**Chapter 6 Multiple Choice Questions**

1. **Which of the following can be considered products?**
2. Counseling sessions, a holiday destination, a sports celebrity
3. Price, Value, Brand
4. Equity, Logo, Price
5. None of the above

1. **Which of the following statements best reflects how a business can maximize the value of a product to a consumer?**
2. They advertise it heavily, price it cheaply, and run additional sales each month
3. They offer the right product, at the right time, for the right price and under the right conditions
4. They offer drastic discounts and incentives for multiple purchases
5. They explain how important the product has been to another group that includes a known celebrity
6. **Which of the following is not true about Functional Products?**
7. They are acquired to satisfy basic needs
8. It is easier to predict their demand and thus easier for new competitors to enter the market
9. They generally have a short product life cycle with high profit margins
10. Milk, eggs, bread toilet paper, underwear, medical services are considered functional products
11. **Understanding the three interrelated layers of a product (Core Product, Actual Product and Augmented Product) is important for competitively managing products in the marketplace. Which of the statements related to these layers is true?**
12. The *Core Product* is generally the embodiment of the overall company brand
13. The *Actual Product* contains all the elements such as brand name, packaging, and quality that marketers bring together in order to be able to deliver the product
14. The *Augmented Product* is part of a new product line that is an extension of the original product
15. All of the statements are true
16. **Which statement is true?**
17. The same product sold in the same location can be considered both a Consumer Product and a Business-to-Business Product.
18. Consumer Products such as component parts or process materials generally carry high psychological rewards
19. Raw materials are generally sold only to the food industry and in limited quantities
20. Outsourcing services such as printing, legal, or accounting functions, is not a sound business practice
21. **Which of the following is a reason that a product may fail?**
22. The anticipated demand was miscalculated or it was introduced at the wrong time
23. There is a strong substitute for the product
24. The cost of producing and distributing the product was miscalculated
25. All of the above
26. **Product line refers to:**
27. A specific method of packaging a product
28. Rows of products that are all the same shape or color
29. A group of products that are closely related to each other
30. Advertising a product on a television show or through a celebrity endorsement
31. ***Introduction*, *Growth*, *Maturity* and *Decline* are four stages of a product life cycle.**

**The success or failure during the \_\_\_\_\_\_\_\_\_\_\_\_\_ stage of a product’s life cycle determines whether the product has a long or short life span. During this stage, consumers are aware of the attributes of the product and are rapidly purchasing it. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ during this stage.**

1. *Introduction*; Pricing is never an issue
2. *Growth*; Competitors are also aware of the product and offer alternatives
3. *Maturity*; There is little competition for market share
4. *Decline*; Sales fall very gradually
5. **Standardization refers to when a product offered in a different country is similar to that offered in the company’s home country. What are the advantages to this practice?**
6. Easier adaptation to environmental conditions and consumer demands
7. Able to ignore industry specifications
8. Consistent product, reduced cost, easier coordination
9. All of the above
10. **Why might brand extension be an attractive choice for companies when they want to introduce a new product to the market?**
11. A weak original brand will not impact the new product
12. An undesirable product will not impact the brand equity of a strong brand
13. Assessing the likelihood of the new product’s success before selecting this strategy is not important
14. Brand extension offers companies the opportunity to introduce new products at relatively lower advertising cost, more quickly, and with less risk
15. **Managing brand equity involves:**
16. Managing a product brand within the context of the corporate brand
17. Managing a product brand over multiple categories, over time and across multiple market segments
18. Managing a product brand based upon the outcomes of a brand audit
19. All of the above
20. **According to the Brand Flux model, all changes in branding can be depicted on an X and Y axis, where X refers to terms and activities associated with \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and Y refers to terms and activities associated with \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.**
21. change in branding; change in positioning
22. refocusing; renaming
23. retiring; repositioning
24. fluxing, reinforcing
25. **More substantial changes in branding combined with minimal changes in position are depicted on the Brand Flux model as rebrand, while more substantial changes in positioning along with minimal changes in branding aesthetics are portrayed as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.**
26. Retire
27. Rename
28. Reposition
29. Brand Audit
30. **After any brand change it is important to reinforce the changes with:**
31. Increased marketing efforts
32. Multiple changes across all product lines
33. Constant reminders of what the former brand had signified
34. Over-positioning strategies