18 Multiple choice questions

1. occurs when a product is sold at only a few retail outlets; such products may be expensive, speciality
   a. intensive distribution
   b. **CORRECT:** exclusive distribution
   c. distribution
   d. selective distribution

2. relates to the marketing strategies used to facilitate the market launch of new food products
   a. marketing plans
   b. marketing mix
   c. me-too product
   d. **CORRECT:** marketing process

3. traces the growth, stationary and decline phases of a product’s sales revenue history
   a. price skimming
   b. **CORRECT:** product life cycle
   c. competitive pricing
   d. publicity

4. when a product is priced below that charged for a similar product made by a competitor
   a. status-quo pricing
   b. competitive pricing
   c. price skimming
   d. **CORRECT:** penetration pricing

5. a marketing approach in which the price a manufacturer charges for a food product is set below that of competitors
   products in order to facilitate entry into a market for the new product
   a. penetration pricing
   b. **CORRECT:** competitive pricing
   c. status-quo pricing
   d. marketing process
6. the sale price of a product that covers all expenses related to its development, production, promotion, storage and transport, and the amount of product that needs to be sold in order to reach this point
   a. me-too product
   b. price skimming
   c. marketing plans
   d. **CORRECT:** break-even point

7. direct copies, or minor modifications, of existing products
   a. new-to-the-world products
   b. break-even point
   c. **CORRECT:** me-too product
   d. marketing process

8. a means of communicating a favourable company image to the public
   a. **CORRECT:** public relations
   b. publicity
   c. distribution
   d. price skimming

9. sets the price of a food product at one similar to those of comparable products already on the market
   a. me-too product
   b. **CORRECT:** status-quo pricing
   c. penetration pricing
   d. competitive pricing

10. providing information about a particular subject (e.g. a product) in order to make that information known to the general public; method of publicity include issuing media releases, conducting product launches, and creating billboards or posters to increase public exposure
    a. **CORRECT:** publicity
    b. public relations
    c. price skimming
    d. distribution
11. when a product is sold widely, but not in all retail outlets
   a. distribution
   b. intensive distribution
   c. **CORRECT:** selective distribution
   d. exclusive distribution

12. refers to the four 'Ps'; it is the overall plan to market a new food product; it consists of product planning, price structure, placement for distribution and promotion
   a. **CORRECT:** marketing mix
   b. price skimming
   c. marketing process
   d. marketing plans

13. expresses a company's objectives in marketing terms; that is, how to maximise sales, improve customer satisfaction and quality aspects of a food product
   a. break-even point
   b. marketing mix
   c. **CORRECT:** marketing plans
   d. marketing process

14. involve relatively minor changes to a company's existing products by incorporation of such features as new flavours, packaging and serving sizes
   a. price skimming
   b. public relations
   c. **CORRECT:** line extensions
   d. distribution

15. occurs when the price of a new food item is set at a level in excess of that indicated by list price or production and distribution costs
   a. **CORRECT:** price skimming
   b. marketing mix
   c. line extensions
   d. publicity
16. involves transport, handling and storage of food products from the manufacturer's facility to the point of sale
   a. exclusive distribution
   b. intensive distribution
   c. CORRECT: distribution
   d. publicity

17. for products which are sold at every possible retail outlet
   a. selective distribution
   b. exclusive distribution
   c. distribution
   d. CORRECT: intensive distribution

18. completely new and different products that have not been on the market before
   a. me-too product
   b. CORRECT: new-to-the-world products
   c. status-quo pricing
   d. penetration pricing