International Marketing, 18e **(Cateora)**
Chapter 13 Products and Services for Consumers

1) Global competition has put more power in the hands of the seller.

2) The cost and quality of the product are among the most important criteria by which purchases are made.

3) Consumer perceptions of a quality product often have more to do with market-perceived quality than performance quality.

4) When there are alternative products in a market, all of which meet performance quality standards, the product chosen is the one that meets market-perceived quality attributes.

5) The decision to standardize or adapt a product is less important in delivering quality than price.

6) The term product homogenization is used to describe the changes mandated by local product and service standards.

7) Green marketing is the term frequently used to identify a marketer's efforts to reduce its dependency on U.S. dollars as the standard for international exchange.

8) The European Commission (EC) mandate requires a product to be evaluated on all significant environmental effects throughout its life cycle, from manufacturing to disposal.

9) An important first step in adapting a product to a foreign market is to determine the cost-benefit as perceived by the intended market.

10) Adaptation of the nonphysical features of a product should be avoided when adapting the product to a new culture.

11) From a sociological point of view, any idea perceived as new by a group of people is an innovation.

12) According to Everett Rogers, the element of time differentiates elements in the diffusion of new ideas from other types of communication research.

13) One of the three variables that affect the rate of diffusion of a product is the perceived attributes of product innovation.

14) One variable that affects the rate of diffusion of a product is the actual attributes of the innovation.

15) In general, the rate of diffusion of a product is negatively related to its relative advantage.

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

16) Product diffusion or acceptance is more rapid when product perceptions are similar to current cultural values.

17) The packaging component of the Product Component Model consists of the physical product—the platform that contains the essential technology—and all its design and functional features.

18) One of the core components in the Product Component Model is the product platform.

19) According to the Product Component Model, the instructions for using the product and the warranty of the product are included under the packaging component.

20) One of the consistencies that marketers can look forward to when marketing products abroad is that almost all labeling laws worldwide are essentially the same.

21) In countries with low literacy rates, the pictures and symbols on products are taken literally as instructions and information.

22) The support services component of the product component model contains such items as repair and maintenance and availability of spare parts.

23) Services such as insurance and dry cleaning typically are classified as tangible.

24) Services are distinguished from products on the basis of their durability, homogeneity, and separability.

25) The majority of services enter foreign markets by licensing, franchising, or direct investment.

26) Cultural barriers play a bigger role in services than in merchandise trade.

27) In the context of global marketing, a product's country of origin does not affect its brand's image significantly.

28) Brand image is at the very core of business identity and strategy.

29) Products from developing countries have the highest quality image.

30) Effective advertising and proper positioning of products can help brands to improve a less-than-positive country stereotype.

31) What impact has global competition had on business activities in the international marketplace?
A) It has shifted the focus from a consumer's market to a seller's market.
B) It has increased product life cycles.
C) It has put more power in the hands of the customer.
D) It has reduced the competitive spirit of most businesses in a marketplace.
E) It has limited the choices of the consumers.

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

32) What is one of the top two criteria for global market consumers when making purchase decisions?
A) appearance
B) size
C) technology
D) quality
E) service

33) What are the two dimensions that define the quality of a product or service?
A) consumer choice quality and process quality
B) market-perceived quality and performance quality
C) product quality and market quality
D) actual quality and assumed quality
E) absolute quality and relative quality

34) Product _____ is the term used to describe the changes mandated by local product and service standards.
A) localization
B) protectionism
C) disapprobation
D) dilution
E) homologation

35) Exercise Away Products found out it needed to shorten the legs of its treadmills sold in China owing to the height of the average Chinese person. By doing this, Exercise Away Products has achieved
A) product homologation.
B) global product standardization.
C) product dilution.
D) product obsolescence.
E) product disapprobation.

36) A European chocolate manufacturer received several complaints from customers about the quality of its products when it began selling them in a tropical country. The firm had to repackage its chocolate bars with an extra plastic wrapper to protect it from the heat and dust. Which factor in the local market is most likely to have dictated the company's product adaptation in this scenario?
A) legal requirements
B) economic requirements
C) political requirements
D) climatic requirements
E) technological requirements

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

37) Bragster Bar, a brand of energy bars in Canada, sells its bars singly or in packs of two in South Asian markets instead of their regular multiple-item packaging that contains 10 or 20 bars. What requirement of the local market most likely influenced Bragster Bar's packaging decision?
A) legal
B) political
C) economic
D) technological
E) cultural

38) Downward Dog Wines had to market its products with a different name in a foreign market as it was mandatory to translate the name into the local language. Which factor has most likely influenced the compulsory change of Downward Dog's product name in the foreign market in this scenario?
A) legal requirement
B) climatic requirement
C) technological requirement
D) monetary requirement
E) economic requirement

39) A U.S. cosmetics company had to increase the SPF value of its sunscreen lotions marketed in the Middle East to provide more protection against UV radiation. Which requirement dictated the product adaptation?
A) legal
B) cultural
C) economic
D) climatic
E) political

40) A television manufacturer in South Korea had to simplify its televisions before introducing them to the Nigerian markets, as the country lacked the skills to repair the product in case of a malfunction. The local salesforce also did not have the sufficient knowledge about the installation of the product. The requirement that is influencing product adaptation in this scenario is
A) legal
B) climatic
C) political
D) cultural
E) technological

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

41) A women's clothing company based in Singapore had to modify its clothes before introducing them in Iran, as it needed to meet the needs of the women who are generally expected to cover themselves completely as per societal norms. To adapt its clothes to Iranian markets, the company used opaque material and provided accessories like scarves. Which requirement has dictated the product adaptation?
A) legal
B) cultural
C) technological
D) economic
E) climatic

42) What is the definition of green marketing?
A) It refers to word-of-mouth marketing, where a company develops customers who become voluntary advocates of a product.
B) It refers to inbound marketing used on websites in the form of a banner, text, or graphic.
C) It refers to the type of marketing that takes place on the Internet, where all the marketing resources and assets are transferred online.
D) It is used to identify concerns with the environmental consequences of a variety of marketing activities.
E) It refers to nontraditional or stealth marketing campaigns.

43) PG Autos introduces a new technology in its cars to improve their mileage and reduce carbon emissions. It also takes measures to improve its production facilities in order to reduce its carbon footprint. Actual introduction of green measures to meet the government guidelines rather than just through advertising and marketing shows that PG Autos engages in _____ marketing.
A) permission
B) recycle
C) green
D) black
E) greenwash

44) Which country or group of countries has been at the forefront of the "green movement"?
A) The United States
B) Japan
C) Europe
D) OPEC countries
E) NAFTA countries

45) As part of the "green movement," the European Commission has passed legislation to control all kinds of packaging waste throughout the European Union. Two critical issues that affect product development are the control of the packaging component of solid waste and
A) the prevalence of similar environmental standards across different member countries.
B) consumer demand for environmentally friendly products.
C) higher government subsidies for greener technologies.
D) the continuous availability of alternative energy resources for production.
E) the proven efficient management of inventory of conventional energy products.

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

46) What is a physical attribute of a motorcycle that is essential for its primary function?
A) color
B) price
C) mobility
D) design
E) popularity

47) An important first step in adapting a product to a foreign market is to determine the
A) degree of newness of the product as perceived by the intended market.
B) personal ethics of individuals in the target market.
C) regional political parties present in the domestic market.
D) language problem of the intended market.
E) product's compliancy to irrational beliefs of its potential foreign consumers.

48) From a sociological viewpoint, any idea perceived as new by a group of people is considered as
A) a creation
B) an adaptation
C) a declension
D) a tradition
E) an innovation

49) Innovation spreads by the process of
A) diffusion.
B) filtering.
C) dissolution.
D) flighting.
E) liquidation.

50) According to Everett Rogers, the goals of the diffusion researcher and the marketer are to shorten the time lag between
A) the dispatch of the product from the company and the time it takes to reach the customer.
B) the time that a budget is determined and the time needed for the funds to reach the communication channels.
C) initial investment and the profits obtained from those investments.
D) introduction of an idea or product and its widespread adoption.
E) introduction of an idea or product and when revisions can be made.

51) What is one of the extraneous variables that affects the rate of diffusion of an object?
A) the absolute marginal value of the innovation relative to the old
B) the actual attributes of the innovation
C) the climatic conditions in which the market is located
D) the method used to communicate the idea
E) the degree of actual novelty of the innovation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

52) Phineas is comparing the innovation characteristics of his company's water filters with those that are already being marketed in the local market. He believes there is lot of potential for his filters as they are functionally more advanced, have a longer life, and can also be marketed at a more competitive price than those of other sellers in the local market. The innovation characteristic of Phineas's product that will help in wide acceptance of his product in the local market is its
A) compatibility.
B) complexity.
C) trialability.
D) relative advantage
E) observability.

53) In terms of innovation characteristics, a product is said to be compatible if
A) it provides greater value to the manufacturers than to the consumers.
B) the degree of social repercussions associated with it is high.
C) its benefits can be communicated easily.
D) it has a higher degree of complexity compared with its counterparts'.
E) it complies with the accepted behavior, values, and norms of the local market.

54) Karyn, who is interested in marketing her company's diet products in Asia, studies the acceptable behavior, norms, and values in Asian markets as they relate to her product. In other words, Karyn is studying her product's _____ in the Asian markets.
A) observability
B) compatibility
C) dissidence
D) trialability
E) complexity

55) A company focusing its efforts on making its new innovation more user-friendly than before is working on the _____ of the product.
A) compatibility
B) trialability
C) complexity
D) discordancy
E) observability

56) Maya was happy that she did not have to read the instruction manual to determine how to turn on her new camera, snap a digital picture, and export the picture to her computer. The signs (symbols) on the camera body made it very clear what she was to do to achieve digital photography success. What characteristic of Maya's "new product" makes it easy for her to begin her digital experience?
A) high partibility
B) low susceptibility
C) low complexity
D) high trialability
E) low compatibility

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

57) An American company wants to launch a new product in Madrid. Freda asks her product manager to distribute some samples to potential customers there so that she can gauge the consumer preferences there before introducing the product. Freda is attempting to reduce the degree of economic and/or social risk, also known as _____, associated with product use.
A) compatibility
B) relative advantage
C) complexity
D) trialability
E) observability

58) A product's _____ refers to the ease with which its benefits can be communicated to the customers.
A) relative advantage
B) compatibility
C) complexity
D) trialability
E) observability

59) AllClean develops promotional materials and product demonstrations to clearly and easily communicate the benefits of its cleaning products. In this scenario, AllClean is attempting to enhance the _____ of its products.
A) relative advantage
B) compatibility
C) complexity
D) trialability
E) observability

60) In general, the rate of acceptance or resistance of the market to a product is negatively related to
A) relative advantage.
B) compatibility.
C) trialability.
D) complexity.
E) observability.

61) What factor is mainly responsible for a perceptual bias when interpreting the characteristics of a product?
A) too much product information
B) a shorter distribution channel
C) a market analyst's self-reference criterion
D) a low number of product competitors
E) authoritative product information of the market analyst

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

62) The success achieved by firms when they take their inventions to market is referred to as
A) conversion-ability.
B) liquidation.
C) formation-ability.
D) homologation.
E) consultation.

63) The product platform, design features, and functional features are all found in the _____ component of the physical product according to the Product Component Model.
A) core
B) support
C) packaging
D) supplementary
E) auxiliary

64) Sarj, a specialist in product design, is responsible for a product's functional design. With respect to the Product Component Model, in which component category would Sarj's talents most likely be used?
A) core
B) support services
C) packaging
D) invisible
E) auxiliary

65) If a company wished to alter a product's platform so that the product could be manufactured in a variety of forms to meet local differences in five different foreign markets, the component of the Product Component Model that is most likely to be under consideration is
A) support services.
B) packaging.
C) delivery.
D) ancillary.
E) core.

66) Appliances-a-Rama, an Indian company that manufactures kitchen appliances, alters the design of its ranges to suit the needs of its Japanese consumers. The Japanese prefer compact and efficient appliances to fit their small kitchens. According to the Product Component Model, which product component is being addressed?
A) packaging
B) invisible
C) core
D) ancillary
E) support services

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

67) When a company alters the price of its product to compete with local companies in the international market, it is focusing on the _____ component of the product, according to the Product Component Model.
A) core
B) support
C) design
D) maintenance
E) packaging

68) A Canadian computer company had difficulties when it first entered the Japanese market. Some of its computers were returned unused after customers found the wrapping on the instruction manual damaged. Though this would probably be an insignificant problem in Canada, it was certainly a cause of concern in quality-conscious Japan. Which component of the Product Component Model should the company concentrate on to fix this problem?
A) core
B) support services
C) packaging
D) functional
E) design

69) A Brazilian food company had to change the labeling on its products to meet the specifications regarding vegetarian and nonvegetarian foods set by the government in the Taiwan market. It also had to mention the ingredients in Taiwanese to provide clarity to local customers. The component of the product that is affected is the _____ component.
A) support services
B) packaging
C) functional
D) design
E) core

70) Eugene bought a new watch in January, and by March it stopped keeping time accurately. The warranty was still valid, so he sent it back to the manufacturer for repair. According to the Product Component Model, this demonstrates the _____ component of the product.
A) core
B) support services
C) packaging
D) functional
E) styling

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

71) Since the consumer is automatically angry with the manufacturer when something goes wrong with the vehicle, repair and maintenance has become a concern of the various automobile manufacturers. In which component of the Product Component Model would the management need to make improvements if problems such as this are to be solved?
A) core
B) functional
C) packaging
D) support services
E) price

72) A South Korean electronics company had to add detailed instructions about the repair and replacement of its product to make it easier for the local consumers to maintain it. Which element of the Product Component Model relates to this issue?
A) support services
B) design
C) core
D) packaging
E) functional

73) The washing machines marketed by Talcho failed in Asian markets as those countries lacked the skills necessary to repair and maintain Talcho's products. Also, the washing machine parts available in local markets were not compatible with these machines. This product failure is most likely to be a result of lack of attention by the company to the _____ component of the product.
A) marketing
B) price
C) packaging
D) support services
E) style

74) Dry cleaning, hair styling, and hotel accommodations have intrinsic value resulting from a process, a performance, or an occurrence that only exists while it is being created. Which characteristic of services is being referred to here?
A) intangibility
B) separability
C) liquidity
D) homogeneity
E) durability

75) Because a service is individually produced and is virtually unique, the service is said to have
A) liquidity.
B) coherence.
C) inseparability.
D) heterogeneity.
E) tangibility.

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

76) Dr. Thomas is a dentist practicing in Chicago. During a four-day stretch in March, it snowed so heavily that not a single patient was able to visit him. Since none of the appointments took place, he did not make any money in those four days, even though his normal expenses remained. In this scenario, which characteristic of services most likely affected Dr. Thomas' business?
A) tangibility
B) feasibility
C) durability
D) homogeneity
E) perishability

77) A characteristic of a service is that it is _____, since it cannot be stored and must be consumed simultaneously with its creation.
A) durable
B) feasible
C) indelible
D) tangible
E) perishable

78) Levon, a hairstylist at a salon in Portland, styles his customers in various ways. His work looks different on different people even though he has styled all of them. This unique character of a service that is unique for every customer as it is individually produced is referred to as
A) tangibility.
B) separability.
C) durability.
D) heterogeneity.
E) divisibility.

79) What is the largest services export of the United States, ranking behind only capital goods and industrial supplies when all exports are counted?
A) automobile services
B) international tourism
C) banking services
D) research and development
E) education services

80) How do the vast majority of services enter a foreign market?
A) importing and exporting
B) smuggling and pirating
C) licensing, franchising, or direct investment
D) through brokers
E) through diaspora population

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

81) Which barrier faced by consumer service marketers is in force when a foreign market applies a tariff on the service that is operating there?
A) trade protectionism
B) lack of transborder data flows restrictions
C) protection of intellectual property
D) religious requirements for adaptation
E) language translation barriers

82) Blue Lobster considered opening restaurants in China. However, the restaurant's labor union felt that since accepting tips by wait staff is considered in bad taste in China, they would face considerable income loss. Therefore, they demanded to know how employees would be compensated for this since a great portion of a typical wait staff person's compensation comes in the form of tips. Which barrier does a consumer services marketer face in this illustration?
A) protectionism
B) controls on transborder data flows
C) protection of intellectual property
D) cultural requirements for adaptation
E) language translation barriers

83) An insurance firm based in California had difficulty expanding its operations to Asian markets as most of the target countries had strict regulations on sharing details about their customers with the home office. The company had to obtain approval from its customers before sharing their personal information with its U.S. office. Which barrier is most likely to have affected the services of the insurance firm?
A) protectionism
B) control on transborder data flows
C) protection of intellectual property
D) cultural requirements for adaptation
E) language translation barriers

84) A name, term, sign, symbol, design, or combination used worldwide to identify goods or services of one seller and to differentiate them from those of competitors is called a
A) copyright.
B) product mark.
C) global brand.
D) brand's equity position.
E) trademark.

85) A manufacturer of toiletries and cleaning products uses the name Home Helper, for most products in their international markets. The name has created a universal appeal for its products as customers identify their products with the name; hence, Home Helper can be regarded as a _____ brand.
A) retailer's
B) shelf
C) store
D) global
E) dual

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

86) The _____ effect refers to the possibility that the place of manufacture may affect product or brand image.
A) doppler
B) polar
C) transfer
D) misinformation
E) country-of-origin

87) A shoe manufacturer in the Philippines shipped its entire production to San Francisco and then brought it back to the Philippines to market it as "Made in the U.S." The manufacturer believed that people would prefer buying products made in the U.S. rather than those domestically produced. The factor that is influencing the perception of the customers in the given scenario is called the _____ effect.
A) doppler
B) comparative advantage
C) country-of-origin
D) mass
E) placebo

88) Consumers have broad but somewhat vague stereotypes about specific countries and specific product categories that they judge "best." Which item would most likely not fit in the "best" stereotype scheme?
A) English tea
B) Indian cars
C) French perfume
D) Chinese silk
E) Jamaican rum

89) In Russia, products are divided into two categories—"ours" and "imported." This is an example of
A) an autarky.
B) ethnocentrism.
C) theocentrism.
D) feudalism.
E) a closed economy.

90) Kroger grocery stores stock many food items that are sold under the brand name Simple Truth®, which is sold exclusively in Kroger stores. This is an example of a _____ brand.
A) global
B) private
C) specialty
D) market.
E) retail

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

91) How has the increased presence of global competition changed business strategies in the marketplace?

92) Compare and contrast the two ways consumers determine a product's quality.

93) In the context of product adaptation, what is product homologation?

94) What are the five factors that influence product adaptation in new markets?

95) What is green marketing? How does it affect product development?

96) Everett Rogers noted that four crucial elements affect the diffusion of new ideas. What are those elements?

97) Describe the five characteristics of an innovation that assist in determining the rate of acceptance or resistance of the market to a product.

98) What are the four barriers faced by consumer services marketers when they enter the global market?

99) Define the term *global brand*. How are global brands important?

100) Define country-of-origin effect. How can a company overcome this effect?

International Marketing, 18e **(Cateora)**
Chapter 13 Products and Services for Consumers

1) Global competition has put more power in the hands of the seller.

Answer: FALSE
Explanation: Global competition has shifted the power in the marketplace from a sellers' to a customers' market, and the latter have more choices because more companies are competing for their attention. More competition and more choices put more power in the hands of the customer, and that of course drives the need for quality.
Difficulty: 1 Easy
Topic: How Resources and Capabilities Influence Competitive Dynamics
Learning Objective: 13-01 The importance of offering a product suitable for the intended market.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

2) The cost and quality of the product are among the most important criteria by which purchases

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

are made.

Answer: TRUE
Explanation: In most global markets, the cost and quality of a product are among the most important criteria by which purchases are made. For consumer and industrial products alike, the reason often given for preferring one brand over another is better quality at a competitive price.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-01 The importance of offering a product suitable for the intended market.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

3) Consumer perceptions of a quality product often have more to do with market-perceived quality than performance quality.

Answer: TRUE
Explanation: Quality can be defined on two dimensions: market-perceived quality and performance quality. Both are important concepts, but consumer perceptions of a quality product often have more to do with market-perceived quality than performance quality.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-02 The importance of quality and how quality is defined.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

4) When there are alternative products in a market, all of which meet performance quality standards, the product chosen is the one that meets market-perceived quality attributes.

Answer: TRUE
Explanation: In a competitive marketplace in which the market provides choices, most consumers expect performance quality to be a given. When there are alternative products, all of which meet performance quality standards, the product chosen is the one that meets market-perceived quality attributes.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-02 The importance of quality and how quality is defined.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

5) The decision to standardize or adapt a product is less important in delivering quality than price.

Answer: FALSE

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

Explanation: Quality is not just desirable, but essential for success in today's competitive global market, and the decision to standardize or adapt a product is crucial in delivering quality.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-02 The importance of quality and how quality is defined.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

6) The term product homogenization is used to describe the changes mandated by local product and service standards.

Answer: FALSE
Explanation: In many countries, the term product *homologation* is used to describe the changes mandated by local product and service standards.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

7) Green marketing is the term frequently used to identify a marketer's efforts to reduce its dependency on U.S. dollars as the standard for international exchange.

Answer: FALSE
Explanation: Green marketing is a term used to identify concern with the environmental consequences of a variety of marketing activities.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

8) The European Commission (EC) mandate requires a product to be evaluated on all significant environmental effects throughout its life cycle, from manufacturing to disposal.

Answer: TRUE
Explanation: The European Commission issued guidelines for ecolabeling that became operational in 1992. Under the directive, a product is evaluated on all significant environmental effects throughout its life cycle, from manufacturing to disposal—a cradle-to-grave approach.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

9) An important first step in adapting a product to a foreign market is to determine the cost-benefit as perceived by the intended market.

Answer: FALSE
Explanation: An important first step in adapting a product to a foreign market is to determine the degree of newness as perceived by the intended market. How people react to newness and how new a product is to a market must be understood.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

10) Adaptation of the nonphysical features of a product should be avoided when adapting the product to a new culture.

Answer: FALSE
Explanation: The meaning and value imputed to the psychological attributes of a product can vary among cultures and are perceived as negative or positive. To maximize the bundle of satisfactions received and to create positive product attributes rather than negative ones, adaptation of the nonphysical features of a product may be necessary.
Difficulty: 1 Easy
Topic: Economic and Business Implications of Cultural Change
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

11) From a sociological point of view, any idea perceived as new by a group of people is an innovation.

Answer: TRUE
Explanation: From a sociological viewpoint, any idea perceived as new by a group of people is an innovation. Whether or not a group accepts an innovation, and the time it takes to do so, depends on the product's characteristics.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

12) According to Everett Rogers, the element of time differentiates elements in the diffusion of new ideas from other types of communication research.

Answer: TRUE
Explanation: Everett Rogers noted that "crucial elements in the diffusion of new ideas are an innovation, which is communicated through certain channels, over time, among the members of a social system." Rogers continued with the statement that it is the element of time that differentiates diffusion from other types of communications research.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

13) One of the three variables that affect the rate of diffusion of a product is the perceived attributes of product innovation.

Answer: TRUE
Explanation: At least three extraneous variables affect the rate of diffusion of an object: the degree of perceived newness, the perceived attributes of the innovation, and the method used to communicate the idea.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

14) One variable that affects the rate of diffusion of a product is the actual attributes of the innovation.

Answer: FALSE
Explanation: At least three extraneous variables affect the rate of diffusion of an object: the degree of perceived newness, the *perceived* attributes of the innovation, and the method used to communicate the idea.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

15) In general, the rate of diffusion of a product is negatively related to its relative advantage.

Answer: FALSE
Explanation: The rate of diffusion of a product can be postulated as positively related to relative advantage, compatibility, trialability, and observability but negatively related to complexity.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

16) Product diffusion or acceptance is more rapid when product perceptions are similar to current cultural values.

Answer: TRUE
Explanation: The more congruent product perceptions are with current cultural values, the less resistance there will be and the more rapid product diffusion or acceptance will be.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-03 Physical, mandatory, and cultural requirements for product adaptation.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

17) The packaging component of the Product Component Model consists of the physical product—the platform that contains the essential technology—and all its design and functional features.

Answer: FALSE
Explanation: The *core* component consists of the physical product—the platform that contains the essential technology—and all its design and functional features. The *packaging* component includes style features, packaging, labeling, trademarks, brand name, quality, price, and all other aspects of a product's package.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

18) One of the core components in the Product Component Model is the product platform.

Answer: TRUE
Explanation: The core component of the Product Component Model includes the product platform that contains the essential technology and all its design and functional features.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

19) According to the Product Component Model, the instructions for using the product and the warranty of the product are included under the packaging component.

Answer: FALSE
Explanation: The support services component includes repair and maintenance, instructions, installation, warranties, deliveries, and the availability of spare parts. The packaging component includes style features, packaging, labeling, trademarks, brand name, quality, price, and all other aspects of a product's package.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

20) One of the consistencies that marketers can look forward to when marketing products abroad is that almost all labeling laws worldwide are essentially the same.

Answer: FALSE
Explanation: Labeling laws vary from country to country and do not seem to follow any predictable pattern. Labeling laws create a special problem for companies selling products in various markets with different labeling laws and small initial demand in each.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

21) In countries with low literacy rates, the pictures and symbols on products are taken literally as instructions and information.

Answer: TRUE
Explanation: It is easy to forget that in low-literacy countries, pictures and symbols are taken literally as instructions and information. Care must be taken to ensure that corporate trademarks and other parts of the packaging component do not have unacceptable symbolic meanings.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

22) The support services component of the product component model contains such items as repair and maintenance and availability of spare parts.

Answer: TRUE
Explanation: The support services component includes repair and maintenance, instructions, installation, warranties, deliveries, and the availability of spare parts.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

23) Services such as insurance and dry cleaning typically are classified as tangible.

Answer: FALSE
Explanation: Products are often classified as tangible, whereas services are intangible. Automobiles, computers, and furniture are examples of products that have a physical presence; insurance, dry cleaning, hotel accommodations, and airline passenger or freight service, in contrast, are intangible.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

24) Services are distinguished from products on the basis of their durability, homogeneity, and separability.

Answer: FALSE
Explanation: Services are distinguished from products by four characteristics—intangibility, inseparability, heterogeneity, and perishability.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

25) The majority of services enter foreign markets by licensing, franchising, or direct investment.

Answer: TRUE
Explanation: The vast majority of services (some 85 percent) enter foreign markets by licensing, franchising, or direct investment.
Difficulty: 1 Easy
Topic: Different Modes for Entering Foreign Markets
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

26) Cultural barriers play a bigger role in services than in merchandise trade.

Answer: TRUE
Explanation: Because trade in services frequently involves people-to-people contact, culture plays a much bigger role in services than in merchandise trade. Managing a global services workforce is certainly no simple task.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Understand
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

27) In the context of global marketing, a product's country of origin does not affect its brand's image significantly.

Answer: FALSE
Explanation: A company competing in global markets today manufactures products worldwide; when the customer becomes aware of the country of origin, there is the possibility that the place of manufacture will affect product or brand images. The country, the type of product, and the image of the company and its brands all influence whether the country of origin will engender a positive or negative reaction.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

28) Brand image is at the very core of business identity and strategy.

Answer: TRUE
Explanation: Brand image is at the very core of business identity and strategy.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-04 The need to view all attributes of a product to overcome resistance to acceptance.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

29) Products from developing countries have the highest quality image.

Answer: FALSE
Explanation: Countries are also often stereotyped on the basis of whether they are industrialized, in the process of industrializing, or developing. Industrialized countries have the highest quality image, and products from developing countries generally encounter bias.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-05 Country-of-origin effects on product image.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

30) Effective advertising and proper positioning of products can help brands to improve a less-than-positive country stereotype.

Answer: TRUE
Explanation: Brands effectively advertised and products properly positioned can help ameliorate a less-than-positive country stereotype.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-05 Country-of-origin effects on product image.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

31) What impact has global competition had on business activities in the international marketplace?
A) It has shifted the focus from a consumer's market to a seller's market.
B) It has increased product life cycles.
C) It has put more power in the hands of the customer.
D) It has reduced the competitive spirit of most businesses in a marketplace.
E) It has limited the choices of the consumers.

Answer: C
Explanation: The power in the marketplace is shifting from a sellers' to a customers' market, and the latter have more choices because more companies are competing for their attention. More competition and more choices put more power in the hands of the customer, and that of course drives the need for quality.
Difficulty: 2 Medium
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-01 The importance of offering a product suitable for the intended market.
Bloom's: Understand
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

32) What is one of the top two criteria for global market consumers when making purchase decisions?
A) appearance
B) size
C) technology
D) quality
E) service

Answer: D
Explanation: In most global markets, the cost and quality of a product are among the most important criteria by which purchases are made. For consumer and industrial products alike, the reason often given for preferring one brand over another is better quality at a competitive price.
Difficulty: 1 Easy
Topic: Factors to Consider When Developing International Product Strategies
Learning Objective: 13-01 The importance of offering a product suitable for the intended market.
Bloom's: Remember
AACSB: Analytical Thinking
Accessibility: Keyboard Navigation

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.

以上内容仅为本文档的试下载部分，为可阅读页数的一半内容。如要下载或阅读全文，请访问：
https://d.book118.com/845130112120012022

Copyright © 2020 McGraw-Hill Education. All rights reserved.
No reproduction or distribution without the prior written onsent of McGraw-Hill Education.