**Chapter 7 Multiple Choice Questions**

1. **\_\_\_\_\_\_\_\_\_\_\_\_ is a general pricing strategy which includes all techniques that attempt to elicit a certain reaction from consumers, based on the price of the product.**
2. Default pricing
3. Psychological pricing
4. Consumer goods pricing
5. New product pricing
6. **\_\_\_\_\_\_\_\_\_\_\_\_\_ are the innumerable pricing strategies which can be adopted by marketers in order to fulfill specific marketing objectives.**
7. Pricing policies
8. Pricing samples
9. Pricing for profit
10. None of the above
11. **Offering temporary pricing structures to increase short-term sales, such as prices attached to special events or reduced prices for consumers and local retailers can be called:**
12. Transmission pricing
13. Inspectional pricing
14. Promotional pricing
15. Action pricing
16. **When an organization like BSkyB combines different television products such as sports, movies and lifestyles as a subscription package for a price, this can be called:**
17. Product-bundle pricing
18. Product line pricing
19. Product individual pricing
20. All product pricing
21. **When a marketer choses to set the price of their product/service within a set of parameters that is dependent upon quantity purchased, location, timescale or product type, the marketer is applying:**
22. Cost plus pricing
23. Discriminatory pricing
24. Premium pricing
25. Low pricing
26. **What pricing strategy is *most* closely associated with pricing that is based on what competitors charge for similar products, sometimes with less attention paid to the company’s own cost or demand?**
27. Profit-based pricing
28. Competition-based pricing
29. Price skimming
30. Price penetration
31. **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ are concerned about both the price and the quality of the product because in the present economic climate value for money has become a key consideration in purchase decisions.**
32. Price-conscious consumers
33. Prestige-sensitive consumers
34. Product image consumers
35. Value-conscious consumers
36. **In a perfect market condition there is only one price in the market at any given time, subject to minor variations. Therefore, one firm or customer cannot affect price.**
37. True
38. False
39. **What two characteristics below would be most associated with price setting in services markets?**
40. The service lifecycle & branding
41. Intangibility and perishability
42. Services attributes and advertising
43. All the above
44. **In \_\_\_\_\_\_\_\_\_\_\_\_\_ markets, there are different objectives relating to the price of a product or service.**
45. Premium goods
46. Consumer goods
47. Services markets
48. Non-profit
49. **A pricing method in which sellers are more certain about cost than demand and one that minimizes price competition is:**
50. Demand pricing
51. Penetration pricing
52. Competitive pricing
53. Cost-plus pricing
54. **Two of the four key objectives in which price plays a central role are:**
55. Return on investment and product class
56. Market share and profit maximization
57. Strategic trust and strategic objectives
58. None of the above
59. **A \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ involves analysis of marketing strategy, value to the customer, price quality relationship, competition, effect on distribution/retailers, political factors, and cost, among others.**
60. Business orientated approach
61. Service orientated approach
62. Cost-orientated approach
63. Marketing orientated approach
64. **A pricing approach where the focus is in in this order – customer, value, price, cost and product – is called:**
65. Customer-based pricing
66. Cost-based pricing
67. Value-based pricing
68. All the above
69. **Breakeven Analysis tries to determine the price at which a firm will break even or make a target profit.**
70. False
71. True
72. **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is/are important internal factors influencing pricing decisions.**
73. Demand
74. Buyers’ perception
75. Other marketing mix variables
76. Brand name
77. **Pricing decisions are also influenced by external factors such as:**
78. Marketing objectives
79. Cost
80. Legal and regulatory issues
81. All the above
82. **In \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ increasing price raises total revenue while decreasing price reduces total revenue.**
83. Inelastic markets
84. Elastic markets
85. Premium product
86. Low cost
87. **\_\_\_\_\_\_\_\_and \_\_\_\_\_\_\_\_\_\_\_\_\_are examples of regulatory bodies set up by government in the UK to regulate price and billing and to establish minimum and maximum charges for some services.**
88. Ofwat; Ofgem
89. Federal law; Local Bylaw
90. A & B above
91. None of the above
92. **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ marketers seek to influence customer demand primarily through changing the price of their products and services.**
93. Non-price competition
94. Brand competition
95. Service competition
96. Price competition