

CHAPTER 11
PRODUCT STRATEGIES: BRANDING AND PACKAGING DECISIONS

MULTIPLE CHOICE

1. Which of the following cannot be used as a trademark?
 - a) a word
 - b) a name
 - c) a symbol
 - d) a device
 - e) all of them can be used as a trademark (X)

2. This marketing component is most likely to be standardized.
 - a) brand (X)
 - b) advertising
 - c) price
 - d) distribution

3. Which of the following is not a brand's function?
 - a) creating identification
 - b) guaranteeing quality level
 - c) helping with promotion
 - d) lowering production cost (X)

4. This item offers "added value."
 - a) commodity
 - b) product (X)
 - c) unbranded good

5. Which of the following is an advantage of a brandless product?
 - a) product differentiation
 - b) repeat sales
 - c) quality flexibility (X)
 - d) premium pricing

6. Compared to a brandless product, a branded product has this advantage.
 - a) production cost
 - b) legal cost
 - c) product differentiation (X)
 - d) quantity flexibility

7. Compared to a manufacturer's brand, a private brand has this advantage (from manufacturer's perspective).
 - a) control of product features
 - b) better price
 - c) promotional expenses (X)
 - d) bargaining power

8. Compared to a private brand, a manufacturer's brand has this advantage (from manufacturer's perspective).
 - a) brand loyalty (X)
 - b) gaining dealers' acceptance
 - c) promotional expenditures
 - d) market share

9. This company does not offer private branding.
 - a) Michelin
 - b) Heinz
 - c) Mitsubishi
 - d) all of them offer private brands (X)

10. A private brand makes it possible for a retailer to offer a product at

- a) higher price and higher margin
- b) lower price and higher margin (X)
- c) lower price and lower margin
- d) higher price and lower margin

11. This party has more bargaining power.

- a) least dependent person (X)
- b) least independent person
- c) less dependent person
- d) equally dependent person

12. Compared to a single brand in a single market, multiple brands in a single market are inferior in terms of

- a) economies of scale (X)
- b) market segmentation
- c) retail shelf space
- d) trading up/down

13. Compared to multiple brands in a single market, a single brand in a single market is inferior in terms of

- a) marketing impact
- b) overall advertising costs
- c) retail shelf space (X)
- d) economies of scale

14. Compared to local brands, a worldwide brand has this advantage.

- a) pronunciation
- b) marketing impact (X)
- c) connotations
- d) quality variations

15. Compared to a worldwide brand, local brands have this advantage.

- a) marketing impact
- b) brand taxation (X)
- c) travelers' brand recognition
- d) advertising costs

16. This branding strategy assumes that the market is heterogeneous.

- a) no brand
- b) single brand in single market
- c) worldwide brand
- d) local brands (X)

17. This international arrangement establishes reciprocity which allows a foreign trademark owner to obtain the same protection in other convention member countries as in the owner's home country.

- a) Paris Convention (X)
- b) Madrid Arrangement
- c) Trademark Registration Treaty
- d) Arrangement of Nice

18. This international arrangement allows nationals of the participating countries, with prior home registration, to have simultaneous trademark filing among all member countries.

- a) Paris Convention
- b) Madrid Arrangement (X)
- c) Trademark Registration Treaty
- d) Arrangement of Nice

19. This register provides federal protection to trademark owners.

- a) Principal Register (X)
- b) Universal Register

c) Conditional Register

d) Supplemental Register

20. Based on the hierarchy of trademark registration eligibility, this type of trademark offers the lowest degree of legal protection.

- a) fanciful
- c) arbitrary

- b) descriptive (X)
- d) suggestive

21. Based on the hierarchy of trademark registration eligibility, the highly protectable is

- a) fanciful (X)
- c) arbitrary

- b) descriptive
- d) suggestive

22. This mark has no legal protection.

- a) fanciful
- c) arbitrary
- e) generic (X)

- b) descriptive
- d) suggestive

23. Which of the following can be renewed indefinitely?

- a) patent
- c) copyright

- b) trademark (X)
- d) all of the above

24. The U.S. government can seize articles which

- a) are colorable imitations
- c) are gray market goods

- b) bear counterfeit trademark (X)

25. The most important packaging criterion is

- a) promotional
- c) attractive

- b) functional (X)
- d) versatile

TRUE OR FALSE

1. A trademark can be registered for a product but not for a service. (F)
2. A color cannot be trademarked. (F)
3. Brand equity is the value that is attached to the brand. (T)
4. There is a high degree of brand standardization across countries. (T)
5. Branding is one area of the marketing mix in which standardization is relatively high. (T)
6. For commodities, branding is undesirable. (T)
7. Demand for a commodity is a function of price. (T)

8. When deciding on whether a private brand is to be used, the least dependent party has less bargaining power. (F)
9. To avoid injuring a company's main business while trading up or down, the firm should use multiple brands. (T)
10. LDCs' governments resent international brands. (T)
11. International brands are not subject to price control. (F)
12. Gray marketing can be minimized by having local brands instead of a worldwide brand. (T)
13. To combat gray marketing, a manufacturer should use (multiple) local brands rather than a worldwide brand. (T)
14. It is risky to use the corporate name as a brand name for a fashion product. (T)
15. Brand selection has shifted somewhat from being less art to becoming more science. (T)
16. People in many countries do not make any distinction in pronunciation between the letters v and w. (T)
17. A mark which cannot be placed on the Principal Register will not be allowed to be placed on the Supplemental Register either. (F)
18. To be eligible for registration, a trademark must be distinctive or capable of being distinctive. (T)
19. It is difficult to register marks that are not distinctive. (T)
20. The policy of the U.S. government is to contest applications for generic trademarks at home but to ignore them abroad. (F)
21. A generic mark cannot be registered and receives no legal protection. (T)
22. A generic mark provides its owner with a reasonable degree of legal protection. (F)
23. The new trademark law of the United States prohibits "token use." (T)
24. According to the updated Trademark Act, U.S. firms filing a trademark application can do so on the basis of "intent to use" and are no longer allowed to rely on "token use." (T)
25. According to the updated Trademark Act, to file a trademark application, U.S. firms are no longer required to first put the mark into use in interstate or foreign commerce but may instead rely on intent to use. (T)
26. Once a trademark is registered, the owner's rights are intact for ten years with or without "use." (F)
27. To retain its rights, a marketer must not allow its market to become generic. (T)
28. The great variety of package sizes or styles demanded by Americans are very appealing to foreigners. (F)

29. In Germany, it is illegal to sell products without the green dot. (F)