id : 89951410321 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The reason an EMNE should enter a developed market is:

1. Markets in such economies may be large
2. They are great markets for acquiring capabilities and advanced technology
3. There are lesser chances of incurring losses
4. Both 'a' and 'b'

Options :

- 89951440566. 1
- 89951440567. 2
- 89951440568. 3
- 89951440569. 4

Question Number : 63 Question Id : 89951410322 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Companies procure global capabilities by:

1. Transferring employees for overseas training to absorb the latest technologies
2. Acquiring firms from developed economies and then transferring capabilities from the subsidiary to the parent
3. Hiring expatriates who have the necessary skills or source technology from developed countries
4. All of the above

Options :

- 89951440570. 1
- 89951440571. 2
- 89951440572. 3
- 89951440573. 4

Question Number : 64 Question Id : 89951410323 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Diversification destroys value by:

1. Contributing to pooling of risk.
2. Eliminates market discipline in within-corporation transactions.
3. Decreases overhead cost
4. None of the above

Options :

89951440574. 1

89951440575. 2

89951440576. 3

89951440577. 4

Question Number : 65 Question Id : 89951410324 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

How does vertical integration destroy value?

1. It helps incur lower costs of procurement
2. It increases barriers to entry in complementary markets
3. It creates higher economies of scope
4. It increases costs of intra-firm transactions

Options :

89951440578. 1

89951440579. 2

89951440580. 3

89951440581. 4

Question Number : 66 Question Id : 89951410325 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Firms tend to vertically integrate when:

1. Asset specificity is low
2. The frequency of transactions is low
3. Uncertainty is low
4. Uncertainty is high

Options :

89951440582. 1

89951440583. 2

89951440584. 3

89951440585. 4

Question Number : 67 Question Id : 89951410326 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

When both operational and corporate relatedness are low, the possible motives for the diversification

1. Pure financial motives
2. Managerial hubris
3. Saving tax and reducing regulatory interference
4. All of the above

Options :

89951440586. 1

89951440587. 2

89951440588. 3

89951440589. 4

Question Number : 68 Question Id : 89951410327 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Based on the research carried out on M&A performance, which of the following intent is likely to lead to a successful M&A?

1. M&A to create value through synergy generation
2. M&A for the sake of manager's hubris or to grow in size
3. M&A with the intent of spending excess cash
4. None of the above

Options :

- 89951440590. 1
- 89951440591. 2
- 89951440592. 3
- 89951440593. 4

Question Number : 69 Question Id : 89951410328 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following statements on globalization of firms is incorrect?

1. Typically, firms start with exports and then move on to alliances, acquisitions and finally, to wholly owned subsidiaries
2. Born global companies are implicitly global from their inception
3. The more globalized the world is, the lower are the liabilities of foreignness and the easier it is to set up wholly owned subsidiaries
4. None of the above

Options :

- 89951440594. 1
- 89951440595. 2
- 89951440596. 3
- 89951440597. 4

Question Number : 70 Question Id : 89951410329 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The telecom sector value chain suffers from mismatch in growth opportunities between the backend and the customer facing end of the value chain. The most likely M&A motive of a backend player into the customer facing end of the telecom industry is

1. Enhancement of its product-market scope
2. Growth or expansion in product, market, and geographies
3. Purely financial
4. To move up the value chain to sustain its financial and market performances

Options :

- 89951440598. 1
- 89951440599. 2
- 89951440600. 3
- 89951440601. 4

Question Number : 71 Question Id : 89951410330 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

A biotech company focused on discovering new drugs partners with an established pharmaceutical company that has complementary capabilities to manufacture, sell and distribute drugs but does not possess the specific research skills that the biotech company possesses. This is an example of

1. Firms forming alliances to shape the competitive environment
2. Firms combining some part of the operations to help them achieve economies of scale
3. Firms forming alliances to facilitate entry and exit from an industry
4. Firms forming alliances to exploit their partner's complementarity resources and capabilities

Options :

- 89951440602. 1
- 89951440603. 2
- 89951440604. 3
- 89951440605. 4

Question Number : 72 Question Id : 89951410331 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

An IT firm derives 95% of its revenue from customized business process management and the balance 5% by providing other related services also in the IT sector. What label will you give to the diversification strategy of such a firm?

- | | |
|-----------------------------|------------------------|
| 1. Unrelated | 2. Related constrained |
| 3. Dominant business-driven | 4. Related linked |

Options :

- 89951440606. 1
- 89951440607. 2
- 89951440608. 3
- 89951440609. 4

Question Number : 73 Question Id : 89951410332 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The difference between related linked and related constrained diversification is

- 1. Both types of diversification do not involve any sharing or leveraging of capabilities
- 2. The former involves leveraging more generic capabilities while the latter entails leveraging business specific capabilities
- 3. The later involves leveraging more generic capabilities while the former entails leveraging business specific capabilities
- 4. None of the above

Options :

- 89951440610. 1
- 89951440611. 2
- 89951440612. 3
- 89951440613. 4

Question Number : 74 Question Id : 89951410333 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

A firm 'ABC' is into the business of running airlines, producing music labels, owning a telecom service provider, and into specialty health care. What type of diversification strategy does ABC follow?

- | | |
|-----------------------------|------------------------|
| 1. Unrelated | 2. Related constrained |
| 3. Dominant business-driven | 4. Related linked |

Options :

89951440614. 1
89951440615. 2
89951440616. 3
89951440617. 4

Question Number : 75 Question Id : 89951410334 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

How do economies of scope arise?

1. When there is no sharing of resources and inputs between firms
2. When large volumes of the same product are produced by a firm, i.e., when a firm scales up its existing business
3. When there is sharing and/ or joint utilization of inputs and resources
4. None of the above

Options :

89951440618. 1
89951440619. 2
89951440620. 3
89951440621. 4

Question Number : 76 Question Id : 89951410335 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Combination of routines and processes provide corporate advantage because

1. Other firms can easily copy the combination
2. The combination is difficult to observe and imitate by competitors
3. The combination always provides cost leadership
4. All of the above

Options :

- 89951440622. 1
- 89951440623. 2
- 89951440624. 3
- 89951440625. 4

Question Number : 77 Question Id : 89951410336 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

If a firm moves upstream while diversifying (like Google moving into server manufacturing) it is a case of

- | | |
|-------------------------|---------------------------|
| 1. Forward Integration | 2. Horizontal Integration |
| 3. Backward Integration | 4. Parallel Integration |

Options :

- 89951440626. 1
- 89951440627. 2
- 89951440628. 3
- 89951440629. 4

Question Number : 78 Question Id : 89951410337 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Parenting advantage implies -

1. Creating more value through diversification than your rival would
2. Being ahead of rivals in your business level strategies.
3. Simultaneously pursuing vertical, horizontal and geographic diversification.
4. Making sure that you currently possess better corporate advantage than earlier.

Options :

- 89951440630. 1
- 89951440631. 2
- 89951440632. 3
- 89951440633. 4

Question Number : 79 Question Id : 89951410338 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

In a firm that possesses two businesses A & B, the value of each business is $V(A)$ and $V(B)$ respectively and the value of the combined business is $V(AB)$, when can one consider synergy to exist?

- 1. $V(AB) = V(A) + V(B)$
- 2. $V(AB) > V(A) + V(B)$
- 3. $V(AB) = V(A) - V(B)$
- 4. $V(AB) < V(A) + V(B)$

Options :

- 89951440634. 1
- 89951440635. 2
- 89951440636. 3
- 89951440637. 4

Question Number : 80 Question Id : 89951410339 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Leveraging of intangible resources by corporations will provide them with

- 1. Relatively sustainable competitive advantage
- 2. Non-sustainable competitive advantage
- 3. Business unit advantage
- 4. None of the above

Options :

- 89951440638. 1
- 89951440639. 2
- 89951440640. 3
- 89951440641. 4

Question Number : 81 Question Id : 89951410340 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following will you consider to be a good review of business unit performance?

- 1. Review current status of performance without any set target.
- 2. Reviews done against targets decided by the management immediately prior to the review.
- 3. Reviews done against performance on the targets set, and the utilization of budgets.
- 4. None of the above

Options :

- 89951440642. 1
- 89951440643. 2
- 89951440644. 3
- 89951440645. 4

Question Number : 82 Question Id : 89951410341 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is an example of sharing of intangible resource?

- 1. Using common manufacturing facilities across different products
- 2. Having the same distribution networks for different products
- 3. Sharing of new product development processes
- 4. Utilizing common warehousing for storage across businesses

Options :

- 89951440646. 1
- 89951440647. 2
- 89951440648. 3
- 89951440649. 4

Question Number : 83 Question Id : 89951410342 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Coordination with an internal supplier can be better than with an external supplier because:

1. Typically, it is easier to monitor the activities of an internal supplier compared to monitoring the activities of an external supplier
2. There is a shared identity with the internal supplier and possible common routines and processes all of which can lead to better communication between the different stages
3. Typically, it is easier to align incentives with an internal supplier than with an external supplier
4. All of the above

Options :

- 89951440650. 1
- 89951440651. 2
- 89951440652. 3
- 89951440653. 4

Question Number : 84 Question Id : 89951410343 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Vertical integration is most recommended in which of the following situations?

1. A manufacturer of paints is frequently required to purchase a specific grade of chemicals
2. A university hiring architecture design services for the construction of a sports complex
3. A bank designing and manufacturing ATM machines
4. None of the above

Options :

- 89951440654. 1
- 89951440655. 2
- 89951440656. 3
- 89951440657. 4

Question Number : 85 Question Id : 89951410344 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

A wood pulp manufacturing company, in order to secure the supply of the raw materials required for making pulp, decides to purchase large tracks of forests. This is an example of

1. Forward Integration
2. Horizontal Integration
3. Backward Integration
4. None of the above

Options :

- 89951440658. 1
- 89951440659. 2
- 89951440660. 3
- 89951440661. 4

Question Number : 86 Question Id : 89951410345 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is a negative consequence of geographic diversification?

1. It can lead to economies of scale and development of specialized capabilities
2. It can lead to more competition within a country and drive out inefficient domestic competitors or force them to improve
3. It can make MNEs seriously monopolistic that can exercise their power over regional economies
4. It can lead to transfer of ideas and technologies across countries, benefiting everyone

Options :

- 89951440662. 1
- 89951440663. 2
- 89951440664. 3
- 89951440665. 4

Question Number : 87 Question Id : 89951410346 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is a valid motive for geographical diversification?

1. To leverage local expertise
2. To gain location economies
3. To gain economies of learning
4. All of the above

Options :

- 89951440666. 1
- 89951440667. 2
- 89951440668. 3
- 89951440669. 4

Question Number : 88 Question Id : 89951410347 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

An FMCG major that leverages its product development capabilities and brand strength across geographic markets is a good example of exploiting which of the three advantages in Dunning's OLI framework?

1. Location advantage
2. Ownership advantage
3. Internalization advantage
4. None of the above

Options :

- 89951440670. 1
- 89951440671. 2
- 89951440672. 3
- 89951440673. 4

Question Number : 89 Question Id : 89951410348 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

As the CEO of a firm which of the following factors will you consider before deciding to undertake geographic diversification?

1. Select the target location for internationalization using the CAGE framework
2. Decide on the timing of internationalization
3. Select the scale of entry and decide on the vertical scope
4. All of the above

Options :

- 89951440674. 1
- 89951440675. 2
- 89951440676. 3
- 89951440677. 4

Question Number : 90 Question Id : 89951410349 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Liabilities of foreignness arise due to

1. Non-familiarity of the firm with the local culture, languages, norms, economic conditions and government regulations
2. Increase in complexity of management owing to high governance and coordination costs
3. Discrimination against foreign companies either explicitly or non-explicitly by the host country
4. Both A & C

Options :

- 89951440678. 1
- 89951440679. 2
- 89951440680. 3
- 89951440681. 4

Question Number : 91 Question Id : 89951410350 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

A firm can operate as a multidomestic firm if

1. The need for both global integration and local responsiveness is low
2. The need for global integration is low and the need for local responsiveness is high
3. The need for global integration as well as the demand for local responsiveness is high
4. The need for global integration is high but the need for local responsiveness is low

Options :

89951440682. 1

89951440683. 2

89951440684. 3

89951440685. 4

Question Number : 92 Question Id : 89951410351 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Which of the following is true?

1. Companies sometimes go global just to prevent future competition by pre-empting competitors and imitators
2. Operating a global supply chain has benefits of reduced costs, improved quality and enhanced value
3. An MNE can extend its product's life cycle by geographic diversification
4. All of the above

Options :

89951440686. 1

89951440687. 2

89951440688. 3

89951440689. 4

Question Number : 93 Question Id : 89951410352 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Which of the following about internationalization is **not** true?

1. It can lead to more competition within a country and drive out inefficient domestic competitors or force them to improve
2. It cannot lead to transfer of ideas and technologies across countries
3. It can lead to some individuals, industries and sectors to benefit more than others
4. It can make MNEs seriously monopolistic that can exercise their power over regional economies

Options :

- 89951440690. 1
- 89951440691. 2
- 89951440692. 3
- 89951440693. 4

Question Number : 94 Question Id : 89951410353 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The reasons for the growth in globalization over the last several decades are

1. The general acceptance that globalization benefits everyone
2. A reduction in the costs of transport, travel, communications and information technology
3. Increase in capabilities of MNEs to manage overseas operations
4. All of the above

Options :

- 89951440694. 1
- 89951440695. 2
- 89951440696. 3
- 89951440697. 4

Question Number : 95 Question Id : 89951410354 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is false?

1. Outsourcing is about contracting the firm scope where firms find partners to perform non-core activities
2. Acquisitions are actions where an acquiring firm buys controlling stake and ownership of a target firm
3. Divestitures are the converse of mergers and acquisitions – when two firms combine their activities and form a combined entity
4. Diversification by green field expansion is too time consuming and uses significant organizational resources

Options :

- 89951440698. 1
- 89951440699. 2
- 89951440700. 3
- 89951440701. 4

Question Number : 96 Question Id : 89951410355 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The Open Handset Alliance that has developed Android as an open standard for mobile devices is an example of

1. Firms forming alliances to shape the competitive environment
2. Firms combining some part of the operations to help them achieve economies of scale
3. Firms forming alliances to facilitate entry and exit from an industry
4. All of the above

Options :

- 89951440702. 1
- 89951440703. 2
- 89951440704. 3
- 89951440705. 4

Question Number : 97 Question Id : 89951410356 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Restructuring of acquired firms creates value through identification and exploitation of synergies that arise from which of the following sources.

1. Technical and administrative economies of scale
2. Reduction in uncertainty or improvement in quality that has arisen out of vertical integration
3. Concentric or conglomerate benefits, such as benefits arising out of sharing corporate activities
4. All of the above

Options :

- 89951440706. 1
- 89951440707. 2
- 89951440708. 3
- 89951440709. 4

Question Number : 98 Question Id : 89951410357 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Acquisitions are preferred over alliances when

1. Transaction-specific assets are not required
2. Anti-trust issues exist
3. There is high uncertainty
4. The two firms have complementary resources

Options :

- 89951440710. 1
- 89951440711. 2
- 89951440712. 3
- 89951440713. 4

Question Number : 99 Question Id : 89951410358 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Which of the following statements related to licensing and franchising in international markets is incorrect?

1. Licensing and franchising have low development costs and provide easy returns since the local operations are managed by the local partner
2. Licensing and franchising are relatively less risky since the local partner bears the risk
3. Licensing and franchising provide relatively fewer returns as compared to other entry modes
4. None of the above

Options :

- 89951440714. 1
- 89951440715. 2
- 89951440716. 3
- 89951440717. 4

Question Number : 100 Question Id : 89951410359 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The benefits of setting up a greenfield venture in a foreign location are

1. Firms can have much greater control over their operations and potentially earn much higher returns compared to the other modes
2. Higher risks of losing technology, resources or intellectual property
3. Lower investment
4. High liabilities of foreignness

Options :

- 89951440718. 1
- 89951440719. 2
- 89951440720. 3
- 89951440721. 4