**The Price Is Right**

**Directions:** Some of the following sentences are incomplete or contain incorrect information. Make the appropriate corrections in each sentence.

 1. Pricing is the determination of an exchange price at which the seller perceives optimum value for a good or service.

 2. Buyers and sellers must feel that they are receiving minimal value from the product.

 3. Prices can never be set too low.

 4. Customers associate high prices with low quality.

 5. Businesses should not be willing to adjust their prices.

 6. To attract customers during bad economic times, businesses may need to increase their prices.

 7. When setting prices, marketers need only consider the product itself.

 8. Few factors affect prices.

 9. In small businesses, departments are usually responsible for setting prices.

 10. The elements of the marketing mix are independent.

 11. Place decisions involve deciding what goods, services, or ideas to produce or sell to satisfy
customers’ needs and wants.

 12. The place element of the marketing mix involves the various types of communications that marketers use to inform, persuade, or remind customers of their products.

 13. Pricing affects promotion decisions through the choice of media, the amount of money spent on promotion, and the time allocated to promotion.

 14. The product element of the marketing mix involves shipping, handling, and storing items and determining when and where they will be available.

 15. Pricing objectives may relate to image or prestige.