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|  | 1.Which of the following is a reason for product failure in a firm?  |
|  |

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| --- |
| aResorting to radical innovation with the new products process |

bAvoiding the use of the ready—fire—aim approach in the product development processQuestion 1 - Correct Answer3cChasing a moving target

|  |
| --- |
| dPaying too much attention to customer needs |

e"internal" marketing. |
|  | Ch. 1.Some of the reasons why products fail include the following: A firm doesn't understand the customer, or underfunds the required research and development, or doesn't do the required homework before beginning development, sometimes called the ready—fire—aim approach, or doesn't pay enough attention to quality, or lacks senior management support, or chases a moving target leading to issues such as unstable specifications and scope creep. |

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|  | 2Which of the following firms will have the most effective worldwide new product programs?  |
|  | a.Firms that have implemented total quality managementb.Firms that use quality circlesQuestion 2 - Correct Answer3c.Firms that follow a global innovation cultured.Firms that are leaders in their respective industries |
|  | Ch. 1. The best research available on the new product process finds that firms with a global innovation culture have the most effective global new product programs. Having a global innovation culture means that a firm is open to global markets, mindful of differences in customer needs and preferences, and respectful of different national cultural and business environments. |

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|  | 3Luminos Co., a popular manufacturer of kitchen appliances, decides to enter the manufacturing sector of crockery and dinnerware. It markets a line of dinnerware, Illuminia, for the first time in its history. Its dinnerware will most likely fall into which of the following new product categories?  |
|  | a.New-to-the-world productsQuestion 3 - Correct Answer2b.New-to-the-firm productsc.Line extensionsd.

|  |
| --- |
| Product improvements |

 |
|  | Ch. 1. Refer to figure 1.4. Its dinnerware will most likely fall into the new product category of new-to-the-firm products. New-to-the-firm products or new product lines take a firm into a category new to it. The products are not new to the world, but are new to the firm. |

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|  | 4In the new products process, a cross*-*functional team:  |
|  | a.

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| --- |
| only includes members of the top management. |

Question 4 - Correct Answer2b.

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| --- |
| seeks to eliminate "over-the-wall" product development. |

c.

|  |
| --- |
| discounts parallel processing. |

d.

|  |
| --- |
| starts working on the project only in the later phases of the process. |

 |
|  | Ch. 2. An empowered cross-functional team*,* including individuals from marketing, R&D, manufacturing, and other functional areas, that works on the project from the earliest phases, supports parallel processing and eliminates "over-the-wall" product development (for example, marketing or production do not even begin their participation until the product is out of technical product development). |

|  |  |
| --- | --- |
|  | 5Project evaluation involves preparing a statement of what is wanted from the new product, and this statement is called the:  |
|  | a.only includes members of the top management.Question 5 - Correct Answer2b.seeks to eliminate "over-the-wall" product development.c.discounts parallel processing.d.starts working on the project only in the later phases of the process. |
|  | Ch. 2. An empowered cross-functional team*,* including individuals from marketing, R&D, manufacturing, and other functional areas, that works on the project from the earliest phases, supports parallel processing and eliminates "over-the-wall" product development (for example, marketing or production do not even begin their participation until the product is out of technical product development). |

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|  | 6The concept evaluation phase of the new product process involves:  |
|  | a.

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| --- |
| collecting and generating new product concepts that fit an opportunity. |

b.

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| --- |
| preparing strategy, tactics, and launch details for the marketing plan. |

c.

|  |
| --- |
| specifying the entire development process and its deliverables. |

Question 6 - Correct Answer4d.

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| --- |
| assessing new product concepts on technical, marketing, and financial criteria. |

 |
|  | Ch. 2. Refer to figure 2.1. The concept or project evaluation phase of the new products process involves evaluating new products concepts (as they begin to come in) on technical, marketing, and financial criteria. |

|  |  |
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|  | 7Brew & More, a popular beverage manufacturer, produces and sells a popular mint flavored drink called Mintz. A new competitor enters the market and offers a similar mint-based drink that's suited for consumers on diet. This company offers its products at a much lower price. Brew & More calls for a line extension to meet the encroachment of its new competitor in its annual marketing plan. Identify the stream of activity that feeds strategic planning for new products in this scenario.   |
|  | a.

|  |
| --- |
| Special opportunity analysis |

b.

|  |
| --- |
| Ongoing corporate planning |

Question 7 - Correct Answer3c.

|  |
| --- |
| Ongoing marketing planning |

d.

|  |
| --- |
| Distribution channel planning |

 |
|  | Ch. 2. The stream of activity that feeds strategic planning for new products in this scenario is ongoing marketing planning. There are at least three main streams of activity that feed strategic planning for new products. |

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|  | 8With reference to product development, a \_\_\_\_\_ is defined as a set of systems and interfaces that form a common structure.   |
|  | a.

|  |
| --- |
| product portfolio |

Question 8 - Correct Answer2b.

|  |
| --- |
| product platform |

c.

|  |
| --- |
| product module |

d.

|  |
| --- |
| product pool |

 |
|  | Ch. 3. A product platform is defined as a set of systems and interfaces that form a common structure. It is from this common structure that a family, or stream, of products can be developed efficiently. In simple terms, a product platform can be thought of as a basis for all individual product projects within a family of products. |

|  |  |
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|  | 9Which of the following best describes the process of modularization?  |
|  | a.

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| --- |
| It involves identifying similar platforms that share similar features. |

b.

|  |
| --- |
| It involves pooling in several functional areas into a single unit. |

Question 9 - Correct Answer3c.

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| --- |
| It involves decomposing complex systems into subsystems. |

d.

|  |
| --- |
| It involves generating complex systems from simpler systems. |

 |
|  | Ch. 3. Modularization is the process of decomposing complex systems into subsystems or modules. A car, for example, can be decomposed into its engine-transaxle combination, interior, body, dashboard, and so on. |

:[**5**](https://nu.blackboard.com/webapps/assessment/do/content/assessment?action=MODIFY&course_id=_137073_1&content_id=_10465525_1&assessmentType=Test&method=modifyAssessment)

|  |  |
| --- | --- |
|  | 10Which of the following statements is true of a product innovation charter (PIC)?  |
|  | a.

|  |
| --- |
| It is typically prepared by middle-level managers. |

Question 10 - Correct Answer2b.

|  |
| --- |
| It is designed to provide guidance to the business units on the role of innovation. |

c.

|  |
| --- |
| It reminds us that the new product strategy is primarily for processes and other activities. |

d.

|  |
| --- |
| It can be thought of as a kind of vision statement that is applied at macro level. |

 |
|  | Ch. 3. A product innovation charter is designed to provide guidance to the business units on the role of innovation. A corporate mission, platform planning, strategic fit, and so on is potentially used in the development of a company's new product strategy. Because of the importance of this step in driving all that comes later in product development, a special name is advocated for this strategy: the product innovation charter (PIC). Typically, the PIC is a document prepared by senior management designed to provide guidance to the business units on the role of innovation. |

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|  | 11Which of the following statements is true of a product innovation charter (PIC)?  |
|  |

|  |
| --- |
| It is typically prepared by middle-level managers. |
| It can be thought of as a kind of vision statement that is applied at macro level. |

|  |
| --- |
| It reminds us that the new product strategy is primarily for processes and other activities. |

Question 11 - Correct Answer4

|  |
| --- |
| It is designed to provide guidance to the business units on the role of innovation. |

 |
|  | Ch. 3. A product innovation charter is designed to provide guidance to the business units on the role of innovation. A corporate mission, platform planning, strategic fit, and so on is potentially used in the development of a company's new product strategy. Because of the importance of this step in driving all that comes later in product development, a special name is advocated for this strategy: the product innovation charter (PIC). Typically, the PIC is a document prepared by senior management designed to provide guidance to the business units on the role of innovation. |

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|  | 12According to the MBTI Creativity Index, creative people tend to be more:   |
|  | a.

|  |
| --- |
| egocentric. |

Question 12 - Correct Answer2b.intuitivec.judgingd.

|  |
| --- |
| introverted. |

 |
|  | Ch. 4. Creative types tend to be more intuitive, perceiving, extraverted, and thinking than other individuals. The creativity index is based on the MBTI personality measurement instrument, used to assess individuals on four personality scales (intuitive-sensory, perceiving-judging, extraverted-introverted, and thinking-feeling). The MBTI Creativity Index uses an individual's personality scores to assess his or her creativity. |
|  | 13Rex is the general manager of the New Way Hotel. Whenever an employee comes up to Rex with a new idea, he listens patiently, cites all of the advantages of the new idea and then addresses the negatives, but only in a constructive mode. Identify the technique being used by Rex to encourage creativity.  |
|  | a.

|  |
| --- |
| Accentuating the positive |

Question 13 - Correct Answer2b.

|  |
| --- |
| Itemized response |

c.

|  |
| --- |
| Creative abrasion |

d.

|  |
| --- |
| Social cohesion |

 |
|  | Ch. 4. Rex is using the itemized response technique to encourage creativity. When an idea comes up, listeners must first cite all its advantages. Then they can address the negatives, but only in a positive mode. The recommended language for bringing up a negative is "OK. Now—let's see what would be the best way to overcome such-and-such a problem." This technique is called itemized response. |

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|  | 14The practice of deliberately pairing a "blue sky" creative person with a "practical" type is called:   |
|  | a.

|  |
| --- |
| competitive venturing. |

Question 14 - Correct Answer2b.

|  |
| --- |
| creative abrasion. |

c.

|  |
| --- |
| dysfunctional creativity. |

d.

|  |
| --- |
| itemized response. |

 |
|  | Ch. 4. The practice of deliberately pairing a "blue sky" creative person with a "practical" type is called creative abrasion. To encourage creativity, some firms deliberately encourage conflict by putting certain employees together on the same team—for example, a blue-sky creative person and a practical type. |

|  |  |
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|  | 15Identify the best sequence to follow during the development of a new product.   |
|  | a.

|  |
| --- |
| Technology; form; benefit |

b.

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| --- |
| Form; technology; benefit |

Question 15 - Correct Answer3c.

|  |
| --- |
| Benefit; technology; form |

d.

|  |
| --- |
| Technology; benefit; form |

 |
|  | Ch. 4. If one wants to design the best way to go about product innovation, then, in general, the best way is to have first the benefit, then the technology, and then the finished form. Incidentally, even technology-driven scientists actually put benefit first in most cases because they have some idea of need that is leading them in their efforts. |

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|  | 16One of the real problems with using in-house people to report on customer problems is that:   |
|  |

|  |
| --- |
| they don't know how to interact with customers and lack experience. |

Question 16 - Correct Answer2

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| --- |
| each suggestion is usually someone's perception of what the customer problem is. |
| they tend to focus on finding out what new products customers are looking for instead of providing a solution with each suggestion. |

|  |
| --- |
| they generally lack the skills and expertise required for analyzing customer problems. |

 |
|  | Ch. 5. The only real problems with using in-house people to report on customer problems are (1) each suggestion is usually someone's perception of what the customer problem is, and (2) there is usually a solution given with each suggestion. In fact, sometimes we have to ask what new product customers are asking for and then ask why; the why is what we want to know at this time. |

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|  | 17Which of the following techniques can suggest new product functions by creating as many verb-object combinations as possible?  |
|  | a.

|  |
| --- |
| Reverse brainstorming |

b.

|  |
| --- |
| Omniscient proximity |

Question 17 - Correct Answer3c.

|  |
| --- |
| Product function analysis |

d.

|  |
| --- |
| Scenario analysis |

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|  | Ch. 5. A product can be expressed in two words, a verb and an object. For example, toothpaste "cleans teeth". Thinking of new combinations of verbs and objects can suggest new product functions. |

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|  | 18Helium Corporation is identifying the changes it must be prepared to make in order to be competitive in the year 2020. This process involves focusing on the interim period so that it can solve the future problems and have solutions ready to market when the time comes. In this case, Helium Corporation's efforts can be best described as a(n): |
|  | a.

|  |
| --- |
| focus group study. |

Question 18 - Correct Answer2b.

|  |
| --- |
| dynamic leap study. |

c.

|  |
| --- |
| observational study. |

d.

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| --- |
| static leap study. |

 |
|  | Ch. 5. In this case, Helium Corporation's efforts can be best described as a dynamic leap study. In dynamic leap studies, the focus is on what changes must be made between now and then if the leap scenario is to come about—the interim time period is the meaningful focus. |

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|  | 19Coinstar Inc.'s primary objective is to seek innovation. In an attempt to ensure that its creativity groups actually work on problems instead of merely discussing them, the company creates an assembly of functional specialists from all relevant fields and charges them with the task of discussing the problem at hand. Which of the following best describes this assemblage of experts?  |
|  | Question 19 - Correct Answer1a.

|  |
| --- |
| Disciplines panel |

b.

|  |
| --- |
| Focus group |

c.

|  |
| --- |
| Observation team |

d.

|  |
| --- |
| Dynamic study group |

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|  | Ch. 5. This assemblage of experts can be best described as a disciplines panel. An approach that seeks to assemble experts from all relevant disciplines and have them discuss the problem is called a disciplines panel. |

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| --- | --- |
|  | 20Which is the third phase of new products process? |
|  | a.

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| --- |
| Opportunity Identification and Selection |

Question 20 - Correct Answer2b.

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| Concept/Project Evaluation |

c.

|  |
| --- |
| Concept Generation |

d.

|  |
| --- |
| Development |

e.Launch

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