Chapter 01 Test Bank

*Student: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

1. Marketing is defined as

A. any activity used to advertise and promote a product or service.
B. the set of activities needed to produce and deliver a product that produces the highest return on investment.
C. the process of managing the supply chain to ensure that products are delivered where and when customers want them.
D. the process of creating, communicating, and delivering value to customers and managing those relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole.
E. the process of targeting and selecting a group of consumers or organizational buyers in order to promote a product or service.

2. As it relates to customers, the aim of marketing is to

A. provide customers with value.
B. increase profits by ensuring customers pay the highest price possible for a product.
C. accurately and truthfully advertise the product.
D. generate repeat sales from each and every customer.
E. reduce the number of customer complaints.

3. Marketers define customer value as

A. providing a product or a service to a customer such that he or she will purchase that same product or service again in the future.
B. being able to sell products that generate little to no customer returns or complaints.
C. the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.
D. the ability to provide a product at the lowest possible price after covering all production expenses.
E. selling a product regardless of whether or not it meets a customer's needs and/or wants.

4. The perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it is referred to as

A. benefit segmentation.
B. a marketing exchange.
C. the marketing mix.
D. relationship marketing.
E. customer value.

5. What is the key to creating value?

A. accurately advertising a product
B. providing consumers with benefits that meet their needs and wants
C. being the first to create a new product or service
D. convincing consumers that they need a product, even if they do not perceive that they do
E. making sure that products are priced lower than the competition

6. After listening to customer requests for travel routes to the Northwest, Southwest Airlines has added cross-country routes to both Seattle and Portland. By providing its customers with benefits that meet their needs, Southwest is providing

A. benefit marketing.
B. customer service.
C. benefit segmentation.
D. customer value.
E. a marketing mix.

7. What percentage of new products fail in the marketplace?

A. 5 to 10 percent
B. less than 3 percent
C. approximately 25 percent
D. over 80 percent
E. 50 percent

8. According to your text, what is the secret of great marketing when it comes to creating value?

A. convincing customers that they need a product even if they do not
B. saturating the market with all forms of advertising promotions
C. consistently creating new products for the marketplace
D. figuring out how to charge the highest price for a product that customers are willing to pay
E. understanding the marketplace demands before competitors do

9. The Fantastically Fit health club has just opened a new location in your neighborhood. The club has mailed a flyer to all households in the area that contains information about the club and a coupon for a one-month free membership. In doing so, Fantastically Fit is attempting to

A. communicate value.
B. forecast value.
C. explain value.
D. market value.
E. deliver value.

10. On a personal level, as you begin looking for a job after you graduate, it will be critical for you to know how to

A. forecast value.
B. explain value.
C. communicate value.
D. market value.
E. deliver value.

11. Having an efficient supply chain is directly related to which element of value?

A. marketing value
B. creating value
C. communicating value
D. forecasting value
E. delivering value

12. American Clothing Company manufactures clothes to be sold in retail stores. After the clothing is manufactured, it is shipped to wholesalers who, in turn, use transportation companies to ship the product to various retail outlets. The manufacturer, wholesaler, transportation company, and retailer all work together to create and deliver the product. This is an example of

A. marketing value.
B. delivering value.
C. creating value.
D. forecasting value.
E. communicating value.

13. The set of multiple companies directly linked by one or more of the upstream and downstream flows of products, services, finances, and information from a source to a consumer is referred to as

A. the production cycle.
B. the supply chain.
C. logistics.
D. the marketing chain.
E. marketing.

14. Which of the following would be considered a member of a supply chain?

A. shipping companies
B. retailers
C. wholesalers
D. manufacturers
E. customers

15. The process of planning, implementing, and controlling the flow of goods, services, and information between the point of origin and the point of consumption in order to meet customer requirements is called

A. marketing.
B. production.
C. operations.
D. the supply chain.
E. logistics.

16. Which of the following accurately depicts the stages in the evolution of marketing?

A. sales orientation, production orientation, relationship marketing, marketing concept
B. production orientation, sales orientation, marketing concept, relationship marketing
C. production orientation, marketing concept, relationship marketing, sales orientation
D. marketing concept, production orientation, sales orientation, relationship marketing
E. sales orientation, production orientation, marketing concept, relationship marketing

17. Which era in the history of marketing began in the early years of the United States and lasted until the mid-1920s when the growth in production outpaced consumer demand?

A. customer orientation
B. production orientation
C. relationship marketing
D. marketing concept
E. sales orientation

18. During what stage in the evolution of marketing did firms believe that quality products would sell themselves?

A. relationship marketing
B. sales orientation
C. customer orientation
D. production orientation
E. marketing concept

19. A marketing strategy in which the firm focused on efficient processes and production to create quality products and reduce unit costs was referred to as the

A. sales orientation era.
B. production orientation era.
C. customer orientation era.
D. relationship marketing era.
E. marketing concept era.

20. Which marketing strategy was especially important during the Great Depression when consumers did not have much money and firms competed intensely for their dollars?

A. relationship marketing
B. production orientation
C. customer orientation
D. marketing concept
E. sales orientation

21. Which era in the history of marketing continued until the end of World War II?

A. production orientation
B. relationship marketing
C. sales orientation
D. customer orientation
E. marketing concept

22. Compare the following statements to determine which one *best* reflects the thinking behind the sales orientation era of marketing?

A. Our products are of such great quality, they practically sell themselves.
B. It's time we develop a strategy to attract and maintain more customers.
C. Our entire company needs to be focused on satisfying our customers' needs.
D. We need to find more efficient means of creating quality products.
E. We'd better persuade our customers to buy our products or they will buy from our competitors.

23. What is the premise behind the marketing concept?

A. a focus on satisfying the needs of the customer
B. an interest in streamlining production processes
C. utilizing all aspects of marketing to persuade consumers to buy
D. focusing on keeping the company stakeholders satisfied
E. a company-wide focus on increasing profits

24. The marketing concept began to emerge in the

A. 1990s.
B. 1920s.
C. 1970s.
D. 1930s.
E. 1950s.

25. What era in the history of marketing *best* reflects the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs?

A. customer orientation
B. production orientation
C. sales orientation
D. marketing concept

26. The focus of the marketing concept era was on

A. production.
B. technology.
C. customers.
D. competition.
E. sales.

27. Compare the following statements regarding relationship marketing to determine which is *most* accurate?

A. Relationship marketing is best described as the use of personal selling to persuade consumers to buy products.
B. Relationship marketing has waned as a viable strategy with the advent of the Internet.
C. Relationship marketing is most successful when firms focus on attracting, maintaining, and enhancing customer relationships.
D. Very few companies in today's marketplace are engaged in relationship marketing.
E. Relationship marketing focuses on satisfying the needs of all the company stakeholders.

28. Outdoor Adventures is a company that sells clothing and gear related to all types of outdoor activities. In an effort to stave off competition, the company has begun keeping a log of customer interests and hobbies so it can alert them to local events of relevance, as well as send them articles that pertain to their favorite activities. In addition, Outdoor Adventures has added a section to its website where customers can post pictures of themselves using the store's gear. These efforts illustrate how the firm is engaged in

A. personal selling.
B. societal marketing.
C. a sales orientation.
D. logistics.
E. relationship marketing.

29. Which of the following trends is accurate regarding the future of marketing?

A. With the advent of technology, the basic goal of marketing has changed from how to create, communicate, and deliver value to consumers to how to better segment and target consumer markets.
B. As technology impacts the business world, firms will need to explore new models that address what customers want and how they prefer to receive information.
C. Even though newspaper circulation has decreased in recent years, it is still the preferred way to advertise because of its low cost.
D. The number of cable television subscribers has increased in recent years, signaling to marketers that television advertising is still the preferred choice for marketing products.
E. Posting news and information online in social media sites has not proven to be as successful as marketers thought since consumers often doubt the accuracy of the information posted.

30. In marketing, an *exchange* refers to

A. buyers and sellers trading things of value so that each is better off as a result.
B. replacing a noneffective form of advertising for a more effective one.
C. two people bartering products and services for other products and services.
D. the money paid by a consumer for a product or service.
E. updating or replacing a nonprofitable product in hopes of generating more revenue.

31. The activity of buyers and sellers trading things of value so that each is better off as a result is referred to as
A. a marketing interchange.

B. bartering.
C. personal selling.
D. merchandising.
E. an exchange.

32. A local family is advertising a 5K run to raise awareness for autism since one of their children suffers from the disorder. Salina likes to run, so she decides to pay the fee to participate in the event. Afterward, she is pleased that she went and felt good about helping out the family. Would this be considered a marketing exchange?

A. no, because the consumer needs of Salina were not met
B. yes, because participating in the run was exchanged for Salina's feeling of satisfaction for helping the family
C. no, because Salina did not receive anything for participating in the event
D. yes, because the family had to pay for advertising and therefore was engaged in *marketing*
E. no, because the event involved a service but not a good

33. According to your text, what is the most basic concept in marketing?

A. streamlining production costs to generate maximum profits
B. satisfying the needs of stakeholders
C. getting all members of an organization to agree on a marketing plan
D. determining the best advertising outlet for a product
E. determining the difference between consumer needs and wants

34. In marketing, states of felt deprivation are referred to as

A. opportunities.
B. wants.
C. needs.
D. desires.
E. cravings.

35. In marketing terms, what is a person looking to satisfy if he or she feels deprived of basic necessities such as food, clothing, shelter, transportation, or safety?

A. a dilemma
B. a desire
C. a need
D. a want
E. a craving

36. Daphne used to work in the city where she would take public transportation to work. However, she just took a new job in the suburbs and now not only has to find a place to live, but also has to buy a car to get to and from her job. For Daphne, these things represent

A. a need.
B. a dilemma.
C. a want.
D. a desire.
E. a craving.

37. Which of the following products does *not* satisfy a consumer need?

A. groceries
B. a winter coat
C. a house
D. a home security system
E. cable television

38. Wants are the form that human needs take and are shaped by

A. culture, money, and geography.
B. lifestyle, demographics, and economic conditions.
C. money, desire, and ability.
D. personality, culture, and buying situation.
E. time, money, and expense.

39. What type of human need is shaped by personality, culture, or buying situation?

A. a craving
B. an emergency
C. a demand
D. a want
E. a necessity

40. An advertisement shows a group of boys playing soccer on a hot day. When they take a break, the boys runs to a cooler to find something to quench their thirst. Inside the cooler are water bottles, cans of soda, fruit juices, and Gatorade. Immediately, the boys fight over the Gatorade showing that it is clearly the best choice. In this ad, liquid refreshment represents a \_\_\_\_\_, and Gatorade represents a \_\_\_\_\_.

A. craving; preference
B. want; need
C. craving; need
D. need; want
E. want; preference

41. What role, if any, did marketing play in the U.S. housing crisis that began in December 2007?

A. Marketers acted unethically by only advertising bank loan rates in certain areas of the country.
B. The housing crisis was triggered by marketers who took consumers' basic *need* for a house and encouraged their *want* to buy a house that was more than they could afford.
C. Marketers did not play a role in the housing crisis, as the problem was between consumers seeking housing loans and the lenders who granted the loans.
D. Marketers did not play a role in the housing crisis because, in the end, consumers are ultimately responsible for the products they purchase.
E. Marketers were responsible for not notifying the public that a crisis was looming.

42. Which of the following accurately represents the 4 Ps of the marketing mix?

A. promotion, place, profit, and preference
B. production, promotion, profit, and participation
C. product, price, place, and promotion
D. perception, preference, participation, and payment
E. product, price, promotion, and perception

43. All of the following are elements contained in the 4 Ps of the marketing mix *expect*

A. product.
B. place.
C. price.
D. profit.
E. promotion.

44. The combination of activities that represent everything a firm can do to influence demand for its good, service, or idea is referred to as the marketing

A. plan.
B. model.
C. mix.
D. concept.
E. matrix.

45. The *four Ps* are more formally referred to as the marketing

A. matrix.
B. framework.
C. mix.
D. concept.
E. dimensions.

46. Which of the following questions relates to the *place* element of the marketing mix?

A. Do I need to hire salespeople?
B. How long has my product existed?
C. How do I want the public to view my product?
D. How much inventory should I have?
E. Should I offer customers a discount?

47. According to your text, any discussion of the marketing mix typically begins with which of the four Ps?

A. price
B. place
C. product
D. promotion

48. Which marketing mix element describes what a buyer exchanges with a seller?

A. perception
B. promotion
C. price
D. place
E. product

49. Which marketing mix element is typically the easiest to change?

A. product
B. place
C. promotion
D. perception
E. price

50. Which marketing mix element involves decisions regarding logistics and managing the supply chain?

A. product
B. promotion
C. price
D. place
E. perception

51. The owners of Have It Your Way Hot Dogs have decided to place an advertisement in the local minor league baseball team's program booklet. Which element of the marketing mix does this represent?

A. price
B. promotion
C. purpose
D. product
E. place

52. A new ice cream shop in town allows customers to create their own sundaes using various flavors of ice cream and toppings. The store owners have decided to have a contest for the most unique customer creation. They are asking customers to create a sundae, take a picture of their creation, and post it on their Facebook page as well as on Instagram so people can vote for their favorite. The winning creation will be featured on the shop's menu. This use of social media relates to which element of the marketing mix?

A. promotion
B. product
C. place
D. price
E. participation

53. The group of Internet-based applications that allow the creation and exchange of user-generated content is called
A. online applications.

B. web media.
C. social media.
D. network marketing.
E. Internet marketing.

54. What term is used to describe the increasingly interconnected nature of the world economy?

A. the World Wide Web
B. internationalization
C. relationship marketing
D. the marketing mix
E. globalization

55. NAFTA is an international trade agreement between the United States

A. Canada, and Mexico.
B. India, and China.
C. China, and Japan.
D. and Brazil.
E. and Great Britain.

56. Compare the following statements to determine which one accurately describes the impact NAFTA has had on U.S. farmers.

A. Because of the negative view of NAFTA in other countries, U.S. farmers have found a difficult time getting their products shipped into those countries.
B. Even though farmers can now ship and sell their products to other countries, the fees imposed for doing so have not allowed farmers to generate any profit.
C. Because they have been able to ship and sell their produce to other countries, NAFTA has given farmers the opportunity to expand their business and increase profits.
D. Because of the heavy regulations imposed on exports, farmers have avoided exporting goods to participating NAFTA countries.
E. Even though NAFTA has relaxed trade restrictions, farmers have been reluctant to ship products into other countries for fear of improper storage and/or contamination of their product.

57. What type of marketing strategy is a company using if it consciously addresses customers, markets, and competition throughout the world?

A. an international trade agreement
B. a domestic market strategy
C. a global marketing strategy
D. a foreign investment agreement
E. an import/export strategy

58. The name, term, symbol, design, or any combination of these that identifies and differentiates a firm's products is known as its

A. trademark.
B. logo.
C. patent.
D. brand.
E. identifier.

59. Tony the Tiger and the slogan They're Great are elements that help to identify Kellogg's \_\_\_\_\_\_\_ from that of its competitors

A. trademark
B. patent
C. brand
D. logo
E. style

 60. The practice of measuring, managing, and analyzing market performance is referred to as

A. logistics.
B. the marketing concept.
C. marketing analytics.
D. global marketing.
E. supply chain management.

61. When marketers evaluate whether a marketing campaign was successful by using metrics to measure performance, they are engaged in

A. marketing analytics.
B. brand management.
C. global marketing.
D. corporate social responsibility.
E. logistics.

62. Compare the following statements to determine which one is accurate regarding marketing analytics.

A. Marketing analytics has not proven to be helpful in the allocation of resources.
B. The pressure to be more data driven has played a large role in the growing use of marketing analytics.
C. Marketing analytics is useful for analyzing the performance of products, but not for analyzing the performance of services or ideas.
D. Budgets related to marketing analytics are expected to decline in the coming years.
E. The advent of the Internet has reduced the need for marketers to engage in marketing analytics.

63. Your text defines ethics as moral standards expected by

A. consumers.
B. a society.
C. an organization.
D. employees.
E. the AMA.

64. Which of the following is *not* one of the ethical norms spelled out in the AMA's Code of Ethics?

A. citizenship
B. honesty
C. balance
D. transparency
E. fairness

65. Think about the ethical values set forth in AMA's Code of Ethics. Which value is represented when a firm accepts constructive criticism from customers and other stakeholders?

A. transparency
B. honesty
C. respect
D. fairness
E. responsibility

66. As noted in your text, what was the result when some of the world's most ethical companies were compared with the MSCI ACWI Index on a profitability measure?

A. The firms that were identified as ethical outperformed the mix of companies included in the MSCI ACWI Index through both positive and negative economic circumstances.
B. The firms that were identified as ethical were not as profitable initially, but then showed a pattern of unprecedented profit increase when compared with the mix of companies included in the MSCI ACWI Index.
C. The firms that were identified as ethical were more profitable initially, but then showed a pattern of declining profitability compared with the mix of companies included in the MSCI ACWI Index.
D. The firms that were identified as ethical were equally profitable on the whole to the mix of companies included in the MSCI ACWI Index.
E. The firms that were identified as ethical were significantly less profitable on the whole than the mix of companies included in the MSCI ACWI Index.

67. How many steps are there in the ethical decision-making framework?

A. five
B. six
C. seven
D. eight
E. ten

68. What is the first step in the ethical decision-making framework?

A. Identify the stakeholders impacted by the decision.
B. Determine the facts in an unbiased manner.
C. Discuss the issue with the stakeholders.
D. Consider how the issue will affect the stakeholders.
E. Identify the ethical issue at hand.

69. What step in the ethical decision-making framework is sometimes referred to as *seeing through a problem to the other side*?

A. Identify the ethical issue at hand.

B. Make the decision.
C. Discuss the pending decision with the stakeholders.
D. Consider how the decision will affect the stakeholders.
E. Consider all available alternatives.

70. In ethical decision making, what element of the marketing mix is affected when a firm is deciding whether or not to outsource jobs to other members of the supply chain?

A. promotion
B. place
C. product
D. price
E. profitability

71. Which of the following questions would a firm ask if it were using the ethical decision-making framework regarding its product?

A. Does the advertising message represent the product's benefits honestly?
B. Are the relationships between wholesalers and retailers inappropriate?
C. Should the firm increase prices due to a lack of local competition?
D. Does the advertising message attack competing products rather than highlight the benefits of the firm's product?
E. What default privacy settings should be built into a website?

72. What impact can a successful marketing campaign have on nonprofit organizations?

A. It can allow nonprofit organizations to receive tax breaks from the government.
B. It can help to increase revenue and profits for the firm.
C. It can help nonprofit organizations achieve a for-profit status.
D. It would have no impact since nonprofit organizations do not require marketing campaigns.
E. It can help nonprofit organizations attract members and raise much-needed funds.

73. According to your text, taking a marketing course can help your career in all of the following ways

A. helping you market yourself to get a job after college.
B. helping you communicate your value so that you get an interview.
C. helping you determine what career field you should enter.
D. helping you reach professional goals.
E. helping you position yourself relative to others competing for the same job.

74. The organizational function and set of processes for creating, communicating, and delivering value to customers and managing customer relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole is referred to as \_\_\_\_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

75. Customer \_\_\_\_\_\_ refers to the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

76. Regardless of whether economic conditions are favorable or unfavorable, over \_\_\_\_\_\_\_ percent of products introduced in the marketplace will fail.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

77. The linked set of companies that perform or support the delivery of a company's products to customers is referred to as the \_\_\_\_\_\_ \_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

78. \_\_\_\_\_\_is the process of coordinating the flow of goods, information, and services among members of the supply chain.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

79. Firms with a \_\_\_\_\_\_\_\_ orientation believed that quality products would simply sell themselves.

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80. The \_\_\_\_\_\_ orientation era started in the mid-1920s and continued until the end of World War II.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

81. The marketing concept reflects the idea that the long-term success for a firm must include a company-wide effort to satisfy \_\_\_\_\_ \_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

82. The slogan "Let's Build Something Together", used by Lowe's Home Improvement centers, signified to its customers that Lowe's was ready and willing to help them with all their project needs. This slogan reflects the \_\_\_\_\_ \_\_\_\_\_ strategy.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

83. The marketing strategy that focuses on attracting, maintaining, and enhancing customer relationships is called \_\_\_\_\_

\_\_\_\_\_.
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

84. When a buyer and a seller trade things of value with each party being better off as a result, a(n) \_\_\_\_\_\_\_ has taken place.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

85. A \_\_\_\_\_\_\_ can be described as a state of felt deprivation.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

86. A \_\_\_\_\_\_\_ occurs when a person feels deprived of basic necessities such as food, clothing, shelter, transportation, and safety.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

87. The job of marketers is to focus on providing products that fulfill customers' wants, which in turn will satisfy their underlying \_\_\_\_\_\_\_.

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88. The better a firm understands the difference between customers' needs and wants, the more effectively it can \_\_\_\_\_\_\_ its message to convince customers to buy its good or service.

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89. The four Ps are elements that make up the \_\_\_\_\_ \_\_\_\_\_.

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90. The four Ps are product, price, place, and \_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

91. The combination of activities that represent everything a firm can do to influence demand for its good, service, or idea is called the \_\_\_\_\_ \_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

92. The central element in the marketing mix is \_\_\_\_\_\_\_, which is the element that all other decisions revolve around.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

93. Directly related to the value consumers place on a product, the element of \_\_\_\_\_\_ is one of the most important strategic decisions a firm faces.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

94. Typically, \_\_\_\_\_\_\_ is the easiest marketing mix element to change.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

95. In the marketing mix, \_\_\_\_\_\_\_ decisions relate to locations, transportation, logistics, and managing the supply chain.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

96. When people think of what marketing entails, they typically think about the marketing mix element referred to as \_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

97. The marketing mix element referred to as \_\_\_\_\_\_\_ includes advertising, public relations, personal selling, and sales promotion.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

98. A group of Internet-based applications that allow the creation and exchange of user-generated content is referred to as \_\_\_\_\_ \_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

99. \_\_\_\_\_\_\_ marketing is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

100. Much of the growth in U.S. firms ranging from McDonald's to General Motors comes from their expansion into \_\_\_\_\_\_\_ markets.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

101. The increasingly interconnected nature of the world economy is referred to as \_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

102. \_\_\_\_\_\_ is an international trade agreement between the United States, Canada, and Mexico.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

103. The swoosh symbol on its shoes, its orange shoe boxes, and the slogan "Just Do It" are elements that help to identify Nike's \_\_\_\_\_\_ from other firms' products.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

104. \_\_\_\_\_\_  \_\_\_\_\_\_ is the practice of measuring, managing, and analyzing market performance.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

105. As a way to measure, manage, and analyze performance, marketing \_\_\_\_\_\_ is an essential tool for helping organizations make better decisions.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

106. Moral standards expected by a society are referred to as \_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

107. The document that marketers can use as a guide in ethical decision making called the Code of Ethics was developed by the \_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

108. According to the AMA's Code of Ethics, to acknowledge the basic human dignity of all stakeholders represents the ethical value of \_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

109. Large companies like Enron, WorldCom, and Arthur Andersen all failed due to their lack of \_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

110. There are \_\_\_\_\_\_\_ steps in the ethical decision-making framework.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

111. Determining the facts in an unbiased manner is the \_\_\_\_\_\_ step in the ethical decision-making framework.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

112. The ethical decision-making framework will be valuable only if you clearly understand the \_\_\_\_\_\_ that needs to be addressed.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

113. The question, Should jobs be outsourced to other members of the supply chain?,  relates to the \_\_\_\_\_\_\_ element of the marketing mix.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

114. Charities, universities, and churches are all examples of \_\_\_\_\_\_\_ organizations.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

115. In today's tough job market, it is important to know how to \_\_\_\_\_\_\_\_ yourself effectively in order to reach the professional goals you have set.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

116. Marketing refers to advertising and selling a product.

True    False

117. In order to measure the value customers receive from a product, marketers need only look at the actual monetary outlay the customer must produce in order to obtain the product.

True    False

118. Regardless of market conditions, over 80 percent of all new products fail in the marketplace.

True    False

119. Logistics is the process of coordinating the flow of money among members of the supply chain.

True    False

120. The production era continued until consumer demand could not keep up with the growth in production and new strategies were needed to maximize success.

True    False

121. The sales orientation strategy is characterized by a customer orientation that focuses on customer satisfaction.

True    False

122. The marketing concept is a strategy that utilizes all aspects of marketing in order to persuade consumers to buy new products and more of existing products.

True    False

123. The marketing concept strategy was short lived, giving way to what is the dominant strategy in today's marketplace, that of sales orientation.

True    False

124. Products like Facebook and Twitter are changing how firms interact with customers to better meet the needs of the marketplace.

True    False

125. Marketers create value for customers when they develop products that allow consumers to satisfy their needs and wants through exchange relationships.

True    False

126. In a marketing sense, there is really no difference between a *need* and a *want*.

True    False

127. When it comes to marketing products and services, marketers do not need to be concerned with any ethical implications of their actions because the consumer bears the ultimate responsibility to determine whether or not a product is needed.

True    False

128. The marketing mix is also referred to as the four Ps of marketing.

True    False

129. The question, How much inventory should I have?, directly relates to the element of product.

True    False

130. Janie is looking to open a cupcake shop. She wants to make sure her shop is successful, so she hires a consultant to help her determine the best location for her new business. In this example, the information given to Janie by the consultant is considered a product.

True    False

131. Promotion is typically the easiest marketing mix element to change.

True    False

132. Promotion involves the activities a firm undertakes to make its product available to potential customers.

True    False

133. Firms that use social media for promotion try to create content that attracts attention and encourages readers to share the content with their social networks.

True    False

134. The interconnected nature of the world economy is referred to as internationalization.

True    False

135. NAFTA has had a negative impact on U.S. farmers because of the restrictions it imposes on exports, which has made trade between countries more difficult for the farmers.

True    False

136. The small green gecko is part of the brand that differentiates GEICO's auto insurance from that of other firms.

True    False

137. The practice of measuring, managing, and analyzing market performance is referred to as marketing analytics.

True    False

138. The AMA Code of Ethics is not necessarily something that marketers need to adhere to for every marketing approach.

True    False

139. When comparing ethical firms with the MSCI ACWI Index for the years 2007-2015, it was discovered that firms identified as ethical were more profitable on the whole than the mix of companies included in the MSCI ACWI Index.

True    False

140. The first step in the ethical decision-making framework is to identify the ethical issue at hand.

True    False

141. Determining what default privacy settings should be built into a company website is an ethical issue that relates to the product element of the marketing mix.

True    False

142. Since they are not in the business of generating revenue or making profits, nonprofit organizations do not need to rely on marketing efforts to be successful.

True    False

143. Professionally speaking, the same marketing principles used in business settings can help you market yourself and help you to reach your professional goals.

True    False

144. How do organizations create value for the customer?

145. How is the marketing concept different from the sales orientation strategy?

146. How are consumer wants different from consumer needs?

147. You are interested in selling your homemade crafts. You have chosen a retail location to sell your crafts. What other factors in distribution ("place" from the marketing mix) do you need to consider besides the location?

148. You work in a jewelry store, and your supervisor has told you to decrease the price of a line of jewelry that is not selling well in the hope that the remainder of the inventory will sell quickly. Why might this strategy be effective in selling the remaining units of this jewelry line?

149. As an American small business owner, why would you want to think global in developing your marketing plan?

150. What is marketing analytics and how does it benefit marketers?

Chapter 01 Test Bank Key

1. Marketing is defined as

A. any activity used to advertise and promote a product or service.
B. the set of activities needed to produce and deliver a product that produces the highest return on investment.
C. the process of managing the supply chain to ensure that products are delivered where and when customers want them.
**D.** the process of creating, communicating, and delivering value to customers and managing those relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole.
E. the process of targeting and selecting a group of consumers or organizational buyers in order to promote a product or service.

Maketing is not about just advertising and promotion. It is the process of communicating and delivering value to customers, and managing relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: Define Marketing*

2. As it relates to customers, the aim of marketing is to

**A.** provide customers with value.
B. increase profits by ensuring customers pay the highest price possible for a product.
C. accurately and truthfully advertise the product.
D. generate repeat sales from each and every customer.
E. reduce the number of customer complaints.

Whether they are selling a product or a service, organizations today are constantly looking for new ways to create value for the customer.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

3. Marketers define customer value as

A. providing a product or a service to a customer such that he or she will purchase that same product or service again in the future.
B. being able to sell products that generate little to no customer returns or complaints.
**C.** the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.
D. the ability to provide a product at the lowest possible price after covering all production expenses.
E. selling a product regardless of whether or not it meets a customer's needs and/or wants.

Customer value is the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

4. The perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it is referred to as

A. benefit segmentation.
B. a marketing exchange.
C. the marketing mix.
D. relationship marketing.
**E.** customer value.

Customer value is the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

5. What is the key to creating value?

A. accurately advertising a product
**B.** providing consumers with benefits that meet their needs and wants
C. being the first to create a new product or service
D. convincing consumers that they need a product, even if they do not perceive that they do
E. making sure that products are priced lower than the competition

The key ingredient for creating value is providing consumers with benefits that meet their needs and wants. Merely creating a new product does not guarantee success.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

6. After listening to customer requests for travel routes to the Northwest, Southwest Airlines has added cross-country routes to both Seattle and Portland. By providing its customers with benefits that meet their needs, Southwest is providing

A. benefit marketing.
B. customer service.
C. benefit segmentation.
**D.** customer value.
E. a marketing mix.

The key ingredient for creating value is providing consumers with benefits that meet their needs and wants. By adding new routes based on customer requests, Southwest is providing value to its customers.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

7. What percentage of new products fail in the marketplace?

A. 5 to 10 percent
B. less than 3 percent
C. approximately 25 percent
**D.** over 80 percent
E. 50 percent

Consistently, over 80 percent of all new products introduced into the marketplace will fail regardless of  whether economic conditions are good or bad.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

8. According to your text, what is the secret of great marketing when it comes to creating value?

A. convincing customers that they need a product even if they do not
B. saturating the market with all forms of advertising promotions
C. consistently creating new products for the marketplace
D. figuring out how to charge the highest price for a product that customers are willing to pay
**E.** understanding the marketplace demands before competitors do

To create value, the new good, service, or idea must satisfy a perceived marketplace demand. Understanding marketplace demands before competitors do is one of the secrets of great marketing.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

9. The Fantastically Fit health club has just opened a new location in your neighborhood. The club has mailed a flyer to all households in the area that contains information about the club and a coupon for a one-month free membership. In doing so, Fantastically Fit is attempting to

**A.** communicate value.
B. forecast value.
C. explain value.
D. market value.
E. deliver value.

If customers do not know that a new health club exists in the neighborhood, the business could likely fail. By sending households information about the club, with a coupon for a one-month free membership, the health club is communicating what its product is and the value the product brings to potential customers.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

10. On a personal level, as you begin looking for a job after you graduate, it will be critical for you to know how to

A. forecast value.
B. explain value.
**C.** communicate value.
D. market value.
E. deliver value.

When it comes time to look for a job, if your resume looks like every other resume in the stack, odds are your value will not be communicated. It is critical to be able to communicate value to a potential employer if you wish to land a job.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

11. Having an efficient supply chain is directly related to which element of value?

A. marketing value
B. creating value
C. communicating value
D. forecasting value
**E.** delivering value

The supply chain is a global network used to create and deliver products. An efficient and well-managed supply chain is critical in delivering value.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

12. American Clothing Company manufactures clothes to be sold in retail stores. After the clothing is manufactured, it is shipped to wholesalers who, in turn, use transportation companies to ship the product to various retail outlets. The manufacturer, wholesaler, transportation company, and retailer all work together to create and deliver the product. This is an example of

A. marketing value.
**B.** delivering value.
C. creating value.
D. forecasting value.
E. communicating value.

The supply chain is a global network used to create and deliver products. Members of the supply chain can include manufacturers, wholesalers, retailers, transportation companies, and other groups, depending on the specific industry.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

13. The set of multiple companies directly linked by one or more of the upstream and downstream flows of products, services, finances, and information from a source to a consumer is referred to as

A. the production cycle.
**B.** the supply chain.
C. logistics.
D. the marketing chain.
E. marketing.

A firm’s supply chain is a set of multiple companies directly linked by one or more of the upstream and downstream flows of products, services, finances, and information from a source to a customer. Members of the supply chain can include manufacturers, wholesalers, retailers, transportation companies, and other groups, depending on the specific industry.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

14. Which of the following would be considered a member of a supply chain?

A. shipping companies
B. retailers
C. wholesalers
D. manufacturers
**E.** customers

Members of the supply chain can include manufacturers, wholesalers, retailers, transportation companies, and other groups, depending on the specific industry. Customers do not deliver products, so they are not considered part of the supply chain.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

15. The process of planning, implementing, and controlling the flow of goods, services, and information between the point of origin and the point of consumption in order to meet customer requirements is called

A. marketing.
B. production.
C. operations.
D. the supply chain.
**E.** logistics.

Logistics is the process of coordinating the flow of information, goods, and services among members of the supply chain.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

16. Which of the following accurately depicts the stages in the evolution of marketing?

A. sales orientation, production orientation, relationship marketing, marketing concept
**B.** production orientation, sales orientation, marketing concept, relationship marketing
C. production orientation, marketing concept, relationship marketing, sales orientation
D. marketing concept, production orientation, sales orientation, relationship marketing
E. sales orientation, production orientation, marketing concept, relationship marketing

Marketing has evolved first from a production orientation, then to a sales orientation, then to a marketing concept and focuses today on relationship marketing.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

17. Which era in the history of marketing began in the early years of the United States and lasted until the mid-1920s when the growth in production outpaced consumer demand?

A. customer orientation
**B.** production orientation
C. relationship marketing
D. marketing concept
E. sales orientation

Prior to the 1920s, most firms throughout the United States focused on production. The production orientation era lasted until the mid-1920s.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

18. During what stage in the evolution of marketing did firms believe that quality products would sell themselves?

A. relationship marketing
B. sales orientation
C. customer orientation
**D.** production orientation
E. marketing concept

The production era was a marketing strategy in which the firm focused on efficient processes and production to create quality products and reduce unit costs. Firms with a production orientation believed that quality products would simply sell themselves.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

19. A marketing strategy in which the firm focused on efficient processes and production to create quality products and reduce unit costs was referred to as the

A. sales orientation era.
**B.** production orientation era.
C. customer orientation era.
D. relationship marketing era.
E. marketing concept era.

The production era was a marketing strategy in which the firm focused on efficient processes and production to create quality products and reduce unit costs. Firms with a production orientation believed that quality products would simply sell themselves.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

20. Which marketing strategy was especially important during the Great Depression when consumers did not have much money and firms competed intensely for their dollars?

A. relationship marketing
B. production orientation
C. customer orientation
D. marketing concept
**E.** sales orientation

The sales orientation was a marketing strategy in which personal selling and advertising were used to persuade consumers to buy new products and more of existing products. This strategy was especially important during the Great Depression when firms had to compete intensely for sales.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

21. Which era in the history of marketing continued until the end of World War II?

A. production orientation
B. relationship marketing
**C.** sales orientation
D. customer orientation
E. marketing concept

The sales orientation era was especially important during the Great Depression and continued until the end of World War II.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

22. Compare the following statements to determine which one *best* reflects the thinking behind the sales orientation era of marketing?

A. Our products are of such great quality, they practically sell themselves.
B. It's time we develop a strategy to attract and maintain more customers.
C. Our entire company needs to be focused on satisfying our customers' needs.
D. We need to find more efficient means of creating quality products.
**E.** We'd better persuade our customers to buy our products or they will buy from our competitors.

The sales orientation era emphasized personal selling and competition between firms, so the statement about persuading customers to buy our products rather than products from competitors would be the best choice.

*AACSB: Reflective Thinking
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

23. What is the premise behind the marketing concept?

**A.** a focus on satisfying the needs of the customer
B. an interest in streamlining production processes
C. utilizing all aspects of marketing to persuade consumers to buy
D. focusing on keeping the company stakeholders satisfied
E. a company-wide focus on increasing profits

The marketing concept reflects the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

24. The marketing concept began to emerge in the

A. 1990s.
B. 1920s.
C. 1970s.
D. 1930s.
**E.** 1950s.

After two decades of economic depression and world war, the United States entered an era of expansion beginning in the early 1950s. As a result, a strategy focused on the consumer called the marketing concept began to emerge.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

25. What era in the history of marketing *best* reflects the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs?

A. customer orientation
B. production orientation
C. sales orientation
**D.** marketing concept

The marketing concept reflects the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

26. The focus of the marketing concept era was on

A. production.
B. technology.
**C.** customers.
D. competition.
E. sales.

The marketing concept reflects the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

27. Compare the following statements regarding relationship marketing to determine which is *most* accurate?

A. Relationship marketing is best described as the use of personal selling to persuade consumers to buy products.
B. Relationship marketing has waned as a viable strategy with the advent of the Internet.
**C.** Relationship marketing is most successful when firms focus on attracting, maintaining, and enhancing customer relationships.
D. Very few companies in today's marketplace are engaged in relationship marketing.
E. Relationship marketing focuses on satisfying the needs of all the company stakeholders.

Relationship marketing is a strategy that focuses on attracting, maintaining, and enhancing customer relationships.

*AACSB: Reflective Thinking
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

28. Outdoor Adventures is a company that sells clothing and gear related to all types of outdoor activities. In an effort to stave off competition, the company has begun keeping a log of customer interests and hobbies so it can alert them to local events of relevance, as well as send them articles that pertain to their favorite activities. In addition, Outdoor Adventures has added a section to its website where customers can post pictures of themselves using the store's gear. These efforts illustrate how the firm is engaged in

A. personal selling.
B. societal marketing.
C. a sales orientation.
D. logistics.
**E.** relationship marketing.

Relationship marketing is a strategy that focuses on attracting, maintaining, and enhancing customer relationships.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

29. Which of the following trends is accurate regarding the future of marketing?

A. With the advent of technology, the basic goal of marketing has changed from how to create, communicate, and deliver value to consumers to how to better segment and target consumer markets.
**B.** As technology impacts the business world, firms will need to explore new models that address what customers want and how they prefer to receive information.
C. Even though newspaper circulation has decreased in recent years, it is still the preferred way to advertise because of its low cost.
D. The number of cable television subscribers has increased in recent years, signaling to marketers that television advertising is still the preferred choice for marketing products.
E. Posting news and information online in social media sites has not proven to be as successful as marketers thought since consumers often doubt the accuracy of the information posted.

Regardless of how marketing evolves in the years ahead, the basic goal of marketing - to create, communicate, and deliver value - has not changed. What has changed is that firms will now need to explore new models that address what customers want and how they prefer to receive information.

*AACSB: Reflective Thinking
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

30. In marketing, an *exchange* refers to

**A.** buyers and sellers trading things of value so that each is better off as a result.
B. replacing a noneffective form of advertising for a more effective one.
C. two people bartering products and services for other products and services.
D. the money paid by a consumer for a product or service.
E. updating or replacing a nonprofitable product in hopes of generating more revenue.

In marketing, an is an activity that occurs when a buyer and seller trade things of value so that each is better off as a result.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

31. The activity of buyers and sellers trading things of value so that each is better off as a result is referred to as

A. a marketing interchange.
B. bartering.
C. personal selling.
D. merchandising.
**E.** an exchange.

A marketing exchange takes place when buyers and sellers trade things of value so that each is better off as a result.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

32. A local family is advertising a 5K run to raise awareness for autism since one of their children suffers from the disorder. Salina likes to run, so she decides to pay the fee to participate in the event. Afterward, she is pleased that she went and felt good about helping out the family. Would this be considered a marketing exchange?

A. no, because the consumer needs of Salina were not met
**B.** yes, because participating in the run was exchanged for Salina's feeling of satisfaction for helping the family
C. no, because Salina did not receive anything for participating in the event
D. yes, because the family had to pay for advertising and therefore was engaged in *marketing*
E. no, because the event involved a service but not a good

A marketing exchange takes place when buyers and sellers trade things of value so that each is better off as a result. In this example, the fee that Salina paid was exchanged for her feeling of satisfaction.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

33. According to your text, what is the most basic concept in marketing?

A. streamlining production costs to generate maximum profits
B. satisfying the needs of stakeholders
C. getting all members of an organization to agree on a marketing plan
D. determining the best advertising outlet for a product
**E.** determining the difference between consumer needs and wants

Your text notes that the difference between consumer needs and wants is perhaps the most basic concept in marketing. The job of a marketer is to match consumer needs with wants.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

34. In marketing, states of felt deprivation are referred to as

A. opportunities.
B. wants.
**C.** needs.
D. desires.
E. cravings.

In a marketing sense, needs are states of felt deprivation. Consumers feel deprived when they lack something useful or desirable like food, clothing, shelter, transportation, and safety.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

35. In marketing terms, what is a person looking to satisfy if he or she feels deprived of basic necessities such as food, clothing, shelter, transportation, or safety?

A. a dilemma
B. a desire
**C.** a need
D. a want
E. a craving

In a marketing sense, needs are states of felt deprivation. Consumers feel deprived when they lack something useful or desirable like food, clothing, shelter, transportation, and safety.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

36. Daphne used to work in the city where she would take public transportation to work. However, she just took a new job in the suburbs and now not only has to find a place to live, but also has to buy a car to get to and from her job. For Daphne, these things represent

**A.** a need.
B. a dilemma.
C. a want.
D. a desire.
E. a craving.

In a marketing sense, needs are states of felt deprivation. Consumers feel deprived when they lack something useful or desirable like food, clothing, shelter, transportation, and safety.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

37. Which of the following products does *not* satisfy a consumer need?

A. groceries
B. a winter coat
C. a house
D. a home security system
**E.** cable television

Needs occur when consumers feel deprived of basic necessities such as food, clothing, shelter, transportation, and safety. Cable television would be categorized as a *want* not a *need*.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

38. Wants are the form that human needs take and are shaped by

A. culture, money, and geography.
B. lifestyle, demographics, and economic conditions.
C. money, desire, and ability.
**D.** personality, culture, and buying situation.
E. time, money, and expense.

Wants are the form that human needs take as they are shaped by personality, culture, and buying situation. Wants are influenced by many things including a consumer's family, job, and background.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

39. What type of human need is shaped by personality, culture, or buying situation?

A. a craving
B. an emergency
C. a demand
**D.** a want
E. a necessity

Wants are the form that human needs take as they are shaped by personality, culture, and buying situation. Wants are influenced by many things including a consumer's family, job, and background.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

40. An advertisement shows a group of boys playing soccer on a hot day. When they take a break, the boys runs to a cooler to find something to quench their thirst. Inside the cooler are water bottles, cans of soda, fruit juices, and Gatorade. Immediately, the boys fight over the Gatorade showing that it is clearly the best choice. In this ad, liquid refreshment represents a \_\_\_\_\_, and Gatorade represents a \_\_\_\_\_.

A. craving; preference
B. want; need
C. craving; need
**D.** need; want
E. want; preference

Quenching one's thirst with liquid refreshment reflects a need; choosing Gatorade to fulfill that need represents a want.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

41. What role, if any, did marketing play in the U.S. housing crisis that began in December 2007?

A. Marketers acted unethically by only advertising bank loan rates in certain areas of the country.
**B.** The housing crisis was triggered by marketers who took consumers' basic *need* for a house and encouraged their *want* to buy a house that was more than they could afford.
C. Marketers did not play a role in the housing crisis, as the problem was between consumers seeking housing loans and the lenders who granted the loans.
D. Marketers did not play a role in the housing crisis because, in the end, consumers are ultimately responsible for the products they purchase.
E. Marketers were responsible for not notifying the public that a crisis was looming.

The housing crisis was triggered by marketers who took consumers' basic *need* for a house and encouraged their *want* to buy a house that was more than they could afford. It appeared at the time to be a win-win proposition - consumers got the house of their dreams, though perhaps not the income to support it, and the firms that sold, financed, and securitized real estate made hefty profits for years. Ultimately, however, this strategy led to billions of dollars in financial losses and millions of job losses.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

42. Which of the following accurately represents the 4 Ps of the marketing mix?

A. promotion, place, profit, and preference
B. production, promotion, profit, and participation
**C.** product, price, place, and promotion
D. perception, preference, participation, and payment
E. product, price, promotion, and perception

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. The four Ps of the marketing mix are product, price, place, and promotion.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

43. All of the following are elements contained in the 4 Ps of the marketing mix *expect*

A. product.
B. place.
C. price.
**D.** profit.
E. promotion.

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. The four Ps of the marketing mix are: product, price, place, and promotion.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

44. The combination of activities that represent everything a firm can do to influence demand for its good, service, or idea is referred to as the marketing

A. plan.
B. model.
**C.** mix.
D. concept.
E. matrix.

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. The four Ps of the marketing mix are: product, price, place, and promotion.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

45. The *four Ps* are more formally referred to as the marketing

A. matrix.
B. framework.
**C.** mix.
D. concept.
E. dimensions.

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. The four Ps of the marketing mix are: product, price, place, and promotion.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

46. Which of the following questions relates to the *place* element of the marketing mix?

A. Do I need to hire salespeople?=
B. How long has my product existed?
C. How do I want the public to view my product?
**D.** How much inventory should I have?
E. Should I offer customers a discount?

Issues relating to the delivery of product, types of suppliers to use, and inventory decisions all relate to the element of place.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

47. According to your text, any discussion of the marketing mix typically begins with which of the four Ps?

A. price
B. place
**C.** product
D. promotion

The discussion of marketing mix typically begins with the product because, without it, a firm has few, if any, decisions to make when it comes to price, place, or promotion.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

48. Which marketing mix element describes what a buyer exchanges with a seller?

A. perception
B. promotion
**C.** price
D. place
E. product

Price is the amount of something (money, time, or effort) that a buyer exchanges with a seller to obtain a product.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

49. Which marketing mix element is typically the easiest to change?

A. product
B. place
C. promotion
D. perception
**E.** price

Pricing is typically the easiest marketing mix element to change, making it a powerful tool for firms looking to quickly adjust their market share or revenue.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

50. Which marketing mix element involves decisions regarding logistics and managing the supply chain?

A. product
B. promotion
C. price
**D.** place
E. perception

Place includes the activities a firm undertakes to make its product available to potential customers including decisions relating to locations, transportation, logistics, and managing the supply chain.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

51. The owners of Have It Your Way Hot Dogs have decided to place an advertisement in the local minor league baseball team's program booklet. Which element of the marketing mix does this represent?

A. price
**B.** promotion
C. purpose
D. product
E. place

Promotion includes advertising, public relations, personal selling, and sales promotion.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

52. A new ice cream shop in town allows customers to create their own sundaes using various flavors of ice cream and toppings. The store owners have decided to have a contest for the most unique customer creation. They are asking customers to create a sundae, take a picture of their creation, and post it on their Facebook page as well as on Instagram so people can vote for their favorite. The winning creation will be featured on the shop's menu. This use of social media relates to which element of the marketing mix?

**A.** promotion
B. product
C. place
D. price
E. participation

Social media allows the creation and exchange of user-generated content. In this case, the use of social media is helping to promote the product by allowing customers to share their creations with the people in their social networks. This in turn helps to promote the ice cream shop and its product.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

53. The group of Internet-based applications that allow the creation and exchange of user-generated content is called

A. online applications.
B. web media.
**C.** social media.
D. network marketing.
E. Internet marketing.

Social media refers to a group of Internet-based applications that allow the creation and exchange of user-generated content.

*AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

54. What term is used to describe the increasingly interconnected nature of the world economy?

A. the World Wide Web
B. internationalization
C. relationship marketing
D. the marketing mix
**E.** globalization

The increasingly interconnected nature of the world economy is referred to as globalization.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Global Marketing*

55. NAFTA is an international trade agreement between the United States

**A.** Canada, and Mexico.
B. India, and China.
C. China, and Japan.
D. and Brazil.
E. and Great Britain.

The North American Free Trade Agreement (NAFTA) is an international trade agreement between the United States, Canada, and Mexico.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Trade Agreements, Monetary Unions and International Organizations*

56. Compare the following statements to determine which one accurately describes the impact NAFTA has had on U.S. farmers.

A. Because of the negative view of NAFTA in other countries, U.S. farmers have found a difficult time getting their products shipped into those countries.
B. Even though farmers can now ship and sell their products to other countries, the fees imposed for doing so have not allowed farmers to generate any profit.
**C.** Because they have been able to ship and sell their produce to other countries, NAFTA has given farmers the opportunity to expand their business and increase profits.
D. Because of the heavy regulations imposed on exports, farmers have avoided exporting goods to participating NAFTA countries.
E. Even though NAFTA has relaxed trade restrictions, farmers have been reluctant to ship products into other countries for fear of improper storage and/or contamination of their product.

The relaxation of trade restrictions between the United States, Canada, and Mexico has had a positive impact on U.S. farmers, since they now can ship and sell their produce to these countries. This has allowed U.S. farmers to expand their businesses and increase profits.

*AACSB: Reflective Thinking
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Trade Agreements, Monetary Unions and International Organizations*

57. What type of marketing strategy is a company using if it consciously addresses customers, markets, and competition throughout the world?

A. an international trade agreement
B. a domestic market strategy
**C.** a global marketing strategy
D. a foreign investment agreement
E. an import/export strategy

Global marketing is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Global Marketing*

58. The name, term, symbol, design, or any combination of these that identifies and differentiates a firm's products is known as its

A. trademark.
B. logo.
C. patent.
**D.** brand.
E. identifier.

A firm's brand is the name, term, symbol, design, or any combination of these that differentiates its product from that of its competitors.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Branding Strategy*

59. Tony the Tiger and the slogan They're Great are elements that help to identify Kellogg's \_\_\_\_\_\_\_ from that of its competitors

A. trademark
B. patent
**C.** brand
D. logo
E. style

A firm's brand is the name, term, symbol, design, or any combination of these that differentiates its product from that of its competitors. Tony the Tiger and the slogan They're Great have helped to identify Kellogg's Frosted Flakes from that of other cereals on the market.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Branding Strategy*

60. The practice of measuring, managing, and analyzing market performance is referred to as
A. logistics.

B. the marketing concept.
**C.** marketing analytics.
D. global marketing.
E. supply chain management.

Marketing analytics is the practice of measuring, managing, and analyzing marketing performance.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-06 Explain the role of analytics in marketing.
Topic: Marketing Analytics*

61. When marketers evaluate whether a marketing campaign was successful by using metrics to measure performance, they are engaged in

**A.** marketing analytics.
B. brand management.
C. global marketing.
D. corporate social responsibility.
E. logistics.

Marketing analytics is the processes and technologies that enable marketers to evaluate the success of marketing initiatives by measuring performance using business metrics.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-06 Explain the role of analytics in marketing.
Topic: Marketing Analytics*

62. Compare the following statements to determine which one is accurate regarding marketing analytics.

A. Marketing analytics has not proven to be helpful in the allocation of resources.
**B.** The pressure to be more data driven has played a large role in the growing use of marketing analytics.
C. Marketing analytics is useful for analyzing the performance of products, but not for analyzing the performance of services or ideas.
D. Budgets related to marketing analytics are expected to decline in the coming years.
E. The advent of the Internet has reduced the need for marketers to engage in marketing analytics.

Business executives are facing rising pressure to be more data driven, with marketing receiving particular scrutiny. The percentage of marketing budgets allocated for marketing analytics is expected to almost double in the next three years.

*AACSB: Reflective Thinking
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-06 Explain the role of analytics in marketing.
Topic: Marketing Analytics*

63. Your text defines ethics as moral standards expected by

A. consumers.
**B.** a society.
C. an organization.
D. employees.
E. the AMA.

Ethics are moral standards expected by a society.

*AACSB: Ethics
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Role of Ethics in Marketing*

64. Which of the following is *not* one of the ethical norms spelled out in the AMA's Code of Ethics?

A. citizenship
B. honesty
**C.** balance
D. transparency
E. fairness

The ethical values spelled out in the AMA's Code of Ethics are honesty, responsibility, fairness, respect, transparency, and citizenship.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Role of Ethics in Marketing*

65. Think about the ethical values set forth in AMA's Code of Ethics. Which value is represented when a firm accepts constructive criticism from customers and other stakeholders?

**A.** transparency
B. honesty
C. respect
D. fairness
E. responsibility

The ethical value of transparency relates to creating a spirit of openness in marketing operations. Striving to communicate clearly with all constituencies as well as accepting constructive criticism from customers and stakeholders helps to achieve this goal.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Role of Ethics in Marketing*

66. As noted in your text, what was the result when some of the world's most ethical companies were compared with the MSCI ACWI Index on a profitability measure?

**A.** The firms that were identified as ethical outperformed the mix of companies included in the MSCI ACWI Index through both positive and negative economic circumstances.
B. The firms that were identified as ethical were not as profitable initially, but then showed a pattern of unprecedented profit increase when compared with the mix of companies included in the MSCI ACWI Index.
C. The firms that were identified as ethical were more profitable initially, but then showed a pattern of declining profitability compared with the mix of companies included in the MSCI ACWI Index.
D. The firms that were identified as ethical were equally profitable on the whole to the mix of companies included in the MSCI ACWI Index.
E. The firms that were identified as ethical were significantly less profitable on the whole than the mix of companies included in the MSCI ACWI Index.

As noted in your text, firms that were identified as ethical outperformed the mix of companies included in the MSCI ACWI Index through both positive and negative economic circumstances.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Role of Ethics in Marketing*

67. How many steps are there in the ethical decision-making framework?

A. five
B. six
C. seven
**D.** eight
E. ten

There are eight steps in the ethical decision-making framework.

*AACSB: Ethics
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

68. What is the first step in the ethical decision-making framework?

A. Identify the stakeholders impacted by the decision.
**B.** Determine the facts in an unbiased manner.
C. Discuss the issue with the stakeholders.
D. Consider how the issue will affect the stakeholders.
E. Identify the ethical issue at hand.

The first step in the ethical decision-making framework is to determine the facts in an unbiased manner. This must be done even before identifying the ethical issue at hand.

*AACSB: Ethics
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

69. What step in the ethical decision-making framework is sometimes referred to as *seeing through a problem to the other side*?

A. Identify the ethical issue at hand.
B. Make the decision.
C. Discuss the pending decision with the stakeholders.
**D.** Consider how the decision will affect the stakeholders.
E. Consider all available alternatives.

Considering how the decision will affect the stakeholders is sometimes referred to as *seeing through a problem to the other side* because this step allows a firm to consider ahead of time how the decision will affect all stakeholders.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

70. In ethical decision making, what element of the marketing mix is affected when a firm is deciding whether or not to outsource jobs to other members of the supply chain?

A. promotion
**B.** place
C. product
D. price
E. profitability

Each element of the marketing mix is affected by a firm's decisions. In ethical decision making regarding place, a firm might ask itself whether or not jobs should be outsourced to other members of the supply chain.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

71. Which of the following questions would a firm ask if it were using the ethical decision-making framework regarding its product?

A. Does the advertising message represent the product's benefits honestly?
B. Are the relationships between wholesalers and retailers inappropriate?
C. Should the firm increase prices due to a lack of local competition?
D. Does the advertising message attack competing products rather than highlight the benefits of the firm's product?
**E.** What default privacy settings should be built into a website?

Since a website is a product itself, questions concerning how it should be set up are questions relating to the product element of the marketing mix.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

72. What impact can a successful marketing campaign have on nonprofit organizations?

A. It can allow nonprofit organizations to receive tax breaks from the government.
B. It can help to increase revenue and profits for the firm.
C. It can help nonprofit organizations achieve a for-profit status.
D. It would have no impact since nonprofit organizations do not require marketing campaigns.
**E.** It can help nonprofit organizations attract members and raise much-needed funds.

As with for-profit firms, marketing efforts are an essential part of the success of nonprofit organizations. Successful marketing helps nonprofit organizations attract members and raise much-needed funds.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.
Topic: Nonprofit Marketing Environment*

73. According to your text, taking a marketing course can help your career in all of the following ways

A. helping you market yourself to get a job after college.
B. helping you communicate your value so that you get an interview.
**C.** helping you determine what career field you should enter.
D. helping you reach professional goals.
E. helping you position yourself relative to others competing for the same job.

Marketing principles can be used in many ways to help you market yourself after college. However, marketing principles do not help you determine what career field you should enter.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.
Topic: Marketing Yourself*

74. The organizational function and set of processes for creating, communicating, and delivering value to customers and managing customer relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole is referred to as \_\_\_\_\_\_\_\_\_\_.

**marketing**

Marketing is not just about advertising and promotion. It is the process of communicating and delivering value to customers, and managing those relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: Define Marketing*

75. Customer \_\_\_\_\_\_ refers to the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.

**value**

Customer value refers to the perceived benefits a customer receives from a product compared with the cost associated with obtaining it. These benefits can be both monetary and nonmonetary, such as the feeling of safety associated with purchasing a home security system.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: Creating Customer Value*

76. Regardless of whether economic conditions are favorable or unfavorable, over \_\_\_\_\_\_\_ percent of products introduced in the marketplace will fail.

**80***or*
**eighty***or*
**80%**

Consistently, over 80 percent of all new products introduced into the marketplace will fail regardless of whether economic conditions are good or bad.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: Creating Customer Value*

77. The linked set of companies that perform or support the delivery of a company's products to customers is referred to as the \_\_\_\_\_\_ \_\_\_\_\_\_.

**supply chain**

A firm's supply chain is the linked set of companies that perform or support the delivery of a company's products to customers. Members of the supply chain can include manufacturers, wholesalers, retailers, transportation companies, and other groups, depending on the specific industry.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

78. \_\_\_\_\_\_is the process of coordinating the flow of goods, information, and services among members of the supply chain.

**Logistics**

The process of planning, implementing, and controlling the flow of goods, services, and information between the point of origin and the point of consumption in order to meet customers' requirements is called logistics.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

79. Firms with a \_\_\_\_\_\_\_\_ orientation believed that quality products would simply sell themselves.

**production**

The production era used a marketing strategy in which the firm focused on efficient processes and production to create quality products and reduce unit costs. Firms with a production orientation believed that quality products would simply sell themselves.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

80. The \_\_\_\_\_\_ orientation era started in the mid-1920s and continued until the end of World War II.

**sales***or*
**selling**

The sales era continued until the end of World War II.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

81. The marketing concept reflects the idea that the long-term success for a firm must include a company-wide effort to satisfy \_\_\_\_\_ \_\_\_\_\_.

**customer needs***or*
**the customer**

The marketing concept is characterized by a customer orientation, which stresses the idea that everyone in a firm should strive to assess, and then satisfy, the needs of consumers.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

82. The slogan "Let's Build Something Together", used by Lowe's Home Improvement centers, signified to its customers that Lowe's was ready and willing to help them with all their project needs. This slogan reflects the \_\_\_\_\_ \_\_\_\_\_ strategy.

**marketing concept**

The marketing concept is characterized by a customer orientation, which stresses the idea that everyone in a firm should strive to assess, and then satisfy, the needs of consumers.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

83. The marketing strategy that focuses on attracting, maintaining, and enhancing customer relationships is called \_\_\_\_\_ \_\_\_\_\_.

**relationship marketing**

The marketing concept is characterized by a customer orientation, which stresses the idea that everyone in a firm should strive to assess, and then satisfy, the needs of consumers.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

84. When a buyer and a seller trade things of value with each party being better off as a result, a(n) \_\_\_\_\_\_\_ has taken place.

**exchange**

An exchange takes place when a buyer and a seller trade things of value so that each is better off as a result.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

85. A \_\_\_\_\_\_\_ can be described as a state of felt deprivation.

**need**

Needs are states of felt deprivation. Consumers feel deprived when they lack something useful or desirable like food, clothing, shelter, transportation, and safety.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

86. A \_\_\_\_\_\_\_ occurs when a person feels deprived of basic necessities such as food, clothing, shelter, transportation, and safety.

**need**

Needs are states of felt deprivation. Consumers feel deprived when they lack something useful or desirable like food, clothing, shelter, transportation, and safety.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

87. The job of marketers is to focus on providing products that fulfill customers' wants, which in turn will satisfy their underlying \_\_\_\_\_\_\_.

**needs**

The distinction between needs and wants is important and not always black and white. Marketers focus on providing products that fulfill customers' wants, which in turn satisfy their underlying needs.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

88. The better a firm understands the difference between customers' needs and wants, the more effectively it can \_\_\_\_\_\_\_ its message to convince customers to buy its good or service.

**target**

In order to target its message to the consumers most likely to purchase its product, a firm should strive to understand the difference between customers' needs and wants.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

89. The four Ps are elements that make up the \_\_\_\_\_ \_\_\_\_\_.

**marketing mix**

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. The four Ps of the marketing mix provide marketers with the tools to increase customer awareness, sales, and profitability.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

90. The four Ps are product, price, place, and \_\_\_\_\_\_\_.

**promotion**

The four Ps of the marketing mix are product, price, place, and promotion.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

91. The combination of activities that represent everything a firm can do to influence demand for its good, service, or idea is called the \_\_\_\_\_ \_\_\_\_\_.

**marketing mix**

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

92. The central element in the marketing mix is \_\_\_\_\_\_\_, which is the element that all other decisions revolve around.

**product**

The discussion of the marketing mix typically begins with the product because, without it, a firm has few, if any, decisions when it comes to price, place, or promotion.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

93. Directly related to the value consumers place on a product, the element of \_\_\_\_\_\_ is one of the most important strategic decisions a firm faces.

**price**

The element of price is directly related to the value consumers place on the product. In addition, the price of a product can send a signal about product quality. Therefore, firms must carefully determine what they will charge for their products.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

94. Typically, \_\_\_\_\_\_\_ is the easiest marketing mix element to change.

**price**

Typically, price is the easiest marketing mix element to change, making it a powerful tool for firms looking to quickly adjust their market share or revenue.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

95. In the marketing mix, \_\_\_\_\_\_\_ decisions relate to locations, transportation, logistics, and managing the supply chain.

**place**

Place includes the activities a firm undertakes to make its product available to potential customers, which includes locations, transportation, logistics, and managing the supply chain.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

96. When people think of what marketing entails, they typically think about the marketing mix element referred to as \_\_\_\_\_\_\_.

**promotion**

Promotion is all the activities that communicate the value of a product and persuade customers to buy it. Because it involves advertising, public relations, personal selling, and promotion, it is the element that people typically associate with marketing.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

97. The marketing mix element referred to as \_\_\_\_\_\_\_ includes advertising, public relations, personal selling, and sales promotion.

**promotion**

Promotion is all the activities that communicate the value of a product and persuade customers to buy it. Because it involves advertising, public relations, personal selling, and promotion, it is the element that people typically associate with marketing.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

98. A group of Internet-based applications that allow the creation and exchange of user-generated content is referred to as \_\_\_\_\_ \_\_\_\_\_.

**social media**

Today, firms can communicate quickly and directly with their customers using a variety of online and digital tools, otherwise known as social media. The term refers to a group of Internet-based applications that allow the creation and exchange of user-generated content.

*AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

99. \_\_\_\_\_\_\_ marketing is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.

**Global**

Modern marketers must not only create, communicate, and deliver value, but do so in a global marketplace. Global marketing is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Global Marketing*

100. Much of the growth in U.S. firms ranging from McDonald's to General Motors comes from their expansion into \_\_\_\_\_\_\_ markets.

**international***or*
**global***or*
**foreign**

Modern marketers must not only create, communicate, and deliver value, but also do so in a global marketplace. Much of the growth in U.S. firms has come from their expansion into international markets.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Global Marketing*

101. The increasingly interconnected nature of the world economy is referred to as \_\_\_\_\_\_\_.

**globalization**

Globalization refers to the interconnected nature of the world economy.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Global Marketing*

102. \_\_\_\_\_\_ is an international trade agreement between the United States, Canada, and Mexico.

**NAFTA***or*
**The North American Free Trade Agreement**

The North American Free Trade Agreement (NAFTA) relaxed trade restrictions between the United States, Canada, and Mexico.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Trade Agreements, Monetary Unions and International Organizations*

103. The swoosh symbol on its shoes, its orange shoe boxes, and the slogan "Just Do It" are elements that help to identify Nike's \_\_\_\_\_\_ from other firms' products.

**brand**

A firm actively promotes its brand, which is the name, term, symbol, design, or any combination of these that identifies and differentiates a firm's products.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Branding Strategy*

104. \_\_\_\_\_\_  \_\_\_\_\_\_ is the practice of measuring, managing, and analyzing market performance.

**Marketing analytics**

Marketing analytics is the practice of measuring, managing, and analyzing market performance. Broadly, it is the processes and technologies that enable marketers to evaluate the success of marketing initiatives by measuring performance using business metrics.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-06 Explain the role of analytics in marketing.
Topic: Marketing Analytics*

105. As a way to measure, manage, and analyze performance, marketing \_\_\_\_\_\_ is an essential tool for helping organizations make better decisions.

**analytics**

Marketing analytics is the practice of measuring, managing, and analyzing market performance. Marketing analytics is an essential tool for helping organizations make better decisions.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-06 Explain the role of analytics in marketing.
Topic: Marketing Analytics*

106. Moral standards expected by a society are referred to as \_\_\_\_\_\_\_.

**ethics**

Ethics are the moral standards expected by a society. Ethical decision making should be a key component of a successful marketing approach.

*AACSB: Ethics
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Role of Ethics in Marketing*

107. The document that marketers can use as a guide in ethical decision making called the Code of Ethics was developed by the \_\_\_\_\_\_\_.

**American Marketing Association***or*
**AMA**

The American Marketing Association has published a thorough Code of Ethics, which marketers should read and adhere to. The AMA's Code of Ethics contains six ethical values: honesty, responsibility, fairness, respect, transparency, and citizenship.

*AACSB: Ethics
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Role of Ethics in Marketing*

108. According to the AMA's Code of Ethics, to acknowledge the basic human dignity of all stakeholders represents the ethical value of \_\_\_\_\_\_\_.

**respect**

The American Marketing Association's Code of Ethics should be read and adhered to by all marketers.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Role of Ethics in Marketing*

109. Large companies like Enron, WorldCom, and Arthur Andersen all failed due to their lack of \_\_\_\_\_\_.

**ethics***or*
**an ethical code**

Ignoring ethical considerations has destroyed some of the largest companies in the world, including Enron, WorldCom, and Arthur Andersen.

*AACSB: Ethics
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Role of Ethics in Marketing*

110. There are \_\_\_\_\_\_\_ steps in the ethical decision-making framework.

**eight***or*
**8**

Eight steps make up the ethical decision-making framework, which can be used in almost any marketing challenge.

*AACSB: Ethics
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

111. Determining the facts in an unbiased manner is the \_\_\_\_\_\_ step in the ethical decision-making framework.

**first**

The first thing that needs to be done when making an ethical decision is to determine the factual elements of the problem without letting any potential bias influence your decision.

*AACSB: Ethics
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

112. The ethical decision-making framework will be valuable only if you clearly understand the \_\_\_\_\_\_ that needs to be addressed.

**issue***or*
**problem**

It's possible to avoid ethical problems if the ethical issue is clearly identified. The rest of the ethical decision-making framework will be valuable only if the issue itself is clearly understood.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

113. The question, Should jobs be outsourced to other members of the supply chain?,  relates to the \_\_\_\_\_\_\_ element of the marketing mix.

**place**

Questions relating to logistics and management of the supply chain refer to the place element of the marketing mix.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

114. Charities, universities, and churches are all examples of \_\_\_\_\_\_\_ organizations.

**nonprofit***or*
**not for profit***or*
**non profit**

As with for-profit firms, marketing efforts are an essential part of the success of nonprofit organizations such as charities, universities, and churches.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.
Topic: Nonprofit Marketing Environment*

115. In today's tough job market, it is important to know how to \_\_\_\_\_\_\_\_ yourself effectively in order to reach the professional goals you have set.

**market**

The day has passed when simply putting your name and college degree on a resume guaranteed you a great job for life. Ultimately, wherever your career leads you, you will need to market yourself effectively to reach the professional goals you have set.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.
Topic: Marketing Yourself*

116. Marketing refers to advertising and selling a product.

**FALSE**

Marketing is not just about advertising and promotion. It is the process of creating, communicating, and delivering value to customers, and managing those relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: Define Marketing*

117. In order to measure the value customers receive from a product, marketers need only look at the actual monetary outlay the customer must produce in order to obtain the product.

**FALSE**

Customer value is the perceived benefit, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: Creating Customer Value*

118. Regardless of market conditions, over 80 percent of all new products fail in the marketplace.

**TRUE**

Consistently, over 80 percent of all new products introduced into the marketplace will fail regardless of whether economic conditions are good or bad.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

119. Logistics is the process of coordinating the flow of money among members of the supply chain.

**FALSE**

Logistics is the process of coordinating the flow of information, goods, and services among members of the supply chain.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: The Value of Marketing*

120. The production era continued until consumer demand could not keep up with the growth in production and new strategies were needed to maximize success.

**TRUE**

The production era continued until consumer demand could not keep up with the growth in production, and firms sought to develop effective sales forces that could find customers for their growing production capacity.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

121. The sales orientation strategy is characterized by a customer orientation that focuses on customer satisfaction.

**FALSE**

The sales orientation strategy focuses on personal selling and advertising to persuade customers to buy products; the marketing concept strategy is characterized by customer orientation.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

122. The marketing concept is a strategy that utilizes all aspects of marketing in order to persuade consumers to buy new products and more of existing products.

**FALSE**

The marketing concept strategy is characterized by a company-wide effort to satisfy customer needs. The sales orientation used personal selling and advertising to persuade consumers to buy new products and more of existing products.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

123. The marketing concept strategy was short lived, giving way to what is the dominant strategy in today's marketplace, that of sales orientation.

**FALSE**

The marketing concept strategy continues to evolve in today's marketplace. Organizations are finding new ways to establish, maintain, and grow customer relationships.

*AACSB: Reflective Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

124. Products like Facebook and Twitter are changing how firms interact with customers to better meet the needs of the marketplace.

**TRUE**

As technology and other changes impact the business world, firms will need to explore new models that address what customers want and how they prefer to receive information. The use of Facebook and Twitter is one example of how firms are adapting to this new environment.

*AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

125. Marketers create value for customers when they develop products that allow consumers to satisfy their needs and wants through exchange relationships.

**TRUE**

Marketers create value for customers when they develop products that allow consumers to satisfy their needs and wants through exchange relationships. An exchange happens when a buyer and seller trade things of value so that each is better off as a result.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

126. In a marketing sense, there is really no difference between a *need* and a *want*.

**FALSE**

The distinction between needs and wants is important and not always black and white. Marketers focus on providing products that fulfill customers' wants, which in turn satisfy their underlying needs.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

127. When it comes to marketing products and services, marketers do not need to be concerned with any ethical implications of their actions because the consumer bears the ultimate responsibility to determine whether or not a product is needed.

**FALSE**

Evaluating customer needs and wants must be done through an ethical framework to avoid potential problems for the firm and society as a whole.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

128. The marketing mix is also referred to as the four Ps of marketing.

**TRUE**

The elements of product, price, place, and promotion make up what is called the four Ps or, more formally, the marketing mix.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

129. The question, How much inventory should I have?, directly relates to the element of product.

**FALSE**

Questions that relate to suppliers, inventory amounts, and delivery of product all relate to the element of place.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

130. Janie is looking to open a cupcake shop. She wants to make sure her shop is successful, so she hires a consultant to help her determine the best location for her new business. In this example, the information given to Janie by the consultant is considered a product.

**TRUE**

In addition to goods, products can also take the form of services or ideas, like those offered by a consultant.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

131. Promotion is typically the easiest marketing mix element to change.

**FALSE**

Pricing is typically the easiest marketing mix element to change, making it a powerful tool for firms looking to quickly adjust their market share or revenue.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

132. Promotion involves the activities a firm undertakes to make its product available to potential customers.

\
**FALSE**

The combination of activities a firm undertakes to make its product available to potential customers is related to the marketing mix element of place.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

133. Firms that use social media for promotion try to create content that attracts attention and encourages readers to share the content with their social networks.

**TRUE**

Social media is a group of Internet-based applications that allow the creation and exchange of user-generated content.

*AACSB: Technology
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

134. The interconnected nature of the world economy is referred to as internationalization.

**FALSE**

Globalization is the term used to describe the interconnected nature of the world economy.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Global Marketing*

135. NAFTA has had a negative impact on U.S. farmers because of the restrictions it imposes on exports, which has made trade between countries more difficult for the farmers.

**FALSE**

For U.S. farmers who have been able to ship and sell their produce to Canada and Mexico, NAFTA has given them the opportunity to expand their business and increase profits.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Trade Agreements, Monetary Unions and International Organizations*

136. The small green gecko is part of the brand that differentiates GEICO's auto insurance from that of other firms.

**TRUE**

The name, term, symbol, design, or any combination of these that identifies and differentiates a firm's products is its brand.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Branding Strategy*

137. The practice of measuring, managing, and analyzing market performance is referred to as marketing analytics.

**TRUE**

Broadly speaking, marketing analytics is the processes and technologies that enable marketers to evaluate the success of marketing initiatives by measuring performance using business metrics.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-06 Explain the role of analytics in marketing.
Topic: Marketing Analytics*

138. The AMA Code of Ethics is not necessarily something that marketers need to adhere to for every marketing approach.

**FALSE**

Ethical decision making should be a key component of a successful marketing approach. The AMA Code of Ethics is something that marketers should read and adhere to.

*AACSB: Ethics
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Role of Ethics in Marketing*

139. When comparing ethical firms with the MSCI ACWI Index for the years 2007-2015, it was discovered that firms identified as ethical were more profitable on the whole than the mix of companies included in the MSCI ACWI Index.

**TRUE**

Making ethical decisions not only makes good business sense, it can also generate profits, even during a recession. Firms that were identified as ethical outperformed the mix of companies included in the MSCI ACWI Index through both positive and negative economic circumstances.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Role of Ethics in Marketing*

140. The first step in the ethical decision-making framework is to identify the ethical issue at hand.

**FALSE**

The first step in the ethical decision-making framework is to determine the facts in an unbiased manner.

*AACSB: Ethics
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

141. Determining what default privacy settings should be built into a company website is an ethical issue that relates to the product element of the marketing mix.

**TRUE**

A website is a company product and determining what is to be included on that website (including default privacy settings) is an issue related to the product element of the marketing mix.

*AACSB: Ethics
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.
Topic: Ethical Decision Making*

142. Since they are not in the business of generating revenue or making profits, nonprofit organizations do not need to rely on marketing efforts to be successful.

**FALSE**

As with for-profit firms, marketing efforts are an essential part of the success of nonprofit organizations. Successful marketing helps nonprofit organizations attract membership and much-needed funds.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.
Topic: Nonprofit Marketing Environment*

143. Professionally speaking, the same marketing principles used in business settings can help you market yourself and help you to reach your professional goals.

**TRUE**

Your ability to use marketing principles to market yourself will be critical to your success in your professional life.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.
Topic: Marketing Yourself*

144. How do organizations create value for the customer?

Businesses create value for customers by letting them know the benefits that customers will receive from the products or services the business sells. These benefits can be either monetary or nonmonetary and, in the opinion of the firm, meet the customers' needs and wants. Satisfying the perceived market demand is how an organization can create value.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-01 Describe a marketer's role in creating, communicating, and delivering value.
Topic: Creating Customer Value*

145. How is the marketing concept different from the sales orientation strategy?

The sales orientation strategy concentrates on personal selling and advertising that work on getting customers to buy additional units of an existing product or to try a new product. This strategy tries to persuade customers to buy based on the product's or service's function. In the marketing concept, businesses concentrate on developing long-term relationships with their customers, and their success is based on satisfying customer needs, not just selling to them.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-02 Differentiate among the various eras in the history of marketing.
Topic: Marketing Eras*

146. How are consumer wants different from consumer needs?

A need is something that is required or necessary such as food, clothing, shelter, health care, and safety.  If a person does not have it, he or she will feel deprived. A want is a need that is determined by personality, culture, and buying situation.

*AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-03 Distinguish between consumer needs and consumer wants.
Topic: Consumer Needs and Wants*

147. You are interested in selling your homemade crafts. You have chosen a retail location to sell your crafts. What other factors in distribution ("place" from the marketing mix) do you need to consider besides the location?

The placeor distribution component of the marketing mix includes all activities involved in making your products available to the consumer. The location or method that you choose to make your products available and sell to the consumer is very important, but there are other factors that must be considered. You also need to make decisions on issues relating to transportation, logistics, and managing your supply chain.

*AACSB: Analytical Thinking
AACSB: Knowledge Application
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

148. You work in a jewelry store, and your supervisor has told you to decrease the price of a line of jewelry that is not selling well in the hope that the remainder of the inventory will sell quickly. Why might this strategy be effective in selling the remaining units of this jewelry line?

Price is the value of money that a buyer will provide a seller to obtain a product or service. In most cases, pricing is the easiest component of the marketing mix to change, therefore, it can change sales or market share quickly. By decreasing the price, this may entice customers to purchase the jewelry leading to increased sales.

*AACSB: Analytical Thinking
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-04 Explain the four elements in the marketing mix.
Topic: The Four Ps*

149. As an American small business owner, why would you want to think global in developing your marketing plan?

Over 95 percent of consumers are located outside of the United States. You can develop marketing strategies to meet the needs and wants of consumers outside the United States and many non-U.S. consumers desire American products and services. To operate globally, U.S. firms must do many of the same things—such as study the markets, produce a product or service that meets a need or want, and market the product or service—that they would have to do domestically to be successful.

*AACSB: Knowledge Application
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 01-05 Discuss the importance of globalization in the field of marketing.
Topic: Global Marketing*

150. What is marketing analytics and how does it benefit marketers?

Marketing analytics is the practice of measuring, managing, and analyzing market performance. Broadly, it is the processes and technologies that enable marketers to evaluate the success of marketing initiatives by measuring performance using business metrics. Marketing analytics is an essential tool for helping organizations make better decisions. Marketing analytics can be used for issues ranging from justifying how advertising dollars get spent to what to do with large amounts of consumer data that are now available.

*AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-06 Explain the role of analytics in marketing.
Topic: Marketing Analytics*

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