

SUBIECTE Business Fundamentals and Logistics

1.	A retail store that carries a narrow product line with a deep assortment within that line is called: a) department store; b) speciality store; c) supermarket; d) discount store.	B
2.	A retail organization that carries a wide variety of product lines – each line is operated as a separate department managed by specialist buyers or merchandisers, is called: a) department store; b) speciality store; c) convenience stores; d) discount store.	A
3.	A large, low-cost, low-margin, high-volume, self-service store that carries a wide variety of grocery and household products, is called: a) speciality store; b) convenience stores; c) supermarket; d) superstore.	C
4.	A small store, located near a residential area, that is open long hours seven days a week and carries a limited line of high-turnover convenience goods, is called: a) speciality store; b) convenience stores; c) supermarket; d) superstore.	B
5.	A store much larger than a regular supermarket that offers a large assortment of routinely purchased food products, nonfood items and services, is called: a) factory outlet; b) convenience stores; c) category killer; d) superstore.	D
6.	A giant speciality store that carries a very deep assortment of a particular line and is staffed by knowledgeable employees, is called: a) superstore; b) category killer; c) warehouse clubs; d) discount store.	B
7.	A retailer that buys at less-than-regular wholesale prices and sells at less than retail, is called: a) off-price retailer; b) service retailer; c) industrial distributor; d) drop shippers.	A
8.	In the category „independent off-price retailer”, we don't include: a) independents; b) factory outlet; c) retailer cooperative; d) warehouse clubs.	C

9.	Two or more outlets that are commonly owned and controlled, are called: a) franchise; b) chain stores; c) factory outlets; d) warehouse clubs.	B
10.	A contractual association between a manufacturer, wholesaler or service organization and independent businesspeople who buy the right to own and operate one or more units, is called: a) corporate chain store; b) voluntary chain; c) retailer cooperative; d) franchise organization.	D
11.	A community shopping center contains between: a) 5 and 15 stores; b) 15 and 50 retail stores; c) 50 and 75 retail stores; d) 75 and 100 stores.	B
12.	The broker is: a) an independent wholesaler that takes title to the merchandise it handles; b) a wholesaler who represents buyers or sellers on a relatively permanent basis, performs only a few functions and does not take title to goods; c) a wholesaler who does not take title to goods and whose function is to bring buyers and sellers together and assist in negotiation; d) a wholesaler who offers full services.	C
13.	The wholesaler who carries a limited line of semiperishable merchandise, which is sold for cash as deliveries are made to supermarkets, small groceries, hospitals, restaurants, factory cafeterias and hotels, is called: a) industrial distributor; b) drop shipper; c) rack jobbers; d) truck jobbers.	D
14.	The wholesalers who carry a limited line of fast-moving goods and sell to small retailers for cash, are called: a) truck jobbers; b) cash and carry wholesalers; c) rack jobbers; d) mail-order wholesalers.	B
15.	An agent, who is hired by small manufacturers who cannot afford their own field sales forces and by large manufacturers who use agents to open new territories or cover territories that cannot support full-time salespeople, is called: a) manufacturer's agent; b) selling agent; c) purchasing agent; d) broker.	A
16.	The wholesaler who takes a truckload of commodities from the small farmers to a central market, sells it for the best price, deducts a commission and expenses and remits the balance to the producers, is called: a) manufacturer's agent; b) selling agent; c) commission merchants; d) purchasing agent.	C

17.	The agents who have a long-term relationship with buyers and make purchases for them, often receiving, inspecting, warehousing and shipping the merchandise to buyers, are called: a) manufacturer's agent; b) selling agent; c) commission merchants; d) purchasing agent.	D
18.	The process of anticipating customer needs and wants; acquiring the capital, materials, people, technologies and information necessary to meet those needs and wants; optimizing the goods- or service-producing network to fulfill customer requests and utilizing the network to fulfill customer requests in a timely way, is called: a) integrated logistics; b) supply chain management; c) total channel integration; d) logistics.	A
19.	The management of upstream and downstream relationships with suppliers and customers in order to deliver superior customer value at less cost to the supply chain as a whole, means: a) integrated logistics; b) supply chain management; c) total channel integration; d) logistics.	B
20.	Primary logistics activities do not include: a) transportation; b) inventory; c) communications and information; d) marketing.	D
21.	Primary logistics activities do not include: a) engineering; b) inventory; c) communications and information; d) transportation.	A
22.	Primary logistics activities include: a) marketing; b) material handling; c) engineering; d) finance/accounting.	B
23.	Primary logistics activities include: a) human resource management; b) marketing; c) inventory; d) engineering.	C
24.	Retailing includes: a) All the activities involved in selling goods or services directly to final consumers for their personal, non-business use. b) All the activities involved in selling goods or services to wholesalers. c) No answer is correct. d) Both answers are correct.	A
25.	Retailers can be classified in terms of several characteristics. These may include: a) The amount of service they provide. b) The breadth and depth of their product lines. c) The way they are organized.	D

	d) All answers are correct.	
26.	A store that carries a narrow product line with a deep assortment, such as a bookstore, is a: a) Department store. b) Supermarket. c) Specialty store. d) Convenience store.	C
27.	A store that carries several product lines – typically clothing, home furnishings and household goods – with each line operated as a separate department managed by specialist buyers or merchandisers is a: a) Department store. b) Supermarket. c) Specialty store. d) Convenience store.	A
28.	A relatively large, low-cost, low-margin, high-volume, self-service operation designed to serve the customer's total needs for grocery and household products is a: a) Off-price retailer. b) Superstore. c) Supermarket. d) Discount store.	C
29.	A relatively small store located near residential areas, open long hours seven days a week, and carrying a limited line of high-turnover convenience products at slightly higher prices is a: a) Specialty store. b) Convenience store. c) Superstore. d) Department store.	B
30.	A store that carries standard merchandise sold at lower prices with lower margins and higher volumes is a: a) Off-price retailer. b) Supermarket. c) Discount store. d) Department store.	C
31.	A store that sells merchandise bought at less-than-regular wholesale prices and sold at less than retail (often leftover goods, overruns, and irregulars obtained at reduced prices from manufacturers or other retailers) is a: a) Off-price retailer. b) Department store. c) Discount store. d) Superstore.	A
32.	A very large store traditionally aimed at meeting consumers' total needs for routinely purchased food and non-food items is a: a) Supermarket. b) Department store. c) Specialty store. d) Superstore.	D
33.	Different types of customers and products require different amounts of service. To meet these varying service needs, retailers may offer: a) Self-service. b) Limited service. c) Full service. d) All answers are correct.	D
34.	Retailers in which salespeople assist customers in every phase of the shopping process provide:	A

	<ul style="list-style-type: none"> a) Full services. b) Half services. c) Limited services. d) No answer is correct. 	
35.	<p>Retailers that serve customers who are willing to perform their own “locate-compare-select” process to save time or money, are:</p> <ul style="list-style-type: none"> a) Limited-service retailers. b) Self-service retailers. c) Full-service retailers. d) Half-service retailers. 	B
36.	<p>Considering the provided product line, example of retailers might include:</p> <ul style="list-style-type: none"> a) Department stores. b) Specialty stores. c) Supermarkets. d) All answers are correct. 	D
37.	<p>A classification of retailers according to the prices they charge, might include:</p> <ul style="list-style-type: none"> a) Discount stores. b) Off-price retailers. c) Both answers are correct. d) No answer is correct. 	C
38.	<p>Main types of off-price retailers might include:</p> <ul style="list-style-type: none"> a) Independent off-price retailers. b) Factory outlets. c) Warehouse clubs. d) All answers are correct. 	D
39.	<p>Major types of retail organizations include:</p> <ul style="list-style-type: none"> a) Corporate chains. b) Retailer cooperatives. c) Franchise organizations. d) All of them. 	D
40.	<p>Two or more outlets that are commonly owned and controlled, represent:</p> <ul style="list-style-type: none"> a) A corporate chain store. b) A voluntary chain. c) A retailer cooperative. d) A franchise organization. 	A
41.	<p>A wholesaler-sponsored group of independent retailers engaged in group buying and merchandising, represents:</p> <ul style="list-style-type: none"> a) A corporate chain store. b) A voluntary chain. c) A retailer cooperative. d) A franchise organization. 	B
42.	<p>A group of independent retailers who jointly establish a central buying organization and conduct joint promotion efforts, represents:</p> <ul style="list-style-type: none"> a) A corporate chain store. b) A voluntary chain. c) A retailer cooperative. d) A franchise organization. 	C
43.	<p>A contractual association between a franchisor (a manufacturer, wholesaler, or service organization) and franchisees (independent businesspeople who buy the right to own and operate one or more units in the franchise system) represents:</p>	B

	<ul style="list-style-type: none"> a) A corporate chain store. b) A franchise organization. c) A voluntary chain. d) A retailer cooperative. 	
44.	<p>Usually, retailers face major marketing decisions about:</p> <ul style="list-style-type: none"> a) Segmentation and targeting. b) Store differentiation and positioning. c) Retail marketing mix. d) All answers are correct. 	D
45.	<p>An independently owned wholesale business that takes title to the merchandise it handles is:</p> <ul style="list-style-type: none"> a) A merchant wholesaler. b) A broker. c) An agent. d) A manufacturer's sales branch and office. 	A
46.	<p>A wholesaler who does not take title to goods and whose function is to bring buyers and sellers together and assist in negotiation is:</p> <ul style="list-style-type: none"> a) An agent. b) A broker. c) A merchant wholesaler. d) A manufacturer's sales branch and office. 	B
47.	<p>A wholesaler who represents buyers or sellers on a relatively permanent basis, performs only a few functions, and does not take title to goods is:</p> <ul style="list-style-type: none"> a) An agent. b) A broker. c) A merchant wholesaler. d) A manufacturer's sales branch and office. 	A
48.	<p>Wholesalers that carry a limited line of fast-moving goods and sell to small retailers for cash, normally not delivering the goods, are:</p> <ul style="list-style-type: none"> a) Truck jobbers. b) Cash-and-carry wholesalers. c) Drop shippers. d) Rack jobbers. 	B
49.	<p>Wholesalers that do not carry inventory or handle the products, receive the orders, and select a manufacturer who ships the merchandise directly to the customer, are:</p> <ul style="list-style-type: none"> a) Drop shippers. b) Rack jobbers. c) Mail-order wholesalers. d) Producers' cooperatives. 	A
50.	<p>A group of retail businesses built on a site that is planned, developed, owned, and managed as a unit is:</p> <ul style="list-style-type: none"> a) A convenience store. b) A discount store. c) A shopping center. d) A specialty store. 	C
51.	<p>Wholesalers that perform primarily a selling and delivery function and carry a limited line of semiperishable goods (such as bread, milk, etc.) which is sold for cash as deliveries are made to supermarkets, small groceries, hospitals, restaurants, factory cafeterias, and hotels, are:</p> <ul style="list-style-type: none"> a) Rack jobbers. b) Truck jobbers. c) Drop shippers. d) Cash-and-carry wholesalers. 	B

52.	Farmer-owned members that assemble farm produce for sale in local markets, represent: a) Producers' cooperatives. b) Truck jobbers. c) Rack jobbers. d) Drop shippers.	A
53.	Wholesalers who send catalogs to or maintain Web sites for retail, industrial, and institutional customers featuring jewelry, cosmetics, specialty foods, and other small items, are: a) Mail-order or Web wholesalers. b) Drop shippers. c) Cash-and-carry wholesalers. d) Truck jobbers.	A
54.	Which statement is false? a) The focus of supply chain management is upon the management of relationships in order to achieve a more profitable outcome for all parties in the chain. b) The physical distribution of the goods is a problem distinct from the creation of demand. c) Supply chain management is a narrow concept than logistics. d) The supply chain becomes the value chain.	C
55.	Which one is a logistics leverage opportunity from the value advantage perspective: a) Asset turn b) Capacity utilisation c) Tailored services d) Synchronous supply	C
56.	Cost leader position that companies will often seek to achieve based upon the matrix of logistics and competitive advantage is: a) To seek a strategy of differentiation through service excellence of the matrix b) Based upon the economies of scale gained through sales volume c) Just in time delivery and value added services that enable companies to do a better job of serving their customers d) About their products that are indistinguishable from their competitors' offerings.	B
57.	The goal of logistics and supply chain management is: a) To link the market place, the distribution network, the manufacturing process and the procurement activity b) To serve the customers at higher levels and costs c) Managing the goods flow as a series of independent activities d) To achieve competitive advantage through both cost and service reduction.	A
58.	The "value chain" concept has been extensively described by: a) Arch Shaw in 1915 b) Michael Porter in 1985 c) Arthur Bowler in 1975 d) James Aitken in 1998	B
59.	Value chain activities can be categorised into two types: a) Main and secondary activities b) Primary and support activities c) Internal and external activities d) Management and marketing activities	B
60.	Inbound and outbound logistics are part of the value chain activities: a) Primary activities b) Operations c) Marketing and sales d) Service	A

61.	Achieving an integrated supply chain is made in: a) 2 stages b) 3 stages c) 4 stages d) 5 stages	C
62.	Stage two of achieving an integrated supply chain represents: a) baseline b) internal integration c) functional integration d) external integration	C
63.	External integration of the supply chain represents: a) linkage of suppliers, internal supply chain and customers b) linkage of materials management, manufacturing management and distribution c) integration between distribution and inventory management d) integration between purchasing and materials control	A
64.	In today's marketplace the order-winning criteria are more likely to be: a) service-based b) product-based c) people-based d) employee-based	A
65.	The ability to move quickly and to meet customer demand sooner is: a) agility b) planning c) variability d) reliability	A
66.	Resilience refers to: a) seeking mutually beneficial, long-term relationships with the suppliers; b) the ability to respond to customers' requirements in ever-shorter time-frames; c) the ability of the supply chain to cope with unexpected disturbances; d) improving product quality not by quality control through inspection but rather to focus on process control.	C
67.	The themes that provide the basis for successful logistics and supply chain management are: a) agility, reliability, resilience and relationships; b) responsiveness, reliability, agility and relationships; c) responsiveness, reliability, resilience and relationships; d) variability, reliability, resilience and vulnerability.	C
68.	Supply Chain Management classifies suppliers as: a) approved; b) preferred; c) exclusive; d) alliances. Choose the right combination: a) 1,2,3 b) 1,3,4 c) 2,3,4 d) 1,2,4	B
69.	When the contributions of the activities performed exceed the cost of performing the activities takes place: a) added-value; b) suboptimization; c) fragmentation; d) outsourcing.	A
70.	SCM evolved through four stages, in the following order: a) proactive, reactive, strategic supply management; mechanical;	C

	<ul style="list-style-type: none"> b) mechanical, reactive, proactive, strategic supply management; c) reactive, mechanical, proactive, strategic supply management; d) reactive, proactive, mechanical, strategic supply management. 	
71.	<p>Operations management can be defined as:</p> <ul style="list-style-type: none"> a) a set of activities that creates goods and services through the transformation of inputs into outputs; b) the process of planning, organizing and controlling the flow of materials and services from suppliers to end users; c) the movement and storage functions associated with supplying goods to the firm; d) learning the need, locating and selecting a supplier, negotiating the price and other pertinent terms, and following up to ensure delivery. 	A
72.	<p>Inbound logistics represents:</p> <ul style="list-style-type: none"> a) the movement of products between customers; b) the movement of products into a firm; c) the movement of products within a plant or warehouse facility; d) the movement of products out of the plant to customer. 	B
73.	<p>Primary logistics activities and service response logistics activities are included in the concept of:</p> <ul style="list-style-type: none"> a) integrated logistics b) production operations c) human resource management d) engineering 	A
74.	<p>Primary logistics activities does not include:</p> <ul style="list-style-type: none"> a) transportation b) facility structure c) inventory d) waiting time 	D
75.	<p>Service response logistics activities does not include:</p> <ul style="list-style-type: none"> a) delivery b) capacity c) waiting time d) inventory 	D
76.	<p>In the last stage of the evolution of Supply Management it is not included:</p> <ul style="list-style-type: none"> a) supply as a competitive weapon b) supply strategy centralized c) value chain management d) some cross-functional support. 	D
77.	<p>Tactics to implement Supply Chain management doesn't include:</p> <ul style="list-style-type: none"> a) Developing strong relationships with supply chain management members b) Developing high-quality products and services c) Sharing information among supply chain management members d) Expanding the order cycle time. 	D
78.	<p>Which statement is false?</p> <ul style="list-style-type: none"> a) In the beginning, logistics activities were dispersed throughout the firm with no defined control; b) As the firms recognized the impact of logistics, the logistics activities were reorganized into inbound logistics; c) Recognition of logistics implications in conversion operations led to the concept of integrated logistics; d) The most recent stage in the evolution of integrated logistics began when firms realized the need for a seamless pipeline to control the flow of goods and services to the final consumer. 	B