Assignment 6

The due date for submitting this assignment has passed. Due on 2018-03-21, 23:59 IST.
As per our records you have not submitted this assignment.

1) A salon owner increases the price for a haircut by around 60%. Yet he observes 1 point that there is no change in demand by customers to get a haircut from his salon. From the given information, it can be concluded that the demand for the service is:

- Price elastic
- Price inelastic

No, the answer is incorrect.
Score: 0
Accepted Answers:
Price inelastic

2) An example of fixed cost for a salon is:

- Cost of renting the shop
- Cost of buying shampoo

No, the answer is incorrect.
Score: 0
Accepted Answers:
Cost of renting the shop

3) When the product being offered is a commodity with very low or no differentiation, the best strategy to pursue will be:

- Broad differentiation strategy
- Focussed differentiation strategy
- Overall low cost strategy
- Focussed low cost strategy

No, the answer is incorrect.
Score: 0
Accepted Answers:
Overall low cost strategy

4) Which of the following is not an attractive feature of a niche segment?

- The segment has good growth potential
- The segment is large enough to be profitable
- No competitors are focussing on the niche
- Several competitors want to target the segment

No, the answer is incorrect.
Score: 0
Accepted Answers:
Several competitors want to target the segment

5) When a company enters a new market with a new service, it is termed as:  
- Diversification  
- Market penetration  
- New service penetration  
- Market development

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
Diversification

6) Market penetration pricing can be defined as:  
- Setting a high price in order to attract a small number of buyers and a large market share  
- Setting a low price in order to attract a large number of buyers and a large market share  
- Setting a high price in order to attract a large number of buyers and a large market share  
- Setting a low price in order to attract a small number of buyers and a large market share

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
Setting a low price in order to attract a large number of buyers and a large market share

7) In which type of pricing strategy, the setting of price depends on the price leader in the industry?  
- Cost based pricing  
- Value base pricing  
- Competition based pricing  
- None of these

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
Competition based pricing

8) Happy hours in restaurants is an example of rate fencing on the basis of?  
- Consumption characteristics  
- Buyer characteristics  
- Transaction characteristics  
- Product related feature

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
Consumption characteristics

9) ______________ is a reason for price cut while ______________ is a reason for price increase  
- Cost inflation, excess capacity  
- Excess capacity, cost inflation  
- Over demand, cost inflation  
- None of these

No, the answer is incorrect.  
Score: 0
10 An example of a financial objective is:

- Increase in earnings growth from 20% to 40% in two years
- Increase in market share of company from 10% to 20% in two years

No, the answer is incorrect.
Score: 0
Accepted Answers:
Increase in earnings growth from 20% to 40% in two years