

## Chapter 9

### Product, Services, and Branding Strategies

#### Multiple Choice

1. If you are looking for enlightenment in all the wrong places, \_\_\_\_\_ companies are eager to help. Feeling good is the new religion. These companies are the newest of the new prophets, turning the old notion of hope in a jar on its head.
  - a. auto
  - b. cosmetics
  - c. toy
  - d. food

(b; Moderate; p. 275)

2. Tony and Tiny have a \_\_\_\_\_ company with a mission statement: “To aid in the evolution of human consciousness.” We think color therapy is going to be the new medicine,” said Tony.
  - a. auto
  - b. cosmetic
  - c. toy
  - d. food

(b; Moderate; p. 276)

3. At the 5S store in SoHo, you buy things that are “energizing,” “nurturing,” or “adoring.” Here are products that are not intended to make you look better, but to make you act better, feel better, and be a better person. What kind of a store is this?
  - a. food
  - b. toy
  - c. electronics
  - d. cosmetics

(d; Easy; p. 276)

4. \_\_\_\_\_, the General Motors of the cosmetics world, has a passionately held belief that the appeal is first the spirituality, and then the products.
  - a. Avon Company
  - b. Heaven Sent Company
  - c. Estee Lauder Companies
  - d. Proctor and Gamble

(c; Challenging; p. 276)

5. The cosmetic's image, its promises and positioning, its ingredients, its name and package, the company that makes it, the stores that sell it—all become a part of the total cosmetic product. What is one thing they do not try to sell?
- lifestyle
  - self-expression
  - service-profit chain
  - achievement

(c; Easy; p.276)

6. We define a \_\_\_\_\_ as anything that can be offered to a market for attention, acquisition, use, or consumption and that might satisfy a want or need.
- private brand
  - service variability
  - service
  - product

(d; Easy; p. 276)

7. \_\_\_\_\_ are a form of product that consists of activities, benefits, or satisfactions offered for sale that are essentially intangible and do not result in the ownership of anything.
- Line extensions
  - Services
  - Brands
  - Consumer products

(b; Easy; p. 276)

8. Product is a key element in \_\_\_\_\_. At one extreme, it may consist of pure tangible goods or at the other extreme pure services.
- market offering
  - brand equity
  - brand extension
  - co-branding

(a; Easy; p. 277)

9. Many companies are moving to a new level in creating value for their customers. They are developing and delivering total customer experiences. Whereas products are tangible and services are intangible, experiences are \_\_\_\_\_.
- product quality
  - memorable
  - unsought product
  - internal marketing

(b; Moderate; p. 277)

10. Product planners need to think about products and services on three levels. Each level adds more customer value. The most basic level is the \_\_\_\_\_, which addresses the question, “What is the buyer really buying?”
- actual product
  - augmented product
  - core benefit
  - co-branding
- (c; Challenging; p. 279)

11. Product planners need to think about products and services on three levels. The third level is that the product planners must build on a(n) \_\_\_\_\_ around the core benefit and actual product by offering additional consumer services and benefits.
- augmented product
  - brand equity
  - brand extension
  - industrial product
- (a; Challenging; p. 279)

12. Product planners must design the actual product and find ways to \_\_\_\_\_ it in order to create the bundle of benefits that will provide the most satisfying customer experience.
- core benefit
  - package
  - brand
  - augment
- (d; Challenging; p. 279)

13. Products and services fall into two broad classes based on the types of consumers that use them. Which is one of these broad classes?
- industrial products
  - brand equity
  - co-branding
  - brand extension
- (a; Moderate; p. 281)

14. \_\_\_\_\_ are products and services bought by final consumers for personal consumption. These include convenience products, shopping products, specialty products, and unsought products.
- Services
  - Consumer products
  - Line extensions
  - Industrial products
- (b; Easy; p. 280)

15. \_\_\_\_\_ are less frequently purchased consumer products and services that customers compare carefully on suitability, quality, price, and style. Consumers spend much time and effort in gathering information and making comparisons.
- Shopping products
  - Brands
  - Services
  - Industrial Products
- (a; Moderately; p. 280)
16. \_\_\_\_\_ are consumer products and services with unique characteristics or brand identification for which a significant group of buyers is willing to make a special purchase effort.
- Shopping products
  - Unsought products
  - Specialty products
  - Industrial Products
- (c; Moderate; p. 280)
17. \_\_\_\_\_ are consumer products that the consumer either does not know about or knows about but does not normally think about buying. These products require a lot of advertising, personal selling, and other marketing efforts.
- Specialty products
  - Line extensions
  - Unsought products
  - Shopping products
- (c; Easy; p. 281)
18. \_\_\_\_\_ are those products purchased for further processing or for use in conducting a business.
- Unsought products
  - Specialty products
  - Shopping products
  - Industrial products
- (d; Easy; p. 281)
19. The three groups of industrial products and services include all of the following except \_\_\_\_\_.
- materials and parts
  - capital items
  - maintenance and operations
  - supplies and services
- (c; Moderate; p. 281)

20. One of the three groups of industrial products includes materials and parts. Which is not one of the material parts?
- a. farm products such as wheat
  - b. natural products such as iron ore
  - c. nonraw materials
  - d. petroleum

(c; Easy; p. 281)

21. Manufactured materials and parts are sold directly to \_\_\_\_\_. Price and service are the major marketing factors; branding and advertising tend to be less important.
- a. consumers
  - b. industrial users
  - c. brand extensions
  - d. co-branders

(b; Challenging; p. 281)

22. \_\_\_\_\_ are industrial products that aid in the buyer's production or operations, including installations and accessory equipment.
- a. Materials
  - b. Parts
  - c. Capital items
  - d. Specialty products

(c; Moderate; p. 281)

23. Which of the following capital items is not considered an accessory part of equipment? The billing department needs to know so they can be classified correctly.
- a. buildings
  - b. hand tools
  - c. lift trucks
  - d. desks

(a; Moderate; p. 281)

24. The final group of business products is \_\_\_\_\_ and \_\_\_\_\_. These include paper, pencils, lubricants, paint, nails, and brooms.
- a. supplies; services
  - b. capitals; installations
  - c. raw materials; farm products
  - d. specialty products; unsought products

(a; Easy; p. 282)

25. \_\_\_\_\_ consists of activities undertaken to create, maintain, or change the attitudes and behavior of target consumers toward an organization.
- Person marketing
  - Organization marketing
  - Internal marketing
  - Service variability
- (b; Challenging; p. 282)
26. What is a major tool companies use to market themselves to various publics — such as General Electric states, “We bring good things to life”?
- person marketing
  - corporate image advertising
  - product quality
  - product line
- (b; Challenging; p. 282)
27. \_\_\_\_\_ consists of activities undertaken to create, maintain, or change attitudes or behavior toward particular people.
- Corporate image advertising
  - Organization marketing
  - Person marketing
  - Social marketing
- (a; Moderate; p. 282)
28. \_\_\_\_\_ involves activities undertaken to create, maintain, or change attitudes towards particular cities, states, and regions. Texas advertises “it’s like a whole other country.”
- Idea marketing
  - Place marketing
  - Social marketing
  - Interactive marketing
- (b; Easy; p. 282)
29. \_\_\_\_\_ can also be marketed. In one sense, all marketing is the marketing of this. It can be specific such as Crest toothpastes “create smiles every day.”
- Co-branding
  - Internal marketing
  - Ideas
  - Unsought products
- (c; Moderate; p. 283)

30. \_\_\_\_\_ is defined as the use of commercial marketing concepts and tools in programs designed to influence individual's behavior to improve their well-being and that of society.
- a. Unsought product
  - b. Internal marketing
  - c. Social marketing
  - d. Product line
- (c; Easy; p. 283)

31. Marketing efforts, which include public health campaigns to reduce smoking, alcoholism, drug abuse, and overeating are called \_\_\_\_\_.
- a. specialty product
  - b. social marketing
  - c. shopping product
  - d. consumer product
- (b; Moderate; p. 283)

32. The Ad Council of America has developed dozens of \_\_\_\_\_ advertising campaigns, including classics such as "Smoky Bear," "Keep America Beautiful," and "Only You Can Prevent Forest Fires."
- a. social
  - b. brand equity
  - c. service
  - d. product line
- (a; Moderate; p. 282)

33. Developing a product or service involves defining the benefits that it will offer. These benefits are communicated and delivered by \_\_\_\_\_ such as quality, features, and style and design.
- a. private brand
  - b. product attributes
  - c. consumer product
  - d. product mix
- (b; Challenging; p. 283)

34. \_\_\_\_\_ is one of the marketer's major positioning tools. It has a direct impact on product or service performance; thus, it is closely linked to customer value and satisfaction.
- a. Packaging
  - b. Product quality
  - c. Social marketing
  - d. Specialty product
- (b; Easy; p. 283)

35. \_\_\_\_\_ is an approach in which all the company's people are involved in constantly improving the products, services, and business processes.
- Product quality
  - Brand equity
  - Total quality management
  - Specialty product
- (c; Easy; p. 284)
36. You have just read an article on the latest research about product quality. You want to tell your supervisor that product quality has two dimensions. What is one of these dimensions?
- consistency
  - brand
  - convenience product
  - specialty product
- (a; Easy; p. 284)
37. Beyond quality level, high quality also can mean high levels of quality consistency. Here, product quality means \_\_\_\_\_ — freedom from defects and consistency in delivering a targeted level of performance.
- private brand
  - product quality
  - total quality management
  - conformance quality
- (d; Challenging; p. 284)
38. A product can be offered with varying \_\_\_\_\_. A stripped-down model, one without any extras, is the starting point.
- co-branding
  - features
  - product quality
  - service variability
- (b; Easy; p. 284)
39. The company periodically surveys buyers who have used a product and ask questions such as, "Which specific features of the product do you like the most?" The company can then assess each feature's \_\_\_\_\_ to customers versus its \_\_\_\_\_ to the company.
- cost; line extension
  - cost; service
  - value; cost
  - service; line extension
- (c; Challenging; p. 284)



40. A sensational \_\_\_\_\_ may grab attention and produce pleasing aesthetics, but it does not necessarily make the product perform better.
- design
  - style
  - variable
  - service-profit chain
- (b; Moderate; p. 284)
41. \_\_\_\_\_ is more than skin deep—it goes to the very heart of the product. It contributes to a product’s usefulness as well as to its looks.
- Style
  - Design
  - Packing
  - Brand
- (b; Easy; p. 284)
42. Good style and design can do many things. What is one thing it cannot do?
- attract attention
  - improve product performance
  - cut production costs
  - cause unsought product reputation
- (d; Easy; p. 284)
43. A(n) \_\_\_\_\_ is a name, term, sign, symbol, design, or a combination of these, that identifies the maker or seller of a product or service.
- service
  - brand
  - co-branding
  - internal marketing
- (b; Easy; p. 285)
44. \_\_\_\_\_ involves designing and producing the container or wrapper for a product.
- Packaging
  - Product line
  - Service
  - Branding
- (a; Easy; p. 286)
45. Like New Products wants to improve its packaging after reading customer responses to its customer opinion poll. Which is not a function of packaging?
- Its purpose is to contain and protect the product.
  - It contains the brand mark.
  - It protects children.
  - It determines product quality.
- (d; Moderate; p. 286)

46. At the very least, the \_\_\_\_\_ identifies the product or brand. It might also describe several things about the product.
- line extension
  - social marketing
  - label
  - specialty product
- (c; Easy; p.288)
47. Labels may mislead customers, fail to describe important ingredients, or fail to include needed safety warnings. As a result, several federal and state laws regulate labeling. The most prominent is the \_\_\_\_\_.
- Co-branding Act of 1972
  - Labeling Act of 1970
  - Packaging Act of 1968
  - Fair Packaging and Labeling Act
- (d; Easy; p. 288)
48. \_\_\_\_\_ requires sellers to provide detailed nutritional information on food products, and recent sweeping acts by the Food and Drug Administration regulate the use of health-related terms such as low-fat, light, and high fiber.
- Fair Packaging and Labeling Act of 1966
  - The Nutritional Labeling and Educational Act of 1990
  - Labeling Act of 1970
  - Packaging Act of 1970
- (b; Moderate; p. 288)
49. Customer service is another element of product strategy. The first step is to survey customers periodically to assess the value of current services and to obtain ideas for new ones. From this careful monitoring, Cadillac has learned that buyers are very upset by repairs that are not done correctly the first time. What is the name of these types of services?
- brand equity services
  - product support services
  - social marketing services
  - unsought product services
- (b; Challenging; p. 288)
50. A \_\_\_\_\_ is a group of products that are closely related because they function in a similar manner, are sold to the same customer groups, are marketed through the same type of outlets, or fall within given price ranges.
- product line
  - line extension
  - private brand
  - convenience product
- (a; Moderate; p. 289)

51. Berkowitz Piano Company can lengthen its product line in one of two common ways. Which is one of these ways that might prove productive?
- internal marketing
  - line filling
  - product mix
  - social marketing
- (b; Easy; p. 289)
52. An alternative to product line stretching is \_\_\_\_\_ — adding more items within the present range of the line. There are several reasons for doing this; some are to reach for extra profits, satisfy dealers, use excess capacity, and to plug holes to keep out competitors.
- product mix
  - interactive marketing
  - product line filling
  - co-branding
- (c; Challenging; p. 289)
53. An organization with several product lines has a \_\_\_\_\_. This consists of all the product lines and items that a particular seller offers for sale.
- product mix
  - brand line
  - consumer mix
  - packaging mix
- (a; Moderate; p. 290)
54. Product mix \_\_\_\_\_ refers to the number of different product lines the company carries. Procter & Gamble markets 250 brands organized into many product lines.
- length
  - height
  - width
  - perimeter
- (c; Moderate; p. 290)
55. Product line \_\_\_\_\_ refers to the number of versions offered of each product in the line. Crest toothpaste comes in 13 varieties, ranging from Crest Multicare to Crest Baking Soda formulations.
- length
  - depth
  - height
  - width
- (b; Challenging; p. 290)

56. The \_\_\_\_\_ of the product mix refers to how closely related the various product lines are in end use, production requirements, distribution channels, or some other way.
- depth
  - length
  - width
  - consistency
- (d; Moderate; p. 290)
57. A company can increase its business in four ways. Which is not one of these ways?
- It can add new product lines, thus widening its product mix.
  - It can lengthen its existing product lines.
  - It can add more versions of each product and thus deepen its product mix.
  - The company can discontinue some of its lines.
- (d; Easy; p. 291)
58. Some analysts see \_\_\_\_\_ as the major enduring asset of a company, outlasting the company's specific products and facilities.
- brands
  - convenience products
  - specialty products
  - unsought products
- (a; Easy; p. 291)
59. Chicken of the Sea brand tuna sells more than the same size Kroger brand tuna even though the Kroger tuna costs \$0.15 less per can. This is known as brand \_\_\_\_\_.
- extension
  - equity
  - specialty
  - service
- (b; Moderate; p. 291)
60. The fundamental asset underlying brand equity is \_\_\_\_\_ — the value of the customer relationships that the brand creates. A powerful brand is important, but what it really represents is a set of loyal customers.
- customer mix
  - customer equity
  - line equity
  - service variability
- (b; Challenging; p. 291)

61. Marketers need to position their brands clearly in target customers minds. They can position brands at any of three levels. At the lowest level, they can position the brand on \_\_\_\_\_.  
a. interactive marketing  
b. internal marketing  
c. product attributes  
d. strong beliefs and values  
(c; Moderate; p.292)

62. Marketers need to position their brands clearly in target customers' minds. The strongest brands go beyond attribute or benefit positioning. They are positioned on \_\_\_\_\_.  
a. desirable benefit  
b. good packaging  
c. service inseparability  
d. strong beliefs and values  
(d; Easy; p. 292)

63. Desirable qualities for a brand name include all of the following except \_\_\_\_\_.  
a. It should suggest something about the product's benefits and qualities.  
b. It should be easy to pronounce, recognize, and remember.  
c. The brand should almost always be a long word to get attention.  
d. The name should translate easily into foreign languages.  
(c; Challenging; pp. 292-293)

64. Manufacturers' brands have long dominated the retail scene. In recent times, however, an increasing number of retailers and wholesalers have created their own \_\_\_\_\_ (or store brands).  
a. slotting fees  
b. private brands  
c. specialty product  
d. service variability  
(b; Easy; p. 293)

65. In the so-called battle of the brands between manufacturers' and private brands, \_\_\_\_\_ have many advantages. They control what products they stock, where they go on the shelf, and which ones they will feature in local circulars.  
a. unsought products  
b. convenience products  
c. specialty products  
d. retailers  
(d; Moderate; p.293)

66. Most retailers also charge manufacturers \_\_\_\_\_ — payments demanded by retailers before they will accept new products and find a place for them on the shelves.
- slotting fees
  - private fees
  - line extension fees
  - product line fees

(a; Easy; p. 294)

67. Most manufacturers take years and spend millions to create their own brand names. However, some companies \_\_\_\_\_ names or symbols previously created by other manufacturers, names of well-known celebrities, and/or characters from popular movies and books. For a fee, any of these can provide an instant and proven brand name.
- service
  - license
  - market
  - package

(b; Moderate; p. 294)

68. \_\_\_\_\_ occurs when two established brand names of different companies are used on the same product.
- Brand extension
  - Brand equity
  - Co-branding
  - Internal marketing

(c; Moderate; p. 295)

69. In most \_\_\_\_\_ situations, one company licenses another company's well-known brand to use in combination with its own.
- brand extension
  - brand equity
  - co-branding
  - internal marketing

(c; Easy; p. 295)

70. As one Nabisco manager puts it, "Giving away your brand is a lot like giving away your \_\_\_\_\_ — you want to make sure everything is perfect."
- package
  - product line
  - child
  - product quality

(c; Easy; p. 296)

71. A company has four choices when it comes to developing brands. What is not one of those choices?
- line extension
  - brand extension
  - multibrands
  - width and depth extension
- (d; Challenging; p. 296)
72. \_\_\_\_\_ occur(s) when a company introduces additional items in a given product category under the same brand name, such as new flavors, forms, colors, ingredients, or package sizes.
- Line extensions
  - Product mix
  - Interactive marketing
  - Service variability
- (a; Moderate; p. 296)
73. One risk of \_\_\_\_\_ is that sales may come at the expense of other items in the line. It works best when it takes sales away from competing brands, not when it “cannibalizes” the company’s other items.
- brand extension
  - line extension
  - packaging
  - social marketing
- (b; Moderate; p. 296)
74. A \_\_\_\_\_ involves the use of a successful brand name to launch new or modified products in a new category.
- brand equity
  - product line
  - brand extension
  - private brand
- (c; Moderate; p. 296)
75. \_\_\_\_\_ offer(s) a way to establish different features and appeal to different buying motives. It also allows a company to lock up more reseller shelf space. Or the company may want to protect its major brand by setting up flanker or fighter brands.
- New brands
  - Interactive marketing
  - Product quality
  - Multibrands
- (d; Challenging; p. 297)

76. Retailers have become concerned that there are already too many brands, with too few differences between them. Thus, Procter & Gamble and other large consumer-product marketers are now pursuing \_\_\_\_\_ strategies—weeding out weaker brands and focusing their marketing dollars only on brands that can achieve the number-one or number-two market share positions in their categories.
- megabrand
  - service inseparability
  - social marketing
  - unsought product
- (a; Moderate; p. 297)
77. Companies must carefully manage their brands. First, the brand's positioning must be continuously communicated to consumers. Major brand marketers often spend huge amounts on advertising to create brand \_\_\_\_\_ and to build preference and loyalty.
- extension
  - awareness
  - packaging
  - internal marketing
- (b; Easy; p. 297)
78. Advertising campaigns can help to create name recognition, brand knowledge, and maybe even some brand preference. However, the fact is that brands are not maintained by advertising but by the \_\_\_\_\_.
- marketing
  - line extensions
  - brand experience
  - product mix
- (c; Easy; p. 297)
79. The brand's positioning will not take hold fully unless everyone in the company lives the brand. Therefore the company needs to train its people to be \_\_\_\_\_.
- customer-centered
  - specialty-centered
  - convenience-centered
  - line-extension-centered
- (a; Moderate; p. 298)
80. The brand's positioning will not take hold fully unless everyone in the company lives the brand. This suggests that managing a company's brand assets can no longer be left only to \_\_\_\_\_.
- product line
  - product mix
  - brand extension
  - brand managers
- (d; Easy; p. 298)



81. Canada Dry and Colgate-Palmolive have appointed \_\_\_\_\_ managers to maintain and protect their brand's images, associations, and quality, and to prevent short-term actions by over-eager brand managers from hurting the brand.

- a. product line
- b. service
- c. brand equity
- d. brand extension

(c; Moderate; p. 298)

82. The recent wave of corporate mergers and acquisitions has decided, "We need a master brand to leave all our old names behind." What is this called?

- a. product mix
- b. rebranding
- c. brand equity
- d. consumer branding

(b; Easy; p. 298)

83. Building a(n) \_\_\_\_\_ and re-educating customers can be a huge undertaking for a company. It cost tens of millions of dollars just for a special four-week advertising campaign to announce the new name, followed by considerable ongoing advertising expenses to the Verizon Company.

- a. product mix
- b. service intangibility
- c. new image
- d. internal marketing

(c; Easy; p. 298)

84. A company must consider four special service characteristics when designing marketing programs. Which is not one of these characteristics?

- a. intangibility
- b. inseparability
- c. perishability
- d. interactive marketing

(d; Challenging; p. 298)

85. \_\_\_\_\_ means that services cannot be seen, tasted, felt, heard, or smelled before they are bought.

- a. Service inseparability
- b. Service variability
- c. Service intangibility
- d. Service perishability

(c; Moderate; p. 299)

86. \_\_\_\_\_ means that services cannot be separated from their providers, whether the providers are people or machines.
- Service intangibility
  - Service inseparability
  - Service variability
  - Service perishability
- (b; Moderate; p. 299)
87. JB Auto Detailing's customers have noticed that the quality of services depends on who provides them as well as when, where, and how they are provided. What have the customers noticed?
- service intangibility
  - service inseparability
  - service variability
  - service perishability
- (c; Moderate; p. 299)
88. A barber cannot inventory haircuts. \_\_\_\_\_ means that services cannot be stored for a later sale or use.
- Service intangibility
  - Service inseparability
  - Service variability
  - Service perishability
- (d; Easy; p. 299)
89. In a product business, products are fairly standardized and can sit on shelves waiting for customers. But in a service business, front-line service employees and the support processes backing these employees participate in \_\_\_\_\_.
- interaction
  - co-branding
  - industrial marketing
  - internal marketing
- (a; Challenging; p. 300)
90. \_\_\_\_\_ means that the service firm must effectively train and motivate its customer-contact employees and supporting service people to work as a *team* to provide customer satisfaction.
- Service inseparability
  - Service intangibility
  - Service variability
  - Internal marketing
- (d; Moderate; p. 301)

## True – False

91. Estee Lauder Company is the General Motors of the cosmetics world.  
(True; Easy; p. 276)
92. The cosmetic company Aveda sells more than just a tangible product. They sell lifestyle, self-expression, exclusivity, and spirituality.  
(True; Easy; p. 276)
93. We define a service as anything that can be offered to a market for attention, acquisition, use, or consumption and that might satisfy a want or need.  
(False; Easy; p. 276)
94. Co-branding is a form of product that consists of activities, benefits, or satisfactions offered for sale that are essentially intangible and do not result in the ownership of anything. Examples are banking, hotel, airline, retail, tax preparation, and home repair.  
(False; Moderate; p. 276)
95. Sony must offer more than just a camcorder. It must provide consumers with a complete solution to their picture taking problems. This is called an augmented product.  
(True; Challenging; p. 279)
96. Unsought products are products and services that the customer usually buys frequently, immediately, and with a minimum of comparison and buying effort.  
(False; Easy; p. 281)
97. Shopping products are less frequently purchased consumer products and services that customers compare carefully on suitability, quality, price, and style.  
(True; Moderate; p. 280)
98. Programs that include public health campaigns to reduce smoking, alcoholism, drug abuse, and overeating are examples of the social idea known as social marketing.  
(True; Easy; p. 282)
99. Style is a larger concept than design. Design describes the appearance of a product.  
(False; Moderate; p. 284)
100. The brand of a product can determine its consumer value.  
(True; Moderate; p. 285)
101. Packaging does not include the material necessary to ship a product.  
(False; Easy; p. 286)

102. Product support services identify the product or brand, describe several things about the product, and promote the product through attractive graphics.  
(False; Moderate; p. 288)
103. Quaker® produces a variety of cereals. This variety is called its product line.  
(True; Moderate; p. 289)
104. A company's product mix has four important dimensions: width, length, depth, and consistency.  
(True; Easy; p. 290)
105. Dove marketers can go beyond the brand's cleansing cream attributes and talk about the resulting benefit of softer skin. This is known as product attributes in brand positioning.  
(False; Challenging; p. 292)
106. One important quality for a brand name is that it should translate easily into foreign languages.  
(True; Easy; p. 293)
107. An increasing number of retailers and wholesalers have created their own brands — such as Wal-Mart offers Sam's Choice beverages and food products. This is called co-branding.  
(False; Challenging; p. 293)
108. When a company introduces a new brand name in the same product category it is called line extension.  
(False; Challenging; p. 296)
109. Customers come to know a brand through a wide range of contacts and touch points. These include word of mouth, personal interactions with company people, telephone interactions, and company Web pages. Many brands are not maintained by advertising but by brand experience.  
(True; Easy; p. 297)
110. An example of service variability is that within a given Marriot hotel, one registration-desk employee may be cheerful and efficient, whereas another may be unpleasant and slow.  
(True; Challenging; p. 299)
111. Service inseparability means that the quality of services depends on who provides them, as well as when, where, and how they are provided.  
(False; Challenging; p. 299)

112. In a product business, products are fairly standardized and can sit on shelves waiting for customers. In a service business, the customer and front-line service employee interact to create the service.  
(True; Easy; p. 300)
113. The service-profit chain means the set of all product lines and items that a particular seller offers for sale.  
(False; Challenging; p. 300)
114. A big part in managing service differentiation is in the company's service delivery.  
(True; Moderate; p. 302)
115. Customer retention is perhaps the best measure of quality—a service firm's ability to hang on to its customers depends on how consistently it delivers value to them.  
(True; Easy; p. 303)
116. Managing service productivity can take place when a company increases the quality of their service by giving up some of their output.  
(True; Moderate; p. 303)
117. The government cannot prevent companies from adding products through acquisitions if the effect threatens to lessen competition.  
(False; Moderate; p. 304)
118. Internal marketers face special challenges. They must figure out what products to introduce to other countries.  
(False; Moderate; p. 304)
119. In international product and service marketing it is important to know what different colors mean to different countries.  
(True; Easy; p. 305)
120. In international product and service marketing, many banks were afraid to go global and held off for quite a while.  
(False; Moderate; p. 305)
121. Retailers such as Wal-Mart, Kmart, Toys "R" Us, Office Depot, and Disney are among the first businesses to go global.  
(False; Challenging; p. 306)
122. Service companies wanting to operate in other countries are usually welcomed with open arms. Manufacturers usually face restrictions when attempting to sell their products in another country.  
(False; Challenging; p. 306)

## Essay

123. Products and services fall into two broad classes based on the types of consumers that use them. Name these two broad classes and describe how they are different from each other.

Consumer products—those bought by final consumers—are usually classified according to consumer shopping habits. Industrial products—purchased for further processing or for use in conducting a business—include materials and parts.

(Moderate; p. 276)

124. Name and describe three decisions that companies make regarding their individual products and services, product lines, and product mixes.

Product attribute decisions involve product quality, features, and style and design. Branding decisions include selecting a brand name and developing a brand strategy. Packaging provides many key benefits, such as protection, economy, convenience, and promotion. There are additional answers to this question also.

(Easy; p. 284-285)

125. A manufacturer has four brand sponsorship options. Describe what they are.

It can launch a manufacturer's brand (or national brand). It can sell to resellers who use a private brand. It can market licensed brands. It can join forces with another company to co-brand a product.

(Challenging; pp. 293-296)

126. A company has four choices when it comes to developing brands. Describe what they are.

It can introduce line extensions. The company can introduce brand extension. It can introduce multibrands. It can begin new brands (new brand names in new product categories).

(Moderate; pp. 296-297)

127. Services are characterized by four key characteristics. Name and describe these four characteristics.

Intangible—they cannot be seen, tasted, felt, heard, or smelled before they are bought. Inseparable—they are produced and consumed at the same time and cannot be separated from their providers, whether the providers are people or machines. Variable—their quality may vary greatly, depending on who provides them and when, where, and how. Perishable—they cannot be stored for later sale or use.

(Challenging; p. 299)

128. Good service companies focus attention on both customers and employees.  
Describe what the service-profit chain and internal marketing are, and how they differ from each other.

The service-profit chain links service firm profits with employee and customer satisfaction. Internal marketing by a service firm is to train and effectively motivate its customer-contact employees and all the supporting service people to work as a team to provide customer satisfaction. The first deals with employees and customers. The second deals with training employees.

(Challenging; pp. 300-301)

129. What are three ways a company manages competitive service differentiation?

One solution is to develop a differentiated offer. Another way is that companies can differentiate their service delivery by having more and reliable customer-contact people, by developing a superior physical environment in which the service product is delivered. Service companies can work on differentiating their images through symbols and branding.

(Challenging; pp. 302-303)

130. Describe two special challenges that international marketers must consider to be successful in marketing to other countries.

First, they must figure out what products and services to introduce and in which countries. Then, they must decide how much to standardize or adapt their products and services for world markets.

(Challenging; pp. 304-306)