

## SECTION A

## OBJECTIVES (25 marks)

## INSTRUCTION:

This section consists of **TWENTY FIVE (25)** objective questions. Write your answers in the answer booklet.

1. We define \_\_\_\_\_ as anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. [CLO1:C1]
  - A. private brand
  - B. service variability
  - C. service
  - D. product
  
2. Consumer products are purchased for personal consumption and classification and are based upon consumer shopping habits. Which of the following is **NOT** defined as a consumer product? [CLO2:C2]
  - A. Shopping Products
  - B. Supplies and Services
  - C. Unsought Goods
  - D. Specialty Products
  
3. According to Kotler, a product is anything that can be offered to a market to satisfy a \_\_\_\_\_. [CLO1:C1]
  - A. demand and supply
  - B. demand and needs
  - C. needs and wants
  - D. needs and supply

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

COMMERCE DEPARTMENT

FINAL EXAMINATION

JUNE 2012 SESSION

**PM302 : PRODUCT MANAGEMENT**

**DATE : 22 NOVEMBER 2012(THURSDAY)**  
**DURATION : 2 HOURS (11.15 AM - 1.15 PM)**

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This paper consists of **NINE (9)** pages including the front page.

Section A: Objective (25 questions – answer all)

Section B: Essay (3 questions – answer all)

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

(The CLO stated is for reference only)

9. The strategy used during maturity to attempt to increase the consumption of the current product is called \_\_\_\_\_.  
[CLO2:C3]
- A. customer modification
  - B. market modification
  - C. product modification
  - D. marketing mix modification
10. *"A period of rapid market acceptance and substantial profit improvement"*  
The statement above refers to which stage in PLC?  
[CLO2:C2]
- A. Decline
  - B. Maturity
  - C. Introduction
  - D. Growth
11. **Marketing strategies in the Introduction Stage:**  
Profits are negative or low, and promotional expenditures are at the highest ratio to sales because of the need to \_\_\_\_\_.  
[CLO2:C3]
- A. inform potential consumers
  - B. upgrade management system
  - C. builds database system
  - D. develop new products
12. **Marketing strategies in the Growth Stage:**  
Firm uses all the strategies below to sustain rapid market growth EXCEPT \_\_\_\_\_.  
[CLO2:C3]
- A. It improves product quality and adds new product features
  - B. It adds new models and diversifies products such as variety of flavours
  - C. It enters new market segments
  - D. It reduces R&D costs and product quality
13. **Marketing strategies in the Decline Stage:**  
Sales decline for a number of reasons below EXCEPT;  
[CLO2:C3]
- A. technological advance
  - B. shifts in consumer taste
  - C. increased competition
  - D. rapid demand

4. \_\_\_\_\_ are a form of product that consists of activities, benefits or satisfaction offered for sale that are essentially intangible and do not result in the ownership of anything.  
[CLO2:C3]
- A. Line extensions
  - B. Services
  - C. Brands
  - D. Consumer products
5. Developing a product or service involves defining the benefits that it can offer. These benefits are communicated and delivered by \_\_\_\_\_ such as quality, features and style or design.  
[CLO2:C3]
- A. Private brands
  - B. Product attributes
  - C. Consumer products
  - D. Marketing tools
6. Which question addresses a product core benefit?  
[CLO2:C1]
- A. What does the buyer want to buy?
  - B. How much does the product cost?
  - C. What kind of after sale services desired by the buyer?
  - D. What is the difference between this products compared to the competitors?
7. \_\_\_\_\_ product is usually compared on features such as suitability, quality, price, and style.  
[CLO2:C1]
- A. Convenience
  - B. Specialty
  - C. Shopping
  - D. Unsought
8. Product Life Cycle consists of \_\_\_\_\_ stages.  
[CLO2:C1]
- A. three
  - B. four
  - C. five
  - D. six

18. When Evelyn set up a demonstration booth to learn about consumers' feelings towards her vacuum cleaner, which of the following does she apply? [CLO1:C1]
- A. Concept testing
  - B. Idea screening
  - C. Product development
  - D. Test marketing
19. \_\_\_\_\_ is endowing products and services with the power of product name or symbol. [CLO1:C1]
- A. Brand image
  - B. Brand mark
  - C. Branding
  - D. Brand positioning
20. Which of the following is **NOT** the role of a brand to marketers? [CLO1:C2]
- A. Identify products
  - B. Develop customer loyalty
  - C. Upgrade image of the product
  - D. Help introduce new product
21. Which of these product brands could be classified as manufacturer's brand? [CLO1:C2]
- A. First Choice tissue paper
  - B. Tesco Cola
  - C. Giant cooking oil
  - D. Sony LCD TV
22. In recent years, product safety and environmental responsibility have become major \_\_\_\_\_ concerns. [CLO1:C3]
- A. branding
  - B. packaging
  - C. labeling
  - D. product line

14. New Product Development organization structure includes \_\_\_\_\_. [CLO1:C2]
- I Product Managers
  - II New product Manager
  - III New Product Committees
  - IV New Structure Team
- A. I, II and III
  - B. II, III and IV
  - C. I and III
  - D. II and IV
15. New-to-the-world products are \_\_\_\_\_. [CLO1:C1]
- A. new products that create an entirely new market
  - B. new products that allow the company to enter an established market
  - C. existing products that are targeted to new markets or market segments
  - D. new products that provide greater perceived value and replace existing products
16. What is concept testing? [CLO1:C2]
- A. Testing a new product via Internet surveys
  - B. Testing new-product concepts with groups of target consumers
  - C. New product idea reports
  - D. Primary and secondary research sources
17. Which of the following is **NOT** a potential reason for a new product to fail? [CLO1:C2]
- A. An underestimated market size
  - B. A poorly designed product
  - C. An incorrectly positioned product
  - D. Ineffective advertising

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

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

**QUESTION 1**

- (a) Explain the levels of product by using “Notebook” as the example of product.

[CLO 2 : C2]

(15 marks)

- (b) Explain differences between non-durable goods and durable goods.

[CLO 2: C2]

(10 marks)

**QUESTION 2**

- (a) List the stages in product life cycle and illustrate those stages with a diagram.

[CLO 2: C3]

(8 marks)

- (b) Explain the new product organization by describing the positions below:

[CLO 2: C2]

- |      |                        |           |
|------|------------------------|-----------|
| i.   | Product Manager        | (2 marks) |
| ii.  | New Product Manager    | (3 marks) |
| iii. | New Product Department | (3 marks) |
| iv.  | New Product Committee  | (3 marks) |
| v.   | Task Force             | (3 marks) |
| vi.  | New Venture Team       | (3 marks) |

23. \_\_\_\_\_ has been affected by the need to include unit pricing, expired date, and nutritional information.

[CLO1:C2]

- A. Branding
- B. Packaging
- C. Labeling
- D. Product line filling

24. 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.

[CLO1:C1]

- A. product line
- B. line extension
- C. private brand
- D. convenience product

25. What is the definition of width dimensions of the product mix?

[CLO1:C1]

- A. Number of different variants of products
- B. Defined by the number of product lines offered
- C. Total number of product items
- D. Product length

**QUESTION 3**

- (a) Explain the dimension of product-mix with suitable examples. [CLO 1: C2]  
(10 marks)
- (b) Discuss **THREE (3)** strategies of line stretching. [CLO 1: C2]  
(15 marks)