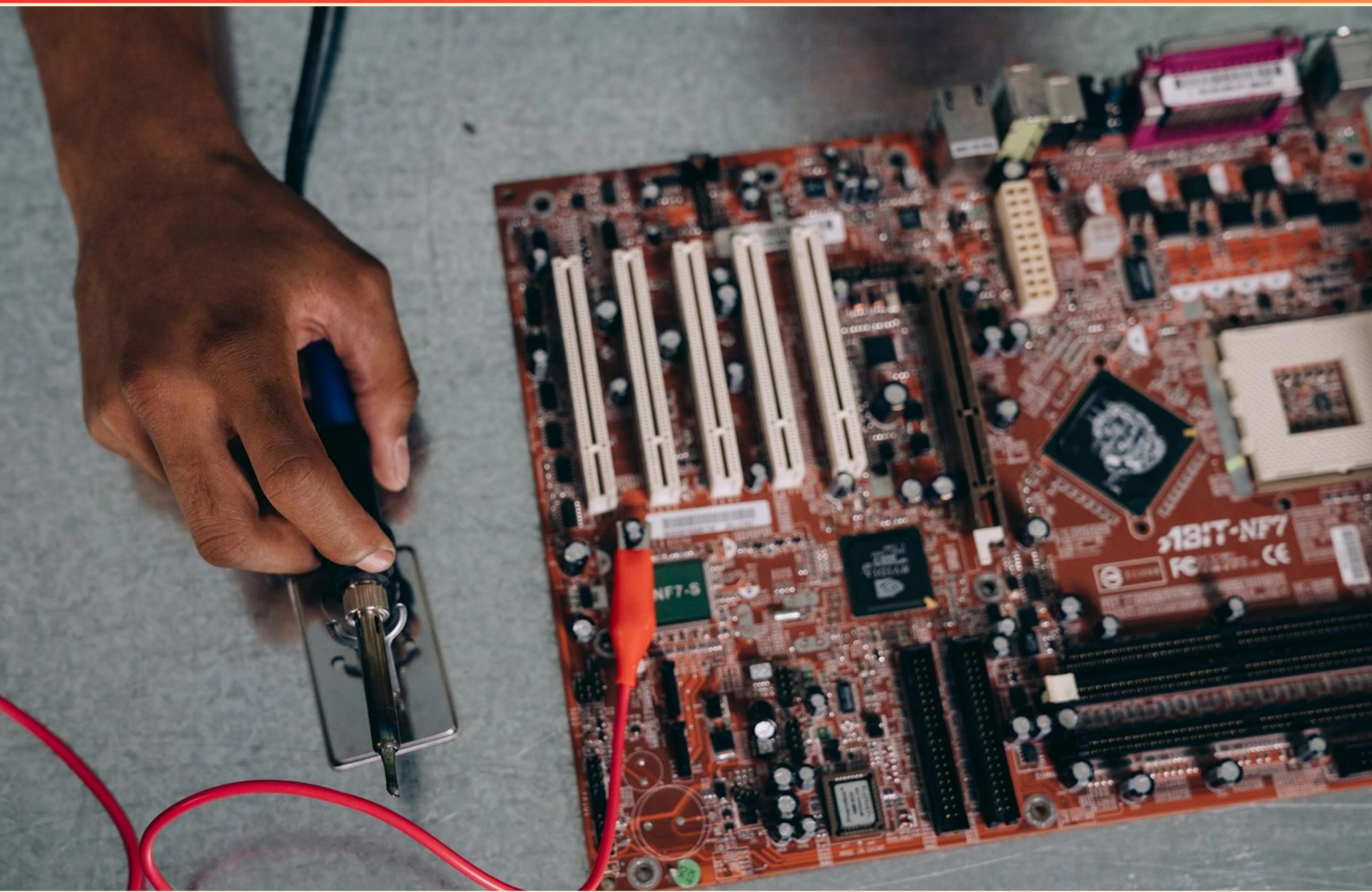


COMPETING IN THE AGE OF AI PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

VISIT US ONLINE FOR
THE FULL VERSION STUDY GUIDE

<https://competingintheageofai.examzify.com>



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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. Which concept describes AI-enabled firms scaling with near-zero marginal cost through algorithmic execution?**
 - A. Digital Operating Models
 - B. New Breed of Competitors
 - C. Disruption to Reinvention
 - D. Curve

- 2. Which description best defines a Large Language Model (LLM)?**
 - A. A smaller model with limited parameters
 - B. A regular language model trained on moderate data
 - C. Scaled-up LMs trained on massive datasets with billions of parameters, enabling advanced capabilities in reasoning, summarization, translation, and dialogue
 - D. A model that generates only poetry

- 3. In platform competitive advantage, which role is most central?**
 - A. Aggregating data across all users
 - B. Owning the most assets
 - C. Most central in connecting businesses
 - D. Largest market capitalization

- 4. Which Prompt Refinement Pattern emphasizes showing an example to guide the model?**
 - A. Add a negative constraint
 - B. Provide a worked example
 - C. Ask for reasoning before output
 - D. Request self-critique

- 5. Which option is commonly used to ground model outputs in verified sources?**
 - A. Ground in source
 - B. Increase model size
 - C. Ignore sources
 - D. Use random prompts

- 6. Which capability is described as enabling automated financial trading?**
- A. Demand forecasting
 - B. Algorithmic trading
 - C. Diagnostic tools
 - D. Personalization
- 7. In the Data Acquisition Process, which step comes after Data Conversion?**
- A. Sensing
 - B. Data Collection
 - C. Data Analysis
 - D. Signal Conditioning
- 8. Agents are characterized by which combination of integration and automation?**
- A. Low integration, high automation
 - B. High integration, low automation
 - C. Copilots
 - D. Agents
- 9. Chain-of-Thought Prompting involves:**
- A. A platform connects two networks
 - B. Value grows as data accumulates
 - C. Model generates step-by-step reasoning before answering
 - D. External contributors create content
- 10. What term describes relying on insights from data rather than intuition for decision making?**
- A. Descriptive analytics
 - B. Data-Driven Decisions
 - C. Prescriptive analytics
 - D. KPIs

Answers

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1. A
2. C
3. C
4. B
5. A
6. B
7. B
8. D
9. C
10. B

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Explanations

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1. Which concept describes AI-enabled firms scaling with near-zero marginal cost through algorithmic execution?

- A. Digital Operating Models**
- B. New Breed of Competitors
- C. Disruption to Reinvention
- D. Curve

AI-enabled firms scale with near-zero marginal cost through algorithmic execution because digital operating models treat operations as software-driven, repeatable workflows powered by data and automation. Once the governing algorithms and processes are in place, serving an additional unit or customer relies mainly on running the software and cloud resources rather than adding proportional human labor. That means the cost per extra sale, transaction, or service stays almost constant while output climbs, creating a low or near-zero marginal cost as volume expands. This combination—structured, programmable processes plus automated decision-making and execution—lets firms scale rapidly, extend to new markets, and replicate success at a lower incremental cost. The other ideas touch on competition or general curves but don't capture how AI-driven orchestration of operations enables this scalable, low-marginal-cost model.

2. Which description best defines a Large Language Model (LLM)?

- A. A smaller model with limited parameters
- B. A regular language model trained on moderate data
- C. Scaled-up LMs trained on massive datasets with billions of parameters, enabling advanced capabilities in reasoning, summarization, translation, and dialogue**
- D. A model that generates only poetry

Large language models are defined by their scale: billions of parameters learned from vast, diverse datasets. That combination gives them the ability to model complex language, generalize to many tasks, and perform practical functions like reasoning, summarization, translation, and dialogue generation without task-specific fine-tuning. The description that emphasizes a scaled-up model with billions of parameters trained on massive data best captures what makes an LLM capable across a wide range of language tasks. The other descriptions miss the essential breadth of scale, data, and versatility: a smaller model with limited parameters can't reach the same level of capability; a regular model trained on moderate data lacks the breadth and depth; and a poetry-only generator highlights a narrow use that isn't defining of LLMs.

3. In platform competitive advantage, which role is most central?

- A. Aggregating data across all users
- B. Owning the most assets
- C. Most central in connecting businesses**
- D. Largest market capitalization

Platforms win by being the hub where different groups can interact. Their standout power comes from network effects: as more participants join and engage, the platform becomes more valuable to everyone, which reinforces growth and resilience. The essential role is to enable connections between businesses—to match needs, facilitate exchanges, and coordinate activity across multiple sides of the market. That intermediary position is what creates scale, trust, and efficient matching, making it the most central driver of platform competitive advantage. Data aggregation and asset ownership can contribute to value, but they're not the core driver of the platform model. Collecting data across users is useful, yet the platform's true strength comes from enabling interactions and facilitating transactions. Owning the most assets isn't necessary and often isn't scalable for platforms, since the model thrives on enabling others to provide the supply. Market capitalization is a financial outcome, not a mechanism that explains why the platform is competitive.

4. Which Prompt Refinement Pattern emphasizes showing an example to guide the model?

- A. Add a negative constraint
- B. Provide a worked example**
- C. Ask for reasoning before output
- D. Request self-critique

Providing a worked example as a prompt refinement pattern is about guiding the model through a concrete instance of how to approach the task. When you include a complete solution that demonstrates the steps, the model sees the exact reasoning path, the structure of the answer, and the level of detail expected. This creates a template it can imitate for similar problems, helping it reproduce a consistent process and format rather than guessing blindly. The example serves as a demonstration of both method and output, which can boost accuracy and reduce ambiguity in the model's responses. Other options aim at different effects: adding a negative constraint shows what to avoid rather than how to think through the problem; asking for reasoning before output encourages the model to think step by step but doesn't provide an explicit, correct demonstration of the final form; and requesting self-critique focuses on evaluating an answer after it's produced, rather than shaping the initial response with a guiding example.

5. Which option is commonly used to ground model outputs in verified sources?

- A. Ground in source**
- B. Increase model size
- C. Ignore sources
- D. Use random prompts

Grounding model outputs in verified sources is about tying what the model says to credible evidence. This means retrieving or citing information from reliable documents and presenting claims with reference to those sources, so the output can be checked and trusted. This approach is common in retrieval-augmented generation, where the system pulls in relevant excerpts and cites them or uses direct quotes to support answers. The goal is transparency and accuracy, reducing the chance of fabricating details. The other options don't achieve that grounding. Merely increasing model size doesn't guarantee factual accuracy and can even amplify errors. Ignoring sources leaves statements without any verifiable basis, making trust harder to establish. Using random prompts fails to steer the model toward relevant, reliable information and tends to produce inconsistent results.

6. Which capability is described as enabling automated financial trading?

- A. Demand forecasting
- B. Algorithmic trading**
- C. Diagnostic tools
- D. Personalization

Algorithmic trading is the use of computer programs to automatically place trades based on predefined rules, such as price thresholds, timing, or statistical signals. This capability lets orders be executed quickly and consistently across markets, often in real time, without human intervention. It enables strategies like trend following, arbitrage, or market making by continuously processing data and acting on it according to the programmed logic. The other options don't describe automation of trading: demand forecasting is about predicting future demand, not executing trades; diagnostic tools analyze system health and performance; personalization tailors experiences for individuals. So algorithmic trading best fits the idea of automated financial trading.

7. In the Data Acquisition Process, which step comes after Data Conversion?

- A. Sensing
- B. Data Collection**
- C. Data Analysis
- D. Signal Conditioning

In the Data Acquisition flow, after the analog signal has been converted to digital, the next step is signal conditioning. This stage prepares the digitized data for accurate analysis by amplifying the signal to a usable level, filtering out noise or unwanted frequencies, and scaling or shaping it to match the input range of the analyzer or computer. This conditioning helps ensure the data you analyze truly reflects the measured quantity and isn't distorted by noise or mismatched signal levels. Sensing and Data Collection occur earlier, as they're about obtaining and gathering the raw signal, while Data Analysis comes after conditioning to interpret the data. Therefore, the step that follows Data Conversion is Signal Conditioning.

8. Agents are characterized by which combination of integration and automation?

- A. Low integration, high automation
- B. High integration, low automation
- C. Copilots

D. Agents

Agents combine deep integration with autonomous execution. They connect to multiple data sources and tools across systems and can plan and act across those connections without needing constant human input. That level of seamless integration plus autonomous action is what sets agents apart, allowing them to perceive the environment, decide, and carry out tasks on their own. Copilots, by contrast, mainly assist humans and offer suggestions or automate narrow steps within a human-guided workflow, rather than coordinating across many systems autonomously. A setup with low integration but high automation would automate isolated tasks without connected data or tools, while high integration with low automation would keep everything connected but still require extensive human decisions. So the combination that best describes an agent is the one where integration and automation work together to enable autonomous, end-to-end action.

9. Chain-of-Thought Prompting involves:

- A. A platform connects two networks
- B. Value grows as data accumulates
- C. Model generates step-by-step reasoning before answering**
- D. External contributors create content

Chain-of-thought prompting is about eliciting a model's step-by-step reasoning before it provides a final answer. The idea is that solving complex problems often requires a sequence of logical moves, so prompting the model to lay out the intermediate steps can improve accuracy and make the process verifiable. By seeing the chain of reasoning, you can check for missteps, use the steps to guide the final conclusion, and even apply strategies like evaluating multiple reasoning paths. The other descriptions describe things unrelated to thinking through a problem: connecting networks, data value growing from accumulation, or crowdsourcing content, none of which involve producing explicit sequential thoughts before answering.

10. What term describes relying on insights from data rather than intuition for decision making?

- A. Descriptive analytics
- B. Data-Driven Decisions**
- C. Prescriptive analytics
- D. KPIs

Relying on insights from data rather than intuition describes data-driven decision making. In this approach, decisions are guided by evidence drawn from data—patterns, trends, and results from analyses—rather than gut feelings, which helps reduce bias and improve objectivity. Descriptive analytics focuses on summarizing what happened in the past, which informs decisions but doesn't define the decision-making approach by itself. Prescriptive analytics goes further by suggesting specific actions based on models and simulations, acting as recommendations rather than the general mindset of decisions being grounded in data. KPIs are metrics used to measure performance, not the method of making decisions.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://competingintheageofai.examzify.com>

We wish you the very best on your exam journey. You've got this!

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