



Dr.G.R.Damodaran College of Science

(Autonomous, affiliated to the Bharathiar University, recognized by the UGC) Re-
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CRISL rated 'A' (TN) for MBA and MIB Programmes

II B.Com PA [2016-2019]

Semester III

Skill Based Subject: PRINCIPLES OF MARKETING - 318E

Multiple Choice Questions.

1. Modern marketing is _____

- A. price oriented
- B. consumer oriented
- C. product oriented
- D. profit oriented

ANSWER: B

2. Marketability utility consists of _____

- A. Price
- B. Place, Price
- C. Product, Price, Place and Profit
- D. Product, Price, Place and Promotion

ANSWER: D

3. A place for buying and selling activities is called _____

- A. market
- B. marketing
- C. market research
- D. market information

ANSWER: A

4. Which one of the following statements is correct?

- A. selling includes marketing
- B. marketing includes selling
- C. selling and marketing are the same
- D. marketing not including in business

ANSWER: B

5. Marketing research is concerned with _____

- A. anticipation of production
- B. supply position
- C. financial problems
- D. solution to specific problems of marketing

ANSWER: D

6. Mercatus means _____

- A. buying
- B. to trade
- C. to assemble
- D. to sell

ANSWER: B

7. Perfect market means _____

- A. prices are not uniform
- B. product are not identical
- C. free entry and exit into market
- D. lack of communication

ANSWER: C

8. The prime object of marketing is _____

- A. profit
- B. service
- C. sales
- D. consumer satisfaction

ANSWER: D

9. Markets are created by _____

- A. nature
- B. economic force
- C. business men
- D. product

ANSWER: B

10. Zero level channel of distribution is also called as _____

- A. direct marketing
- B. multilevel marketing
- C. two level marketing
- D. micro level marketing

ANSWER: A

11. Marketing begins and ends with _____

- A. consumer
- B. transport
- C. price
- D. product

ANSWER: A

12. ----- brings about the changes in the ownership of products

- A. exchange
- B. storing
- C. promotion
- D. MIS

ANSWER: A

13. ----- is the most fundamental aspect for any merchandise transactions

- A. financing
- B. grading
- C. insurance
- D. packing

ANSWER: A

14. ----- plays a significant role in under developed countries, as it is a multiplier of activities

- A. sales
- B. buying
- C. marketing
- D. production

ANSWER: C

15. In evolution of marketing ----- stage was concerned only with mass production of goods.

- A. production orientation
- B. barter system
- C. sales orientation
- D. consumer orientation

ANSWER: A

16. In -----stage selling activity becomes the dominant factor, without any efforts for the satisfaction of the consumer needs.

- A. production orientation
- B. barter system
- C. sales orientation
- D. consumer orientation

ANSWER: C

17. According to whom-"market includes both place and region in which buyers and sellers are in free competition with one another"

- A. pyle
- B. kotler
- C. drucker
- D. clark and clark

ANSWER: A

18. Marketing emphasizes on _____

- A. consumer wants
- B. sellers need
- C. manufactures profit
- D. retailers margin

ANSWER: A

19. Factors influencing marketing concepts-----

- A. population growth

- B. assembling of goods
- C. physical transfer of goods
- D. scatter of goods

ANSWER: A

20. ----- are networks that connect people within a company to each other and to the company network

- A. internets
- B. extranets
- C. bit streams
- D. WWW

ANSWER: B

21. While preparing a website, designers should ensure that the site enables user -to user communication.

This design feature is known as -----

- A. context
- B. commerce
- C. community
- D. connection

ANSWER: A

22. While preparing a website, designers should ensure that the site makes effective use of the text, pictures and video. This design feature is known as-----

- A. content
- B. communication
- C. connection
- D. context

ANSWER: A

23. The exchange value of a good/service in terms of money is _____

- A. price
- B. product
- C. buying
- D. selling

ANSWER: A

24. Selling the same product at different prices is known as _____

- A. price lining
- B. dual pricing
- C. geographical pricing
- D. monopoly pricing

ANSWER: B

25. The words used to convey the advertisement idea is _____

- A. advertisement
- B. advertisement research
- C. advertisement copy
- D. advertisement budget

ANSWER: C

26. Fixing a high price for a new product will be called as -----

- A. price skimming
- B. price segmenetation
- C. dual pricing
- D. customary pricing

ANSWER: A

27. Brand loyalty refers to product _____

- A. identification
- B. recognition
- C. preference
- D. insistence

ANSWER: D

28. Pricing based on area is called as-----

- A. domestic pricing
- B. geographical pricing
- C. skimming pricing
- D. cost plus pricing

ANSWER: B

29. Sales management deals with _____

- A. sales
- B. product
- C. profit
- D. market

ANSWER: D

30. When a manufacture sells the same product at two or more prices, it is called-----

- A. customary pricing
- B. dual pricing
- C. mark up pricing
- D. sealed pricing

ANSWER: B

31. Consumer purchasing power is determined by _____

- A. salary
- B. disposable income
- C. total income
- D. price

ANSWER: B

32. A group of products that are closely related is called _____

- A. product mix
- B. product line
- C. product item
- D. product diversification

ANSWER: B

33. Companies that practice online marketing into their traditional operations are classified as

- A. premium companies
- B. direct companies
- C. click only companies
- D. click and mortar companies

ANSWER: D

34. Identify the one which is demand based pricing _____

- A. target pricing
- B. mark up pricing
- C. marginal pricing
- D. skimming pricing

ANSWER: B

35. AGMARK standardization is given to ----

- A. industrial goods
- B. agricultural goods
- C. imported goods
- D. consumer goods

ANSWER: B

36. Product mix is the set of all product _____

- A. lines and items
- B. lines
- C. items
- D. width

ANSWER: A

37. ----- is the first step in marketing

- A. buying
- B. selling
- C. assembling
- D. financing

ANSWER: A

38. Transportation creates ----- utility

- A. time
- B. place
- C. form
- D. storage

ANSWER: B

39. Warehouse creates -----utility

- A. place
- B. time
- C. form

D. storage
ANSWER: B

40. Brand is a means of -----

- A. communication
- B. identification
- C. packing
- D. specialization

ANSWER: B

41. Selling is an act of _____

- A. persuasion
- B. illusion
- C. forcing
- D. communication

ANSWER: C

42. Price is a -----term

- A. absolute
- B. relative
- C. composite
- D. standard

ANSWER: A

43. ----- creates a particular image in the minds of consumer

- A. branding
- B. personal selling
- C. grading
- D. product planning

ANSWER: A

44. The second element to effect the volume of sales is _____

- A. price
- B. product
- C. promotion
- D. distribution

ANSWER: A

45. Anything which possess utility is -----

- A. product
- B. finished goods
- C. raw materials
- D. stock

ANSWER: A

46. Website build to engage customers from different places to move them closer for marketing outcome is classified as

- A. corporate website

- B. marketing website
- C. branding website
- D. viral website

ANSWER: B

47. ----- may be defined as the exchange of goods or services in terms of money

- A. price
- B. product
- C. grading
- D. branding

ANSWER: A

48. Group of online social communities such as virtual worlds, social networking sites and blogs where people exchange opinions is classified as

- A. Inbound social networks
- B. Outbound social networks
- C. Offline social networks
- D. Online social networks

ANSWER: D

49. ----- creates a non personal stimulation of demand in advertising

- A. pricing
- B. production
- C. public relation
- D. distribution

ANSWER: A

50. The stage in the product life cycle that focuses on expanding market and creating product awareness and trail is the -----

- A. decline stage
- B. introduction stage
- C. growth stage
- D. maturity stage

ANSWER: C

51. A _____ is a promotion strategy that calls for using the sales force and trade promotion to move the product through channels.

- A. push strategy
- B. pull strategy
- C. blocking strategy
- D. integrated strategy

ANSWER: A

52. Consumer goods with unique characteristics or brand identification often requiring a special purchase effort are called-----

- A. custom product
- B. specialty products
- C. convenience product

D. shopping products

ANSWER: D

53. Which of the following is NOT one of the five stages of the buyer decision process?

- A. need recognition
- B. brand identification
- C. information search
- D. purchase decision

ANSWER: B

54. Major sources of ideas for product development comes from

- A. Internal sources
- B. External sources
- C. Product lines extension
- D. both a and b

ANSWER: D

55. Advertisement promotes-----

- A. purchase
- B. production
- C. sales
- D. price

ANSWER: C

56. The concept of Marketing Mix was developed by

- A. N.H. Borden
- B. Philip Kotler
- C. Stanton
- D. W. Anderson

ANSWER: A

57. The main principal of cooperative marketing is _____

- A. more profit
- B. increased production
- C. normal profit with service
- D. low price

ANSWER: C

58. ----- is a part of the product, which carries verbal information about the product

- A. label
- B. price
- C. product
- D. bill

ANSWER: A

59. A _____ is a good offered either free or at low cost as an incentive to buy a product

- A. patronage reward
- B. coupon

- C. price pack
- D. premium

ANSWER: D

60. Middlemen will increase the-----

- A. price of the product
- B. quality of the product
- C. profit of the product
- D. time and place utility of the product

ANSWER: D

61. When advertising is reached to the residential place of the people it is called

- A. promotional advertising
- B. outdoor advertising
- C. indoor advertising
- D. direct advertising

ANSWER: C

62. ----- is an element of buying

- A. financing
- B. assembling
- C. risk bearing
- D. customer services

ANSWER: B

63. An advertisement copy must have-----

- A. description
- B. narration
- C. exposition
- D. report

ANSWER: A

64. Sales promotion tool includes-----

- A. appeals
- B. coupons
- C. vertical marketing
- D. price

ANSWER: B

65. Standardization includes-----

- A. estimating demand
- B. locating sources of supply
- C. grading
- D. product line

ANSWER: C

66. The middlemen who do not take any title to goods is -----

- A. retailer

- B. wholesaler
- C. agent
- D. commission houses

ANSWER: C

67. ----- is allowed in the form of deductions from the list price

- A. trade discount
- B. quantity decisions
- C. cash discount
- D. seasonal discount

ANSWER: A

68. ----- is price at which a retailer sells the products to his buyers

- A. retail price
- B. wholesale price
- C. FOB price
- D. administered price

ANSWER: A

69. A method which aims to capture the market and increase the sales volume in known as -----

- A. packing
- B. purchasing
- C. sales promotion
- D. marketing

ANSWER: C

70. ----- gives a chance to the consumers to compare the products with their substitutes.

- A. sampling
- B. contest
- C. premium offers
- D. distribution

ANSWER: A

71. -----is a mass communication of information intended to persuade buyers as to maximize profits.

- A. advertising
- B. salesmanship
- C. sales promotion
- D. personal selling

ANSWER: A

72. ----- and other forms of promotion are supported by a advertisement.

- A. personal selling
- B. branding
- C. promotion
- D. publicity

ANSWER: A

73. ----- is the Father of Modern Marketing

- A. Peter Drucker
- B. Philip Kotler
- C. Lester
- D. Abraham Maslow

ANSWER: B

74. ----- is a group of persons, who are experts on various phases of advertising and related marketing areas.

- A. advertising agency
- B. marketing agency
- C. promotion agency
- D. marketing research agency

ANSWER: A

75. ----- influences the buyer to buy a product

- A. personal selling
- B. packing
- C. price
- D. grading

ANSWER: A

76. Products reach the hands of customers through a number of channels, of that the main channels is-----

- A. distributor
- B. wholesaler
- C. retailer
- D. agents

ANSWER: B

77. ----- is a wide term which includes advertising, sales and personal selling

- A. distribution
- B. warehousing
- C. promotion
- D. transportation

ANSWER: C

78. An example of agent middleman -----

- A. broker
- B. retailer
- C. wholesaler
- D. truck jobbers

ANSWER: A

79. An example of merchant middlemen _____

- A. commission agent
- B. wholesaler
- C. resident buyers
- D. factors

ANSWER: B

80. The wholesaler who don't provide credit and transport facility are called as -----

- A. cash and carry wholesaler
- B. limited function wholesaler
- C. mail order wholesaler
- D. full service wholesaler

ANSWER: A

81. Services rendered by wholesaler to manufacturer is -----

- A. acting as an intermediary
- B. advice to retailer
- C. facilitating small purchase
- D. to keep varieties of goods

ANSWER: A

82. A ----- is a promotion strategy that calls for using the sales force and trade promotion to move the product channels.

- A. push strategy
- B. pull strategy
- C. blocking strategy
- D. integrated strategy

ANSWER: A

83. Promotional mix includes _____

- A. advertising, personal selling and sales promotion
- B. advertising, awareness and sales promotion
- C. advertising, personal selling and publicity
- D. segmentation, personal selling and sales promotion

ANSWER: A

84. Distributional activities involve decision regarding-----

- A. advertisement
- B. channels of distribution
- C. decision making
- D. promotion strategies

ANSWER: B

85. Assembling of goods means bringing goods to a ----place

- A. central
- B. market
- C. consumer
- D. seller's

ANSWER: A

86. Transport involves ----- goods from their place of origin to the place of their consumption.

- A. distributing
- B. collecting
- C. sending

D. controlling

ANSWER: A

87. The social aspect of marketing is to ensure-----

- A. price
- B. demand
- C. low price with high quality
- D. service goods

ANSWER: C

88. Unwanted and unsolicited commercial e-mails that clog up e-mailboxes of users is classified as

- A. Invasion of privacy
- B. Spam
- C. Virus
- D. Deception

ANSWER: B

89. ----- consists of dividing a market into distinct groups of buyers on the basis of needs, characteristics, or behavior who might require separate products.

- A. product differentiation
- B. market segmentation
- C. market targeting
- D. market positioning

ANSWER: B

90. Market segmentation is ----- markets

- A. dividing
- B. targeting
- C. positioning
- D. differentiation

ANSWER: A

91. The behavior exhibited by people in the course of purchasing is -----

- A. seller behavior
- B. consumer behavior
- C. government behavior
- D. purchase behavior

ANSWER: B

92. The process of subdividing total markets into several sub market is -----

- A. market fluctuating
- B. market positioning
- C. market segmentation
- D. market penetration

ANSWER: C

93. Sound marketing of a product is depended upon -----

- A. good product

- B. better prices
- C. consumer
- D. proper distribution

ANSWER: C

94. ----- goods are meant for final consumption.

- A. consumer
- B. convenience
- C. shopping
- D. specialty

ANSWER: A

95. ----- is all psychological, social and physical behavior of potential consumer.

- A. consumer behaviour
- B. seller behavior
- C. manufacturer behavior
- D. household behavior

ANSWER: A

96. A buyer makes a purchase of a particular product or a particular brand is termed as -----

- A. product buying motives
- B. patronage motives
- C. selection motives
- D. purchase motives

ANSWER: A

97. A careful study of ----- will facilitate the marketer in determining the size, form, style, colour, package etc.

- A. consumer behavior
- B. manufacturers potential
- C. market
- D. market segmentation

ANSWER: A

98. The process whereby individuals decide whether, what, when, how and from whom to purchase goods and services can be termed as -----

- A. buyer behavior
- B. household behavior
- C. product buying motives
- D. purchase motives

ANSWER: A

99. Motives refers to strong-----

- A. emotions
- B. purchase power
- C. needs
- D. behavior

ANSWER: A

100. Buying decision of a customer depends on his-----

- A. attitude
- B. promotion
- C. price
- D. product

ANSWER: A

101. A satisfied buyer is a silent -----

- A. advertiser
- B. salesman
- C. promotion
- D. target market

ANSWER: A

102. A consumer chooses an alternative which gives maximum-----

- A. satisfaction
- B. usage
- C. utility
- D. durability

ANSWER: A

103. ----- buys products and ----- use product

- A. Consumer and Customers
- B. Customers and Consumer
- C. Buyers and sellers
- D. Buyers and customers

ANSWER: C

104. Online journals where people post their reviews and thoughts on narrow topic are classified as

- A. Business domain website
- B. Corporate website
- C. Blogs
- D. Marketing website

ANSWER: C

105. The external factor of consumer behavior are also called as ----

- A. environmental factors
- B. consumer behavior factors
- C. product factors
- D. specific factor

ANSWER: A

106. Economics explains that consumer behavior in relation to ----- factors

- A. social
- B. economic
- C. product factor
- D. specific factor

ANSWER: B

107. A collection of individuals which influences individual's opinion are called as -----

- A. reference groups
- B. advertising agency
- C. manufactures
- D. friends

ANSWER: A

108. Culture refers to-----

- A. needs, motives, perception
- B. wants, search, decide
- C. product preference
- D. social values, language, customs

ANSWER: D

109. ----- carry their goods from place to place in hand craft and sell them to the consumers at their door steps.

- A. hawkers
- B. pedlars
- C. cheap jacks
- D. street traders

ANSWER: A

110. ----- and ----- are the criteria for market segmentation.

- A. accessibility, user status
- B. accessibility, loyal status
- C. accessibility, attitude
- D. accessibility, responsiveness

ANSWER: D

111. The purpose of segmentation is to ----- the changing pattern of consumers.

- A. measure
- B. access
- C. identify
- D. usage rate

ANSWER: A

112. In ----- the whole market is divided into different geographic units

- A. demographic segmentation
- B. geographic segmentation
- C. socio-economic segmentation
- D. psychographic segmentation

ANSWER: B

113. Division of market on the basis of variables like gender, income, occupation, education are called as-----

- A. demographic segmentation

- B. geographic segmentation
- C. socio - economic segmentation
- D. psychographic segmentation

ANSWER: A

114. A market may be segmented by classifying people according to their enthusiasm for a product are termed as-----

- A. attitude segmentation
- B. geographic segmentation
- C. socio- economic segmentation
- D. psychographic segmentation

ANSWER: A

115. Benefits of segmentation-----

- A. reduced scale
- B. shifting loyals
- C. unknowm markets
- D. determining marketing strategies

ANSWER: D

116. When the consumers are classified on the basis of religion, customs, culture are termed as -----

- A. demographic segmentation
- B. geographic segmentation
- C. socio - economic segmentation
- D. psychographic segmentation

ANSWER: C

117. Consumers who buy one brand all the time-----

- A. hard core loyals
- B. safe core loyals
- C. shifting loyals
- D. switchers

ANSWER: A

118. Consumers who are loyal to two or three brands -----

- A. hard core loyals
- B. safe core loyals
- C. shifting loyals
- D. switchers

ANSWER: B

119. Agricultural products are-----

- A. perishable
- B. highly priced
- C. low quality products
- D. heterogeneous goods

ANSWER: D

120. Identify the one which comes under service marketing-----

- A. insurance
- B. motor cars
- C. refrigerators
- D. television

ANSWER: A

121. ----- marketing is identifying and serving the needs of consumers living in villages.

- A. rural
- B. agricultural marketing
- C. retail marketing
- D. international marketing

ANSWER: A

122. Increasing competition in ----- markets make ----- markets attractive.

- A. urban, rural
- B. urban, retail
- C. urban, agricultural
- D. urban, wholesale

ANSWER: A

123. The ----- level of urban consumers is high and hence product features have to be changed often.

- A. awareness
- B. educational
- C. loyalty
- D. satisfaction

ANSWER: A

124. ----- marketing is concerned with the flow of goods and services from urban to rural and vice versa.

- A. urban
- B. retail
- C. international
- D. rural

ANSWER: D

125. Reasons for growing rural markets are _____

- A. change in rural consumer behaviour
- B. marketing strategies
- C. promotional strategies
- D. product mix

ANSWER: A

126. ----- is the final stage of any economic activity.

- A. retail
- B. wholeslae
- C. brokering
- D. fatoring

ANSWER: A

127. Green marketing-----

- A. making environmental friendly product
- B. making more products with natural ingredients
- C. make use of more green colors in packages
- D. educate marketers about the importance of natural environment

ANSWER: A

128. ----- are products bought by individuals and organisations for further processing or use in conducting a business.

- A. consumer products
- B. services
- C. industrial products
- D. specialty products

ANSWER: C

129. The increased ----- has enhanced rural demand for several products

- A. income
- B. purchase power
- C. awareness
- D. population

ANSWER: A

130. Product specifications like design, price and durability should be in a accordance with the needs of ----- masses.

- A. rural
- B. urban
- C. producer
- D. retailer

ANSWER: A

131. Rural India has many fairs and festivals and marketers use these platforms for-----

- A. brand promotions
- B. price strategy
- C. marketing strategy
- D. formulating strategies

ANSWER: A

132. Marketing communication in the rural area has to be in -----

- A. local language
- B. press media
- C. national language
- D. outdoor media

ANSWER: A

133. ----- is where goods are sold directly to consumers

- A. e-commerce
- B. retail marketing

- C. product strategy
- D. pricing decision

ANSWER: A

134. When a product is sold -----utility is created

- A. ownership
- B. time
- C. place
- D. transport

ANSWER: A

135. A retailer creates ----- utility by keeping the store open when the consumers prefer to shop

- A. ownership
- B. time
- C. place
- D. transport

ANSWER: B

136. A retailer by being available at a convenient location, he creates----- utility

- A. ownership
- B. time
- C. place
- D. transport

ANSWER: C

137. ----- is the largest global online auction website

- A. e-bay
- B. alibaba.com
- C. wal-mart
- D. relience fresh

ANSWER: A

138. What is COPRA?

- A. Consumer Operating Protection Regulation Authority
- B. Consumer Protection Act
- C. Consumer Protection Authority
- D. All of the above

ANSWER: B

139. The limitations of e-marketing is -----

- A. th inability to touch and feel
- B. instant cash payment
- C. touch and feel
- D. immediate delivery

ANSWER: A

140. ----- is the encompassing term that involves the use of electronic platform-intranets, extranet and the internet to conduct a company's business.

- A. e- procurement
- B. e-business
- C. e-commerce
- D. e-marketing

ANSWER: A

141. Which of the following is not one of the benefits of e-commerce to sellers?

- A. e-commerce can help to reduce costs
- B. e-commerce is a powerful tool for customer relationship building
- C. e-commerce increases the net cost per contact
- D. e-commerce offers greater flexibility in meeting customer needs.

ANSWER: C

142. The e-commerce domain that involves business activity initiated by the consumer and targeted to businesses is known as:

- A. business to business - B2B
- B. consumer to consumer - C2C
- C. business to consumer - B2C
- D. consumer to business - C2B

ANSWER: C

143. In the market place, consumers are exploited when

- A. Shopkeepers weigh less than what they should
- B. Traders add charges that were not mentioned before
- C. Adulterated / Defective goods are sold
- D. All of the above

ANSWER: D

144. The type of website that is designed to build customer goodwill and to supplement other sales channels rather than sell the company's products directly is known as a ----- website

- A. customer service
- B. click-and mortar
- C. marketing
- D. corporate

ANSWER: B

145. ----- is the acquisition of goods and services by the seller or industrial user for the purpose of resale

- A. Selling
- B. Assembling
- C. Buying
- D. Transportation

ANSWER: B

146. Consumer day is celebrated on

- A. January 15th
- B. April 15
- C. March 15

D. December 15

ANSWER: C

147. Consumer Protection Act was formed in

- A. 1987
- B. 1984
- C. 1986
- D. 2007

ANSWER: C

148. What does the following definition refer to? "Achieving marketing objectives through the use of any electronic communications technology"

- A. e-business
- B. e-commerce
- C. e-marketing
- D. internet marketing

ANSWER: C

149. Responsibility of a consumer includes

- A. Exercise rights
- B. Quality conscious
- C. Insist on cash memo
- D. All of the above

ANSWER: D

150. Consumer Protection is important for business because of

- A. Long term investment
- B. Social responsibilities
- C. Use in society's resources
- D. All of the above

ANSWER: D

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