

POLITEKNIK
Jabatan Pengajian Politeknik

EXAMINATION AND EVALUATION DIVISION
DEPARTMENT OF POLYTECHNIC EDUCATION
(MINISTRY OF HIGHER EDUCATION)

COMMERCE DEPARTMENT

FINAL EXAMINATION
DECEMBER 2011 SESSION

PM302 : PRODUCT MANAGEMENT

DATE : 26 APRIL 2012
DURATION : 2 HOURS (11.15 AM – 1.15 PM)

This paper consists of **TEN (10)** pages including the front page.
Section A: Objective (25 questions – answer all)
Section B: Essay (3 questions – answer all)

CONFIDENTIAL
DO NOT OPEN THIS QUESTION PAPER UNTIL INSTRUCTED BY
THE CHIEF INVIGILATOR

(CLO stated at the end of each question is referring to the learning outcome of the topic assessed. The CLO stated is only for lectures' references.)

SECTION A**OBJECTIVES (25 marks)****INSTRUCTION:**

This section consists of **TWENTY FIVE (25)** objective questions.

Answer **ALL** questions in the answer booklet.

1.

<ul style="list-style-type: none">• It comes in a physical form• It integrates the quality, features and design
--

The above characteristics explains [CLO 1]

- A. basic product
 - B. expected product
 - C. augmented product
 - D. potential product
2. A product line is a group of products that are closely related because the [CLO 1]
- A. products share the same product managers
 - B. same company developed the idea for each product
 - C. products are all sold under the same brand name
 - D. products all function in similar manner and provide similar benefits
3. Suzeanne wanted a gas water heater. She looks in the newspaper ads and she found one on sale, for Suzeanne the water heater is a(n) _____ product. [CLO 1]
- A. shopping
 - B. unsought
 - C. convenience
 - D. specialty

4. Repositioning is [CLO 1, 2]
- A. a positioning strategy companies use to distinguish their products from those of their competitors
 - B. changing consumers' perceptions of a brand in relation to competing brands.
 - C. grouping customers into market segments according to the benefits they seek from the product
 - D. dividing a market by the amount of product bought or sold
5. Identify the stage of the new product development where a prototype is developed and a marketing strategy is outlined? [CLO 1, 2]
- A. Idea screening
 - B. Product development
 - C. Business analysis
 - D. Market testing
6. Which of the following is **NOT** a potential cause of the failure of a new product? [CLO 1, 2]
- A. Ineffective advertising
 - B. Higher than anticipated costs of product development
 - C. An incorrectly positioned product
 - D. An underestimated market size
7. In the concept testing stage of new-product development, a product concept in _____ form is presented to groups of target consumers [CLO 1, 2]
- A. market-tested
 - B. physical or symbolic
 - C. prototype
 - D. commercial

8. In the _____ stage of new-product development, products often undergo rigorous tests to make sure that they perform safely and effectively or that consumers will find value in them. [CLO 1, 2]
- A. concept development and testing
 - B. product development
 - C. idea generation
 - D. business analysis
9. Below are new product development **EXCEPT**? [CLO 1, 2]
- A. Product improvements.
 - B. Development of new products and services.
 - C. A revolutionary product, perceived by customers as being novel or new.
 - D. Product modifications.
10. The marketing objective for a product in the _____ stage of the product life cycle (PLC) is to promote consumer awareness and gain trial. [CLO 1]
- A. introduction
 - B. growth
 - C. maturity
 - D. decline
11. Where there are low sales, high cost per customer, negative profits and few competitors”.
- The statement above refers to which PLC stage? [CLO 1]
- A. Introduction
 - B. Growth
 - C. Maturity
 - D. Decline

12. Automobiles and TV is referred to which PLC stage? [CLO 1]
- A. Introduction
 - B. Growth
 - C. Maturity
 - D. Decline
13. Increasing profits will most likely occur at which stage of the product life cycle? [CLO 1]
- A. Introduction
 - B. Growth
 - C. Maturity
 - D. Decline
14. Which of the following **CANNOT** be described by the product life cycle concept? [CLO 1]
- A. Product image
 - B. Product class
 - C. Product form
 - D. Style
15. Sales decline in the decline stage of the product life cycle because of technological advances, increased competition and [CLO 1, 3]
- A. shifts in consumer tastes and preferences
 - B. marketing mix modifications
 - C. shift in unemployment
 - D. new market pioneers
16. Which of the following is **NOT** an element of brand? [CLO 1, 3]
- A. Brand mark
 - B. Class brand name
 - C. Trade name
 - D. Family brand name

17. Below is the importance of branding **EXCEPT** [CLO 1, 3]
- A. Brand name helps an organization to differentiate itself from its competitors.
 - B. Brand name tells the customers something about their products quality.
 - C. Brand name increases the shopper's efficiency.
 - D. Brand name makes the product easier to be imitated by competitors.
18. A manufacturer has four sponsorship options. Which of the following is **FALSE**? [CLO 1, 3]
- A. National brand
 - B. Co-brand
 - C. Seller brand
 - D. Licensed brands
19. Desirable qualities for a brand name include the following **EXCEPT** [CLO 1, 3]
- A. The brand name should be distinctive.
 - B. The brand name should be extendable.
 - C. The brand name should translate easily to foreign language.
 - D. The brand name should infringe on existing brand name.
20. _____ extends existing brand names to new forms, colours, size, ingredients, or flavors of an existing product category. [CLO 1, 3]
- A. Line extension
 - B. Brand extension
 - C. Multibrands
 - D. New brands

21. In recent years, product safety and environmental responsibility have become major _____ concerns. [CLO 1, 4]
- A. branding
 - B. packaging
 - C. labeling
 - D. service
22. _____ has been affected by the need to include unit pricing, open dating, and nutritional information. [CLO 1, 4]
- A. Branding
 - B. Packaging
 - C. Labeling
 - D. Product line filling
23. The _____ requires sellers to provide detailed nutritional information on food products. [CLO 1, 4]
- A. fair Packaging and Labeling Act of 1966
 - B. nutritional Labeling and Educational Act of 1990
 - C. labeling Act of 1970
 - D. packaging Act of 1970
24. Choose the best definition for product mix width. [CLO 1]
- A. Number of different variants of a product.
 - B. Defined by the number of product lines offered.
 - C. Total number of product items.
 - D. Product length

25. Choose the definition of a product line. [CLO 1]
- A. number of different variants of a product
 - B. total number of product items
 - C. products in a product range
 - D. product mix divided into a number of product groups that are closely related to each other.

SECTION B**ESSAY (75 marks)****INSTRUCTION:**

This section consists of **THREE (3)** essay questions.

Answer **ALL** questions.

QUESTION 1

- a) New products must begin with ideas. Explain **FOUR (4)** sources for a firm to generate ideas in creating new product. Include suitable examples in your answer. [CLO 1, 2]
- (10 marks)
- b) The purpose of idea screening process is to reduce the number of ideas generated. Explain **FOUR (4)** considerations to be decided at this stage. [CLO 1, 2]
- (12 marks)
- c) State **THREE (3)** categories of new product [CLO 1, 2]
- (3 marks)

QUESTION 2

- a) Mention the advantages of brand? [CLO 1, 3] (10 marks)
- b) Define licensed brand name and give **THREE (3)** examples of licensed brand name. [CLO 1, 3] (5 marks)
- c) Describe the advantages of brand name decision as stated below [CLO 1, 3]
- i) Individual brand name
 - ii) Blanket family name
 - iii) Separate family name
 - iv) Company trade name combined with individual product name
- (10 marks)

QUESTION 3

- a) A product mix is the set of all products and items that a particular seller offers for sale to buyers. Describe **FOUR (4)** dimensions in product mix. [CLO 1] (10 marks)
- b) Line stretching occurs when a company lengthens its product line beyond its current range. Discuss **THREE (3)** types of line stretching decision that can be used by a company. [CLO 1] (15 marks)