**Chapter 6**

**Multiple choice questions**

What answer below best describes what constitutes a brand?

Name, signs, symbols, employees, URLs etc

The balance sheet of an organisation.

The brand is what consumers perceive an organisation to be like.

The brand is the strategy the managers decide to adopt.

**2** How can brand equity be developed in an organisation?

Building brand equity through investing in the brand and using appropriate strategies.

Buying brand equity through a takeover of a strong brand, or through gaining a license to use an established brand on your products.

Borrowing brand equity, using brand extensions.

All of the above.

**3** Select the statement that best describes brand positioning?

It is when brands are shipped from the factory to be nearer the customer.

Brand positioning is the position the brands occupy in the shop. For example, near the checkout, or at the back of the shop.

It is the transmission of information to consumers and stakeholders, influencing how they perceive a brand in relation to other competitors, and the resulting position they believe the brand holds in the market

It is when a previously expensive brand, is changed to become a low-cost, value brand.

**4** Brand heritage can be a strong advantage to an organisation, it is difficult for competition to imitate and can elicit strong feelings of trust.

True

False

**5** How many brand attributes can a perceptual map consider?

1

3

6

2

**6** What statement below best describes brand repositioning?

Fraught with danger and risk.

A concept that is ongoing and cyclical in nature.

Requires constant evaluation of the brand, and is thus costly.

All of the above.

**7** A supermarket produced cola drink would best be described as what type of brand?

 Ingredient brand.

Own-label brands.

Multi-brands.

Competitor brands,

**8** what statement best describes some benefits of brands?

They act as a barrier to competition, create higher profits, and increase trust.

They ensure the consumer is aware of increased value of a brand.

They make it easy for consumers to return a product if it is faulty.

They ensure the consumer does not remember negative aspects of a brand.

**9** Positioning a brand in an optimum location within the marketers mind, is ultimately a reflection of the brand itself, its core values, and its core meaning.

True

False

**10**  Identify the most appropriate statement describing benefits of brand equity:

Increased stock prices.

Improved long term cash flow.

Allows firms to command premium prices.

All of the above.

**Solutions**

**Answers to multiple choice questions**

1 a); 2 d); 3 c); 4 a); 5 d); 6 d); 7 b); 8 a); 9 b); 10 d)