

Quiz: The Business of Business

Question 1a of 10 (1 Profit 209925)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following accurately explains how profit is calculated?

Choice table with options: Total retail sales are determined, Costs are subtracted from revenues, Benefits and costs are balanced, Gross domestic product is calculated. Feedback: Correct! Profit is revenue minus costs.

Global Incorrect Feedback
The correct answer is: Costs are subtracted from revenues. Profit is revenue minus costs.

Question 1b of 10 (1 Profit 209926)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following explains how revenue is determined?

Choice table with options: The maximum level of benefits is found, Costs are subtracted from revenues, Gross domestic product is calculated, The total amount of money brought in by sales. Feedback: Correct! Revenue is the amount of money a business brings in.

Global Incorrect Feedback
The correct answer is: The total amount of money brought in by sales. Revenue is the amount of money a business brings in.

Question 1c of 10 (1 Profit 209927)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following directly generates revenue for a business?

Choice table with options: Output, Input, Capital, Investment. Feedback: Correct! Output is whatever a business can sell to bring in money.

Global Incorrect Feedback
The correct answer is: Output. Output is whatever a business can sell to bring in money.

Question 2a of 10 (2 Profit 209928)
Maximum Attempts: 2
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following is the main force behind the decisions made by producers in a free-market society?

Choice table with options: Maximizing benefits, Serving customers, The profit motive, Reducing opportunity costs. Feedback: Correct! The quest for profit drives producers in a free-market system.

Global Incorrect Feedback
The correct answer is: The profit motive. The quest for profit drives producers in a free-market system.

Question 2b of 10 (2 Profit 209929)
Maximum Attempts: 2
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following best explains what the profit motive pushes producers to do?

Choice table with options: Minimize costs and maximize revenue, Produce as much as possible, Achieve the maximum revenue, Balance monetary and non-monetary benefits. Feedback: Correct! Profit is calculated by subtracting costs from revenue.

Global Incorrect Feedback
The correct answer is: Minimize costs and maximize revenue. Profit is calculated by subtracting costs from revenue.

Question 2c of 10 (2 Profit 209930)
Maximum Attempts: 2
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following identifies the reason why producers try to minimize costs and maximize revenue?

Choice table with options: Government regulations, Market research, Product placement, The profit motive. Feedback: Correct! The quest for profit drives producers in a free-market system.

Global Incorrect Feedback
The correct answer is: The profit motive. The quest for profit drives producers in a free-market system.

Question 3a of 10 (1 PPF 209931)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following tools helps a producer set up an efficient system of production?

Choice table with options: A production possibilities frontier graph, A market research department, An electric-powered assembly line, A determination of opportunity costs. Feedback: Correct! A production possibilities frontier graph shows the maximum amounts of two or more goods a person or group of people can produce given the inputs available.

Global Incorrect Feedback
The correct answer is: A production possibilities frontier graph. A production possibilities frontier graph shows the maximum amounts of two or more goods a person or group of people can produce given the inputs available.

Question 3b of 10 (1 PPF 209932)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following best states the purpose of using a production possibilities frontier (PPF) graph?

Choice table with options: Pursuing the profit motive, Maximizing revenue, Balancing economic goals, Setting up efficient production. Feedback: Correct! A production possibilities frontier graph shows the maximum amounts of two or more goods a person or group of people can produce given the inputs available.

Global Incorrect Feedback
The correct answer is: Setting up efficient production. A production possibilities frontier graph shows the maximum amounts of two or more goods a person or group of people can produce given the inputs available.

Question 3c of 10 (1 PPF 209933)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2
Question: Which of the following statements best explains how using a production possibilities frontier (PPF) helps set up efficient production?

Choice table with options: A PPF helps predict whether gross domestic product is rising or falling, A PPF shows the maximum amount of goods that can be produced with a given set of inputs, A PPF allows a producer to calculate the cost of producing one more unit of goods, A PPF allows a producer to balance supply and demand in order to find the best selling price. Feedback: Correct! The PPF helps reduce waste by maximizing output.

Global Incorrect Feedback
The correct answer is: A PPF shows the maximum amount of goods that can be produced with a given set of inputs. The PPF helps reduce waste by maximizing output.

Question 4a of 10 (1 Market structures 209934)
Maximum Attempts: 1
Question Type: Multiple Response
Maximum Score:
Question: Which of the following are possible market structures for an economic system? Check all that apply.

Choice table with options: Monopoly, Oligopoly, Monopolistic competition, Entrepreneurship, Socialism, Pure competition. Correct answers: oligopoly, monopoly, and pure competition.

Global Incorrect Feedback
The correct answers are: oligopoly, monopoly, and pure competition.

Question 4b of 10 (1 Market structures 209935)
Maximum Attempts: 1
Question Type: Multiple Response
Maximum Score:
Question: Which of the following are market structures that can exist in a free-market system? Check all that apply.

Choice table with options: Communism, Government planning, Monopolistic competition, Oligopoly, Pure competition. Correct answers: oligopoly, pure competition, and monopolistic competition.

Global Incorrect Feedback
The correct answers are: oligopoly, pure competition, and monopolistic competition.

Question 4c of 10 (1 Market structures 209936)
Maximum Attempts: 1
Question Type: Multiple Response
Maximum Score:
Question: Which of the following are market structures that are characterized by at least some competition between producers? Check all that apply.

Choice table with options: Monopoly, Duopoly, Oligopoly, Monopolistic competition, Socialist planning, Pure competition. Correct answers: oligopoly, pure competition, and monopolistic competition.

Global Incorrect Feedback
The correct answers are: oligopoly, pure competition, and monopolistic competition.

Question 5a of 10 (3 Market structures 209937)
Maximum Attempts: 3
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following describes a situation where competition between producers exists?

Choice table with options: A small number of producers command the entire market for a certain good or service, One producer is the only one selling a good or service with no close substitutes, Two or more producers are trying to sell the same good or service to the same consumers, The monetary benefits for one producer exceed non-monetary costs for another producer. Feedback: Correct! When there are two or more businesses pursuing the same specific goal, there is competition.

Global Incorrect Feedback
The correct answer is: Two or more producers are trying to sell the same good or service to the same consumers. When there are two or more businesses pursuing the same specific goal, there is competition.

Question 5b of 10 (3 Market structures 209938)
Maximum Attempts: 3
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following describes a situation where monopolistic competition exists?

Choice table with options: When there is a small number of producers selling identical products, When many producers are selling slightly differentiated products, When fewer than five producers command the entire market for a certain good or service, When a single producer is the only one selling a good or service with no close substitutes. Feedback: Correct! Monopolistic competition means that each producer has a monopoly on their specific product, but the products are close substitutes of each other.

Global Incorrect Feedback
The correct answer is: When many producers are selling slightly differentiated products. Monopolistic competition means that each producer has a monopoly on their specific product, but the products are close substitutes of each other.

Question 5c of 10 (3 Market structures 209939)
Maximum Attempts: 3
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following best describes a situation where an oligopoly exists?

Choice table with options: A small number of producers command nearly the entire market for a certain good or service, Many producers are selling slightly differentiated products that are close substitutes of each other, A large number of businesses are selling identical products to a well-informed customer base, A single producer is the only one selling a good or service with no close substitutes. Feedback: Correct! Oligopoly is characterized by a high level of market concentration in a few hands.

Global Incorrect Feedback
The correct answer is: A small number of producers command nearly the entire market for a certain good or service. Oligopoly is characterized by a high level of market concentration in a few hands.

Question 6a of 10 (3 Market structures 209940)
Maximum Attempts: 3
Question Type: Matching
Maximum Score:
Question: Match the type of market structure with each example.

Choice table with options: Pure competition, Monopoly, Monopolistic competition, Oligopoly. Correct Match: C. Gas stations, B. Cable company, A. eBay.

Global Incorrect Feedback
The correct answers are: pure competition: ebay; monopoly: cable company; monopolistic competition: gas stations; and oligopoly: airlines.

Question 6b of 10 (3 Market structures 209941)
Maximum Attempts: 3
Question Type: Matching
Maximum Score:
Question: Match the type of market structure with each example.

Choice table with options: Pure competition, Monopoly, Monopolistic competition, Oligopoly. Correct Match: A. Online auctioning, C. Video rental stores, B. Water and sewer service, D. Digital camera makers.

Global Incorrect Feedback
The correct answers are: pure competition: online auctioning; monopoly: water and sewer service; monopolistic competition: video rental stores; oligopoly: digital camera makers.

Question 6c of 10 (3 Market structures 209942)
Maximum Attempts: 3
Question Type: Matching
Maximum Score:
Question: Match the type of market structure with each example.

Choice table with options: Pure competition, Near monopoly, Monopolistic competition, Oligopoly. Correct Match: B. Computer operating systems, C. Fast food restaurants, A. Online auctioning, D. Car makers.

Global Incorrect Feedback
The correct answers are: pure competition: online auctioning; near monopoly: computer operating systems; monopolistic competition: fast food restaurants; oligopoly: car makers.

Question 7a of 10 (1 Entrepreneurs 209943)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following does not motivate entrepreneurs?

Choice table with options: Profit, Growth, Freedom, Innovation, Security. Feedback: Correct! Entrepreneurs are risk takers, not people who necessarily seek security.

Global Incorrect Feedback
The correct answer is: Security. Entrepreneurs are risk takers, not people who necessarily seek security.

Question 7b of 10 (1 Entrepreneurs 209944)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Innovation is a characteristic most strongly associated with which of the following groups?

Choice table with options: Entrepreneurs, Monopolists, Economic experts, Government planners. Feedback: Correct! Entrepreneurs are risk takers, not people who necessarily seek security.

Global Incorrect Feedback
The correct answer is: Entrepreneurs. Entrepreneurs are risk takers, not people who necessarily seek security.

Question 7c of 10 (1 Entrepreneurs 209945)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Entrepreneurs do not use which of the following to introduce innovations into market?

Choice table with options: New products, New economic systems, New means of production, New forms of organization. Feedback: Correct! Entrepreneurs generally work within the free-market system.

Global Incorrect Feedback
The correct answer is: New economic systems. Entrepreneurs generally work within the free-market system.

Question 8a of 10 (1 The media 209947)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following are sources of revenue for media companies?

Choice table with options: Advertising and subscriptions, Direct sales to producers, Capital investments, Online purchases. Feedback: Correct! Media companies make 90 percent of their revenues from advertising and the rest from subscriptions.

Global Incorrect Feedback
The correct answer is: Advertising and subscriptions. Media companies make 90 percent of their revenues from advertising and the rest from subscriptions.

Question 8b of 10 (1 The media 209948)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following is the main source of revenue for media corporations?

Choice table with options: Product placement, Advertising, Rating systems, Subscriptions. Feedback: Correct! Media companies make 90 percent of their revenues from advertising.

Global Incorrect Feedback
The correct answer is: Advertising. Media companies make 90 percent of their revenues from advertising.

Question 8c of 10 (1 The media 209949)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Advertising is the main source of revenue for which of the following industries?

Choice table with options: Entertainment, Distribution, Media, Airlines. Feedback: Correct! Media companies make 90 percent of their revenues from advertising.

Global Incorrect Feedback
The correct answer is: media. Media companies make 90 percent of their revenues from advertising.

Question 9a of 10 (2 The media 209950)
Maximum Attempts: 2
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following best explains why companies pay for advertising space?

Choice table with options: To make sure they are balanced with revenues, To generate better ratings for their company, To expose an audience to messages about their products, To increase circulation for their magazine or newspaper. Feedback: Correct! Advertising is all about buying the attention of an audience.

Global Incorrect Feedback
The correct answer is: To expose an audience to messages about their products. Advertising is all about buying the attention of an audience.

Question 9b of 10 (2 The media 209951)
Maximum Attempts: 2
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following statements best describes what purchasing advertising space does for advertisers?

Choice table with options: Advertising space generates higher circulation and better ratings, Advertising space exposes a company's products to an audience of potential customers, Advertising space fills magazines and newspapers to their full print capacity, Advertising space allows a company to transmit product information to its investors. Feedback: Correct! Advertising is all about buying the attention of an audience.

Global Incorrect Feedback
The correct answer is: Advertising space exposes a company's products to an audience of potential customers. Advertising is all about buying the attention of an audience.

Question 9c of 10 (2 The media 209952)
Maximum Attempts: 2
Question Type: Multiple Choice
Maximum Score:
Question: Which of the following statements best explains the purpose of advertising?

Choice table with options: Advertising is about buying the attention of an audience of potential customers, Advertising is about determining how much revenues will exceed costs, Advertising is about making sure that consumers get accurate product information, Advertising is about presenting what consumers will want and how much they will pay. Feedback: Correct! Advertising space exposes an audience to messages about a company's products.

Global Incorrect Feedback
The correct answer is: Advertising is about buying the attention of an audience of potential customers. Advertising space exposes an audience to messages about a company's products.

Question 10a of 10 (1 The media 209953)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: The media industry is characterized by which of the following?

Choice table with options: Innovation and entrepreneurship, Pure competition, Centralization of ownership, A near-monopoly market structure. Feedback: Correct! Nearly all of the media industry is controlled by a few large companies.

Global Incorrect Feedback
The correct answer is: Centralization of ownership. Nearly all of the media industry is controlled by a few large companies.

Question 10b of 10 (1 The media 209954)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: Nearly all of the media industry is controlled by which of the following?

Choice table with options: A few large companies, Small broadcasters, Government agencies, Innovative entrepreneurs. Feedback: Correct! The media industry is characterized by a centralization of ownership.

Global Incorrect Feedback
The correct answer is: A few large companies. The media industry is characterized by a centralization of ownership.

Question 10c of 10 (1 The media 209955)
Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score:
Question: The media industry is dominated by which of the following?

Choice table with options: Innovative entrepreneurs, Monopolistic markets, Internet news sources, Media conglomerates. Feedback: Correct! Nearly all of the media industry is controlled by a variety of a few large companies that own a variety of media sources.

Global Incorrect Feedback
The correct answer is: Media conglomerates. Nearly all of the media industry is controlled by a few large companies that own a variety of media sources.