



WEEK 2: ASSIGNMENT 2

Q1) What does "consolidation" mean in the context of business markets?

- A) The process of expanding the number of customers in the market
- B) The process of growing the concentration of sales and profits among a handful of major customers
- C) The creation of new, independent companies in the market
- D) The process of diversifying products and services to appeal to a wider audience

Q2) The process of consolidation is often accelerated by which of the following?

- A) Increasing product innovation
- B) Merger, acquisitions, and alliances among companies
- C) Entering new markets
- D) Focus on local customer needs

Q3) In margin erosion, producer margins have been negatively affected by the combined effects of commoditization, consolidation of the customer base, and _____.

- A) Increase in production costs
- B) Shift in bargaining power
- C) Expansion into new markets
- D) Rise in advertising expenses

Q4) What is the main result of the "Power Shift" in the marketing environment?

- A) Manufacturers have more control over the market
- B) Consumers or buyers gain more bargaining power
- C) Buyers lose bargaining power
- D) Products become more differentiated

Q5) Which of the following forces is directly influenced by "Better-informed customers" and "Intense competition"?

- A) Margin Erosion
- B) Power Shift
- C) Value Focus
- D) Commoditization

Q6) Which of the following is not an internet-driven change in consumer behavior?

- A) Consumers have redefined the idea of negotiation
- B) Consumers are more loyal
- C) Consumers are now building their own solutions
- D) Consumers are evaluating products across unrelated categories

7) Select the correct statement(s) regarding artificial intelligence.

Statement 1: Artificial intelligence (AI) has gained more popularity despite the limited mobile penetration.

Statement 2: AI is expected to play a significant role in shaping the future of consumer experience.

Statement 3: According to a Statista report, the market size of artificial intelligence is forecasted to decrease in the coming years.

- A) Statement 1 is correct.
- B) Statement 1 and Statement 2 are correct, but Statement 3 is incorrect.
- C) Statement 1 and Statement 3 are incorrect, but Statement 2 is correct.
- D) All statements are incorrect.

Q8) In the context of margin erosion, how did new entrants like Samsung and LG impact Nokia's position in the market?

- A) They forced Nokia to increase its pricing
- B) They compelled Nokia to slash its margins dramatically
- C) They led Nokia to focus on luxury products
- D) They had no significant impact on Nokia's market capitalization

Q9) Which of the following describes a shift in consumer behavior due to the internet, where customers can directly participate in product development?

- A) Geographic versus Universal Availability
- B) Cocreation
- C) Self-Access versus Infomediary
- D) Bricks versus Clicks and Bricks

Q10) Which of the following best describes consumer behavior?

- A) The study of how organizations sell their products to customers.
- B) The analysis of how customers satisfy their needs and wants by selecting, using, and disposing of products and services.
- C) The process of defining marketing strategies for a product.
- D) A method of pricing products based on customer preferences.

END