

## 4.07 Business Models

### Question 1

Company Z (Z) offers short-term car rentals through its digital platform. The rental cars are provided by willing car owners, and Z charges a percentage fee on each transaction. If all transactions are sold under Z's own brand, then Z is *best* described as a(n):

- A. aggregator.
- B. affiliate marketer.
- C. marketplace business.

### Question 2

Which of the following is most likely a form of price discrimination?

- A. Auction models
- B. Optional product pricing
- C. Razors-and-blades pricing

### Question 3

Which of the following pricing models most likely relies on hidden revenues to rapidly increase scale?

- A. Free online newspaper
- B. Discounted digital streaming bundle
- C. Freemium-priced video game service

### Question 4

If a company prices a product based on the product's low total cost of ownership, the company's pricing model is *best* described as:

- A. cost-based.
- B. value-based.
- C. bundle discounting.

### Question 5

An e-commerce company offers customers the option to pick up orders from an independent local retailer. Using the retailer is *least likely* to be part of the e-commerce company's:

- A. value chain.
- B. supply chain.
- C. value proposition.