

PREREQUISITES TEST

1. WHICH OF THE FOLLOWING IS THE DEFINING CHARACTERISTIC OF THE "DIGITAL ECONOMY"?

- A) The use of computers for basic accounting.
- B) Economic activity resulting from billions of everyday online connections among people, businesses, and devices.
- C) A business model that relies solely on physical retail stores.
- D) The transition from email back to traditional post.

2. IN A "FREEMIUM" BUSINESS MODEL, HOW IS REVENUE TYPICALLY GENERATED?

- A) Users pay a high upfront cost for permanent access.
- B) The product is entirely free with no way to pay for more features.
- C) Basic services are free, while advanced features or "pro" versions require a subscription.
- D) Revenue is only generated through physical merchandise sales.

3. IF YOUR "CHURN RATE" IS INCREASING, WHAT DOES THIS INDICATE ABOUT YOUR DIGITAL VENTURE?

- A) You are acquiring new customers faster than ever.
- B) Your marketing budget is being spent efficiently.
- C) You are losing existing customers at a higher frequency.
- D) Your website traffic is increasing.

4. WHAT IS THE PRIMARY PURPOSE OF A "MINIMUM VIABLE PRODUCT" (MVP)?

- A) To launch a perfect, feature-complete product to the market.
- B) To test a product hypothesis with minimum resources and gather user feedback.
- C) To spend the entire development budget before the product launches.
- D) To ensure the product has the most complex code possible.

5. WHY IS "SCALABILITY" CRITICAL FOR A DIGITAL STARTUP COMPARED TO A TRADITIONAL SERVICE BUSINESS (E.G., A HAIR SALON)?

- A) Digital products require more physical labor for every new customer.
- B) Digital products can serve millions of users with minimal increases in operational costs.
- C) Traditional businesses are easier to expand globally.
- D) Scalability only matters for hardware companies.

6. WHICH OF THE FOLLOWING BEST DESCRIBES "ALGORITHMIC BIAS"?

- A) A programming error that causes a server to restart.
- B) When an AI system produces unfairly prejudiced results due to biased training data.
- C) The speed at which an algorithm processes a search query.
- D) The cost of hiring a data scientist.

7. WHAT IS THE DIFFERENCE BETWEEN CYBERSECURITY AND DIGITAL RESILIENCE?

- A) There is no difference; they are the same thing.

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- B) Cybersecurity focuses on preventing attacks; Resilience focuses on continuing operations during and after an attack.
- C) Resilience is only for physical buildings, not digital data.
- D) Cybersecurity is only for large banks, while resilience is for small startups.

ANSWER KEY & SELF-ASSESSMENT

Section	Correct Answer	Key Concept
Q 1	B	Connectivity & Ecosystems
Q 2	C	Monetization Strategies
Q 3	C	Retention Metrics
Q 4	B	Lean Startup Methodology
Q 5	B	Low Marginal Costs
Q 6	B	Responsible AI
Q 7	B	Business Continuity

SCORING GUIDE

- **6-7 Correct:** Excellent foundation. You are ready for the advanced strategic concepts of the module.
- **4-5 Correct:** Good baseline, but you should review some terminologies.
- **0-3 Correct:** It is recommended to review the basics of Digital Management before you start the module.