

34. Assume that XYZ business enterprise tried to balance and address the divergent interest of the company, customer, and society for the sake of ensuring sustainable production and consumption in due considering not only the present generation but also for the future generation. Most likely this enterprise was guided by;

- A. Societal marketing concept
- B. Marketing concept
- C. Product Concept
- D. Production concept

35. If a given entrepreneur started to deliver training on entrepreneurship by uploading a series of her/his video lecture to its customers, her/his mode of delivering the service can be regarded as it overcomes _____ characteristics of the service

- A. Inseparability and intangibility
- B. Intangibility and inseparability
- C. Inseparability and perishability
- D. Inseparability
- E. None of the above

36. _____ is the form of communication that seeks to change the perception of customers, shareholders, suppliers, employment, and other publics about the company and its product

- A. Advertising
- B. Personal selling
- C. Sales promotion
- D. Public relation

37. Which of the following one provides exclusive rights to creative individuals for the protection of literary or artistic productions?

- A. Copyrights
- B. Patent
- C. Trade mark
- D. All of the above

38. _____ is anything that can be offered to satisfy a need or want.

- A. Product
- B. Idea
- C. Service
- D. Demand

39. A legal definition of ideas, inventions, artistic works and other commercially viable products created out of one's own mental processes.

- A. Marketing property
- B. Physical property
- C. Legal property
- D. Intellectual property

40. A test to evaluate a new product idea with target consumers before any prototype has been created is;

- A. Idea screening
- B. Business analysis
- C. Concept testing
- D. Idea generation

41. According to the proclamation to be granted a patent, an invention must fulfill the following condition except;

- A. It must be new
- B. It should be capable of industrial application

27. A short term loan in which collateral is neither requested nor given is called _____.

A. Unsecured loan

B. Urgent loan

C. unrefundable loan

D. Secured loans.

E. Refundable loan

28. _____ is a long-term contract in which the issuer agrees to make principal and interest payments on specific dates

A. Secured loan

B. Venture capital

C. Bond

D. Shareholding

E. None of the above

29. Which of the following is not a source of equity financing?

A. Lenders

B. Friends and family

C. Venture Capital Companies

D. Partners

E. Employee stock ownership plan

F. Public Stock Sale ("going public")

30. According to the proclamation to be granted a patent, an invention must fulfill the following condition except:

A. It must be new

B. It should be capable of industrial application

☒ C. It must be obvious

D. None of the above

31. _____ protects any new invention or functional improvements on existing inventions.

A. Design patent

C. Intellectual patent

☒ B. Utility patent

D. Main patent

32. Assume you are setting up a small business with your friends. Of the following one, is it not the concern of the partners?

A. Financial Contribution

C. Risk sharing

B. Number of shareholders

☒ D. Managerial role

33. Select the wrong statement

A. The easiest form business is sole proprietorship

B. Start-up capital is high in corporations ✓

☒ C. Life of corporations is limited ✗

D. General partners have unlimited liability ✓

34. Which criterion is odd?

☒ A. Number of employees

C. Firm's asset

B. Geographic area of operation

D. sales volume

35. _____ Depicts the path of communication, means of resource allocation, relationships jobs have with each other, etc.

A. Organizational culture

C. Organizational design

B. Organizational strategy

☒ D. Organizational structure

15. Which of the following can be considered as a limitation of lease financing for the lessor
- A. The growth potentiality of leasing is much higher as compared to other forms of business.
 - B. The lessor cannot recover the total investment through lease rentals
 - C. Every year, the lessor receives a set amount of lease rental that cannot be increased, even if the assets cost increases.
 - D. The lessor does not completely pass to the lessee all the risks and benefits associated with ownership.
16. Which of the following marketing mix can be regarded by the entrepreneurial manager as the most flexible than the other and also serve as the means to represent the value that s/he intends to deliver to the potential customers?
- A. Promotion
 - B. Product
 - C. Placing
 - D. Pricing
17. The systematic process of gathering, analyzing, supplying and applying information about the external environment is referred to as-----
- A. Marketing intelligence
 - B. Marketing information system
 - C. Marketing research
 - D. Consumer study
18. If the owner and the manager of XYZ Company sets the low price by considering on one hand the purchasing power of the consumers and their being highly price sensitive and on the other hand the objectives of its company, that is, increasing the market share, the pricing method which is used by the manager can be regarded as
- A. Competitive pricing
 - B. Penetration pricing
 - C. Mark-up pricing
 - D. Cost-plus pricing
19. Identify the difference between customer value and customer satisfaction
- A. The former is the mental calculation of the consumers about the perceived benefits and the perceived costs whereas the latter indicates the gap between the perceived expectation and the perceived experience
 - B. The latter is being determined before having the actual experience whereas the former can be formulated after having the actual experience
 - C. Both of them are the exact reflection of the cost of buying the item
 - D. The former is determined objectively whereas the latter on is always determined subjectively
 - E. None of the above
20. All of the following are not the advantages of debt finance, except:
- A. Interest on the debt can be deducted on the company's tax return, lowering the actual cost of the loan to the company.
 - B. Companies that are too highly leveraged often find it difficult to grow because of the high cost of servicing the debt.
 - C. Most loans are not repayable in varying amounts over time based on the business cycles of the company.
 - D. A business is limited as to the amount of debt it can carry.

E. The company is usually required to pledge assets of the company to the lender as collateral

21. The type of funding required for a particular venture is a function of all of the following, except:

- A. type or nature of the venture itself
- B. the industry in which it competes
- C. the product or service produced
- D. the stage of the venture's development
- E. None of the above

22. Money borrowed from an outside entity to fund your business is called _____.

- A. Monetary fund
- B. Debt finance
- C. Fund
- D. Equity
- E. Bad debt

23. A short term loan in which collateral is neither requested nor given is called _____.

- A. Unsecured loan
- B. Secured loans.
- C. Refundable loan
- D. Urgent loan
- E. Unrefundable loan

24. _____ is a long-term contract in which the issuer agrees to make principal and interest payments on specific dates

- A. Secured loan
- B. Venture capital
- C. Bond
- D. Shareholding
- E. None of the above

25. During which stage of new-product development will management most likely estimate the minimum and maximum sales to assess the range of risk in launching a new product?

- A. Product development
- B. Marketing strategy development
- C. Concept testing
- D. Test marketing
- E. Business Analysis

26. _____ means that services cannot be separated from their providers, whether the providers are people or machines.

- A. Service intangibility
- B. Service perishability
- C. Service inseparability
- D. Service heterogeneity
- E. Service variability

I. Choose the Best Answer from the Given Alternatives and Put Your Answer in the Separate answer Sheet Provided

1. A property right granted by the government to an inventor is:
A. Patent right
B. Copy right
C. Trade mark
D. All of the above
2. Which of the following is not source of new product idea?
A. Observing market conditions
B. Mass Media
C. Successful story of friends and relatives
D. Internet
E. None of the above
3. A detailed version of the product idea stated in a meaningful consumer terms is :
A. Product image
B. Market strategy
C. Market concept
D. Product concept
E. None of the above
4. Which of the following is not a source of equity financing?
A. Lenders
B. Friends and family
C. Venture Capital Companies
D. Partners
E. Employee stock ownership plan
F. Public Stock Sale ("going public")
5. Which one of the following products requires a lot of advertising, personal selling and other marketing efforts because consumer either does not know about it or knows about it but does not normally think about buying?
A. Unsought products
B. Specialty products
C. Shopping products
D. Industrial products
6. Which of the following is/are not true about the levels of product?
A. Basic/tangible Product is the most basic level that the buyer really buying
B. Core product is the most basic level that the buyer really buying
C. Augmented product is the additional services and benefits over and above the core and basic product offered
D. A and C
E. B and C
7. Which stage in product development process where preliminary demand, cost, sales, and profitability are analyzed
A. Business analysis
B. Prototype development
C. Test Marketing
D. Commercialization
E. None of the above

8. Mr. Zelalem has invented new poultry product processing equipment. He wanted to get property right for his invention and applied to ministry of science and technology. Which patent type he is entitled to obtain?
- A. Utility patent
 - B. Plant patent
 - C. Design patent
 - D. No patent is entitled
9. _____ Occur when someone chooses to give up current consumption in order to raise the amount of assets available for consumption in the future.
- A. Deduction from Salaries
 - B. Regular deposits
 - C. Debt capital
 - D. Equity capital
10. One of the following is not true about the difference between venture capitalists and angle investors.
- A. VCs invest capital controlled by a venture capital fund or firm, while angel investors invest their own money
 - B. In some cases, VCs will invest in early-stage startups as opposed to the extremely late-stage startups that angel investors prefer.
 - C. Venture capitalists have high expectations of equity position than angle investors.
 - D. While angel investors might offer more unofficial assistance and guidance, venture capitalists might have a more active role in decision-making of the businesses they invest in.
11. Which stage in the product development process eliminates poor ideas that are inconsistent with the organization's new product strategy?
- A. Concept test
 - B. Idea screening
 - C. Business analysis
 - D. Idea Generation
12. A word, symbol, design or some combination of these or a slogan or particular sound that identifies the source or sponsorship of certain goods and services;
- A. Trade secrets
 - B. Trade mark
 - C. Patents
 - D. Copy right
13. A legal definition of ideas, inventions, artistic works and other commercially viable products created out of one's own mental processes.
- A. Intellectual property
 - B. Physical property
 - C. Legal property
 - D. All of the above
14. Which of the following is true about operating lease
- A. The lessor transmits any risks or rewards related to asset ownership to the lessee. ✗
 - B. The lessor does not have to rely on leasing an asset to a separate lessee in order to regain their investment.
 - C. The lease can be terminated by the lessee with little or no notice, and there is no penalty for doing so.
 - D. The lease term is higher than the economic life of the asset.