

MCQs - 404 MKT: MARKETING STRATEGY
SEM IV
UNIT 1- Basics of Marketing Strategy

Sr.no	Question	Options	Answer Key
1	To be worthwhile and workable, strategic marketing, objectives should:	a. Be consistent with each other. b. Not be influenced by the firm's external environment. c. Never be tied to a particular time period. d. Be conservative rather than ambitious.	a
2	Marketing strategy relies on relationships with supplier, customers and employee. The strength of these relationships is largely a function of the:	a. Tangible characteristics of the exchange process b. Amount of trust the parties have in each other. c. Role of quality in the relationship. d. Way that each group defines ethical behavior	b
3	Marketing strategy is a _____ type of strategy	a. business level b. Growth strategy c. corporate strategy d. functional strategy	d
4	Which one of the following is not part of the marketing plan structure?	a. set marketing objectives b. determine re-evaluation requirements c. describe target markets d. formulate marketing strategies	b
5	Which one of the following is not considered a commonality to the concept of strategy?	a. Purpose b. Perspective c. Pattern d. Position	a
6	A strategic marketing plan involves doing all of the following EXCEPT:	a. Designing a strategic marketing mix. b. Organizing the staff. c. Selecting target markets d. Determining marketing objectives	b
7	_____ is the managerial process of matching an organization's resources with its market opportunities over the long run.	a. Strategic planning b. Implementation c. Tactical planning d. Situational analysis	a
8	Strategy is _____.	a. Completely Proactive & Completely Reactive b. Partly Proactive & Partly Reactive c. Neither Proactive Nor Reactive d. Proactive Only	b

9	For intensive growth, the company first considers whether it could gain more market share with its current products in their current market, using a _____	<ul style="list-style-type: none"> a. Market-penetration strategy b. Market development strategy c. Product-development strategy d. Diversification strategy 	a
10	Opportunities to achieve further growth within current businesses are:	<ul style="list-style-type: none"> a. Intensive Opportunities b. Integrative Opportunities c. Diversification Opportunities d. None of the above 	a
11	Opportunities to build or acquire businesses that are related to current businesses:	<ul style="list-style-type: none"> a. Intensive Opportunities b. Integrative Opportunities c. Diversification Opportunities d. None of the above 	b
12	The useful framework for detecting new _____ is called a "product market expansion grid"	<ul style="list-style-type: none"> a. Intensive Opportunities b. Integrative Opportunities c. Diversification Opportunities d. None of the above 	a
13	The manager of an independent toy manufacturer prepares a plan specifying all his marketing tactics including product features, promotion, merchandising, pricing, sales channels, and service. This plan is called _____.	<ul style="list-style-type: none"> a. the tactical marketing plan b. the marketing plan c. the strategic marketing plan d. the operational plan 	a
14	Which of the following is a NOT question company use to evaluate Market Opportunity Analysis (MOA)?	<ul style="list-style-type: none"> a. Can the company deliver the benefits better than any actual or potential competitors? b. Are sales objectives realistic and consistent? c. Can the target market(s) be located and reached with cost-effective media and trade channels? d. Does the company possess or have access to the critical capabilities and resources needed to deliver the customer benefits? 	b
15	Companies are encouraged to define their business mission in terms of being market-oriented rather than product-oriented. Which of the following does not follow the guideline?	<ul style="list-style-type: none"> a. We distribute information b. We run a railroad c. We provide climate control in the house d. We supply energy 	b
16	MOA refers to _____.	<ul style="list-style-type: none"> a. marketing objectives analysis b. market opportunity analysis c. marketing organization of America d. market objectives analyzed 	b

17	Marketing must develop strategies for a range of services and products _____ the organization.	<ul style="list-style-type: none"> a. Within b. Outside c. Both a & b d. None of the above 	a
18	_____ lays out the target markets and the value proposition the firm will offer, based on an analysis of the best market opportunities	<ul style="list-style-type: none"> a. Tactical marketing plan b. Strategic marketing plan c. Strategic plan d. Operational plan 	b
19	The 4Cs which are the focus of a market opportunity analysis.	<ul style="list-style-type: none"> a. Customer, Competition, Cost, and Capabilities. b. Customer, Contest, Change, and Capabilities. c. Change, Customer, Competition, and Cost d. Customer, Competition, Cost, and Concept. 	a
20	Which one of the following is not a prerequisite for a marketing audit?	<ul style="list-style-type: none"> a. Independent b. Periodic c. Brief d. Systematic 	c
21	A marketing manager for a small computer manufacturer is analysing the potential effects of political, legal, social, and economic forces on the firm's operations. The marketing manager is examining the that influence(s) the firm's strategy	<ul style="list-style-type: none"> a. operating situation b. marketing environment c. trends d. economic conditions 	b
22	Market opportunity analysis is a process	<ul style="list-style-type: none"> a. to assess the attractiveness of a business opportunity. b. To allot the resources to different departments c. Conceal the needs of the customers d. To provide smart solutions 	a
23	When considering the attractiveness of an industry at the macro level, which of the following would you NOT consider?	<ul style="list-style-type: none"> a. the degree of competitive rivalry in the industry b. the degree to which suppliers are able to set terms and conditions c. barriers to entry (i.e. threat of entry to the industry by newcomers) d. the economic viability of the business model 	d
24	In considering the attractiveness of an industry at the micro-level, an entrepreneur is actually considering:	<ul style="list-style-type: none"> a. her/his particular business b. her/his target market c. the threats of substitute products in the industry d. all of the above 	a

25	The traditional view of marketing begins with a first step called	<ul style="list-style-type: none"> a. Strategic marketing. b. Financial planning c. Business planning d. Operational plan 	a
26	To evaluate opportunities, companies can use _____ to determine the attractiveness and probability of success.	<ul style="list-style-type: none"> a. Market Opportunity Analysis (MOA) b. SWOT Analysis c. Management by Objectives(MBO) d. Management by Exception (MBE) 	a
27	A/An _____ is a challenge posed by an unfavourable trend or development that would lead, in the absence of defensive marketing action, to lower sales or profit.	<ul style="list-style-type: none"> a. environmental threat b. Shifting Face of Labour c. Selection of markets for Targeting d. phishing attacks 	a
28	When a manager reaches the _____ section of a marketing plan, he or she will define the mission and marketing and financial objectives.	<ul style="list-style-type: none"> a. Business strategy. b. Operational strategy. c. Transformational strategy. d. Marketing strategy 	d
29	The marketing plan should open with a/an _____.	<ul style="list-style-type: none"> a. Situation analysis. b. executive summary c. Market Analysis d. Financial Analysis 	b
30	A marketing plan does not have to be _____	<ul style="list-style-type: none"> a. Simple b. Clear c. Complex d. Lengthy e. Both (a) and (b) f. Both (c) and (d) 	f
31	A marketing plan is the collection of specific _____.	<ul style="list-style-type: none"> a. Products b. Services c. Markets d. Actions 	d
32	Creating the marketing strategy includes _____.	<ul style="list-style-type: none"> a. Marketing objectives and strategies b. Forecasts of expected results c. Create alternative plans d. All of the above e. None of the above 	d
33	Which of the following remains at the centre of any marketing process?	<ul style="list-style-type: none"> a. Target consumers b. Product c. Price d. Promotion e. None of these 	a
34	All of the following would be steps or concerns in the process of strategic planning except	<ul style="list-style-type: none"> a. Defining a clear company's mission b. Setting supportive objectives c. Designing a sound business portfolio d. Checking to see if an advertising spot had been run in its allotted time slot 	d

35	What is not part of a marketing plan?	<ul style="list-style-type: none"> a. Marketing mix b. Demand analysis c. Government support d. Competitor analysis 	c
36	Which of the following does not form the basis of a performance indicator for a marketing plan?	<ul style="list-style-type: none"> a. Competitor reaction b. Contribution to business performance c. Marketing effectiveness d. Consumer reaction 	a
37	The three major considerations in assessing opportunities and resources are environmental scanning, evaluating market opportunities, and	<ul style="list-style-type: none"> a. Competitive scanning. b. Environmental analysis. c. Understanding the firm's capabilities. d. Opportunity search. 	c
38	When the right combination of circumstances occurs at the right time to allow an organisation to take action toward a target market, the firm has identified a	<ul style="list-style-type: none"> a. market objective. b. market requirement c. strategic market plan. d. market opportunity. 	d
39	As Don Bush prepares a market attractiveness-business position model for his firm, he comes to the point of assessing the business position of the firm's line of jet skis. Which one of the following would be an input with regard to business position?	<ul style="list-style-type: none"> a. Seasonality b. Relative market share c. Industry sales d. Market growth 	b
40	Short-range marketing plans cover	<ul style="list-style-type: none"> a. four years or less. b. three years or less. c. two years or less. d. one year or less. 	d
41	A firm should develop a marketing plan	<ul style="list-style-type: none"> a. for each strategic business unit. b. for each different marketing strategy. c. for each different target market. d. for each good or service. 	b
42	Which of the following is NOT a purpose of a marketing plan?	<ul style="list-style-type: none"> a. it specifies how resources are to be allocated b. it co-ordinates marketing and production activities c. it assigns responsibilities, tasks and timing d. it assists in management control 	b
43	In which section of the marketing plan would you find detailed information about the marketing environment, market trends, customers and competitors	<ul style="list-style-type: none"> a. marketing analysis b. marketing strategies c. situation analysis d. product analysis 	a
44	A marketing audit's primary purpose is to	<ul style="list-style-type: none"> a. check on the firm's current marketing position for financial and legal reasons. 	b

		<ul style="list-style-type: none"> b. identify weaknesses in ongoing marketing operations and plan the necessary improvements to correct these weaknesses. c. focus on a few of the most important marketing activities and plan the methods to improve them. d. aid evaluation and reallocate the firm's marketing efforts and marketing opportunities. 	
45	KT is involved in a process of assessing marketing opportunities and resources, determining marketing objectives, and developing a plan for implementation and control, then KT is involved in	<ul style="list-style-type: none"> a. strategic analysis. b. marketing planning. c. marketing management. d. marketing 	b
46	Given today's 'green' trend, to profit from the threats to the physical environment, firms should:	<ul style="list-style-type: none"> a. continue to ignore all but the legally required actions. b. support legislation to repeal oppressive pollution laws. c. develop products or promotional campaigns that tout their good citizenship. d. move their offensive operations to countries that have minimal pollution laws 	c
47	A fundamental pattern of present and planned objectives, resource deployments and interactions of an organisation with markets, competitors and other environmental factors refers to a:	<ul style="list-style-type: none"> a. market orientation. b. mission. c. goal. d. strategic group. e. strategy. 	e
48	The five components of strategy are operative at the:	<ul style="list-style-type: none"> a. corporate level. b. business-unit level. c. product-market level. d. all of the above. e. only A and B above are correct. 	d
49	A primary focus of marketing strategy is to effectively allocate and coordinate marketing resources and activities to accomplish the firm's objectives within a specific:	<ul style="list-style-type: none"> a. BCG quadrant. b. SBU. c. business. d. product-market. 	d
50	When PepsiCo attempts to define which products, promotions, prices and distribution arrangements to include in its snacks food line, what type of strategy is it pursuing?	<ul style="list-style-type: none"> a. Marketing strategy. b. Functional-level strategy. c. Corporate strategy. d. Operational strategy. e. Market segmentation strategy. 	a

UNIT 2: Measuring Market Opportunities

Sr.no	Question	Options	answer key
1	Which of the following is not a forecasting technique?	a. Judgemental b. Time series c. Time horizon d. Associative	c
2	In which of the following forecasting technique, subjective inputs obtained from various sources are analyzed?	a. Judgemental forecast b. Time series forecast c. Associative model d. Buyers intentions	a
3	In which of the following forecasting technique, data obtained from past experience is analyzed?	a. Judgemental forecast b. Time series forecast c. Associative model d. Buyers intentions	b
4	In which of the following forecasting technique, data obtained through experiments is analyzed?	a. Judgemental forecast b. Time series forecast c. Concept Testing d. Buyers intentions	c
5	In which of the following forecasting technique, data obtained through intentions and expert opinions is analyzed?	a. Judgemental forecast b. Time series forecast c. Concept Testing d. Bootstrapping	d
6	Delphi method is used for	a. Judgemental forecast b. Time series forecast c. Concept Testing d. Associative model	a
7	If the VF Corporation will be spending £2 million on marketing activities next year and expects to sell 30 million pairs of jeans, the 30 million pairs represents the company's:	a. sales potential b. market potential c. sales forecast d. market sale	d
8	The forecasting method that is least dependent on historical data is	a. time series analysis b. the delphi technique c. trend analysis d. a market test.	d
9	The main problem with using a market test is that it is usually	a. difficult to interpret. b. expensive. c. inaccurate. d. unacceptable	b
10	When a business has a relatively small number of customers, a useful method of forecasting is:	a. time series analysis b. the Delphi technique c. trend analysis d. a customer forecasting survey	d

11	Henry takes the company's sales for the past five years and calculates a growth trend. Which sales forecasting method is being employed?	<ul style="list-style-type: none"> a. time series analysis b. the Delphi technique c. trend analysis d. a customer forecasting survey 	a
12	Ajeet has been asked to calculate the sales potential for a new line of electronic games his company has acquired. He has developed a general economic forecast for the next two years, used this to estimate market potential and is now calculating sales potential. The approach he is using appears to be:	<ul style="list-style-type: none"> a. build up b. Delphi c. break down d. regression 	c
13	The first stage in creating the sales forecasting is to estimate	<ul style="list-style-type: none"> a. Market demand b. Profit c. Sales turnover d. Prospect 	a
14	Which of the following forecasting method is suitable for launching new products?	<ul style="list-style-type: none"> a. time series analysis b. judgemental method c. trend analysis d. customer forecasting survey 	b
15	The Test Market Method should be avoided when:	<ul style="list-style-type: none"> a. You want to gauge repeat purchase rates b. You want to gauge directly the level of customer acceptance for a new product c. You want to avoid "tipping your hand" d. You want to predict sales based on real market conditions 	c
16	In order for the time-series regression method to be used, you need:	<ul style="list-style-type: none"> a. Many periods of data to plot b. A buying power index c. Population statistics d. Customer survey results 	a
17	You want a sales forecasting method that can be conducted fairly quickly and compensate for major strategic changes without giving the competition a clear indication of your intentions. This method will tap into resources with sound knowledge of the key customer intentions. Which forecasting method would best apply?	<ul style="list-style-type: none"> a. Delphi Method b. Sales Force Composite c. Jury of Executive Opinion d. Test Market 	b
18	The ideal order for conducting these 4 types of forecasts is:	<ul style="list-style-type: none"> a. Market Potential, Market Forecast, Sales Potential, Sales Forecast b. Market Potential, Sales Potential, Market Forecast, Sales Forecast 	a

		<ul style="list-style-type: none"> c. Market Forecast, Market Potential, Sales Potential, Sales Forecast d. Sales Forecast, Sales Potential, Market Potential, Market Forecast 	
19	When choosing the best sales forecasting method, the most important consideration would be:	<ul style="list-style-type: none"> a. What type of method your top competitor is using b. The amount, quality, and stability of the data available c. The trustworthiness of your sales team d. Whether you have at least 10 years worth of sales data 	b
20	A key forecasting trend is	<ul style="list-style-type: none"> a. The increased use of judgment input to overlay or adjust statistical forecasts. b. The increase in collaboration with competitors to improve the accuracy of forecasts c. An increase in the use of quantitative methods d. The increased use of high-end computers to crunch past data and assign variables 	a
21	You want an easy-to-use sales forecasting method that can account for seasonality. Which approach would be best under these circumstances?	<ul style="list-style-type: none"> a. Test Market b. Delphi Method c. Decomposition d. Jury of Executive Opinion 	c
22	Your company does not have any prior sales data and you have very little time to set a forecast for your organization. Which forecasting method would be most ideal?	<ul style="list-style-type: none"> a. Test Market b. Delphi Method c. Decomposition d. Jury of Executive Opinion 	d
23	At a corporate level, a sales forecast is used for:	<ul style="list-style-type: none"> a. Allocating resources across functional areas b. Modifying sales evaluation criteria c. Setting sales quotas d. Developing local sales promotions 	a
24	The naive sales forecasting method is based on this premise:	<ul style="list-style-type: none"> a. The forecast will be an average of the last two selling periods. b. Data from the most recent sales period will be more heavily weighted. 	c

		<ul style="list-style-type: none"> c. Sales for the next period will be equal to sales in the last period. d. The last three years' average results. 	
25	A market forecast will always be lower than the market potential due to the fact that	<ul style="list-style-type: none"> a. A market forecast is based on a company forecast while market potential is based on an industry forecast b. Some of the potential market customers will not purchase due to timing, affordability, and other conditions. c. The size of the two markets differ d. The forecast time frames are different 	b
26	Which forecasting tool generally makes the assumption that the future will look very much like the past?	<ul style="list-style-type: none"> a. Surveys. b. Observation. c. Statistical methods. d. Market tests. 	c
27	When Kellogg's plans to introduce a new cereal and uses sales history of an earlier cereal introduction to forecast its sales, Kellogg's is using what type of forecasting tool?	<ul style="list-style-type: none"> a. Judgement. b. Market tests. c. Analogy. d. Observation. e. Surveys 	c
28	All forecasting tools have what in common?	<ul style="list-style-type: none"> a. They all can be applied successfully in any business. b. They are equal in ease of use. c. They are all likely to produce forecasts that are wrong. d. They all give common results. e. They are all equally as good in forecasting future sales 	c
29	Internal record system, marketing databases, competitive intelligence systems and client contact systems are all examples of:	<ul style="list-style-type: none"> a. market knowledge systems. b. marketing tools. c. forecasting systems. d. a marketing analysis. e. tracking systems. 	a
30	When the customer of a grocery store uses a card that gives the user 'clip less coupon' savings when they shop, the grocery store is obtaining information in their:	<ul style="list-style-type: none"> a. client contact system. b. internal record system. c. marketing database. d. sales report e. competitive intelligence system. 	c

31	A client contact management system is most helpful to:	<ul style="list-style-type: none"> a. a direct mail company. b. a mass merchandiser. c. people who perform face-to-face selling for a livelihood. d. a home-based business. e. companies that sell their product on the internet 	c
32	What is typically estimated in a forecast?	<ul style="list-style-type: none"> a. Market potential. b. Penetrated market. c. Target market. d. Sales forecast. e. All of the above. 	e
33	When footwear buyer at Nine West Group uses his intuition in forecasting a trend, he is using what tool?	<ul style="list-style-type: none"> a. Market tests. b. Analogy. c. Observation. d. Judgement. 	d
34	When Nestlé makes several adjustments to determine the total number of households who would try their fresh pasta, they are applying:	<ul style="list-style-type: none"> a. the chain ratio method. b. indices of buying behaviour. c. concept purchase intent adjustments. d. Buying Power Indexes. 	a
35	Products for which there is little demand may be introduced because of misguided:	<ul style="list-style-type: none"> a. market conditions. b. market knowledge. c. market niche. d. market analysis. 	b
36	When McDonald's introduces a new sandwich at some of their locations they are performing a(n)	<ul style="list-style-type: none"> a. survey. b. observation. c. analogy. d. market test. 	d
37	In a _____ approach, a central person or persons take the responsibility for forecasting and prepare an overall sales forecast.	<ul style="list-style-type: none"> a. top-down b. bottom-up c. linear d. Nonlinear 	a
38	In a decentralised firm, when each part of the firm prepares its own sales forecast and then those are aggregated to create the forecast for the firm as a whole, what type of forecast approach is used?	<ul style="list-style-type: none"> a. top-down b. bottom-up c. linear d. Nonlinear 	b
39	ZFR Tires is an established tire manufacturer in Tipura. Every major brand of car uses its tires. It plans to open a branch in Bangalore city for which it intends to use time series analysis to forecast sales and the market potential. Which of the following methods is exemplified by ZFR Tires?	<ul style="list-style-type: none"> a. Analogy method b. Statistical method c. Observation method d. Survey method 	b

40	Which of the following is true of surveys?	<ul style="list-style-type: none"> a. A survey of buyer's intention helps in forecasting sales of a prototype. b. A survey of sales force opinion is conducted for buyers to forecast sales. c. A survey method is superior to a statistical or observational method. d. A survey has the limitation that whoever is surveyed is knowledgeable. 	a
41	Parle, a well-known confectionery, plans to introduce a walnut fudge candy. It asks some of its regular customers to sample the candy and offer their opinions. This way the management hopes to estimate the likely number of buyers for the product, if introduced in its store. Which of the following techniques did Parle use to forecast sales?	<ul style="list-style-type: none"> a. Observation b. Statistical technique c. Survey d. Analogy 	c
42	When major television manufacturers introduced high-definition televisions, they had to account for characteristics like picture quality, the levels of which were unprecedented. They used data collected from the introduction of color television when only black and white television was prevalent. Which of the following methods of forecasting was used here?	<ul style="list-style-type: none"> a. Observation b. Statistical technique c. Survey d. Analogy 	d
43	Which of the following is true of an analogy forecasting method?	<ul style="list-style-type: none"> a. It is a useful approach for entrepreneurs to forecast sales of a new business. b. It is best suited to forecast sales of established products than that of new products. c. It is purely based on observations on what people actually do. d. It conducts surveys to estimate market potential or forecast sales. 	a
44	Which of the following is true of a live test market?	<ul style="list-style-type: none"> a. It does not protect a firm from competitors who use marketing tactics that mislead the company conducting the tests. b. It is the cheapest method to forecast sales. 	d

		<p>c. It is more prevalent than experimental test markets.</p> <p>d. It does not let a firm's competitors to buy the checkout scanner data without bearing test marketing expenses.</p>	
45	A forecasting method that calls for identifying all the potential buyers in each market and estimating their potential purchases.	<p>a. the market-build up method</p> <p>b. the market-factor index method</p> <p>c. Test market</p> <p>d. Leading indicators</p>	a
46	A forecasting method that identifies market factors that correlate with market potential and combines them into a weighted index.	<p>a. the market-build up method</p> <p>b. the market-factor index method</p> <p>c. Test market</p> <p>d. Leading indicators</p>	b
47	Time series that change in the same direction but in advance of company sales	<p>a. the market-build up method</p> <p>b. the market-factor index method</p> <p>c. Test market</p> <p>d. Leading indicators</p>	d
48	Breaking down past sales into its trend, cycle, season, and erratic components, then recombining these components to produce a sales forecast.	<p>a. the market-build up method</p> <p>b. the market-factor index method</p> <p>c. Time-series analysis</p> <p>d. Leading indicators</p>	c
49	The demand of market corresponding to the level of industry is called as	<p>a. market forecast</p> <p>b. demand forecast</p> <p>c. product forecast</p> <p>d. market share forecast</p>	a
50	The calculation of 'area market potential' includes the methods which are	<p>a. market-build up method</p> <p>b. multiple-factor index method</p> <p>c. chain-ratio method</p> <p>d. Both a and b</p>	d
51	The market-build up method of assessing area market potential is used primarily by _____.	<p>a. Consumer marketers</p> <p>b. Business marketers</p> <p>c. Both a & b</p> <p>d. None of the above</p>	b
52	The multiple-factor index method of assessing area market potential is used primarily by _____.	<p>a. Consumer marketers</p> <p>b. Business marketers</p> <p>c. Both a & b</p> <p>d. None of the above</p>	a
53	Delphi Technique:	<p>a. is an attempt to describe a sequence of events that</p>	b

UNIT 3: Targeting Attractive Market Segments & Positioning

		<p>demonstrates how a particular goal might be reached</p> <p>b. is a method of obtaining a systematic refined consensus from a group of experts</p> <p>c. is assessing the desirability of future goals and thereafter selecting those areas of development that are necessary to achieve the desired goals</p> <p>d. is concentrating on the impact which various forecasted technological developments might have on particular industries</p>	
Sr.no	Question	Options	Answer key
1	In a hyper competitive economy such as ours, a company can win only by fine-tuning the value delivery process and choosing, providing, and _____ superior value.	<p>a. communicating</p> <p>b. selecting target markets with</p> <p>c. composing</p> <p>d. developing</p>	a
2	Today, the “mass-market” is actually splintering into numerous _____, each with its own wants, perceptions, preferences, and buying criteria.	<p>a. micro markets</p> <p>b. market targets</p> <p>c. macro markets</p> <p>d. customer cliques</p>	a
3	Value delivery process can be divided into three phases, out of which "choosing the value" implies _____, which is the essence of strategic marketing.	<p>a. researching, developing, and delivering</p> <p>b. segmentation, targeting, and positioning</p> <p>c. segmentation, developing, and delivering</p> <p>d. targeting, positioning, and delivering</p>	b
4	The formula _____ is the essence of strategic marketing.	<p>a. STP- Segmentation, Targeting, Positioning</p> <p>b. CRM- Customer Relationship Management</p> <p>c. TPD- Targeting, Positioning, Distribution</p> <p>d. None of the above</p>	a
5	What do companies that focus on filling a gap in the market engage in?	<p>a. Direct marketing</p> <p>b. Traditional marketing</p> <p>c. Niche marketing</p>	c

		d. Outbound marketing	
6	The decisions of how many and which market segments to compete in are important aspects of which aspect of business-level strategy?	a. Scope. b. Synergy. c. Multi-segmentation strategy. d. Marketing matrix.	a
7	The most important criterion for choosing market segmentation variables is that they should define groups of customers who:	a. are relatively price elastic. b. are not presently served by a firm providing a product that satisfies their wants for the particular product. c. are relatively inexperienced in the product category. d. are relatively experienced in the product category. e. respond differently to one or more of the controllable elements of marketing strategy	e
8	Having segmented a given market, the firm then determines which segments to target by assessing each segment's ____ and ____ factors.	a. environmental; market. b. economic; technological. c. environmental; technological. d. competitive; environmental. e. attractiveness; competitive	e
9	Before a firm can consider a group of customers as a new target market, the minimum acceptable standard in evaluating segments should be (in terms of market attractiveness and potential competitive position):	a. strongly positive on both dimensions. b. moderately positive on both dimensions. c. not necessarily positive but definitely not negative on either dimension. d. strongly positive on one dimension and moderately positive on the other	d
10	Toyota began by introducing small cars (Tercel, Corolla), then expanded into midsize cars	a. Segment synergies b. Segment invasion strategy	b

	(Camry, Avalon), and finally into luxury cars (Lexus). This is an example of _____	c. Positioning d. Niche target	
11	_____ is mass production in manufacturing and marketing counterpart to standardization.	a. Similar marketing b. Differentiated marketing c. Undifferentiated marketing d. None of the above	c
12	Differentiated marketing creates _____ sales than undifferentiated marketing.	a. More b. Less c. Equivalent d. None of the above	a
13	During which step of the marketing segmentation, targeting, and positioning process does the firm develop a marketing mix for each segment?	a. market segmentation b. market targeting c. market positioning d. The firm does not go through the development during any of the above steps.	b
14	There are many large companies like IBM that have lost a chunk of their market share to nichers. Such form of confrontations have been termed as _____	a. Gorillas against Guerillas b. Guerillas against Guerillas c. Guerillas against Gorillas d. None of the above	c
15	The movie Spiderman 3 was launched in India in five different languages, including Bhojpuri. It is an example of:	a. Local marketing b. Niche marketing c. Mass marketing d. Individual Marketing	a
16	Ruff and tuff jeans product of Arvind Mills is an example of	a. Local marketing b. Niche marketing c. Mass marketing d. Individual Marketing	d
17	Sachet marketing was designed to specifically target the '_____ market'.	a. Top of the pyramid b. Mid-point of the pyramid c. Bottom of the pyramid d. All of above are false	c
18	The magazine _____ is targeted as the magazine of woman of substance.	a. Femina b. Cosmopolitan c. Vogue d. None of the above	a
16	Strategy which does not after large market to capture smaller share is called _____	a. micromarketing b. mass marketing c. segmented marketing d. niche marketing	d

17	_____ might consist of a fast food item, a gourmet meal from a four star restaurant, frozen pizza, a steak cooked at home, a slim-fast optima shake.	<ul style="list-style-type: none"> a. product market b. generic market c. target market d. marketing mix 	c
18	Opportunities to differentiate a company's product offering	<ul style="list-style-type: none"> a. Are most reliably found in the R&D portion of the value chain b. Are typically located in the sales and marketing portion of the value chain c. Can exist in activities all along an industry's value chain 	c
19	The most appealing approaches to differentiation are	<ul style="list-style-type: none"> a. Those that are the most costly to incorporate (because expensive attributes are perceived by buyers as more valuable and worth paying more for) b. Those that can be made even more attractive to buyers via clever advertising c. Generally related to flavor and taste or sophisticated use of Internet technology applications d. Those that are hard or expensive for rivals to duplicate and that also have considerable buyer appeal 	d
20	Sunshine Conservatories has launched a series of ads in which it attempts to demonstrate its products superiority on selected attributes relative to competitive brands. It is attempting to _____ its product.	<ul style="list-style-type: none"> a. Segment b. Profile c. Promote d. Position 	d
21	Positioning is a choice of which of the following?	<ul style="list-style-type: none"> a. Retailer choice & store layout b. The target market & marketing assets c. The target market & differential advantage 	c

		d. Price & quality	
22	Which of the following is an example of image differentiation?	<p>a. Berry's has an intensive training program for its customer-facing staff, to ensure a consistent service standard.</p> <p>b. The Swan Hotels use a distinctive signature fragrance in all outlets so that customers can associate the fragrance with the hotel.</p> <p>c. JEK's sophisticated customer database allows the company to handle queries and product returns much faster than competitors.</p> <p>d. RTZ shifted its products from supermarket aisles to exclusive stores as it realized that customers were willing to pay more in stores.</p> <p>e. Hayley's found success by allowing buyers to customize the color and some features of its appliances before buying them.</p>	b
23	The process of establishing and maintaining a distinctive place in the market for an organization or its specific product offers is known as _____.	<p>a. Profiling</p> <p>b. Profiling Segmentation</p> <p>c. Segmentation</p> <p>d. Positioning</p>	d
24	Shan Foods is involved in selecting and analyzing a target market and developing a marketing mix to gain long-run competitive advantages. Based on this example, Shan Foods is creating a:	<p>a. Corporate strategy</p> <p>b. Target design</p> <p>c. Mix strategy</p> <p>d. Marketing strategy</p>	d

25	Brands are born out of the following strategies:	<ul style="list-style-type: none"> a. Segmentation and differentiation strategies b. Promotion strategies c. Good purchasing and supply chain strategies d. All of the given options 	a
26	Variables such as market and product variability plays a role in designing of	<ul style="list-style-type: none"> a. positioning strategy b. targeting strategy c. differentiation d. market segmentation 	b
27	Company marketing mix that target market segments very broadly is called	<ul style="list-style-type: none"> a. mass marketing b. segmented marketing c. niche marketing d. micromarketing 	a
28	In positioning statement, first thing that must be stated is	<ul style="list-style-type: none"> a. target segment b. market segmentation c. differentiation d. positioning 	a
29	Which of the following is an advantage of using market segmentation?	<ul style="list-style-type: none"> a. It saves money by avoiding the need for TV advertising. b. It lets a business invest more in its employees. c. It allows a business to charge higher prices. d. It allows a business to target its promotional strategy more effectively. 	d
30	When an organization attempts to develop a different marketing mix for each of its customers, it is using which type of strategy?	<ul style="list-style-type: none"> a. undifferentiated strategy b. mass market strategy c. custom marketing strategy d. differentiated strategy 	c
31	When Marriott Corporation designs its hotel/motel service at many different price ranges (Residence Inns, Fairfield Inns, Marriott Resort Hotels), it is using what type of strategy?	<ul style="list-style-type: none"> e. undifferentiated strategy f. mass market strategy g. focus strategy h. differentiated strategy 	d
32	The company attempts to serve all customer groups with all the products they might need. Only very large firms can undertake a _____ market strategy	<ul style="list-style-type: none"> a. Single Segment Concentration b. Selective Segment Specialisation c. Market Specialisation d. Product Specialisation e. Full Coverage 	e

33	Super Precision Components supply small nuts and screws for use in military, industry and daily use. Then we can say that the company uses	<ul style="list-style-type: none"> a. Single Segment Concentration b. Selective Segment Specialisation c. Market Specialisation d. Product Specialisation 	d
34	The company X can implement _____ strategy by producing all sorts of home appliances like TV, washing machine, refrigerator and micro oven for middle class people.	<ul style="list-style-type: none"> a. Single Segment Concentration b. Selective Segment Specialisation c. Market Specialisation d. Product Specialisation 	c
35	If the company X produces plasma TV as well as Walkman, the two different types of products obviously for two different types of markets, then it can be cited as an example of _____ strategy.	<ul style="list-style-type: none"> a. Single Segment Concentration b. Selective Segment Specialisation c. Market Specialisation d. Product Specialisation 	b
36	Companies like Allahabad Law Agency (only law books) and BPB publications (only Computer books) are good examples of targeting _____.	<ul style="list-style-type: none"> f. Single Segment Concentration g. Selective Segment Specialisation h. Market Specialisation i. Product Specialisation j. Full Coverage 	a
37	“Guerillas against Gorillas” highlight which form of marketing?	<ul style="list-style-type: none"> a. Mass marketing b. Niche marketing c. Local marketing d. Differentiated strategy 	b
38	When a company designs a single product-marketing programme that the company thinks will appeal to the largest number of consumers, this is known as what type of targeting strategy?	<ul style="list-style-type: none"> a. Niche-marketing strategy. b. Growth-market strategy. c. Differentiated strategy. d. Mass-market strategy 	d
39	Consumers who evaluate a new car on the basis of an abstract attribute would use which of the following dimensions?	<ul style="list-style-type: none"> a. Prestige. b. Roominess. c. Price. d. Headroom. e. . Horsepower. 	
40	A product’s positioning -	<ul style="list-style-type: none"> a. Prevents its producer from revising its mission statement. b. Is the image it projects in relation to competitive products as well as to 	b

		<p>other products marketed by the same company.</p> <p>c. Is its physical characteristics.</p> <p>d. D. Is the image projected by the product exclusive of its features.</p>	
41	<p>If the strategy for National Egg Company is to encourage people to eat more eggs, which of the following would be the most effective tactic for it to implement?</p>	<p>a. Hire more employees to support the expected increase in demand.</p> <p>b. Expand its distribution to rural areas.</p> <p>c. Buy more local advertising.</p> <p>d. Sponsor a national contest looking for the best egg recipes for healthy cooking.</p>	d
42	<p>Successful differentiation strategy allows the company to</p>	<p>a. gain buyer loyalty to its brands.</p> <p>b. charge too high a price premium.</p> <p>c. depend only on intrinsic product attributes.</p> <p>d. have product quality that exceeds buyers' needs.</p>	a
43	<p>When competitive position is medium and the market attractiveness is high, the firm's primary approach should be to:</p>	<p>a. invest to build.</p> <p>b. build selectively.</p> <p>c. manage for earnings.</p> <p>d. protect and refocus.</p>	a
44	<p>When competitive position is weak and the market attractiveness is high, the firm's primary approach should be to:</p>	<p>a. invest to build.</p> <p>b. build selectively.</p> <p>c. manage for earnings.</p> <p>d. protect and refocus.</p>	b
45	<p>What is the most recent approach, being adopted by a growing number of firms, to writing the desired positioning for a product?</p>	<p>a. Positioning statement</p> <p>b. Value proposition.</p> <p>c. Product positioning analysis.</p> <p>d. Factor analysis.</p>	b
46	<p>Which of the following items is included in a value proposition, but not a positioning statement?</p>	<p>a. Product features.</p> <p>b. Target market.</p> <p>c. Benefits.</p> <p>d. Price range</p>	d

47	When a firm wants to position one of its brands what is it trying to do?	<ul style="list-style-type: none"> a. Get competitors to recognise its presence. b. Provide a platform from which it can generate advertisements. c. Get a group of consumers to perceive its brand favourably in relation to competitive brands. d. Get a group of consumers to be familiar with the physical features of its brand. 	c
48	Which of the following is an example of channel differentiation?	<ul style="list-style-type: none"> a. Berry's has an intensive training program for its customer-facing employees, to ensure a consistent service standard. b. The Swan Hotels use a distinctive signature fragrance in all outlets so that customers can associate the fragrance with the hotel. c. JEK's sophisticated customer database allows the company to handle queries and product returns much faster than competitors. d. RTZ shifted its products from supermarket aisles to exclusive stores as it realized that customers were willing to pay more in stores. e. Hayley's found success by allowing buyers to customize the color and some features of its appliances before buying them. 	d
49	Which of the following is an example of services differentiation?	<ul style="list-style-type: none"> a. Berry's has an intensive training program for its customer-facing employees, to ensure a consistent service standard. b. The Swan Hotels use a distinctive signature 	c

		<p>fragrance in all outlets so that customers can associate the fragrance with the hotel.</p> <p>c. JEK's sophisticated customer database allows the company to handle queries and product returns much faster than competitors.</p> <p>d. RTZ shifted its products from supermarket aisles to exclusive stores as it realized that customers were willing to pay more in stores.</p>	
50	A company which can differentiate itself by designing a better and faster delivery system that provides more effective and efficient solutions to consumers is most likely using _____ differentiation	<p>a. services</p> <p>b. channel</p> <p>c. image</p> <p>d. product</p> <p>e. employee</p>	a
51	A radio ad by the dairy farmers of Pune city stated that the milk produced in the city was of higher quality because of the way the farmers treat their cows. They said that the difference comes from how comfortable they make their cows. Among others, this differentiation could certainly appeal to animal lovers and those moving toward organic products. This is an example of _____.	<p>a. personnel differentiation</p> <p>b. channel differentiation</p> <p>c. service differentiation</p> <p>d. product differentiation</p> <p>e. image differentiation</p>	e
52	Dayton, Ohio--based Iams found success selling premium pet food through regional veterinarians, breeders, and pet stores. This is an example of _____ differentiation.	<p>a. services</p> <p>b. channel</p> <p>c. image</p> <p>d. product</p>	b
53	Singapore Airlines is well regarded in large part because of the excellence of its flight attendants. This is an example of _____ differentiation.	<p>a. services</p> <p>b. channel</p> <p>c. image</p> <p>d. personnel</p>	d
54	Which of the following types of differentiation relates to companies having better-trained personnel who provide superior customer service?	<p>a. personnel differentiation</p> <p>b. channel differentiation</p> <p>c. service differentiation</p> <p>d. product differentiation</p> <p>e. image differentiation</p>	c
55	_____ is a company's ability to perform in one or more ways that competitors cannot or will not match.	<p>a. Brand positioning</p> <p>b. Market research</p> <p>c. Competitive advantage</p> <p>d. Competitor analysis</p>	c

	U	e. Competitive intelligence	
--	---	-----------------------------	--

UNIT 4: Marketing Strategies for New Economy

Sr.no	Question	Options	answer key
1	A runner-up firm that wants to hold its share in an industry without rocking the boat.	a. Market leader b. market follower c. market niche d. market challenger	b
2	The firm in an industry with the largest market share.	a. Market leader b. market follower c. market niche d. market challenger	a
3	Considering competitive positions, a company with largest share in market in its industry is classified as _____.	a. Market leader b. market follower c. market niche d. market challenger	b
4	A runner-up firm that is fighting hard to increase its market share in an industry.	a. Market leader b. market follower c. market niche d. market challenger	d
5	Considering competitive positions, a firm other than market leader who is fighting hard in its industry to increase market share is classified as _____.	a. Market leader b. market follower c. market niche d. market challenger	d
6	Company whose strategies are in accordance to strategy of other competitive firms in industry is classified as _____.	a. customer-centered company b. profit-centered company c. market-centered company d. competitor centered company	d
7	A firm that serves small segments that the other firms in an industry overlook or ignore.	a. Market leader b. market follower c. market niche d. market challenger	c
8	A strategy for marketing nichers	a. expand market share b. multiple niching c. indirect attack d. full frontal attack	b
9	A strategy for market followers	a. expand market share b. multiple niching c. Following closely d. full frontal attack	c
10	A Strategy for market challengers	a. expand market share b. multiple niching	d

		<ul style="list-style-type: none"> c. indirect attack d. full frontal attack 	
11	Which approach views an organization as a series of process, each of which adds value to the product or service for each customer?	<ul style="list-style-type: none"> a. Low cost strategy b. Business value process c. Value chain d. First-mover value advantage 	c
12	According to competitive positions, main focus of market leader strategy is to _____.	<ul style="list-style-type: none"> a. expand market share b. multiple niching c. indirect attack d. full frontal attack 	c
13	A product or service that customers have come to expect from an industry, which must be offered by new entrants if they wish to compete and survive, is known as a(n)?	<ul style="list-style-type: none"> a. switching costs b. loyalty programs c. entry barriers d. affiliate programs 	c
14	A _____ refers to any feature of an organization or brand perceived by customers to be desirable and different from those of the competition.	<ul style="list-style-type: none"> a. Sales orientation. b. Differential advantage. c. Customer orientation. d. Market orientation. 	b
15	If one of the organizational objectives for an on-line furniture business is to increase market share from 1 percent to 5 percent during the next year, which of the following would describe an appropriate strategy for the company to implement?	<ul style="list-style-type: none"> a. Intensify marketing efforts in the addressed market. b. Buy monthly ads in home decor magazines c. Create an ad that shows their quality management process. d. Introduce a new line of 'do-it-yourself furniture. 	a
16	Which is likely to be the most expensive method of market entry?	<ul style="list-style-type: none"> a. Franchising b. Licensing c. Opening a foreign subsidiary d. Direct marketing 	c
17	The market entry method that could give rise to a potential for inheriting a demotivated labour force, a poor image and reputation and out of date products and processes;	<ul style="list-style-type: none"> a. Merger b. Acquisition c. Licensing d. Franchising e. Setting up a wholly owned subsidiary 	e
18	Select right order of intensive growth strategies:	<ul style="list-style-type: none"> a. market-development strategy, market-penetration strategy, product development strategy b. Market-penetration strategy, market development 	

		<p>strategy, product development strategy</p> <p>c. market-penetration strategy, product development strategy, market-development strategy</p> <p>d. None of the above</p>	
19	Using the opportunity/threat matrix, management should focus on those events that have ____ probability of occurrence and ____ impact:	<p>a. low, high.</p> <p>b. low, low.</p> <p>c. high, high.</p> <p>d. high, low.</p>	c
20	Question mark in BCG Matrix is an investment, which	<p>a. Yields low current income but has bright growth prospects.</p> <p>b. Yields high current income and has bright growth prospects.</p> <p>c. Yields high current income and has bleak growth prospects.</p> <p>d. Yields low current income and has bleak growth prospects.</p>	a
21	The strategy of the Reliance Group in India would be a good example of	<p>a. Conglomerate diversification</p> <p>b. Market development</p> <p>c. Price Transfers</p> <p>d. Concentric Diversification</p>	a
22	New entrants to an industry are more likely when.	<p>a. It is difficult to gain access to distribution channels</p> <p>b. Economies of scale in the industry are high</p> <p>c. Product differentiation in the industry is low</p> <p>d. Capital requirement in the industry are high</p>	c
23	'Niche' is similar to the	<p>a. Growth strategy</p> <p>b. Milking strategy</p> <p>c. Flanking strategy</p> <p>d. Survival strategy</p>	c
24	A growth-market strategy is most compatible with an objective emphasizing:	<p>a. short-term profits.</p> <p>b. short-term return on investment.</p> <p>c. long-term volume growth.</p>	c

		d. cost reduction.	
25	Innovative products which are new to the company and which create an entirely new market for consumers are known as what type of new products?	<ul style="list-style-type: none"> a. Improvements in existing products. b. Additions to existing product lines. c. Repositionings. d. Cost reductions. e. New-to-the-world products. 	e
26	Which entails more risk to the firm, a product's degree of:	<ul style="list-style-type: none"> a. newness to the market. b. newness to the firm. c. newness to the brand. d. all of the above are about equal. e. A or B above depending on specific factors 	e
27	When Apple introduced its Macintosh computer, one of the most important sources of advantage to the company in pioneering this product was probably:	<ul style="list-style-type: none"> a. high switching costs for early adopters. b. that the pioneer defines the 'rules of the game'. c. influence on consumer choice criteria. d. its famous 1984 Superbowl ad 	a
28	Pioneers who follow a large-scale entry strategy are usually hoping for ____ to assist them in being successful.	<ul style="list-style-type: none"> a. learning-curve benefits. b. vertical integration. c. horizontal integration. d. barriers to entry. 	a
29	Some successful fast followers are characterized by utilizing which of the following?	<ul style="list-style-type: none"> a. A focus on peripheral markets. b. Leapfrogging the pioneer's product technology. c. A focus on personal selling. d. Pre-empting the pioneer's raw materials. e. Spending more money on market research 	b
30	Which type of marketing strategy has as its primary objective to maximize the number of triers and adopters in the target market segment?	<ul style="list-style-type: none"> a. Mass-market penetration. b. Defender strategy. c. Niche penetration. d. Skimming and early-withdrawal strategy. 	c

31	Which type of marketing strategy has as its primary objective to maintain the leading market share position in the total market?	<ul style="list-style-type: none"> a. Niche penetration. b. Harvesting strategy. c. Defender strategy. d. Skimming and early-withdrawal strategy. e. Mass-market penetration. 	e
32	The key to a new product's success is:	<ul style="list-style-type: none"> a. pre-empting the market leader's scarce resources. b. developing a newer technology. c. increasing product awareness. d. increasing potential users' willingness and ability to buy. e. both C and D are correct. 	d
33	When computer software manufacturers virtually give away their new products to computer hardware manufacturers and to universities in the hope of getting more profitable sales of upgrade products in the future, they are counting on:	<ul style="list-style-type: none"> a. creating better upgrade products to maintain these customers. b. consumers remembering the good deal they were given. c. pre-empting their competitors from selling to these consumers. d. structuring these consumers' perceptions and future expectations. e. retaining these customers because of the product's high learning costs. 	e
34	Pre-empting scarce resources leads to:	<ul style="list-style-type: none"> a. economies of scale. b. vertical integration. c. horizontal integration. d. barriers to entry. b. E. economies of scope 	d
35	Firms following a 'market expansion' strategy may have as one of their objectives to:	<ul style="list-style-type: none"> a. increase their customer base by focusing its resources on high growth segments. b. increase their customer base by focusing on creating new products. 	b

		<ul style="list-style-type: none"> c. protect against losses of customers by beating its competitors' prices. d. protect against losses of customers by developing its own second entry. 	
36	A market expansion strategy may involve any of the following actions EXCEPT:	<ul style="list-style-type: none"> a. developing line extensions. b. building unique distribution channels. c. increasing quality control. d. designing multiple advertising campaigns. 	c
37	Which of the following share growth strategies is appropriate for a challenger when the market is relatively homogenous?	<ul style="list-style-type: none"> a. frontal attack and leap frog. b. leapfrog and flanking attack. c. flanking attack and encirclement. d. encirclement and frontal attack 	a
38	Which of the following share growth strategies is appropriate for a challenger when the market is relatively heterogeneous?	<ul style="list-style-type: none"> a. frontal attack and leap frog. b. leapfrog and flanking attack. c. flanking attack and encirclement. d. encirclement and frontal attack 	c
39	A challenger with the objective of attracting a substantial share of new customers in a variety of smaller specialised segments where customer's needs are different from those of early adopters in the mass market is following a ____ strategy.	<ul style="list-style-type: none"> a. frontal attack b. leapfrog c. flanking attack d. encirclement 	d
40	A challenger with the objective of inducing customers in the mass market to replace their current brand with the challenger's superior product offering is following a ____ strategy.	<ul style="list-style-type: none"> a. frontal attack b. leapfrog c. flanking attack d. encirclement 	b
41	Maintaining an early lead in relative market share in a growth market is difficult for all of the following reasons EXCEPT:	<ul style="list-style-type: none"> a. the increasing number of competitors. b. the reduction in market segments. c. the threat of product innovation from within the industry. 	b

		d. the threat of product innovation from outside the industry.	
42	The most basic defensive strategy in a growing market is:	a. confrontation. b. fortress. c. flanker. d. market expansion.	b
43	Marketing actions to maintain customer satisfaction and loyalty include all of the following EXCEPT:	a. increasing attention to quality control. b. focusing advertising on selective demand. c. continuing product modification and improvements. d. expand post-service capabilities. e. developing multiple-line extensions	e
44	When total industry sales volume is stagnant, a share leader might precipitate a renewed spurt of growth by implementing:	a. an increased-penetration strategy. b. an extended-use strategy. c. a market-expansion strategy. d. any of the above strategies. e. none of the above strategies.	d
45	A market-expansion growth-extension strategy seeks to:	a. expand the number of potential customers by targeting underdeveloped geographic areas. b. maximise short-term cash flow. c. increase the amount of product used by the average customer by increasing frequency of use or developing new and more varied ways to use the product. d. maintain share in the short term as the market declines.	a
46	Converting current non-users in target segments to users may be accomplished by:	a. moving storage of the product closer to the point of end use by offering additional package sizes.	c

		<ul style="list-style-type: none"> b. encouraging larger volume purchases. c. enhancing the product's value by adding features or by including it in the design of integrated systems. d. developing a differentiated flanker brand or product line with unique features. 	
47	A differentiated product positioning focused on untapped or underdeveloped segments might be pursued by:	<ul style="list-style-type: none"> a. encouraging larger volume purchases. b. develop line extensions. c. developing a differentiated flanker brand. d. including the product in the design of integrated systems. 	c
48	At which stage of a product's life cycle is there likely to be the greatest heterogeneity in customers' wants resulting in market fragmentation?	<ul style="list-style-type: none"> a. Growth. b. Shake-out. c. Maturity. d. Decline. e. Both C and D above 	c
49	Which type of marketing strategy is a company using when it attempts to convert current non-users into users by including a tie-in for its product with a product which is currently frequently purchased by the non-users of its product?	<ul style="list-style-type: none"> a. Increased-penetration. b. Extended-use. c. Harvesting. d. Analyser. e. Market-expansion. 	a
50	Each of the following is an exit barrier EXCEPT:	<ul style="list-style-type: none"> a. high reinvestment requirements. b. substantial excess capacity. c. sizeable new assets. d. product differentiation. e. lack of resale markets for assets 	d
51	Firms having superior value chain capabilities have a competitive over rivals	<ul style="list-style-type: none"> a. disadvantage b. environment c. advantage and edge d. battle 	c
52	Win-Dixie closing one-third of its stores and eliminating 22,000 jobs in an attempt to emerge from bankruptcy would be an example of:	<ul style="list-style-type: none"> a. divestiture. b. backward integration. c. liquidation. d. retrenchment. e. forward integration. 	d

53	A focused differentiation strategy aims at securing competitive advantage	<ul style="list-style-type: none"> a. By providing niche members with a top-of-the-line product at a premium price b. By catering to buyers looking for an upscale product at an attractively low price b. With a product offering carefully designed to appeal to the unique preferences and needs of a narrow, well-defined group of buyers 	c
54	What kind of strategy is retrenchment?	<ul style="list-style-type: none"> a. A turnaround or reorganization strategy b. An expansion strategy c. A conglomerate strategy d. An intensive strategy 	a
55	A company can be said to have competitive advantage if	<ul style="list-style-type: none"> a. It is the acknowledged leader in product quality b. It has a different value chain than rivals c. It has some type of edge over rivals in attracting customers and coping with competitive forces 	c
56	A low-cost leader's basis for competitive advantage is	<ul style="list-style-type: none"> a. Lower prices than rival firms b. Using a low cost/low price approach to gain the biggest market share c. High buyer switching costs d. Meaningfully lower overall costs than competitors 	d
57	The strategy of choosing one attribute to excel at to create competitive advantage is known as (the):	<ul style="list-style-type: none"> a. unique selling proposition. b. underpositioning. c. overpositioning. d. confused positioning. 	a
58	_____ is a promise made in a highly competitive manner which positions the product clearly in the minds of consumer.	<ul style="list-style-type: none"> a. USP b. POP c. value addition d. product appeal 	a
59	Why does a business create a unique selling point for a product?	<ul style="list-style-type: none"> a. To design the look of packaging b. To set the product's price c. To gain a competitive advantage 	c

		d. To make it affordable	
60	Which one of the following is NOT considered as competitive differentiation?	a. Product b. Sales c. Service d. Image	b

UNIT 5: Marketing Metrics for Marketing Performance

Sr.no	Question	Options	Answer key
1	Course City recently declared bankruptcy and went out of business. This would, typically	a. increase Buyer's power b. increase Supplier's power c. make it easy for others to enter the electronic market d. None of the above	b
2	What does Porter's five forces model determine?	a. The competitive advantage of a competitor b. The distribution chain of a competitor c. The relative attractiveness of another business d. The relative attractiveness of an industry	d
3.	If the threat of substitute products or services is low it is a(n):	a. Disadvantage to the supplier b. Advantage to the buyer c. Advantage to the supplier d. None of the above	c
4	If the suppliers in a particular industry hold a lot of the power, the industry is:	a. Saturated with alternative products or services b. Using information technology to gain a competitive advantage c. More attractive to enter d. None of the above	d
5	Which of the following represents supplier power in Porter's Five Forces Model?	a. High when buyers have few choices of whom to buy from and low when their choices are many b. Low when buyers have few choices of whom to buy from and high when their choices are many c. High when buyers have many choices of whom to buy from and low when their choices are few d. None of the above	a

6	Reliance Mart requiring its supplier to include RFID tags would be an example of:	<ul style="list-style-type: none"> a. Buyer power b. Supplier power c. Threat of new entrants d. Rivalry among existing competitors 	a
7	A customer goes to supermarket and has many choices for toothpaste, i.e., Crest, Colgate, Tom's etc. This is an example of:	<ul style="list-style-type: none"> a. Supplier power is high b. Threat of new entrant is high c. Buyer power is high d. All of the above 	c
8	An industry is attractive for suppliers when the rivalry among existing competitors is:	<ul style="list-style-type: none"> a. More b. Low c. High d. Less 	c
9	Which of the following forces is commonly reduced through the use of a loyalty program?	<ul style="list-style-type: none"> a. Buyer power b. Supplier power c. Threat of new entrants d. Rivalry among existing competitors 	a
10	_____is the narrowest marketing strategy.	<ul style="list-style-type: none"> a. Segmented strategy b. Local marketing c. Differentiated marketing d. Mass marketing 	b
11	Which of the following would be considered to be among the issues that would be covered in the first part of a marketing strategy statement?	<ul style="list-style-type: none"> a. Packaging strategy b. Target market strategy c. dealer strategy d. Advertising strategy 	b
12	What does Question mark symbolize in BCG matrix?	<ul style="list-style-type: none"> a. Remain Diversified b. Invest c. Stable d. Liquidate 	a
13	What do Cash Cows symbolize in BCG matrix?	<ul style="list-style-type: none"> a. Remain Diversified b. Invest c. Stable d. Liquidate 	c
14	What does Dogs mark symbolize in BCG matrix?	<ul style="list-style-type: none"> a. Remain Diversified b. Invest c. Stable d. Liquidate 	d
15	What does Stars mark symbolize in BCG matrix?	<ul style="list-style-type: none"> a. Remain Diversified b. Invest c. Stable d. Liquidate 	b
16	The BCG matrix is based on	<ul style="list-style-type: none"> a. Industry attractiveness and Business strength b. Industry Growth rate and Business strength 	d

		<ul style="list-style-type: none"> c. Industry Attractiveness and Relative Market share d. Industry growth rate and relative market share 	
17	The BCG's Growth Share matrix uses _____ and _____ of market growth as criteria to make investment decisions.	<ul style="list-style-type: none"> a. Relative market share and quarterly rate b. Relative market share and annual rate c. Absolute market share and annual rate d. Absolute market share and quarterly rate 	b
18	What does Red symbolize in BCG matrix?	<ul style="list-style-type: none"> a. Invest & Expand b. Harvest and Earn c. Harvest & Divest d. Select & Earn 	c
19	What does Dog symbolize in BCG matrix?	<ul style="list-style-type: none"> a. Introduction b. Growth c. Maturity d. Decline 	d
20	What does Green symbolize in BCG matrix?	<ul style="list-style-type: none"> a. Invest & Expand b. Harvest and Earn c. Harvest & Divest d. Select & Earn 	a
21	What does Yellow symbolize in BCG matrix?	<ul style="list-style-type: none"> a. Invest & Expand b. Harvest and Earn c. Harvest & Divest d. Select & Earn 	d
22	BCG in BCG matrix stands for _____	<ul style="list-style-type: none"> a. Boston Chalmette Group b. British Consulting Group c. Boston Corporate Group d. Boston Consulting Group 	d
23	What does Stars symbolize in BCG matrix?	<ul style="list-style-type: none"> a. Introduction b. Growth c. Maturity d. Decline 	b
24	The BCG matrix is mainly designed to analyse _____	<ul style="list-style-type: none"> a. Current strategy of the organization b. Long-term strategic planning c. Short-term strategic planning b. Revenue generated by the organization 	b
25	The BCG matrix is also known as _____	<ul style="list-style-type: none"> a. The Boston Box b. Product Portfolio matrix c. Growth-Share matrix d. All of the above e. None of above 	d
26	In BCG matrix, _____ is the label of the horizontal axis	<ul style="list-style-type: none"> a. Relative Market share b. Business Strength c. Industry Growth Rate d. Market Growth Rate 	a

27	In BCG Matrix, what is the label of the Vertical axis?	<ul style="list-style-type: none"> a. Relative Market share b. Business Strength c. Industry Growth Rate d. Market Growth Rate 	c
28	You called the Boston Consulting Group (BCG), and they have provided you with some advice based on their famous corporate portfolio matrix. Your oldest holding, Banana Rocket, has not grown much in recent years, but due to low debt, it generates a huge amount of cash. According to BCG, Banana Rocket would be considered a _____.	<ul style="list-style-type: none"> a. cash cow b. star c. question mark d. dog 	a
29	Recently, you also purchased a company that manufactures a new satellite dish, allowing you to enter into the cable television market. The business is profitable and growing, but the technological unknowns make it risky. BCG considers it a _____.	<ul style="list-style-type: none"> a. cash cow b. star c. question mark d. dog 	c
30	Another purchase you made was to acquire a local coffee-cart chain with 30 locations around the city. You don't see it growing very much, but then, it doesn't cost much to operate. BCG would label this venture a _____.	<ul style="list-style-type: none"> a. cash cow b. star c. question mark d. dog 	d
31	The four possible strategies that can be pursued for each SBU are building, holding, _____, and _____	<ul style="list-style-type: none"> a. harvesting; divesting b. promoting; selling c. downsizing; expanding d. diversifying; penetrating 	a
32	The BCG matrix measures _____ rather than Profits	<ul style="list-style-type: none"> a. Sales b. cash flow c. Loss d. Market share 	b
33	The extended the BCG matrix. Called the _____	<ul style="list-style-type: none"> a. Gap Planning Model b. Ansoff Matrix c. Family Portfolio matrix d. SWOT analysis 	c
34	In Family Portfolio matrix, these are new products to the market which generate cash for a low spend, they	<ul style="list-style-type: none"> a. Dodos b. Warhorses c. Infants d. Lingering Memories 	c

	have a low market growth rate and a medium to high market share.		
35	In Family Portfolio matrix, these are products which have long-been removed from the market but still resonate in the minds of consumers.	a. Dodos b. Warhorses c. Infants d. Lingering Memories	d
36	A product in decline but which still makes money.	a. Dodos b. Warhorses c. Infants d. Lingering Memories	b
37	These are products which have a low relative market share and a negative market growth rate. These are products on the road to divestment	a. Dodos b. Warhorses c. Infants d. Lingering Memories	a
38	These are products that are in development. They are new to the market	a. Dodos b. Warhorses c. Research and Development d. Ideas and Concepts	d
39	They have no market share and make no income	a. Hibernating Squirrels b. Warhorses c. Research and Development d. Ideas and Concepts	c
40	These are products which have been withdrawn from sale but which may be returned to the market at a later date. There is a small cost to these products e.g. the maintenance of intellectual property rights, storage of equipment etc.	a. Hibernating Squirrels b. Warhorses c. Research and Development d. Ideas and Concepts	a
41	Geographic expansion of market refers to	a. Market development b. Market penetration c. Product Development d. Diversification	a
42	Increasing customer base in the present market for present product refers to	a. Market development b. Market penetration c. Product Development d. Diversification	b
43	IKEA started off expanding to markets relatively close in terms of culture as to its home country (Sweden) before targeting more challenging geographic areas such as China and the Middle-East. This is an example of ____.	a. Diversification: New Products in New Markets b. Market Development: Existing Products in New Markets c. Product Development: New Products in Existing Markets d. Market Penetration: Existing Products in Existing Markets	b

44	Brands such as Coca-Cola and Heineken are known for spending a lot on marketing and they try to maximize the use of distribution channels by making attractive deals with a large variety of distributors such as supermarkets, restaurants, bars and football stadiums. They are into _____.	<ul style="list-style-type: none"> a. Diversification: New Products in New Markets b. Market Development: Existing Products in New Markets c. Product Development: New Products in Existing Markets d. Market Penetration: Existing Products in Existing Markets 	d
45	The pharmaceutical industry where companies such as Pfizer, Merck and Bayer are heavily investing in Research and Development (R&D) in order to come up with new and innovative drugs every now and then. They are into _____.	<ul style="list-style-type: none"> a. Diversification: New Products in New Markets b. Market Development: Existing Products in New Markets c. Product Development: New Products in Existing Markets d. Market Penetration: Existing Products in Existing Markets 	c
46	Samsung, which is operating in businesses varying from computers, phones and refrigerators to chemicals, insurances and hotel chains. Samsung follows which type of diversification strategy.	<ul style="list-style-type: none"> a. horizontal diversification b. Concentric diversification c. Conglomerate diversification d. vertical diversification 	c
47	This strategy is about entering a new market with a new product that is somewhat related to a company's existing product offering.	<ul style="list-style-type: none"> a. horizontal diversification b. Unrelated diversification c. Conglomerate diversification d. vertical diversification 	a
48	This strategy means moving backward or forward in the value chain by taking control over activities that used to be outsourced to third parties like suppliers, OEMs or distributors.	<ul style="list-style-type: none"> a. horizontal diversification b. Concentric diversification c. Conglomerate diversification d. vertical diversification 	d
49	A strategic-planning gap can be corrected by _____.	<ul style="list-style-type: none"> a. changing the company's mission b. adjusting its core values c. choosing integrative growth strategies d. redefining organizational culture 	c
50	Knorr, a manufacturer of soup, dip, and gravy mixes, printed-on package recipes, gave out coupons to existing customers and created a recipe booklet that could be ordered with three UPC codes from three different Knorr products. All of these activities	<ul style="list-style-type: none"> a. Diversification: New Products in New Markets b. Market Development: Existing Products in New Markets c. Product Development: New Products in existing Markets d. Market Penetration: Existing Products in Existing Markets 	d

	would be representative of a _____ strategy.		
51	Skoda is a carmaker in the Czech republic. The auto manufacturer is launching a marketing drive designed to ultimately sell one million Skoda vehicles a year. Skoda has identified the main growth markets for automobiles as china, Russia, and India and has plans to market in each of those countries. This would be an example of _____ strategy.	<ul style="list-style-type: none"> a. Diversification: New Products in New Markets b. Market Development: Existing Products in New Markets c. Product Development: New Products in existing Makets d. Market Penetration: Existing Products in Existing Markets 	b
52	_____ is the managerial process of creating and maintaining a fit between the organization's objectives and resources and evolving market opportunities	<ul style="list-style-type: none"> a. strategic planning b. strategic control c. strategic implementation d. operating control 	a
53	What is a planning gap?	<ul style="list-style-type: none"> a. A concept that is used to clarify the extent of revenue or profits gap that might emerge if current strategies are left unchanged b. The time between the strategic plan being devised and the time it is actually implemented c. The time between the conception of a strategic plan and the formalization of it d. Any part of a plan that has not been formalized which allows for flexibility and the introduction of any new developments that could enhance the current strategy 	a
54	A company specializing in producing mass market cars acquires a company which specializes in financial services. The new company can now offer financial services to its car purchasers. What form of diversification it is?	<ul style="list-style-type: none"> a. Resource-based b. Unrelated c. Routine-based d. Replication-based 	b
55	Horizontal integration is concerned with	<ul style="list-style-type: none"> a. Production b. Quality c. Product planning d. All of the above 	a
56	Which one of the following types of organizations would benefit from a matrix structure?	<ul style="list-style-type: none"> a. Diverse independent businesses in a conglomerate 	d

		<ul style="list-style-type: none"> b. Organizations growing through merger and acquisition c. Small companies with few plants and limited product or service diversity d. Small, sophisticated service companies 	
57	Travelocity offers the most comprehensive range of services to travellers. This is an example of a company pursuing the _____ strategy of Porter's Generic Strategies.	<ul style="list-style-type: none"> a. differentiation b. overall cost leadership c. sourcing d. service 	a
58	When a business's sales and profits are increased through backward, forward, or horizontal integration, this is called _____.	<ul style="list-style-type: none"> a. intensive growth b. vertical growth c. integrative growth d. horizontal growth 	c
59	Ansoff proposed that for filling the corporate planning gap, one follows four strategies namely-	<ul style="list-style-type: none"> a. market penetration, product differentiation, market identification and diversification b. market penetration, product development, marketing research and diversification c. market penetration, product development, market development and diversification d. market identification, product development, positioning and diversification 	d
60	The Product Market matrix comprising of Strategies of Market Penetration, Market Development, Product Development, and Diversification was first formulated by	<ul style="list-style-type: none"> a. Ansoff b. Drucker c. Porter d. Prahlad 	a