

# Business Models

## QUIZ



**ProBM 2**

Understanding & Developing  
Business Models  
in the Globalisation Era



Erasmus+

# PROJECT PARTNERS



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# Understanding and Developing Business Models in the Globalisation Era

The idea behind the ProBM2 project arose based on the fact that each year, more and more enterprises are established, but less than 40% of them manage to survive beyond the first 5 years of operations. One of the main problems partly responsible for the low success rate of start-up enterprises is lack of awareness concerning the power of business models, which play a fundamental role in an enterprise's lifecycle.

The main objective of the ProBM2 project is to improve the skills and knowledge of adult educators and training providers in teaching business models. The knowledge and skills acquired through this project aim to contribute to the development of well-prepared and appropriate business models by the project beneficiaries (adults wishing to undertake a business activity or already running a business) in their enterprises.

**This brochure has been developed to test your knowledge of business models, with particular reference to the elements of the Business Model Canvas.**

**GOOD LUCK!**

# MODULE 1

## INTRODUCTION

Select the correct answer:

**1. A business model is a \_\_\_\_\_ of an enterprise's activities, outlining how such activities provide an enterprise with profits.**

- a) *development*
- b) *description*
- c) *capability*

**2. When an enterprise sells its goods or services directly to other enterprises, the mode of commerce used is:**

- a) *B2B.*
- b) *B2C.*
- c) *C2C.*

**3. How many elements does the Business Model Canvas consist of?**

- a) *11.*
- b) *10.*
- c) *9.*

# MODULE 2

## CUSTOMER SEGMENTS

### Select the correct answer:

#### **1. Segmentation is beneficial because it allows an organization to:**

- a) *Adapt its product/s or services to different customer segments, identify improvements and new products opportunities.*
- b) *Nurture better customer relationships.*
- c) *All of the above.*

#### **2. Customer segmentation can only be used in a B2C (business to customer) mode of commerce:**

- a) *True.*
- b) *False.*

#### **3. Consoles are a good example of multi-sided markets because:**

- a) *They consider the gamers, that is the console buyer, the game developers, and the interactions among them.*
- b) *They make a variety of games for every client.*
- c) *Their prices are low, enabling clients to buy their product more easily.*

# MODULE 3

## VALUE PROPOSITION

### Select the correct answer:

#### **1. A value proposition is:**

- a) *The product which is sold the most often by the company.*
- b) *The product that creates value for a company.*
- c) *The proposition of the cooperation between companies.*

#### **2. Which of these is NOT one of the basics of a value proposition?**

- a) *The cost of a company's products or services.*
- b) *The benefits customers can expect to gain from the company's products or services.*
- c) *An expression established by a company to explain why a customer should purchase products or services from the company and not from its competitors.*

#### **3. The value proposition can be defined as 'the catchphrase' of a company:**

- a) *True.*
- b) *False.*

# MODULE 4

## CHANNELS

Select the correct answer:

**1. To reduce the complexity of the channels building block, organizations typically use one channel to reach all customer segments.**

a) True.

b) False.

**2. Channels are used by organizations to communicate value propositions to customers.**

a) True.

b) False.

**3. Distribution channels may be classified as online channels or offline channels.**

a) True.

b) False.

**4. Examples of distribution channels include sales teams, postal services, retail sales agents, social media platforms and direct-to-distributors.**

a) True.

b) False.

### Select the correct answer:

#### **1. Personal assistance is defined as:**

- a) *An evolved version of self-service where automation is used to assist clients.*
- b) *An automated process in which it is likely that an organization will not emphasize personal customer relationships.*
- c) *Assistance largely involving human interaction between the client and the organization.*

#### **2. One example of good practice in customer relationships is:**

- a) *To give clients high expectations of a product or service so they will be persuaded to buy it.*
- b) *To provide the expected relationship within the parameters established by a business.*
- c) *None of the above.*

#### **3. Customer Relationships always involve social interactions and face-to-face contact between an organization and customers:**

- a) *True.*
- b) *False.*



# MODULE 6

## REVENUE STREAMS

Select the correct answer:

**1. Revenue streams are defined as the total earnings (i.e., income) a company generates through the sale of products and services:**

- a) True.
- b) False.

**2. A company may have one or a mix of the following pricing strategies: economy pricing, penetration pricing, market skimming pricing and premium pricing.**

- a) True.
- b) False.

**3. The main forms of revenue streams a company may have include: operating revenue and non-operating revenue.**

- a) True.
- b) False.

# MODULE 7

## KEY RESOURCES

Select the correct answer:

**1. The three most basic resources within organizations include land, labour, and time.**

- a) *True.*
- b) *False.*

**2. Key resources define the kind of materials an organization needs, the type of equipment that is required and the types of people (human capital) an organization needs to employ.**

- a) *True.*
- b) *False.*

**3. Financial resources can be obtained only from the company's founding assets and loans and not from financial institutions, private investors or the government.**

- a) *True.*
- b) *False.*

# MODULE 8

## KEY ACTIVITIES

Select the correct answer:

**1. Which of the following should managers do before establishing the company's key activities?**

- a) *Develop their social network strategy.*
- b) *Start a partnership with other main businesses.*
- c) *Carry out an internal audit.*
- d) *Carefully study competition.*

**2. Which element should key activities be focused on?**

- a) *Marketing strategy.*
- b) *Customer loyalty.*
- c) *Supply chain.*
- d) *Value creation.*

**3. What is the name for the business area defined as "the internal working process of the company"?**

- a) *Operations.*
- b) *Production.*
- c) *Financial.*
- d) *None of the above.*

## MODULE 9

# KEY PARTNERS

Select the correct answer:

**1. What is a key factor to consider when choosing a suitable business partner?**

- a) Resources.
- b) Time.
- c) Communication.
- d) None of the above.

**2. Strategic partnerships always dictate a set of specific obligations to which partners are subject to.**

- a) True.
- b) False.

**3. What is the key element in partnerships described in the following definition:  
"Partnerships are healthy and sustainable only if there is a visible gain for both parties"?**

- a) Selecting partnerships.
- b) Set expectations.
- c) Clear partnership agreements.
- d) Win-win situation.

# MODULE 10

## COST STRUCTURE

### Select the correct answer:

#### **1. Cost structure in the company includes:**

- a) *Only fixed costs.*
- b) *Only variable costs.*
- c) *The total costs of the company.*
- d) *Sometimes variable costs and sometimes fixed costs.*

#### **2. Variable costs are directly related to:**

- a) *Production.*
- b) *Rent.*
- c) *Salaries.*
- d) *Media.*

#### **3. Which of the following are fixed costs?**

- a) *Amortization/ depreciation of the machinery.*
- b) *Use of the materials.*
- c) *Cost of the media.*
- d) *Cost of salaries.*



## MODULE 11

# CITIZENSHIP AND PROFESSIONAL VALUES

Select the correct answer:

**1. "The health of a democratic society may be measured by the \_\_\_\_\_ of functions performed by private citizens" (Alexis de Tocqueville)**

- a) *Quantity*
- b) *Quality*
- c) *Development*
- d) *Sustainability*

**2. The key objective of citizenship is to equip citizens with interpretative, critical planning \_\_\_\_\_ in order to relate with each other and to develop an individual and social sense of responsibility.**

- a) *Minds*
- b) *Scenarios*
- c) *Instruments*

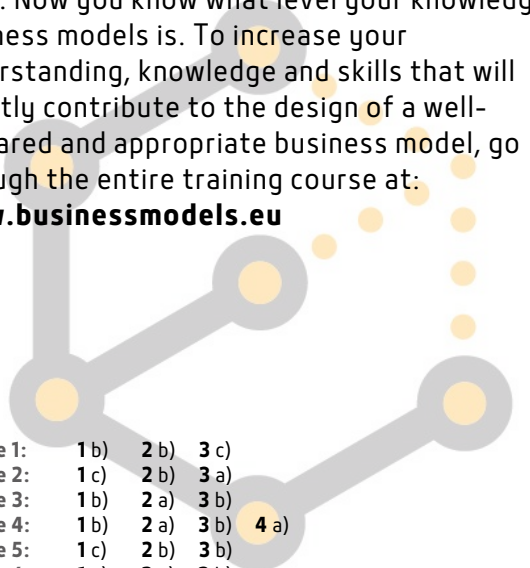
**3. Setting-up a business includes directing attention towards social and political aspects.**

- a) *True.*
- b) *False.*

# HOW WELL DID YOU DO?

Check the correct answers at the bottom of the page. Now you know what level your knowledge of business models is. To increase your understanding, knowledge and skills that will directly contribute to the design of a well-prepared and appropriate business model, go through the entire training course at:

**[www.businessmodels.eu](http://www.businessmodels.eu)**



<b>Module 1:</b>	<b>1 b)</b>	<b>2 b)</b>	<b>3 c)</b>	
<b>Module 2:</b>	<b>1 c)</b>	<b>2 b)</b>	<b>3 a)</b>	
<b>Module 3:</b>	<b>1 b)</b>	<b>2 a)</b>	<b>3 b)</b>	
<b>Module 4:</b>	<b>1 b)</b>	<b>2 a)</b>	<b>3 b)</b>	<b>4 a)</b>
<b>Module 5:</b>	<b>1 c)</b>	<b>2 b)</b>	<b>3 b)</b>	
<b>Module 6:</b>	<b>1 a)</b>	<b>2 a)</b>	<b>3 b)</b>	
<b>Module 7:</b>	<b>1 b)</b>	<b>2 a)</b>	<b>3 b)</b>	
<b>Module 8:</b>	<b>1 c)</b>	<b>2 d)</b>	<b>3 a)</b>	
<b>Module 9:</b>	<b>1 c)</b>	<b>2 b)</b>	<b>3 d)</b>	
<b>Module 10:</b>	<b>1 c)</b>	<b>2 a)</b>	<b>3 d)</b>	
<b>Module 11:</b>	<b>1 b)</b>	<b>2 c)</b>	<b>3 a)</b>	



[www.businessmodels.eu](http://www.businessmodels.eu)



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