40 Lecture - MGT301

Important Mcqs

- 1. Which of the following is not a potential source of competitive advantage?
 - a) Cost leadership
 - b) Differentiation
 - c) Focus
 - d) Market saturation

Answer: d) Market saturation

- 2. Which of the following is a limitation of the cost leadership strategy?
 - a) Difficulty in achieving economies of scale
 - b) Vulnerability to imitation by competitors
 - c) High investment in research and development
 - d) Low pricing power

Answer: b) Vulnerability to imitation by competitors

- 3. Which of the following statements is true regarding the differentiation strategy?
 - a) It focuses on offering products or services at the lowest possible cost.
 - b) It aims to create a perception of uniqueness among customers.
 - c) It involves targeting a narrow, specific segment of the market.
 - d) It emphasizes on offering the best customer service.

Answer: b) It aims to create a perception of uniqueness among customers.

- 4. Which of the following is a limitation of the focus strategy?
 - a) Difficulty in achieving economies of scale
 - b) Vulnerability to imitation by competitors
 - c) Limited market potential
 - d) High investment in research and development

Answer: c) Limited market potential

- 5. Which of the following is not a potential source of differentiation?
 - a) Product features
 - b) Brand image
 - c) Pricing strategy
 - d) Customer service

Answer: c) Pricing strategy

- 6. The strategy that aims to provide customers with a product or service that is unique and superior in some way is called:
 - a) Cost leadership
 - b) Differentiation
 - c) Focus
 - d) Integration

Answer: b) Differentiation

- 7. Which of the following statements is true regarding the cost leadership strategy?
 - a) It focuses on offering products or services that are unique and superior in some way.
 - b) It aims to achieve the lowest cost of production and distribution.
 - c) It involves targeting a narrow, specific segment of the market.
 - d) It emphasizes on offering the best customer service.

Answer: b) It aims to achieve the lowest cost of production and distribution.

- 8. A company that offers a wide range of products to appeal to different customer preferences is using which of the following strategies?
 - a) Cost leadership
 - b) Differentiation
 - c) Focus
 - d) Integration

Answer: d) Integration

- 9. Which of the following statements is true regarding the focus strategy?
 - a) It aims to create a perception of uniqueness among customers.
 - b) It involves targeting a narrow, specific segment of the market.
 - c) It focuses on offering products or services at the lowest possible cost.
 - d) It emphasizes on offering the best customer service.

Answer: b) It involves targeting a narrow, specific segment of the market.

- 10. A company that uses advanced technology to improve the quality and efficiency of its products is using which of the following sources of competitive advantage?
 - a) Innovation
 - b) Cost leadership
 - c) Brand reputation
 - d) Customer service

Answer: a) Innovation