

Advanced Marketing Concepts for High School

Marketing · Answer Key · 18 Questions

1. Which pricing strategy involves setting a high initial price for a new, innovative product to recoup research and development costs and appeal to early adopters?

- A) Penetration Pricing
- B) Skimming Pricing**
- C) Cost-Plus Pricing
- D) Psychological Pricing

2. The process of dividing a broad consumer market into subgroups of consumers with common needs or characteristics is known as:

- A) Market Aggregation
- B) Targeting
- C) Positioning
- D) Market Segmentation**

3. In the context of the marketing mix (4 Ps), which 'P' refers to the tangible good or intangible service offered to the market?

- A) Price
- B) Promotion
- C) Place
- D) Product**

4. Which of the following is a primary objective of market research?

- A) Increasing production efficiency
- B) Reducing employee turnover
- C) Gathering information to make informed marketing decisions**
- D) Developing new financial reporting systems

5. The stage of the product lifecycle characterised by low sales volume, high costs, and little to no profit is the:

- A) Growth Stage
- B) Maturity Stage
- C) Introduction Stage**
- D) Decline Stage

6. A brand's unique identity and value proposition in the minds of consumers is referred to as its:

- A) Brand Equity
- B) Brand Loyalty
- C) Brand Positioning**
- D) Brand Awareness

7. Which distribution channel involves selling products directly from the producer to the consumer without intermediaries?

- A) Intensive Distribution
- B) Selective Distribution
- C) Exclusive Distribution
- D) Direct Distribution**

8. The psychological appeal of a product or service that influences consumer purchasing decisions, such as offering a discount of \$9.99 instead of \$10.00, exemplifies which pricing tactic?

- A) Bundle Pricing
- B) Odd-Even Pricing**
- C) Geographic Pricing
- D) Dynamic Pricing

9. Which of the following is a qualitative research method used to explore consumer attitudes and opinions?

- A) Surveys
- B) Focus Groups**
- C) Experiments
- D) Statistical Analysis

10. The set of marketing tools that a firm uses to pursue its marketing objectives in the target market, often referred to as the '4 Ps', stands for:

- A) People, Process, Physical Evidence, Productivity
- B) Product, Price, Place, Promotion**
- C) Planning, Preparation, Performance, Profit
- D) Perception, Preference, Purchase, Profitability

11. Which promotional strategy focuses on building long-term relationships with customers through personalised communication and engagement?

- A) Advertising
- B) Sales Promotion
- C) Public Relations
- D) Customer Relationship Management (CRM)**

12. When a company develops a new product and tries to sell it to its existing customer base, it is pursuing a:

- A) Market Development Strategy
- B) Product Development Strategy**
- C) Market Penetration Strategy
- D) Diversification Strategy

13. The term 'elasticity of demand' refers to the degree to which:

- A) Production costs fluctuate with output
- B) Consumer demand changes in response to a price change**
- C) A company's profit margin varies
- D) Advertising expenditure impacts sales

14. Which of the following is a B2B (Business-to-Business) marketing characteristic?

- A) Emotional purchasing decisions
- B) Short sales cycles
- C) Emphasis on building rational relationships**
- D) Large number of individual buyers

15. A marketing concept where businesses focus on creating value for customers and building strong customer relationships to capture value from customers in return is known as:

- A) Production Concept
- B) Product Concept
- C) Selling Concept
- D) Marketing Concept**

16. The process of identifying and assessing the potential success of a product idea before it is launched is called:

- A) Product Differentiation
- B) Product Line Extension
- C) Concept Testing**
- D) Branding Strategy

17. Which type of advertising aims to increase the demand for a particular brand rather than a product category?

- A) Pioneering Advertising
- B) Competitive Advertising**
- C) Reminder Advertising
- D) Comparative Advertising

18. The 'break-even point' in marketing and business refers to the level of sales at which:

- A) Total revenue equals total variable costs
- B) Total revenue equals total fixed costs
- C) Total revenue equals total costs (fixed + variable)**
- D) Profitability reaches its maximum