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.

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

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

    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.

    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.

    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.

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

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

   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 …

   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 …

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