

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