

T.Y.B.COM. - EXPORT MARKETING - SEM.-VI

CHAPTER - 1 : PRODUCT PLANNING AND PRICING DECISIONS

MULTIPLE OBJECTIVE QUESTIONS

- Product _____ is the primary function of the exporter.
(a) Planning (b) Development
(c) Marketing (d) Packaging
- _____ provides information of the product and matters related to the product being exported.
(a) Labelling (b) Marking
(c) Packing (d) Positioning
- _____ refers to symbols printed on export packages.
(a) Marking (b) Packaging
(c) Branding (d) Designing
- Formula : FOB Price =
(a) FOB Cost + Profit - DBK
(b) All the expenses until goods loaded on ship + Freight + Profit - Incentive
(c) All the costs until goods loaded on board the ship + Freight + Insurance - Incentive
(d) FOB Expenses + Customs @ port of destination - DBK
- Formula : C&F Price =
(a) All expenses until goods loaded on board the ship + Freight + Profits - DBK
(b) C&F Price + Marine Insurance
(c) CIF Price - Profits
(d) C&F Costs + Customs@ port of destination + Profits
- Formula : CIF Price =
(a) FOB Price + Incentives
(b) CIF Costs + Profits - DBK
(c) C&F Price - Marine Insurance
(d) FOB Costs + Customs @ port of destination + Profits

7. Export quotation is _____.
- (a) an offer made by importer to exporter in reply to exporter's query
 - (b) commercial invoice
 - (c) an offer made by exporter to importer in reply to importer's query
 - (d) Importer's Bill
8. Under FOB quotation, which among the following is not a responsibility of the exporter ?
- (a) Expenses upto goods loaded on board the ship
 - (b) Production Management
 - (c) Customs at port of Shipment
 - (d) Freight Expenses
9. Under C&F quotation, which among the following is not a responsibility of the exporter ?
- (a) Expenses upto goods loaded on board the ship
 - (b) Production Management
 - (c) Payment of Marine Insurance
 - (d) Payment of Freight expenses
10. Under CIF quotation, which among the following is not a responsibility of the exporter?
- (a) Expenses upto goods loaded on board the ship
 - (b) Marine Insurance
 - (c) Customs at port of Destination
 - (d) Freight Expenses
11. _____ gives an identity to the exporter and its brands sold in foreign markets.
- (a) Branding
 - (b) Marking
 - (c) Labelling
 - (d) Packaging
12. _____ helps to distinguish the company's brand among its competitors.
- (a) Brand name
 - (b) Company name
 - (c) Product marking
 - (d) Product price
13. Product price is not directly affected by _____.
- (a) Costs
 - (b) Product nature
 - (c) Competitor's prices
 - (d) Quota restrictions
14. INCO terms refer to _____.
- (a) International Commercial Terms
 - (b) In-trade Commercial Terms
 - (c) Interim Compensation
 - (d) International Company

15. The main objective of export pricing is _____.
- (a) Maximizing the profits
 - (b) Applying for Government incentives
 - (c) Ease in documentation
 - (d) Facilitates distribution
16. Product mix is _____.
- (a) a specific category of product line
 - (b) a range of companies' offerings
 - (c) a part of product depth
 - (d) a restricted line of companies' offerings
17. _____ among the following is not an element of branding.
- (a) Brand name
 - (b) Logo
 - (c) Brand colour
 - (d) Country of origin mark
18. Packaging helps in _____.
- (a) Protection against damages
 - (b) Preservation of quality
 - (c) Promotion of product
 - (d) All of the above
19. _____ refers to creating a distinct image in the minds of the audience towards a specific brand.
- (a) Positioning
 - (b) Promotion
 - (c) Packaging
 - (d) Product Labelling
20. Product promotion in export business is mainly done through _____.
- (a) Advertising
 - (b) Publicity
 - (c) Salesmanship
 - (d) Participation in trade-fairs and exhibitions
21. EU requires labelling requirement in _____ language/s.
- (a) one
 - (b) two
 - (c) three
 - (d) four
22. EU needs _____ packaging requirements.
- (a) Eco-friendly
 - (b) Thermoformed
 - (c) Laminated
 - (d) Corrugated

Ans: (1) - (a), (2) - (a), (3) - (a), (4) - (a), (5) - (a), (6) - (b), (7) - (c), (8) - (d), (9) - (c), (10) - (c), (11) - (a), (12) - (a), (13) - (d), (14) - (a), (15) - (a), (16) - (b), (17) - (d), (18) - (d), (19) - (a), (20) - (d), (21) - (d), (22) - (a)

CHAPTER - 2 : EXPORT DISTRIBUTION AND PROMOTION

MULTIPLE OBJECTIVE QUESTIONS

- _____ is a longer channel of distribution in export business.
(a) Direct channel (b) Indirect channel
(c) Latitudinal channel (d) Longitudinal channel
- _____ helps to distribute export goods only through government agencies.
(a) Co-operatives (b) Canalizing Agencies
(c) Customs Officials (d) Consortiums
- _____ distribution channel reduces per unit cost of the product in export business.
(a) Direct (b) Indirect
(c) Variance distribution (d) Binomial distribution
- Logistics in export marketing does not cover _____ aspect.
(a) Packaging (b) Warehousing
(c) Material handling (d) Advertising
- _____ helps to co-ordinate moving of resources with the help of people, equipment and technology.
(a) Logistics
(b) Human Resource Management
(c) Marketing
(d) Research
- _____ covers financial risks in export business.
(a) Insurance (b) Transportation
(c) Communication (d) Warehousing
- _____ is the most convenient and cost effective mode of transport in export business.
(a) Roadways (b) Railways
(c) Seaways (d) Airways
- _____ is not an element of promotion.
(a) Publicity (b) Sales Promotion
(c) Sponsorship (d) Product

9. _____ is a sales promotion tool.
(a) Discounts (b) Premium price
(c) Perceived product (d) Sponsorship
10. Trade fairs and exhibitions help the exporters in _____.
(a) buying import products (b) promoting export products
(c) exploring new markets (d) developing new products
11. Personal selling is also known as _____.
(a) Salesmanship (b) Sponsorship
(c) Sales-Promotion (d) Public Relations
12. _____ is a paid form of non-personal presentation of export goods by the exporter.
(a) Packaging (b) Publicity
(c) Advertising (d) Sales Promotion
13. _____ insurance is covered by Marine Insurance Act, 1963.
(a) Marine (b) Life
(c) Medical (d) Health
14. _____ premium helps to cover risks occurred due to perils of the sea.
(a) Marine (b) Price
(c) Freight (d) Port
15. _____ is not a marine insurance policy.
(a) Hull insurance (b) Time insurance
(c) Voyage plan (d) Umbrella insurance
16. _____ is a warehousing type that holds zero-inventory, where products are received, processed and shipped to exporting countries.
(a) Cross-docking (b) Near-shore
(c) Off-shore (d) Horizontal
17. _____ is a group of exporters who form trading association for mutual distribution benefits.
(a) Canalizing agency (b) Consortium
(c) State Corporation (d) Manufacturing exporters
18. _____ is a promotion element that uses short term tactic to persuade the importers to make purchases.
(a) Trade fairs and exhibitions (b) Sponsorships
(c) Sales-promotion (d) Salesmanship
19. _____ characteristics influence the choice of distribution channels in export marketing.
(a) Customer (b) Global
(c) Employee Morale

20. Under _____ marketing, the manufacturer makes own arrangement to distribute the goods.
 (a) Indirect (b) Direct
 (c) Regional
21. One star export house has to achieve export performance of FOB worth _____ US \$ million during the current year and previous two years.
 (a) 25 (b) 100
 (c) 3
22. _____ refers to quality of service which a firm provides to its customers.
 (a) Customer Order Processing
 (b) Customer Service Standards
 (c) Customer Feedback
23. A _____ warehouse keeps the products for a relatively long period of time.
 (a) Storage (b) Distribution
 (c) Bonded
24. _____ refers to the amount of space available for storing materials on a ship or on a plane.
 (a) Storage (b) Logistics
 (c) Stowage
25. _____ risks takes place on account of insolvency of the buyer.
 (a) Political (b) Commercial
 (c) Legal
26. _____ is an example of consumer oriented sales promotion technique.
 (a) Free Sample (b) Trade Discounts
 (c) Performance Incentives
27. Participation in _____ helps in demonstrating the product to the prospective customers.
 (a) Sports Events (b) Trade Fairs
 (c) Dramas
28. _____ helps in obtaining leads of prospective buyers.
 (a) Advertising (b) Publicity
 (c) Personal Selling

Ans: (1) - (b), (2) - (b), (3) - (a), (4) - (d), (5) - (a), (6) - (a), (7) - (c), (8) - (d), (9) - (a), (10) - (b), (11) - (a), (12) - (c), (13) - (a), (14) - (a), (15) - (d), (16) - (a), (17) - (b), (18) - (c), (19) - (a), (20) - (b), (21) - (c), (22) - (b), (23) - (a), (24) - (c), (25) - (b), (26) - (a), (27) - (b), (28) - (c)

CHAPTER - 3 : EXPORT FINANCE**MULTIPLE OBJECTIVE QUESTIONS**

- _____ goods are sold on deferred credit basis.
(a) Capital (b) Consumer
(c) FMCG (d) Deferred
- The main purpose of packing credit is to meet _____ capital needs of exporters.
(a) Fixed (b) Working
(c) Regular (d) Interim
- A major part of export finance is provided by _____ banks.
(a) commercial (b) agricultural
(c) industrial (d) co-operative
- _____ finances Indian joint ventures in foreign countries.
(a) EXIM (b) NABARD
(c) SIDBI (d) ECGC
- _____ has its head office in Lucknow.
(a) SIDBI (b) RBI
(c) EXIM (d) EPC
- _____ provides finance to entrepreneurs for setting up tourism related activities.
(a) SIDBI (b) ECGC
(c) EPCG (d) EPC
- SIDBI provide direct finance to obtain _____ certification.
(a) ISO 9000 (b) Quality
(c) ISI (d) Six-sigma
- Political risks can be covered under _____ policies.
(a) ECGC (b) LIC
(c) RBI (d) Marine
- _____ backs the lending programme of banks, by issuing financial guarantees.
(a) ECGC (b) EPCG
(c) LIC (d) CoC
- There are high risks in _____ payment method.
(a) Advance payment (b) LC
(c) Open account (d) Bills of exchange

11. Packing credit is also known as _____ finance.
(a) pre-shipment (b) post-shipment
(c) capital (d) fixed
12. _____ refers to export trade for which export proceeds are received in form of other products in exchange of forex.
(a) Countertrade (b) Entrepot
(c) Position trade (d) Swing trade
13. EXIM finances _____ term loans.
(a) Long (b) Short
(c) Fixed (d) Micro
14. ECGC is owned and governed by _____.
(a) Government of India (b) Cooperatives
(c) Traders (d) Corporations
15. SIDBI provides _____.
(a) Pre-shipment finance (b) Post-shipment finance
(c) Financing bank schemes (d) All of the above
16. Which among the following is not a type of LC ?
(a) Advance payment (b) Revocable
(c) Confirmed (d) Transferable LC
17. _____ LC cannot be modified or cancelled without the consent of the exporter.
(a) Revocable (b) Irrevocable
(c) Stand-by (d) Back-to-back
18. _____ LC is the safest LC in export business.
(a) Confirmed (b) Revocable
(c) Unconfirmed (d) Non-transferable
19. _____ is a negotiable instrument that provides payment to the exporter.
(a) Bills of exchange (b) Bills of shipping
(c) Bills of invoice (c) Bills in trade
20. Period of pre-shipment finance is _____ days.
(a) 45 (b) 90
(c) 180 (d) 360
21. _____ finance is also referred to as packing credit.
(a) Pre-shipment (b) Post-shipment
(c) Long-term
22. Post-shipment finance is generally available for a period of _____ days.
(a) 180 (b) 360
(c) 90

23. _____ provides medium term and long term export finance to small units.
 (a) EXIM Bank (b) SIDBI
 (c) ECGC
24. Packing credit is generally provided for a period of _____ days.
 (a) 90 (b) 180
 (c) 380
25. _____ is the safest method of payment in international trade.
 (a) Documents against Acceptance
 (b) Deferred credit
 (c) Letter of credit
26. Generally, there are _____ parties involved in letter of credit.
 (a) 6 (b) 3
 (c) 2
27. Under _____ method, the documents are released to the importer against payment of bills.
 (a) Documents against Acceptance
 (b) Letter of Credit
 (c) Documents against Payment
28. _____ covers credit risks of the exporters.
 (a) ECGC (b) EXIM Bank
 (c) Marine Insurance
29. _____ policy of ECGC covers risks in the case of consumer goods.
 (a) Specific (b) Standard
 (c) Services
30. Commercial risks include _____.
 (a) risks due to war
 (b) insolvency of the buyer
 (c) risks due cancellation of import licence

Ans: (1) - (a), (2) - (b), (3) - (a), (4) - (a), (5) - (a), (6) - (a), (7) - (a), (8) - (a), (9) - (a), (10) - (c), (11) - (a), (12) - (a), (13) - (a), (14) - (a), (15) - (d), (16) - (a), (17) - (b), (18) - (a), (19) - (a), (20) - (c), (21) - (a), (22) - (c), (23) - (b), (24) - (b), (25) - (c), (26) - (a), (27) - (c), (28) - (a), (29) - (b), (30) - (b)

CHAPTER - 4 : EXPORT PROCEDURE AND DOCUMENTATION

MULTIPLE OBJECTIVE QUESTIONS

1. Exporter has to register with one of the following authorities.
(a) RBI (b) EXIM bank
(c) DGFT (d) ECGC
2. The exporter gets _____ from DGFT.
(a) IEC number (b) PAN number
(c) Aadhaar number (d) Credit number
3. Let export order is received from the Customs _____.
(a) Preventive Officer (b) Examiner
(c) Superintendent (d) Custom officer
4. Mate's Receipt is issued by _____.
(a) Customs (b) Captain of the Ship
(c) Importer (d) Inspection agency
5. The CHA is also known as _____.
(a) C&F agent (b) Consignor
(c) Customs official (d) Shipping company
6. The CHA submits the relevant export documents to the _____ for the purpose of verification.
(a) RBI (b) SIDBI
(c) Customs house (d) Shipping company
7. The CHA has to obtain _____ from the Port Trust Authorities.
(a) Commercial invoice (b) Let Export order
(c) Let Ship order (d) Carting order
8. Customs Preventive Office issues _____ order.
(a) Let Export (b) Let Ship
(c) Carting (d) Mate's
9. The shipping bill is made in _____ copies.
(a) one (b) three
(c) five (d) seven
10. Bill of lading is issued by _____ company.
(a) transport (b) shipping
(c) warehousing (d) outsourcing

11. The export proceeds realization in India should take place within _____ days.
(a) 91 (b) 201
(c) 360 (d) 421
12. _____ indicates the country in which the goods are manufactured.
(a) Consular invoice (b) Certificate of Origin
(c) Commercial Invoice (d) Shipping Bill
13. Consular invoice is issued in _____ copies.
(a) one (b) three
(c) five (d) seven
14. _____ gives title to the goods in export business.
(a) Bills of exchange (b) Bill of lading
(c) Shipping bill (d) Commercial bill
15. _____ is an export document that gives the consignment details to the exporter.
(a) Mate's receipt (b) Packing list
(c) Packing credit (d) Certificate of origin
16. _____ Shipping bill is not an export document.
(a) Coastal (b) Dutiable
(c) Ex-bond (d) DBK
17. Certificate of origin can be issued by _____.
(a) EXIM (b) EPC
(c) SIDBI (d) ECGC
18. Consular invoice is issued by _____.
(a) Consulate officer (b) Customs officer
(c) CHA (d) Importer
19. _____ bill is a proof issued by Airline Company that indicates title to the goods for the contract of carriage.
(a) Airway (b) Packing
(c) Lading (d) Cargo
20. _____ is an important document required for realization of export proceeds.
(a) GR Form (b) ARE-1 Form
(c) Shipping Bill (d) Packing List
21. A status holder exporter obtains _____ from FIEO.
(a) IEC (b) Mate's Receipt
(c) RCMC (d) Shipping Bill

22. _____ is required to get the goods inside the docks for the purpose of examination of goods.
- (a) Let Export Order (b) Bill of Lading
(c) Carting Order
23. _____ is the basic document required in exports.
- (a) Commercial Invoice (b) Certificate of Origin
(c) Consular Invoice (d) Bill of Lading

Ans: (1) - (c), (2) - (a), (3) - (b), (4) - (b), (5) - (a), (6) - (c), (7) - (d), (8) - (b), (9) - (c), (10) - (b), (11) - (c), (12) - (b), (13) - (b), (14) - (b), (15) - (b), (16) - (a), (17) - (b), (18) - (a), (19) - (a), (20) - (a), (21) - (c), (22) - (c), (23) - (a)