

Ch 11 Study Guide

Multiple Choice

Identify the choice that best completes the statement or answers the question.

- _____ 1. Unique items that people spend considerable time, effort, and money to purchase are considered _____.
A. shopping goods
B. specialty goods
C. essential goods
D. convenience goods
- _____ 2. In which step of the new-product development process does the company or designer look at projected costs and forecasts of product sales?
A. idea screening
B. business analysis
C. product design
D. test marketing
- _____ 3. A product mix strategy is the process of _____.
A. planning which goods or services to sell
B. deciding on the features and benefits of a product
C. helping consumers use the product correctly
D. protecting products until customers are read to use them
- _____ 4. A promise that a product has a certain quality or will perform in a specific way is a(n) _____.
A. warranty
B. feature
C. option
D. guarantee
- _____ 5. Marketing a product for a purpose other than its original purpose in order to increase sales is known as _____ the product.
A. repackaging
B. regenerating
C. repositioning
D. revitalizing
- _____ 6. For decades, Campbell, Swanson, and other companies sold a variety of soups in metal cans. Recently, they began offering soups in lined cardboard boxes, which are more ecofriendly and potentially take up less space in a pantry or cabinet. This is an example of _____ an existing product.
A. repackaging
B. regenerating
C. repositioning
D. revitalizing

- _____ 7. The process of testing a service on a few customers before providing it to the public at large to make sure everything runs smoothly is _____.
A. test marketing
B. conducting a trial run
C. creating a prototype
D. reverse engineering
- _____ 8. A computer simulation of a shopping environment or product that allows customers to browse through the store and inspect products is a _____.
A. product showcase
B. trial run
C. prototype
D. virtual test market
- _____ 9. The primary P of the marketing mix is _____.
A. price
B. product
C. promotion
D. place
- _____ 10. A warranty that extends coverage of a product beyond the initial warranty period is a(n) _____.
A. guarantee
B. limited warranty
C. extended warranty
D. full warranty
- _____ 11. Bringing people with different experiences and backgrounds together to generate new product ideas is an example of _____.
A. brainstorming
B. observation
C. customer feedback
D. trend research
- _____ 12. What is the purpose of the idea screening stage of new-product development?
A. to generate new product ideas
B. to project costs and produce forecasts of product sales
C. to choose the best, most profitable product ideas
D. to learn how a new product will sell
- _____ 13. One of the purposes of a prototype is to _____.
A. determine whether the product can be sold at the desired profit
B. generate customer feedback before choosing a final product design
C. decide whether the new product aligns with the company image and goals
D. plan the steps to manufacture the product
- _____ 14. What is the goal of commercialization?
A. to find new markets for a product to prevent declining sales
B. to test a product in a virtual setting that reflects the real setting
C. to determine how a product was made so that it can be copied
D. to bring attention to a product and create a demand for it

- _____ 15. Which of the following statements about test marketing is *not* true?
- A. A new product is introduced to only a small portion of the target market.
 - B. It tests only the product portion of the sales mix.
 - C. Customer responses help reveal and solve unexpected problems.
 - D. It can help determine whether the product should be mass-produced.

Matching

Match the following terms and identifying phrases.

- A. product depth
- B. product item
- C. product line
- D. product mix
- E. product width

- _____ 16. Group of closely related products.
- _____ 17. Number of product lines a company offers.
- _____ 18. All the goods and services a business sells.
- _____ 19. Specific model, color, or size of products in a line.
- _____ 20. Number of product items within a product line.

Match each term with its description.

- A. decline stage
- B. growth stage
- C. introduction stage
- D. maturity stage
- E. product life cycle

- _____ 21. Period when product sales increase rapidly.
- _____ 22. Time when a new product is first brought to market.
- _____ 23. Period when product sales begin to decrease.
- _____ 24. Stages a product goes through from beginning to end.
- _____ 25. Time when product sales are stable.

Completion

Complete each statement.

26. A good, service, or idea that is bought and sold is a(n) _____.
27. A name, term, or design that sets a product or business apart from its competition is a(n) _____.
28. A(n) _____ is something that cannot be touched.

Name: _____

ID: A

29. The wood, plastic pellets, metal, and other substances used to produce a manufactured product are considered _____ materials.
30. The process of making decisions about a product's features and benefits and managing the product throughout its life cycle is product _____.
31. A(n) _____ of a product is a fact about a good or service it provides.
32. A warranty is an example of a(n) _____ product feature.
33. A written document that states the quality of a product and promises to correct certain problems if they occur is a(n) _____.
34. Product _____ occurs when a product becomes outdated.
35. A working model of a new product that is built for testing purposes is a(n) _____.
36. Taking a product apart to see exactly how it was made is known as _____.
37. The introduction stage of the product life cycle is also known as _____.
38. A(n) _____ market is one in which most of the potential customers who need or want and can afford a product have already bought it.
39. The type of warranty that covers the entire cost of replacement or repair due to any defect during the warranty period is a(n) _____ warranty.
40. A(n) _____ product is one that is different in some way from existing products.

Short Answer

41. In what four ways do services differ from goods?
42. What are the six categories of new products?
43. What are the three basic categories of consumer products?
44. What is the difference between a product manager and a category manager?
45. What are the seven steps of the new-product development process?
46. Name four common sources of new product ideas.
47. Why do production costs for a new product tend to be higher than those for established products?

Name: _____

ID: A

48. Briefly describe the effect of the stage of a product's life cycle on the price of the product.
49. What is the purpose of product/service management?
50. What is the difference between products for the B2B and B2C markets?