

Multiple Choice Questions (Enter your answers on the enclosed answer sheet)

1. _____ is the act of obtaining a desired object from someone by offering something in return.
 - a. Donation
 - b. A value proposition
 - c. Exchange
 - d. Bribery
 - e. Value

2. _____ are human needs as shaped by individual personality and culture.
 - a. Values
 - b. Demands
 - c. Deprivations
 - d. Wants
 - e. Exchanges

3. Which of the following marketing management concepts is most closely aligned with the philosophy of continuous product improvement and the belief that customers will choose products that offer high quality, performance and innovative features?
 - a. marketing
 - b. customer
 - c. product
 - d. production
 - e. promotion

4. Family Dollar stores profitably focusing on buyers who have relatively modest means is an example of _____.
 - a. convenience
 - b. value pricing
 - c. value packing
 - d. target marketing
 - e. market segmentation

5. The _____ concept calls for aggressive selling and focuses on generating transactions to obtain profitable sales.
- a. societal marketing
 - b. production
 - c. marketing
 - d. product
 - e. selling
6. The societal marketing concept seeks to establish a balance between consumer short-run wants and consumer _____.
- a. short-run ethics
 - b. value propositions
 - c. short-run costs and profits
 - d. immediate health
 - e. long-run welfare
7. Which of the following is the term for customers who make repeat purchases and tell others about their positive experiences with a product or service?
- a. satisfied customers
 - b. full partners
 - c. butterflies
 - d. customer evangelists
 - e. social customers
8. The final step in the marketing process is _____.
- a. understanding the marketplace
 - b. creating customer lifetime value
 - c. creating customer loyalty
 - d. capturing value from customers
 - e. designing a customer-driven marketing strategy
9. Jolene's firm believes that consumers will not buy enough of its products unless the firm undertakes a large-scale selling and promotion effort. Jolene's firm is practicing the _____.
- a. marketing concept
 - b. production concept
 - c. social advertising campaign
 - d. selling concept
 - e. relationship concept

10. In the Boston Consulting Group approach, _____ provide(s) a measure of market attractiveness.
- a. relative market share
 - b. market growth rate
 - c. dogs
 - d. cash cows
 - e. SBUs
11. _____ is the place a product occupies in the consumer's mind relative to competitors' products.
- a. Product position
 - b. Product placement
 - c. Market targeting
 - d. Market segmentation
 - e. Product promotion
12. Effective positioning begins with _____ the company's marketing offer in order to give consumers more perceived value.
- a. aligning
 - b. promoting
 - c. pricing
 - d. differentiating
 - e. placing
13. Which of the following is a tool for monitoring strategic marketing performance?
- a. a marketing dashboard
 - b. a value delivery network
 - c. a customer management organization
 - d. a product differentiation
 - e. a marketing plan
14. Which of the following measures the profits generated by investments in marketing activities?
- a. marketing audits
 - b. executive summaries
 - c. SWOT analysis
 - d. marketing ROI
 - e. budgets

15. _____ entails reducing the business portfolio by eliminating products that no longer fit the company's overall strategy.
- a. BCG
 - b. Downsizing
 - c. Market redesign
 - d. Product line extension
 - e. Market segmentation
16. Paul Pendergraff has identified a group of potential customers who seem to respond in a similar way to a series of magazine and radio advertisements for his company's product. Paul has identified a(n) _____.
- a. market position
 - b. market
 - c. target market
 - d. undefined niche
 - e. market segment
17. Which demographic group is also referred to as the echo boomers?
- a. baby busters
 - b. Generation Z
 - c. Generation X
 - d. Millennials
 - e. baby boomers
18. Which of the following descriptions most accurately characterizes Millennials?
- a. They are children of baby boomers.
 - b. They have reached their peak earning and spending years.
 - c. They have graduated from college and are taking over positions of power in the business world.
 - d. They are not as technologically savvy as Gen Xers are.
 - e. They were once labeled "the MTV generation."
19. Because of an expected increase in ethnic populations, marketers are likely to place a greater emphasis on _____.
- a. targeted advertising messages
 - b. cause-related marketing
 - c. mainstream advertising
 - d. geographic segmentation
 - e. mass marketing

20. Which of the following American government agencies is charged with setting and enforcing pollution standards?
- a. the Food and Drug Administration (FDA)
 - b. the Environmental Protection Agency (EPA)
 - c. the Federal Trade Commission (FTC)
 - d. the Consumer Product Safety Commission
 - e. the Federal Energy Regulatory Commission
21. Legislation affecting business around the world will continue to _____.
- a. stabilize
 - b. decrease
 - c. become simplified
 - d. increase
 - e. relax consumer protections
22. The recent rash of business scandals and increased concerns about the environment have created fresh interest in the issues of _____ and _____.
- a. management ethics; cultural bias
 - b. promotion; pricing
 - c. finances; employee discrimination
 - d. ethics; social responsibility
 - e. ethics; promotion responsibility
23. Currently, Diego Calabresa is employed by a firm that conducts marketing research and creates ads for other companies that help them target and promote their products to the right markets. Who is Diego's employer?
- a. a reseller
 - b. a physical distribution firm
 - c. a green marketer
 - d. a marketing service agency
 - e. a financial intermediary
24. Which of the following demographic trends is likely the most responsible for the increasing number of people who telecommute?
- a. the declining number of manufacturing workers
 - b. the increasing number of nontraditional households
 - c. the growing percentage of married couples who do not have children
 - d. the migration toward micropolitan and suburban areas
 - e. the move from rural to metropolitan areas

25. A marketer of pesticides should be the least concerned about which of the following?
- a. persistence of cultural values
 - b. shortages of raw materials
 - c. increased pollution
 - d. increased government intervention
 - e. chemical pollutants in the food supply
26. The green movement will likely spark the least interest in which of the following?
- a. Internet usage
 - b. environmentally sustainable strategies
 - c. social responsibility
 - d. recycling programs
 - e. biodegradability
27. Which of the following is NOT a potential source for marketing intelligence?
- a. discussions with purchasing agents
 - b. competitors' garbage
 - c. competitors' sales data published in annual reports
 - d. primary data
 - e. competitors' products
28. Loft Industries sells roof trusses to contractors and builders and would like to conduct research to determine how customers assess customer service. Which of the following research instruments would be best for this firm?
- a. people meters
 - b. questionnaires
 - c. MRI scans
 - d. eye cameras
 - e. checkout scanners
29. Ethnographic research _____.
- a. is gathered where people live and work
 - b. provides data to marketers when observation is impossible
 - c. provides secondary data
 - d. is most popular in the service sector
 - e. comes from traditional focus groups

30. In CRM, findings about customers discovered through _____ techniques often lead to marketing opportunities.
- a. customer strategy
 - b. customer loyalty management
 - c. data warehousing
 - d. data mining
 - e. value network
31. Many major companies have created the position of _____ to address concerns about the privacy of customers.
- a. data warehouse manager
 - b. chief behavioral analyst
 - c. chief customer loyalty manager
 - d. ethics manager
 - e. chief privacy officer
32. Nathan Zabalas owns a regional chain of drug stores. Before expanding nationwide, Nathan is conducting marketing research to determine the best options for opening new stores. He plans to start by collecting secondary data. Which of the following is NOT a source of secondary data that Nathan might use?
- a. online questionnaires
 - b. commercial online databases
 - c. Yankelovich's Monitor
 - d. local chambers of commerce
 - e. Web search engines
33. Economic, technological and cultural forces are all _____ in the stimulus-response model of buyer behavior.
- a. buyer characteristics
 - b. components of the buyer's decision process
 - c. buying attitudes
 - d. buyer responses
 - e. stimuli
34. A _____ is a need that is sufficiently pressing to direct a person to seek satisfaction.
- a. perception
 - b. stimulus
 - c. tradition
 - d. culture
 - e. motive

35. Some consumers worry that they will be affected by marketing messages without even knowing it. They are concerned about _____ advertising.
- a. alternative evaluation
 - b. subliminal
 - c. innovative
 - d. comparative
 - e. perceptual
36. People tend to interpret new information in a way that will support what they already believe. This is called _____.
- a. selective attitude
 - b. selective perception
 - c. selective retention
 - d. selective distortion
 - e. selective learning
37. Which of the following is NOT part of the business market?
- a. Sue buys a gift for her mother.
 - b. A municipal government buys chemicals for its city swimming pools.
 - c. Airmark sells a vinyl printing press to a manufacturer of plastic bags.
 - d. Scott Sign Systems sells interior signs to an Alabama resort.
 - e. A Canadian software company buys airplane tickets to send a group of salespeople to make a presentation to a heavy equipment manufacturer in Japan.
38. Kroger buys a lot of cranberry products at Christmas due to high consumer demand. This is an example of _____ demand.
- a. fluctuating
 - b. elastic
 - c. joint
 - d. derived
 - e. inelastic

39. Pace Hardware uses Learningnow.com to improve sales force effectiveness and facilitate sharing of expertise. It allows Pace retailers to link with other Pace retailers to ask for managerial and marketing advice. It also allows Pace retailers to ask their suppliers about product usage, deliveries and warranties and it allows suppliers to send new-product information directly to Pace retailers. In this scenario, Pace Hardware is using a(n) _____.
- a. extranet
 - b. search engine
 - c. intranet
 - d. trading exchange
 - e. reverse auction
40. Markets can be segmented into groups of nonusers, ex-users, potential users, first-time users and regular users of a product. This method of segmentation is called _____.
- a. user status
 - b. usage rate
 - c. behavior
 - d. loyalty status
 - e. benefit
41. As in consumer segmentation, many marketers believe that _____ and _____ segmentation provide the best basis for segmenting business markets.
- a. benefits; buying behavior
 - b. income; usage rate
 - c. age and life-cycle; psychographic
 - d. geographic; demographic
 - e. user status; user loyalty
42. Lexus targets wealthy consumers with similar needs and buying behaviors even though the consumers are located in different countries. This is an example of _____.
- a. psychographic segmentation
 - b. targeting segmentation
 - c. intermarket segmentation
 - d. life-cycle segmentation
 - e. loyalty segmentation

43. The 55-year-old baby boomers share common needs in music and performers. When a music company decides to serve this group, the group is called a(n) _____.
- a. market segment
 - b. differentiated market
 - c. well-defined market
 - d. target market
 - e. undifferentiated market
44. Using concentrated marketing, the marketer goes after a _____ share of _____.
- a. small; a large market
 - b. large; one or a few niches
 - c. moderate; the local market
 - d. large; the mass market
 - e. small; a small market
45. Cigarette, beer and fast-food marketers have generated much controversy in recent years by their attempts to target _____.
- a. the elderly
 - b. white-collar workers
 - c. suburban adults
 - d. multiple international markets
 - e. inner-city minorities
46. What competitive positioning strategy can attack a more-for-more strategy by introducing a brand offering with comparable quality at a lower price?
- a. all-or-nothing
 - b. less-for-much-less
 - c. more-for-less
 - d. same-for-less
 - e. more-for-the-same

47. When marketers at Procter & Gamble selected the Millennials, a demographic that includes college students, as an untapped group of potential customers for their Febreze line of products, they were executing which step in the process of designing a customer-driven marketing strategy?
- a. market segmenting
 - b. mass marketing
 - c. differentiation
 - d. positioning
 - e. targeting
48. MTV targets the world's teenagers who have similar needs and buying behavior even though they are located in different countries. This is called _____ segmentation.
- a. cultural
 - b. intermarket
 - c. cross-cultural
 - d. political and legal
 - e. individual
49. _____ are a form of product that consists of activities, benefits or satisfactions offered for sale that are essentially intangible and do not result in the ownership of anything.
- a. Line extensions
 - b. Services
 - c. Consumer products
 - d. Supplements
 - e. Brands
50. To differentiate themselves, many companies go beyond offering products and services; they are also developing and delivering customer _____.
- a. experiences
 - b. feedback
 - c. product lines
 - d. events
 - e. brands

51. A stripped-down model without any extras is the starting point; a company can create a higher-level model by adding _____.
- a. service variability
 - b. features
 - c. product quality
 - d. conformance
 - e. co-brandings
52. All of the following are a manufacturer's sponsorship options for a product EXCEPT _____.
- a. co-branding
 - b. manufacturers' brand
 - c. private brand
 - d. licensed brand
 - e. multibrands
53. In most _____ situations, one company licenses another company's well-known brand to use in combination with its own.
- a. line extension
 - b. internal marketing
 - c. brand equity
 - d. co-branding
 - e. brand extension
54. Paper, pencils, lubricants, paint, nails and brooms are examples of _____.
- a. supplies
 - b. installations
 - c. capital items
 - d. raw materials
 - e. specialty products
55. General Electric's campaign stating, "We bring good things to life" is an example of _____.
- a. corporate image marketing
 - b. product line
 - c. product quality
 - d. personal marketing
 - e. social marketing

56. Product improvements, product modifications and original products can all be classified as _____.

- a. product concepts
- b. pioneer products
- c. product ideas
- d. test products
- e. new products

57. Which of the following is NOT a potential reason for a new product to fail?

- a. a poorly designed product
- b. an incorrectly positioned product
- c. ineffective advertising
- d. an underestimated market size
- e. higher than anticipated costs of product development

58. Your company decides to use internal sources for developing new product ideas. Which of the following would NOT be consulted?

- a. executives and professionals
- b. salespeople
- c. company records and data
- d. suppliers
- e. intrapreneurial programs

59. A detailed version of a new idea stated in meaningful customer terms is called a _____.

- a. product concept
- b. product idea
- c. product proposal
- d. product image
- e. product movement

60. After concept testing, a firm would engage in which stage in developing and marketing a new product?

- a. test marketing
- b. marketing strategy development
- c. product development
- d. business analysis
- e. idea screening

61. Some products that have entered the decline stage have been cycled back to the growth stage through _____.
- a. business analysis
 - b. customer-centered product development
 - c. concept testing
 - d. repositioning
 - e. innovation management
62. Flurbies, winter accessories which fell in and out of favorability with customers quickly, are an example of a _____.
- a. fad
 - b. market strategy
 - c. style
 - d. product idea
 - e. fashion
63. If demand changes greatly with a small change in price, we say the demand is _____.
- a. value-based
 - b. inelastic
 - c. fixed
 - d. elastic
 - e. variable
64. When companies set prices, the government and social concerns are two _____ affecting pricing decisions.
- a. temporary influences
 - b. external factors
 - c. economic conditions
 - d. internal factors
 - e. demand curves
65. When a manufacturer offers a _____, customers buy products from manufacturers' dealers within a specified time period and the manufacturer sends the customer a check.
- a. promotional pricing reward
 - b. discount allowance
 - c. cash rebate
 - d. special event price
 - e. dealer reduction

66. Which of the following is NOT a reason for a company to initiate a price cut?
- a. to dominate the market
 - b. to boost sales
 - c. to obtain prestige
 - d. to relieve excess capacity
 - e. to influence falling demand
67. Xbox 360 decides to add a free subscription to XBOX magazine with every game bought in an effort to differentiate its offering from PS3 games. This is an example of _____.
- a. value-added pricing
 - b. product-support pricing
 - c. add-on pricing
 - d. cost-based pricing
 - e. good-value pricing
68. When suppliers, distributors and customers partner with each other to improve the performance of the entire system, they are participating in a _____.
- a. channel of distribution
 - b. supply and demand chain
 - c. demand chain
 - d. value delivery network
 - e. supply chain
69. A corporate VMS has the advantage of controlling the entire distribution chain under _____.
- a. franchise agreements
 - b. a few intermediaries
 - c. single ownership
 - d. mass distribution
 - e. a profit-maximizing strategic plan
70. Which of the following are the three major types of vertical marketing systems?
- a. corporate, contractual and administered
 - b. contractual, corporate and independent
 - c. corporate, contractual and chain
 - d. administered, independent and franchised
 - e. corporate, contractual and task

71. In a _____, two or more companies at one level join together to follow a new marketing opportunity.
- a. franchise
 - b. multichannel distribution system
 - c. horizontal marketing system
 - d. corporate VMS
 - e. conventional distribution channel
72. When a company determines the number of channel members to use at each level, three strategies are available: intensive, exclusive and _____ distribution.
- a. extensive
 - b. direct
 - c. multichannel
 - d. selective
 - e. international
73. Staples Office Supply opened an online store that created competition with many of its dealers. The corporate office created a(n) _____ conflict.
- a. vertical
 - b. horizontal
 - c. problematic
 - d. functional
 - e. intermediation
74. Tiffany & Co jewelry can only be found in a limited number of intermediaries. This is an example of _____.
- a. intensive distribution
 - b. quality distribution
 - c. independent distribution
 - d. high-end distribution
 - e. exclusive distribution
75. In-store demonstrations, displays, contests and visiting celebrities are all examples of _____.
- a. sales promotions
 - b. public relations
 - c. advertising
 - d. direct marketing
 - e. agent promotions

76. Of the following, what would most retailers consider to be the most important factor in retailing success?

- a. efficient distribution
- b. helpful employees
- c. fair prices
- d. location
- e. good atmosphere

77. Why do stores cluster together?

- a. to increase their customer pulling power
- b. to create retailer cooperatives
- c. to take advantage of tax breaks
- d. to decrease competition
- e. to standardize the service mix

78. _____ were the main form of retail clusters until the 1950s.

- a. Independent stores
- b. Discount stores
- c. Central business districts
- d. Independent off-price retailers
- e. Department stores

79. A _____ is a group of retail businesses planned, developed, owned and managed as a unit.

- a. hypermarket
- b. franchise
- c. shopping center
- d. merchant wholesaler
- e. supermarket

80. _____ are the largest group of wholesalers. The group can be divided into the two broad types of full-service and limited-service.

- a. Manufacturer sellers
- b. Agents
- c. Brokers
- d. Specialty wholesalers
- e. Merchant wholesalers

81. Which of the following is NOT a major category in the promotion mix?
- a. sales promotion
 - b. direct marketing
 - c. strategic positioning
 - d. public relations
 - e. advertising
82. _____ becomes more important as competition increases. The company's objective is to build selective demand.
- a. Reminder-oriented advertising
 - b. Persuasive advertising
 - c. POP promotion advertising
 - d. Informative advertising
 - e. Patronage advertising
83. A product in the maturity stage will often require _____ advertising.
- a. reminder
 - b. cooperative
 - c. comparative
 - d. informative
 - e. persuasive
84. The goal of _____ is to make an advertisement so useful that people want to watch it.
- a. advertainment
 - b. branded entertainment
 - c. fantasy execution
 - d. testimonial endorsement
 - e. audience engagement
85. In an attempt to set the company apart from its competitors, United Parcel Service has its employees wear brown uniforms and drive brown trucks. What type of public relations tool is UPS using?
- a. corporate identity materials
 - b. public service materials
 - c. product publicity
 - d. buzz marketing
 - e. social networking

86. Which of the following is the term for the individuals in a company who travel to call on customers in the field?
- a. product sales force
 - b. customer sales force
 - c. complex sales force
 - d. outside sales force
 - e. inside sales force
87. To reduce time demands on their outside sales forces, many companies have increased the size of their inside sales forces which include technical support people, sales assistants and _____.
- a. retail supervisors
 - b. public relations profession
 - c. telemarketers
 - d. sales managers
 - e. human resource professionals
88. Management sets standards that state the amount each salesperson should sell and how sales should be divided among the company's products with _____.
- a. company quotas
 - b. sales prospecting
 - c. sales incentives
 - d. sales quotas
 - e. sales contests
89. Sales _____ encourage a sales force to make a selling effort that is above and beyond the normal expectation.
- a. teams
 - b. reports
 - c. quotas
 - d. plans
 - e. contests
90. New York Times on the Web, ESPN.com and Encyclopedia Britannica Online provide financial, research and other information. They are called _____.
- a. portals
 - b. e-tailers
 - c. ISPs
 - d. transaction sites
 - e. content sites

91. The _____ operate only on the Internet.
- a. brick-and-mortar companies
 - b. Web-and-mortar companies
 - c. click-and-mortar companies
 - d. old economies
 - e. click-only companies
92. What does the term viral marketing mean?
- a. It refers to problems that occur with viruses online.
 - b. It is another term for online security.
 - c. It is the Internet version of word-of-mouth marketing.
 - d. It is another term for invasions of online privacy.
 - e. It is a system that allows a supplier to access a customer's inventory levels online.
93. You are looking up airline schedules on the Internet. A bar at the top of the website reads, "Stay at Holiday Inn and get a 25 percent discount!" This is a(n) _____.
- a. interstitial
 - b. pop-under
 - c. pop-up
 - d. banner
 - e. content sponsorship
94. As global trade is growing, global competition is _____.
- a. contracting
 - b. intensifying
 - c. leveling off
 - d. erratic
 - e. declining
95. Which of the following is NOT one of the major decisions a company faces in international marketing?
- a. deciding on the global marketing program
 - b. looking at the global marketing environment
 - c. deciding how to enter the market
 - d. deciding which markets to enter
 - e. deciding on evaluation tools for direct investors

96. _____ is a group of nations organized to work toward common goals in the regulation of international trade.
- a. A joint venture
 - b. A global firm
 - c. A multinational enterprise
 - d. A standardized marketing mix
 - e. An economic community
97. Mortgage lenders who targeted and exploited customers in poor urban areas by steering them toward subprime loans even though many qualified for safer fixed-rate loans would most likely be accused of _____.
- a. bait-and-switch
 - b. reverse redlining
 - c. redlining
 - d. deceptive placement
 - e. puffery
98. Critics of the American economic marketing system have charged that marketers have created a culture in which people are judged by what they _____.
- a. avoid
 - b. are
 - c. own
 - d. know
 - e. do
99. Marketers are most effective when they appeal to _____ rather than when they _____.
- a. the mass market; appeal to market segments
 - b. existing wants; attempt to create new ones
 - c. exciting new inventions; use old ones
 - d. emotions; appeal to actual needs
 - e. teenagers; target older people
100. One major issue in foreign trade is bribery. Bribery and corruption are LEAST likely to be a problem in which of the following countries?
- a. Iraq
 - b. Russia
 - c. China
 - d. New Zealand
 - e. Haiti