

## MULTIPLE CHOICE QUESTIONS

1. Suppliers of ... products often use a high price to create an impression that the quality of that brand is so much better than that of competing brands.
  - a. government
  - b. inferior
  - c. branded
  - d. consumer
  
2. The value of the product or service which is sold can be determined firstly by the ... that it represents to the consumer and secondly by the sacrifice or trouble which the consumer is willing to go to in order to get ownership of the product.
  - a. quality
  - b. perceived value
  - c. added value
  - d. benefit
  
3. If .... rises for a particular product, then firms can charge a higher price and thus increase profits.
  - a. reliability
  - b. demand
  - c. perception
  - d. cost
  
4. The effort required to be put in by the buyer to actually purchase and get delivery of the product or service is called ... costs.
  - a. energy
  - b. time
  - c. monetary
  - d. psychic

5. These are prices stored in the consumers' memory as to the market price or the regular price.
- a. Perception prices
  - b. Price-quality inferences
  - c. Pricing cues
  - d. Reference prices
6. This is **NOT** a factor affecting the evaluation of price.
- a. Type of product
  - b. Internal marketing
  - c. Specific purchase decision
  - d. Type of target market
7. \_\_\_\_\_ is the price charged to customers, multiplied by the number of units sold.
- a. Revenue
  - b. Value
  - c. Profit
  - d. Cost
8. \_\_\_\_\_ strategy is to enter a market with a low initial price so that a greater share of the market can be captured and used when.
- a. Predatory
  - b. Demand
  - c. Skimming
  - d. Penetration
9. Cash refunds given to the purchaser of a product during a specific period is called ...
- a. goodwill.
  - b. allowance.
  - c. promotions.
  - d. rebates.

10. Companies that have little or no influence over the prices at which they sell their products or services are known as price ...

- a. creators.
- b. leaders.
- c. makers.
- d. takers.

11. Which **ONE** of the following statements regarding price is **FALSE**?

- a. Price acts as an information cue.
- b. Price acts as a measure of sacrifice.
- c. Price is only equitable to money.
- d. Price can be changed virtually overnight.

12. Retail banks train their staff members to provide informed financial advice to customers that inspire trust. This is an example of ... value in a bank.

- a. image
- b. people
- c. process
- d. product