

## MULTIPLE CHOICE QUESTIONS (CHAPTERS 8-10)

1. .... is a new-product pricing strategy that includes setting a low initial price to appeal to the mass market.

TB 129

- a. Feature pricing
- b. Price skimming
- c. Penetration pricing**
- d. Discount pricing

2. .... involves selling a group of items together at a special price.

TB 129

- a. Prestige pricing
- b. Pricing lining
- c. Bundle pricing**
- d. Traditional pricing

3. .... deals with trying to balance the incremental costs and revenues from production when facing a downward-sloping demand curve.

TB 139

- a. Pricing analysis
- b. Cost analysis
- c. Marginal analysis**
- d. Break-even analysis

4. This pricing strategy includes charging different prices for the same product to different market segments.

TB 139

- a. cost based pricing
- b. differentiated pricing**
- c. target pricing
- d. variable pricing

5. .... refers to pricing a product at a moderate level and displaying it next to a more expensive model or brand.

TB 154

- a. Bundle pricing
- b. Everyday low pricing
- c. Odd-even pricing
- d. Reference pricing**

6. Marketers often use price adjustments for the following reasons:

TB 146

- a. to persuade consumers to try new products
- b. to clear out excess inventory
- c. to arouse demand
- d. ALL OF THE ABOVE**

7. When the final price is set through bargaining between the seller and the customer, it is known as ...

TB 137

- a. secondary market pricing.
- b. periodic discounting.
- c. random discounting.
- d. negotiated pricing.**

8. Discounts that are given to customers based on their purchases over a certain period of time, is known as ...

TB 148

- a. cumulative quantity discounts.**
- b. non-cumulative quantity discounts.
- c. seasonal discounts.
- d. trade discounts.