

Chapter 8

- **MCO:**

1) We define a _____ as anything that can be offered to a market for attention, acquisition, use, or consumption and that might satisfy a want or need.

- A) private brand
- B) service variability
- C) service
- D) product
- E) service encounter

Answer: D

2) _____ are a form of product that consists of activities, benefits, or satisfactions offered for sale that are essentially intangible and do not result in the ownership of anything.

- A) Line extensions
- B) Services
- C) Brands
- D) Consumer products
- E) Supplements

Answer: B

3) A product is a key element in the _____. At one extreme, it may consist of pure tangible goods or at the other extreme, pure services.

- A) market offering
- B) brand equity
- C) brand extension
- D) co-branding
- E) value chain

Answer: A

4) To differentiate themselves, many companies are going beyond products and services, they are developing and delivering customer _____.

- A) quality
- B) experiences
- C) brands
- D) product lines
- E) events

Answer: B

5) Product planners need to consider products and services on three levels. Each level adds more customer value. The most basic level is the _____, which addresses the question, "What is the buyer really buying?"

- A) actual product
- B) augmented product
- C) core customer value
- D) co-branding
- E) exchange

Answer: C

6) The third level of a product that product planners must consider is a(n) _____ around the core benefit and actual product that offers additional consumer services and benefits.

- A) brand equity
- B) augmented product
- C) brand extension
- D) industrial product
- E) image

Answer: B

7) Product planners must design the actual product and find ways to _____ it in order to create the bundle of benefits that will provide the most satisfying customer experience.

- A) promote
- B) package
- C) brand
- D) augment
- E) present

Answer: D

8) Products and services fall into two broad classifications based on the types of consumers that use them. Which is one of these broad classes?

- A) industrial products
- B) specialty products
- C) supplies and services
- D) materials and parts
- E) convenience products

Answer: A

9) _____ are products and services bought by final consumers for personal consumption. These include convenience products, shopping products, specialty products, and unsought products.

- A) Services
- B) Consumer products
- C) Line extensions
- D) Industrial products
- E) Straight extensions

Answer: B

10) _____ are less frequently purchased consumer products and services that customers compare carefully on suitability, quality, price, and style. Consumers spend much time and effort in gathering information and making comparisons about these products.

- A) Shopping products
- B) Convenience products
- C) Unsought products
- D) Industrial products
- E) Line extensions

Answer: A

11) _____ are consumer products and services with unique characteristics or brand identification for which a significant group of buyers is willing to make a special purchase effort.

- A) Shopping products
- B) Unsought products
- C) Specialty products
- D) Industrial products
- E) Line extensions

Answer: C

12) _____ are consumer products that the consumer either does not know about or knows about but does not normally think about buying. These products require a lot of advertising, personal selling, and other marketing efforts.

- A) Specialty products
- B) Line extensions
- C) Unsought products
- D) Shopping products
- E) Staples

Answer: C

13) _____ are those products purchased for further processing or for use in conducting a business.

- A) Unsought products
- B) Specialty products
- C) Shopping products
- D) Industrial products
- E) Accessories

Answer: D

14) Most manufactured materials and parts are sold directly to _____. Price and service are the major marketing factors; branding and advertising tend to be less important.

- A) consumers
- B) industrial users
- C) brand extensions
- D) co-branders
- E) wholesalers

Answer: B

15) _____ are industrial products that aid in the buyer's production or operations, including installations and accessory equipment.

- A) Materials
- B) Parts
- C) Capital items
- D) Specialty items
- E) Supplies

Answer: C

16) _____ consists of activities undertaken to create, maintain, or change the attitudes and behavior of target consumers toward an organization.

- A) Person marketing
- B) Organization marketing
- C) Internal marketing
- D) Service variability
- E) Intelligence marketing

Answer: B

17) _____ consists of activities undertaken to create, maintain, or change attitudes toward particular people.

- A) Corporate image marketing
- B) Person marketing
- C) Social marketing
- D) Organization marketing
- E) Intermarket marketing

Answer: B

18) _____ involves activities undertaken to create, maintain, or change attitudes toward particular cities, states, and regions.

- A) Idea marketing
- B) Place marketing
- C) Organization marketing
- D) Social marketing
- E) Interactive marketing

Answer: B

19) Developing a product or service involves defining the benefits that it will offer. These benefits are communicated and delivered by _____ such as quality, features, and style and design.

- A) private brands
- B) product attributes
- C) consumer products
- D) product mixes
- E) marketing tools

Answer: B

20) _____ is one of the marketer's major positioning tools because it has a direct impact on product or service performance; it is therefore closely linked to customer value and satisfaction.

- A) Packaging
- B) Product quality
- C) Total quality management
- D) Specialty product marketing
- E) Positioning

Answer: B

21) _____ is an approach in which all the company's people are involved in constantly improving the products, services, and business processes.

- A) Product quality
- B) Brand equity
- C) Total quality management
- D) Specialty product marketing
- E) Positioning

Answer: C

22) What are the two dimensions of product quality?

- A) consistency and level
- B) performance and resistance
- C) design and innovation
- D) conformance and style
- E) feature and design

Answer: A

23) Which of the following types of quality refers to freedom from defects and consistency in delivering a targeted level of performance?

- A) private brand
- B) product
- C) total quality management
- D) conformance
- E) adherence

Answer: D

24) A stripped-down model without any extras is the starting point; a company can create a higher-level model by adding _____.

- A) co-branding
- B) features
- C) product quality
- D) service variability
- E) markets

Answer: B

25) In assessing which new features to add to a product, a company must weigh each feature's _____ to customers versus its _____ to the company.

- A) cost; line extension
- B) cost; service
- C) value; cost
- D) service; line extension
- E) equity; cost

Answer: C

26) A sensational _____ may grab attention and produce pleasing aesthetics, but it does not necessarily improve a product's performance.

- A) design
- B) style
- C) experience
- D) service-profit chain
- E) augmented product

Answer: B

27) _____ contributes to a product's usefulness as well as to its looks.

- A) Style
- B) Design
- C) Package
- D) Brand
- E) Functionality

Answer: B

28) A(n) _____ is a name, term, sign, symbol, design, or a combination of these, that identifies the maker or seller of a product or service.

- A) service
- B) brand
- C) co-branding
- D) internal marketing
- E) external marketing

Answer: B

29) _____ involves designing and producing the container or wrapper for a product.

- A) Packaging
- B) Product line
- C) Service
- D) Branding
- E) Labeling

Answer: A

30) In recent years, product safety and environmental responsibility have become major _____ concerns.

- A) branding
- B) packaging
- C) labeling
- D) service
- E) product line

Answer: B

31) At the very least, the _____ identifies the product or brand. It might also describe several things about the product and promote the brand.

- A) line extension
- B) social marketing
- C) label
- D) specialty product
- E) package

Answer: C

32) The _____ requires sellers to provide detailed nutritional information on food products.

- A) Fair Packaging and Labeling Act of 1966
- B) Nutritional Labeling and Educational Act of 1990
- C) Labeling Act of 1970
- D) Packaging Act of 1970
- E) Federal Trade Commission Act of 1990

Answer: B

33) _____ has been affected by the need to include unit pricing, open dating, and nutritional information.

- A) Branding
- B) Packaging
- C) Labeling
- D) Product line filling
- E) Product mixing

Answer: C

34) Many companies now use a combination of phone, e-mail, fax, Internet, and other technologies to provide _____ .

- A) labeling information
- B) brand equity
- C) support services
- D) packaging advantages
- E) product mixes

Answer: C

35) A _____ is a group of products that are closely related because they function in a similar manner, are sold to the same customer groups, are marketed through the same type of outlets, or fall within given price ranges.

- A) product line
- B) line extension
- C) private brand
- D) convenience product
- E) product bandwidth

Answer: A

36) The major product line decision involves _____.

- A) line stretching
- B) moving the line upward or downward
- C) product line filling
- D) product line length
- E) product packaging

Answer: D

37) Berkowitz Piano Company can expand its product line in one of two common ways. Which of the following is one of those ways?

- A) internal marketing
- B) line filling
- C) product mix
- D) social marketing
- E) line mixing

Answer: B

38) An alternative to product line stretching is _____, adding more items within the present range of the line.

- A) product mix
- B) interactive marketing
- C) product line filling
- D) co-branding
- E) service marketing

Answer: C

39) When a company lengthens its product line beyond its current range, it is _____.

- A) product line filling
- B) product line stretching
- C) product mixing
- D) increasing product depth
- E) building brand equity

Answer: B

40) A _____ consists of all the product lines and items that a particular seller offers for sale.

- A) product mix
- B) brand line
- C) consumer mix
- D) packaging mix
- E) line extension

Answer: A

41) Product mix _____ refers to the number of different product lines the company carries. Procter & Gamble markets 250 brands organized into many product lines.

- A) length
- B) height
- C) width
- D) perimeter
- E) depth

Answer: C

42) Product mix _____ refers to the number of versions offered of each product in the line. Crest toothpaste comes in 13 varieties, ranging from Crest Multicare to Crest Baking Soda formulations.

- A) length
- B) depth
- C) height
- D) width
- E) perimeter

Answer: B

43) The _____ of the product mix refers to how closely related the various product lines are in end use, production requirements, distribution channels, or some other way.

- A) length
- B) depth
- C) consistency
- D) width
- E) perimeter

Answer: C

44) A company can increase its business in four ways. Which is NOT one of these ways?

- A) It can add new product lines, thus widening its product mix.
- B) It can lengthen its existing product lines.
- C) It can add more versions of each product and thus deepen its product mix.
- D) It can discontinue some of its lines.
- E) It can increase the consistency of its product mix.

Answer: D

45) Some analysts see _____ as the major enduring asset of a company, outlasting the company's specific products and facilities.

- A) brands
- B) convenience products
- C) specialty products
- D) unsought products
- E) staples

Answer: A

46) A key element in a company's relationship with consumers, a _____ represents consumers' perceptions and feelings about a product and its performance.

- A) product line
- B) product experience
- C) brand
- D) service
- E) product attribute

Answer: C

47) Which of the following is NOT one of the four consumer perception dimensions used by ad agency Young & Rubicam to measure brand strength?

- A) brand differentiation
- B) brand knowledge
- C) brand valuation
- D) brand esteem
- E) brand relevance

Answer: C

48) The total financial value of a brand is estimated through the process of brand _____.

- A) differentiation
- B) valuation
- C) extensions
- D) positioning
- E) equity

Answer: B

49) The fundamental asset underlying brand equity is _____--the value of the customer relationships that the brand creates. A powerful brand is important, but what it really represents is a set of loyal consumers.

- A) the customer mix
- B) customer equity
- C) line equity
- D) service variability
- E) the service encounter

Answer: B

50) Which of the following is the lowest level on which marketers can position their brands in target customers' minds?

- A) interactive marketing
- B) internal marketing
- C) product attributes
- D) strong beliefs and values
- E) added service

Answer: C

51) The strongest brands go beyond attributes or benefit positioning; they are positioned on _____.

- A) desirable benefit
- B) good packaging
- C) service inseparability
- D) strong beliefs and values
- E) customer image

Answer: D

52) Which of the following is NOT a desirable quality for a brand name?

- A) It should suggest something about the product's benefits and qualities.
- B) It should be easy to pronounce, recognize, and remember.
- C) The brand should almost always be a long word to get attention.
- D) The name should translate easily into foreign languages.
- E) It should be distinctive.

Answer: C

53) All of the following are a manufacturer's sponsorship options for a product EXCEPT _____.

- A) manufacturer's brand
- B) multibrands
- C) private brand
- D) licensed brand
- E) co-branding

Answer: B

54) In the competition between _____ and _____ brands, retailers have the advantages of controlling what products will be stocked, where products will be stocked, what prices will be charged, and which products will be featured in print promotions.

- A) national; manufacturer's
- B) store; private
- C) national; private
- D) store; licensed
- E) private; distributor

Answer: C

55) An increasing number of retailers and wholesalers have created their own _____, also called store brands.

- A) unsought products
- B) private brands
- C) specialty products
- D) service variability
- E) shopping products

Answer: B

56) For a fee, some companies _____ names or symbols previously created by other manufacturers, names of well-known celebrities, and/or characters from popular movies and books, any of which can provide an instant and proven brand name.

- A) service
- B) market
- C) package
- D) brand
- E) license

Answer: E

57) _____ occurs when two established brand names of different companies are used on the same product.

- A) A brand extension
- B) Brand equity
- C) Co-branding
- D) Internal marketing
- E) Cannibalization

Answer: C

58) In most _____ situations, one company licenses another company's well-known brand to use in combination with its own.

- A) brand extension
- B) brand equity
- C) co-branding
- D) internal marketing
- E) line extension

Answer: C

59) Which of the following is an advantage offered by co-branding?

- A) Manufacturers do not have to invest in creating their own brand names.
- B) Retailers have exclusive products that cannot be purchased from competitors.
- C) A company can expand its existing brand into a category it otherwise might have difficulty entering alone.
- D) Advertising, sales, promotion, and marketing must be carefully coordinated.
- E) Brand equity is stabilized.

Answer: C

60) A company has four choices when it comes to developing brands. What is NOT one of those choices?

- A) line extension
- B) brand extension
- C) multibrands
- D) width and depth extension
- E) new brands

Answer: D

61) _____ occur(s) when a company introduces additional items in a given product category under the same brand name, such as new flavors, forms, colors, ingredients, or package sizes.

- A) Line extension
- B) Product mix
- C) Interactive marketing
- D) Service variability
- E) Service intangibility

Answer: A

62) A _____ involves the use of a successful brand name to launch new or modified products in a new category.

- A) line extension
- B) product line
- C) brand extension
- D) private brand
- E) brand symbol

Answer: C

63) Which of the following is a potential drawback of multibranding?

- A) Consumers may become confused about the image of the main brand.
- B) An overextended brand name might lose its specific meaning for consumers.
- C) Different product features can appeal to consumers with different buying motives.
- D) The company's resources may be spread over too many brands.
- E) The company can occupy more retail shelf space.

Answer: D

64) Which strategy involves weeding out weaker brands and focusing marketing dollars only on brands that can achieve the number-one or number-two market share positions in their categories?

- A) megabrand
- B) service inseparability
- C) social marketing
- D) unsought product
- E) undifferentiated

Answer: A

65) Major brand marketers often spend huge amounts on advertising to create brand _____ and to build preference and loyalty.

- A) extension
- B) awareness
- C) packaging
- D) internal marketing
- E) preference

Answer: B

66) While advertising campaigns can help to create name recognition, brand knowledge, and maybe even some brand preference, brands are not maintained by advertising but by _____.

- A) marketing experience
- B) line extensions
- C) brand experience
- D) product mix
- E) word-of-mouth elements

Answer: C

67) Service providers must consider four special characteristics when designing marketing programs. Which is NOT one of these characteristics?

- A) intangibility
- B) inseparability
- C) perishability
- D) interactive marketing
- E) variability

Answer: D

68) _____ means that services cannot be seen, tasted, felt, heard, or smelled before they are bought.

- A) Service inseparability
- B) Service variability
- C) Service intangibility
- D) Service perishability
- E) Service heterogeneity

Answer: C

69) _____ means that services cannot be separated from their providers, whether the providers are people or machines.

- A) Service intangibility
- B) Service inseparability
- C) Service variability
- D) Service perishability
- E) Service heterogeneity

Answer: B

70) Which of the following is NOT one of the links in the service-profit chain, linking service firm profits with employee and customer satisfaction?

- A) internal service quality
- B) evidence management
- C) satisfied and productive service employees
- D) satisfied and loyal customers
- E) healthy service profits and growth

Answer: B

71) Through _____, the service firm trains and motivates its customer-contact employees and supporting service people to work as a team to provide customer satisfaction.

- A) service inseparability
- B) service intangibility
- C) service variability
- D) internal marketing
- E) external marketing

Answer: D

72) Because service quality depends on the quality of buyer-seller interaction during the service encounter, service marketers use _____ to train employees in the art of interacting with customers to satisfy their needs.

- A) interactive marketing
- B) service differentiation
- C) service productivity
- D) internal marketing
- E) external marketing

Answer: A

73) All of the following are methods for developing a differentiated service offer, delivery, or image EXCEPT _____.

- A) offering innovative features
- B) increasing the quantity of service by giving up some quality
- C) having more reliable customer-contact people
- D) developing symbols and branding
- E) designing a superior delivery process

Answer: B

• **TRUE & FALSE :**

1) A service is anything that can be offered to a market for attention, acquisition, use, or consumption and that might satisfy a want or need.

Answer: FALSE

2) Unsought products are products that the customer usually buys frequently, immediately, and with a minimum of comparison and buying effort.

Answer: FALSE

3) Shopping products are less frequently purchased consumer products and services that customers compare carefully on suitability, quality, price, and style.

Answer: TRUE

4) Branding can add consumer value to a product.

Answer: TRUE

5) Because so many purchase decisions are made in stores, a product's packaging may be a seller's last and best chance to influence consumers.

Answer: TRUE

6) Product support services identify the product or brand, describe several things about the product, and promote the product through attractive graphics.

Answer: FALSE

7) Quaker produces a variety of cereals. This variety is called its product line.

Answer: TRUE

8) A company can stretch its product either upward or downward, but not both directions.

Answer: FALSE

9) A company might stretch its product line upward to add prestige to its current products.

Answer: TRUE

10) A company's product mix has four important dimensions: width, length, depth, and consistency.

Answer: TRUE

11) Attributes are the least desirable level for brand positioning because competitors can easily copy attributes and customers are more interested in what attributes will do for them than in the attributes themselves.

Answer: TRUE

12) When a company introduces a new brand name in the same product category, it is called line extension.

Answer: FALSE

13) Customers come to know a brand through a wide range of contacts and touch points, including word of mouth, personal interactions with company people, telephone interactions, and company Web pages.

Answer: TRUE

14) Service inseparability means that the quality of services depends on who provides them, as well as when, where, and how they are provided.

Answer: FALSE

15) In a service business, the customer and front-line service employee interact to create the service.

Answer: TRUE

16) The service-profit chain is the set of all product lines and items that a particular seller offers for sale.

Answer: FALSE

17) One aspect of managing service differentiation is the company's service delivery.

Answer: TRUE

18) Customer retention is perhaps the best measure of quality—a service firm's ability to hang on to its customers depends on how consistently it delivers value to them.

Answer: TRUE

19) Good service recovery can turn angry customers into loyal customers and can even win more customer purchasing and loyalty than if no problem had occurred in the first place.

Answer: FALSE

*******END*******