## 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