

# 29 Lecture - MGT211

## Important Mcqs

1. **What is the purpose of a pricing strategy in marketing?**

- a) To maximize production costs
- b) To set a price that covers only production costs
- c) To set a price that maximizes sales and profitability
- d) To set a price that is lower than competitors

**Answer: c) To set a price that maximizes sales and profitability**

2. **What is the purpose of a distribution strategy in marketing?**

- a) To limit access to the product
- b) To choose the right channels to make the product available to customers
- c) To set up a complex distribution network
- d) To increase production costs

**Answer: b) To choose the right channels to make the product available to customers**

3. **What is the difference between direct and indirect distribution channels?**

- a) Direct channels involve selling through intermediaries, while indirect channels involve selling directly to customers
- b) Direct channels involve selling directly to customers, while indirect channels involve selling through intermediaries
- c) Direct channels involve selling to a limited customer base, while indirect channels involve selling to a wider customer base
- d) There is no difference between direct and indirect channels

**Answer: b) Direct channels involve selling directly to customers, while indirect channels involve selling through intermediaries**

4. **What is a pricing strategy that involves setting a high initial price and gradually lowering it over time?**

- a) Penetration pricing
- b) Skimming pricing
- c) Cost-plus pricing
- d) Discount pricing

**Answer: b) Skimming pricing**

5. **Which of the following is an example of a direct distribution channel?**

- a) Selling through retailers
- b) Selling through wholesalers
- c) Selling through a company website
- d) Selling through agents or brokers

Answer: c) Selling through a company website

6. **Which of the following is a disadvantage of a selective distribution strategy?**
- a) It limits competition
  - b) It limits access to the product
  - c) It increases production costs
  - d) It limits geographic coverage

Answer: d) It limits geographic coverage

7. **What is the purpose of a channel intermediary?**
- a) To limit access to the product
  - b) To add value to the product
  - c) To increase production costs
  - d) To reduce customer demand

Answer: b) To add value to the product

8. **What is a pricing strategy that involves setting a low initial price to attract customers and gain market share?**
- a) Penetration pricing
  - b) Skimming pricing
  - c) Cost-plus pricing
  - d) Discount pricing

Answer: a) Penetration pricing

9. **Which of the following is an example of an indirect distribution channel?**
- a) Selling through a company website
  - b) Selling through a physical store location
  - c) Selling through a catalog
  - d) Selling through a sales agent

Answer: d) Selling through a sales agent

10. **What is a distribution strategy that involves selling a product through a single intermediary or retail outlet in a particular geographic area?**
- a) Intensive distribution
  - b) Selective distribution
  - c) Exclusive distribution
  - d) Multichannel distribution

Answer: c) Exclusive distribution