Chapter 01

Why Marketing Matters to You

**Multiple Choice Questions**

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| 1. | Marketing is defined as

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| A.  | any activity used to advertise and promote a product or service. |

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| B.  | the process of targeting and selecting a group of consumers or organizational buyers in order to promote a product or service. |

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| C.  | 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. |

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| D.  | the process of managing the supply chain to ensure that products are delivered where and when customers want them. |

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| E.  | the set of activities needed to produce and deliver a product that produces the highest return on investment. |

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

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| A.  | provide customers with value. |

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| B.  | increase profits by ensuring customers pay the highest price possible for a product. |

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| C.  | accurately and truthfully advertise the product. |

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| D.  | generate repeat sales from each and every customer. |

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| E.  | reduce the number of customer complaints. |

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| 3. | Marketers define customer value as

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| A.  | providing a product at the lowest possible price after covering all production expenses. |

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| B.  | selling products that generate the least amount of customer returns or complaints. |

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| C.  | selling a product regardless of whether or not it meets a customer's needs and/or wants. |

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| D.  | 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. |

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| E.  | the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared to the cost associated with obtaining it. |

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

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| A.  | a marketing exchange. |

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| --- | --- |
| B.  | relationship marketing. |

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| --- | --- |
| C.  | customer value. |

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| --- | --- |
| D.  | the marketing mix. |

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| E.  | benefit segmentation. |

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| 5. | What is the key to creating value?

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| A.  | being the first to create a new product or service |

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| B.  | providing consumers with benefits that meet their needs and wants |

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| C.  | accurately advertising a product |

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| D.  | making sure that products are priced lower than the competition |

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| E.  | convincing consumers that they need a product, even if they do not perceive that they do |

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| 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

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| A.  | customer value. |

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| --- | --- |
| B.  | benefit marketing. |

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| --- | --- |
| C.  | benefit segmentation. |

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| --- | --- |
| D.  | a marketing mix. |

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| --- | --- |
| E.  | customer service. |

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

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| --- | --- |
| A.  | 5 to 10 percent |

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| --- | --- |
| B.  | approximately 25 percent |

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| --- | --- |
| C.  | 50 percent |

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| --- | --- |
| D.  | less than 3 percent |

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| --- | --- |
| E.  | over 80 percent |

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

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| A.  | convincing customers that they need a product even if they do not |

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| --- | --- |
| B.  | consistently creating new products for the marketplace |

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| --- | --- |
| C.  | figuring out how to charge the highest price for a product that customers are willing to pay |

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| D.  | understanding the marketplace demands before competitors do |

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| E.  | saturating the market with all forms of advertising promotions |

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| 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 MOST LIKELY attempting to

|  |  |
| --- | --- |
| A.  | explain value. |

|  |  |
| --- | --- |
| B.  | communicate value. |

|  |  |
| --- | --- |
| C.  | deliver value. |

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| --- | --- |
| D.  | forecast value. |

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| --- | --- |
| E.  | market value. |

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| 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

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| --- | --- |
| A.  | deliver value. |

|  |  |
| --- | --- |
| B.  | market value. |

|  |  |
| --- | --- |
| C.  | explain value. |

|  |  |
| --- | --- |
| D.  | forecast value. |

|  |  |
| --- | --- |
| E.  | communicate value. |

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| 11. | Having an efficient supply chain is critical if a firm wishes to

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| --- | --- |
| A.  | deliver value. |

|  |  |
| --- | --- |
| B.  | forecast value. |

|  |  |
| --- | --- |
| C.  | create value. |

|  |  |
| --- | --- |
| D.  | communicate value. |

|  |  |
| --- | --- |
| E.  | market value. |

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| 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

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| --- | --- |
| A.  | creating value. |

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| --- | --- |
| B.  | communicating value. |

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| --- | --- |
| C.  | delivering value. |

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| --- | --- |
| D.  | forecasting value. |

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| --- | --- |
| E.  | marketing value. |

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| 13. | The global network used to create and deliver products is referred to as

|  |  |
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| A.  | the marketing chain. |

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| --- | --- |
| B.  | the production cycle. |

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| --- | --- |
| C.  | the supply chain. |

|  |  |
| --- | --- |
| D.  | logistics. |

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| --- | --- |
| E.  | marketing. |

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| 14. | Which of the following would NOT be considered a member of a supply chain?

|  |  |
| --- | --- |
| A.  | manufacturers |

|  |  |
| --- | --- |
| B.  | wholesalers |

|  |  |
| --- | --- |
| C.  | retailers |

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| --- | --- |
| D.  | customers |

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| --- | --- |
| E.  | shipping companies |

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| 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

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| --- | --- |
| A.  | logistics. |

|  |  |
| --- | --- |
| B.  | production. |

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| --- | --- |
| C.  | the supply chain. |

|  |  |
| --- | --- |
| D.  | operations. |

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| --- | --- |
| E.  | marketing. |

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

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| A.  | sales orientation, production orientation, marketing concept, relationship marketing |

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| B.  | production orientation, marketing concept, relationship marketing, sales orientation |

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| --- | --- |
| C.  | production orientation, sales orientation, marketing concept, relationship marketing |

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| --- | --- |
| D.  | marketing concept, production orientation, sales orientation, relationship marketing |

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| --- | --- |
| E.  | sales orientation, production orientation, relationship marketing, marketing concept |

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| 17. | Which era in the history of marketing began in the early years of the United States and lasted until the mid-1920s?

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| --- | --- |
| A.  | production orientation |

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| --- | --- |
| B.  | sales orientation |

|  |  |
| --- | --- |
| C.  | marketing concept |

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| --- | --- |
| D.  | relationship marketing |

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| --- | --- |
| E.  | customer orientation |

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

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| --- | --- |
| A.  | sales orientation |

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| --- | --- |
| B.  | production orientation |

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| --- | --- |
| C.  | marketing concept |

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| --- | --- |
| D.  | relationship marketing |

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| --- | --- |
| E.  | customer orientation |

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| 19. | The era in the evolution of marketing when firms produced more goods than they could sell and thus had to focus on effective sales forces to find customers for their growing production capacity was referred to as the

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| --- | --- |
| A.  | sales orientation era. |

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| --- | --- |
| B.  | relationship marketing era. |

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| --- | --- |
| C.  | marketing concept era. |

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| --- | --- |
| D.  | production orientation era. |

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| --- | --- |
| E.  | customer orientation era. |

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| 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?

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| A.  | customer orientation |

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| --- | --- |
| B.  | production orientation |

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| --- | --- |
| C.  | marketing concept |

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| --- | --- |
| D.  | relationship marketing |

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| --- | --- |
| E.  | sales orientation |

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

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| --- | --- |
| A.  | production orientation |

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| --- | --- |
| B.  | sales orientation |

|  |  |
| --- | --- |
| C.  | marketing concept |

|  |  |
| --- | --- |
| D.  | relationship marketing |

|  |  |
| --- | --- |
| E.  | customer orientation |

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

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| A.  | We need to find more efficient means of creating quality products. |

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| B.  | Our entire company needs to be focused on satisfying our customers' needs. |

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| --- | --- |
| C.  | It's time we develop a strategy to attract and maintain more customers. |

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| D.  | Our products are of such great quality, they practically sell themselves. |

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| --- | --- |
| E.  | We'd better persuade our customers to buy our products or they will buy from our competitors. |

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| 23. | What is the premise behind the marketing concept?

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| A.  | a company-wide focus on increasing profits |

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| B.  | focusing on keeping the company stakeholders satisfied |

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| --- | --- |
| C.  | an interest in streamlining production processes |

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| --- | --- |
| D.  | a focus on satisfying the needs of the customer |

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| E.  | utilizing all aspects of marketing to persuade consumers to buy |

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| 24. | The marketing concept began to emerge in the

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| --- | --- |
| A.  | 1920s. |

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| --- | --- |
| B.  | 1930s. |

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| --- | --- |
| C.  | 1950s. |

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| --- | --- |
| D.  | 1970s. |

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| --- | --- |
| E.  | 1990s. |

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| 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?

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| A.  | marketing concept |

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| --- | --- |
| B.  | production orientation |

|  |  |
| --- | --- |
| C.  | sales orientation |

|  |  |
| --- | --- |
| D.  | customer orientation |

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| --- | --- |
| E.  | relationship marketing |

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| 26. | The focus of the marketing concept era was on

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| A.  | production. |

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| --- | --- |
| B.  | customers. |

|  |  |
| --- | --- |
| C.  | sales. |

|  |  |
| --- | --- |
| D.  | competition. |

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| --- | --- |
| E.  | technology. |

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| 27. | Compare the following statements regarding relationship marketing to determine which is MOST accurate?

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| A.  | Relationship marketing is most successful when firms focus on attracting, maintaining, and enhancing customer relationships. |

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| B.  | Relationship marketing has waned as a viable strategy with the advent of the Internet. |

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| C.  | Relationship marketing focuses on satisfying the needs of all the company stakeholders. |

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| D.  | Relationship marketing is best described as the use of personal selling to persuade consumers to buy products. |

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| E.  | Very few companies in today's marketplace are engaged in relationship marketing. |

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| 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 to them as well as send them articles that pertain to their favorite activities. In addition, Outdoor Adventures has added a section to their website where customers can post pictures of themselves using the store's gear. These efforts illustrate how the firm is engaged in

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| --- | --- |
| A.  | personal selling. |

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| --- | --- |
| B.  | relationship marketing. |

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| --- | --- |
| C.  | societal marketing. |

|  |  |
| --- | --- |
| D.  | logistics. |

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| --- | --- |
| E.  | a sales orientation. |

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

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| A.  | 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. |

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| --- | --- |
| B.  | Information posed online in blogs and through websites has not proven to be as successful as marketers thought since consumers often doubt the accuracy of the information posted. |

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| --- | --- |
| C.  | 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. |

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| --- | --- |
| D.  | 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. |

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| E.  | Even though newspaper circulation has decreased in recent years, it is still the preferred way to advertise because of its low cost. |

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| 30. | In marketing, an *exchange* refers to

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| A.  | the money paid by a consumer for a product or service. |

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| B.  | replacing a non-effective form of advertising for a more effective one. |

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| --- | --- |
| C.  | two people bartering products and services for other products and services. |

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| --- | --- |
| D.  | updating or replacing a non-profitable product in hopes of generating more revenue. |

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| --- | --- |
| E.  | buyers and sellers trading things of value so that each is better off as a result. |

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

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| --- | --- |
| A.  | bartering. |

|  |  |
| --- | --- |
| B.  | an exchange. |

|  |  |
| --- | --- |
| C.  | personal selling. |

|  |  |
| --- | --- |
| D.  | a marketing interchange. |

|  |  |
| --- | --- |
| E.  | merchandising. |

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| 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. |

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| --- | --- |
| B.  | Yes, because the family had to pay for advertising and therefore was engaged in *marketing*. |

|  |  |
| --- | --- |
| C.  | No, because Salina did not receive anything for participating in the event. |

|  |  |
| --- | --- |
| D.  | Yes, because participating in the run was exchanged for Salina's feeling of satisfaction for helping the family. |

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| --- | --- |
| E.  | No, because the event involved a service but not a good. |

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

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| A.  | determining the difference between consumer needs and wants |

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| --- | --- |
| B.  | determining the best advertising outlet for a product |

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| --- | --- |
| C.  | streamlining production costs to generate maximum profits |

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| --- | --- |
| D.  | satisfying the needs of stakeholders |

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| --- | --- |
| E.  | getting all members of an organization to agree on a marketing plan |

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

|  |  |
| --- | --- |
| A.  | wants. |

|  |  |
| --- | --- |
| B.  | desires. |

|  |  |
| --- | --- |
| C.  | needs. |

|  |  |
| --- | --- |
| D.  | cravings. |

|  |  |
| --- | --- |
| E.  | opportunities. |

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| 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?

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| --- | --- |
| A.  | a need |

|  |  |
| --- | --- |
| B.  | a want |

|  |  |
| --- | --- |
| C.  | a craving |

|  |  |
| --- | --- |
| D.  | a dilemma |

|  |  |
| --- | --- |
| E.  | a desire |

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|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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 want. |

|  |  |
| --- | --- |
| C.  | a craving. |

|  |  |
| --- | --- |
| D.  | a dilemma. |

|  |  |
| --- | --- |
| E.  | a desire. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 37. | Which of the following products does NOT satisfy a consumer need?

|  |  |
| --- | --- |
| A.  | a home security system |

|  |  |
| --- | --- |
| B.  | a winter coat |

|  |  |
| --- | --- |
| C.  | groceries |

|  |  |
| --- | --- |
| D.  | a house |

|  |  |
| --- | --- |
| E.  | cable television |

 |

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

|  |  |
| --- | --- |
| A.  | time, money, and expense. |

|  |  |
| --- | --- |
| B.  | culture, money, and geography. |

|  |  |
| --- | --- |
| C.  | personality, culture, and buying situation. |

|  |  |
| --- | --- |
| D.  | lifestyle, demographics, and economic conditions. |

|  |  |
| --- | --- |
| E.  | money, desire, and ability. |

 |

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

|  |  |
| --- | --- |
| A.  | a craving |

|  |  |
| --- | --- |
| B.  | a want |

|  |  |
| --- | --- |
| C.  | a demand |

|  |  |
| --- | --- |
| D.  | a necessity |

|  |  |
| --- | --- |
| E.  | an emergency |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 40. | An advertisement shows a group of boys playing soccer on a hot day. When they take a break, the group 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 \_\_\_\_\_, while Gatorade represents a \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | want; need |

|  |  |
| --- | --- |
| B.  | want; preference |

|  |  |
| --- | --- |
| C.  | craving; need |

|  |  |
| --- | --- |
| D.  | need; want |

|  |  |
| --- | --- |
| E.  | craving; preference |

 |

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

|  |  |
| --- | --- |
| A.  | 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. |

|  |  |
| --- | --- |
| 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 were responsible for not notifying the public that a crisis was looming. |

|  |  |
| --- | --- |
| 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 acted unethically by only advertising bank loan rates in certain areas of the country. |

 |

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

|  |  |
| --- | --- |
| A.  | product, price, promotion, and perception |

|  |  |
| --- | --- |
| B.  | production, promotion, profit, and participation |

|  |  |
| --- | --- |
| C.  | promotion, place, profit, and preference |

|  |  |
| --- | --- |
| D.  | product, price, place, and promotion |

|  |  |
| --- | --- |
| E.  | perception, preference, participation, payment |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 43. | All of the following are elements contained in the 4 Ps of the marketing mix EXCEPT

|  |  |
| --- | --- |
| A.  | price. |

|  |  |
| --- | --- |
| B.  | promotion. |

|  |  |
| --- | --- |
| C.  | profit. |

|  |  |
| --- | --- |
| D.  | place. |

|  |  |
| --- | --- |
| E.  | product. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.  | concept. |

|  |  |
| --- | --- |
| C.  | mix. |

|  |  |
| --- | --- |
| D.  | matrix. |

|  |  |
| --- | --- |
| E.  | model. |

 |

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

|  |  |
| --- | --- |
| A.  | dimensions. |

|  |  |
| --- | --- |
| B.  | concept. |

|  |  |
| --- | --- |
| C.  | framework. |

|  |  |
| --- | --- |
| D.  | matrix. |

|  |  |
| --- | --- |
| E.  | mix. |

 |

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

|  |  |
| --- | --- |
| A.  | How long has my product existed? |

|  |  |
| --- | --- |
| B.  | How much inventory should I have? |

|  |  |
| --- | --- |
| C.  | Should I offer customers a discount? |

|  |  |
| --- | --- |
| D.  | Do I need to hire salespeople? |

|  |  |
| --- | --- |
| E.  | How do I want the public to view my product? |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 47. | According to your text, any discussion of the marketing mix typically begins with the

|  |  |
| --- | --- |
| A.  | place. |

|  |  |
| --- | --- |
| B.  | price. |

|  |  |
| --- | --- |
| C.  | promotion. |

|  |  |
| --- | --- |
| D.  | consumers. |

|  |  |
| --- | --- |
| E.  | product. |

 |

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

|  |  |
| --- | --- |
| A.  | product |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| C.  | place |

|  |  |
| --- | --- |
| D.  | promotion |

|  |  |
| --- | --- |
| E.  | perception |

 |

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

|  |  |
| --- | --- |
| A.  | product |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| C.  | place |

|  |  |
| --- | --- |
| D.  | promotion |

|  |  |
| --- | --- |
| E.  | perception |

 |

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

|  |  |
| --- | --- |
| A.  | perception |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| C.  | place |

|  |  |
| --- | --- |
| D.  | promotion |

|  |  |
| --- | --- |
| E.  | product |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.  | purpose |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| C.  | place |

|  |  |
| --- | --- |
| D.  | promotion |

|  |  |
| --- | --- |
| E.  | product |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.  | participation |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| C.  | place |

|  |  |
| --- | --- |
| D.  | promotion |

|  |  |
| --- | --- |
| E.  | product |

 |

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

|  |  |
| --- | --- |
| A.  | social media |

|  |  |
| --- | --- |
| B.  | web media |

|  |  |
| --- | --- |
| C.  | online applications |

|  |  |
| --- | --- |
| D.  | Internet marketing |

|  |  |
| --- | --- |
| E.  | network marketing |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 54. | What type of marketing strategy is a company using if it consciously addresses customers, markets, and competition throughout the world?

|  |  |
| --- | --- |
| A.  | an import/export strategy |

|  |  |
| --- | --- |
| B.  | a global marketing strategy |

|  |  |
| --- | --- |
| C.  | a domestic market strategy |

|  |  |
| --- | --- |
| D.  | a foreign investment agreement |

|  |  |
| --- | --- |
| E.  | an international trade agreement |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 55. | What term is used to describe the increasingly interconnected nature of the world economy?

|  |  |
| --- | --- |
| A.  | globalization |

|  |  |
| --- | --- |
| B.  | internationalization |

|  |  |
| --- | --- |
| C.  | the marketing mix |

|  |  |
| --- | --- |
| D.  | relationship marketing |

|  |  |
| --- | --- |
| E.  | the worldwide web |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 56. | NAFTA is an international trade agreement between the United States

|  |  |
| --- | --- |
| A.  | and Brazil. |

|  |  |
| --- | --- |
| B.  | Canada, and Mexico. |

|  |  |
| --- | --- |
| C.  | China, and Japan. |

|  |  |
| --- | --- |
| D.  | and Great Britain. |

|  |  |
| --- | --- |
| E.  | India, and China. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 57. | Compare the following statements to determine which one accurately describes the impact NAFTA has had on U.S. farmers.

|  |  |
| --- | --- |
| A.  | Because of the heavy regulations imposed on exports, farmers have avoided exporting goods to participating NAFTA countries. |

|  |  |
| --- | --- |
| B.  | 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. |

|  |  |
| --- | --- |
| C.  | 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. |

|  |  |
| --- | --- |
| D.  | 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. |

|  |  |
| --- | --- |
| E.  | 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. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.  | patent. |

|  |  |
| --- | --- |
| C.  | brand. |

|  |  |
| --- | --- |
| D.  | logo. |

|  |  |
| --- | --- |
| 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.  | brand |

|  |  |
| --- | --- |
| B.  | logo |

|  |  |
| --- | --- |
| C.  | patent |

|  |  |
| --- | --- |
| D.  | trademark |

|  |  |
| --- | --- |
| E.  | style |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 60. | Compare the following definitions and select the one which accurately defines the term *corporate social responsibility*.

|  |  |
| --- | --- |
| A.  | an organization's responsibility to balance the desire for profit with the cost of having to employ people |

|  |  |
| --- | --- |
| B.  | any charitable measure taken by a firm that benefits society as a whole |

|  |  |
| --- | --- |
| C.  | an organization's responsibility to provide a good product at a fair price |

|  |  |
| --- | --- |
| D.  | an organization's obligation to maximize its positive impact and minimize its negative impact on society |

|  |  |
| --- | --- |
| E.  | an organization's obligation to benefit those who impact its ability to achieve its objectives |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 61. | In an effort to help raise awareness of hunger in the United States, Tyson Foods initiated the KNOW Hunger campaign to encourage people to KNOW the scope of hunger in their own communities. As part of this effort, Tyson has committed to donate one million pounds of chicken to food banks around the country. These actions by Tyson are an example of

|  |  |
| --- | --- |
| A.  | corporate social responsibility. |

|  |  |
| --- | --- |
| B.  | its marketing plan. |

|  |  |
| --- | --- |
| C.  | global marketing. |

|  |  |
| --- | --- |
| D.  | its marketing concept. |

|  |  |
| --- | --- |
| E.  | stakeholder responsibility. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 62. | What is a firm concerned with when it focuses specifically on the obligations an organization has to those who can affect whether or not the firm achieves its objectives?

|  |  |
| --- | --- |
| A.  | employee morale |

|  |  |
| --- | --- |
| B.  | corporate social responsibility |

|  |  |
| --- | --- |
| C.  | shareholder responsibility |

|  |  |
| --- | --- |
| D.  | ethical marketing |

|  |  |
| --- | --- |
| E.  | stakeholder responsibility |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 63. | All of the following are considered to be external stakeholders of a firm EXCEPT

|  |  |
| --- | --- |
| A.  | suppliers. |

|  |  |
| --- | --- |
| B.  | managers. |

|  |  |
| --- | --- |
| C.  | government. |

|  |  |
| --- | --- |
| D.  | customers. |

|  |  |
| --- | --- |
| E.  | shareholders. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 64. | Initiatives such as creating corporate charitable foundations, supporting minority activities and demanding responsible business practices throughout the organization are all examples of

|  |  |
| --- | --- |
| A.  | stakeholder responsibility. |

|  |  |
| --- | --- |
| B.  | social marketing efforts. |

|  |  |
| --- | --- |
| C.  | corporate social responsibility. |

|  |  |
| --- | --- |
| D.  | global marketing. |

|  |  |
| --- | --- |
| E.  | logistics. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 65. | Your text defines ethics as moral standards expected by

|  |  |
| --- | --- |
| A.  | an organization. |

|  |  |
| --- | --- |
| B.  | a society. |

|  |  |
| --- | --- |
| C.  | the AMA. |

|  |  |
| --- | --- |
| D.  | employees. |

|  |  |
| --- | --- |
| E.  | consumers. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 66. | Which of the following is NOT one of the ethical norms spelled out in the AMA's Code of Ethics?

|  |  |
| --- | --- |
| A.  | transparency |

|  |  |
| --- | --- |
| B.  | fairness |

|  |  |
| --- | --- |
| C.  | citizenship |

|  |  |
| --- | --- |
| D.  | balance |

|  |  |
| --- | --- |
| E.  | honesty |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 67. | Think about the ethical values set forth in the AMA's code of ethics. Which value is represented when a firm accepts constructive criticism from customers and other stakeholders?

|  |  |
| --- | --- |
| A.  | honesty |

|  |  |
| --- | --- |
| B.  | fairness |

|  |  |
| --- | --- |
| C.  | responsibility |

|  |  |
| --- | --- |
| D.  | respect |

|  |  |
| --- | --- |
| E.  | transparency |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 68. | As noted in your text, what was the result when some of the world's most ethical companies were compared to the S&P 500 index on a profitability measure?

|  |  |
| --- | --- |
| A.  | The firms that were identified as ethical were more profitable initially, but then showed a pattern of declining profitability compared to the mix of companies included in the S&P 500 index. |

|  |  |
| --- | --- |
| B.  | The firms that were identified as ethical were significantly less profitable on the whole than the mix of companies included in the S&P 500 index. |

|  |  |
| --- | --- |
| C.  | The firms that were identified as ethical were more profitable on the whole than the mix of companies included in the S&P 500 index. |

|  |  |
| --- | --- |
| D.  | The firms that were identified as ethical were not as profitable initially, but then showed a pattern of unprecedented profit increase when compared to the mix of companies included in the S&P 500 index. |

|  |  |
| --- | --- |
| E.  | The firms that were identified as ethical were equally profitable on the whole to the mix of companies included in the S&P 500 index. |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 69. | How many steps are there in the ethical decision-making framework?

|  |  |
| --- | --- |
| A.  | five |

|  |  |
| --- | --- |
| B.  | eight |

|  |  |
| --- | --- |
| C.  | six |

|  |  |
| --- | --- |
| D.  | seven |

|  |  |
| --- | --- |
| E.  | ten |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 70. | What is the first step in the ethical decision-making framework?

|  |  |
| --- | --- |
| A.  | identify the ethical issue at hand |

|  |  |
| --- | --- |
| B.  | identify the stakeholders impacted by the decision |

|  |  |
| --- | --- |
| C.  | consider how the issue will affect the stakeholders |

|  |  |
| --- | --- |
| D.  | determine the facts in an unbiased manner |

|  |  |
| --- | --- |
| E.  | discuss the issue with the stakeholders |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 71. | What step in the ethical decision-making framework is sometimes referred to as *seeing through a problem to the other side*?

|  |  |
| --- | --- |
| A.  | consider how the decision will affect the stakeholders |

|  |  |
| --- | --- |
| B.  | identify the ethical issue at hand |

|  |  |
| --- | --- |
| C.  | discuss the pending decision with the stakeholders |

|  |  |
| --- | --- |
| D.  | consider all available alternatives |

|  |  |
| --- | --- |
| E.  | make the decision |

 |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 72. | 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.  | product |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| C.  | place |

|  |  |
| --- | --- |
| D.  | promotion |

|  |  |
| --- | --- |
| E.  | profitability |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 73. | Which of the following questions would a firm ask if it were using the ethical decision-making framework regarding its product?

|  |  |
| --- | --- |
| A.  | Are the relationships between wholesalers and retailers inappropriate? |

|  |  |
| --- | --- |
| B.  | Does the advertising message represent the product's benefits honestly? |

|  |  |
| --- | --- |
| C.  | Should the firm increase prices due to a lack of local competition? |

|  |  |
| --- | --- |
| D.  | What default privacy settings should be built into a website? |

|  |  |
| --- | --- |
| E.  | Does the advertising message attack competing products rather than highlight the benefits of the firm's product? |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 74. | What impact can a successful marketing campaign have on nonprofit organizations?

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| A.  | It can help nonprofit organizations achieve a for-profit status. |

|  |  |
| --- | --- |
| B.  | It can help nonprofit organizations attract members and raise much-needed funds. |

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| --- | --- |
| C.  | It would have no impact since nonprofit organizations do not require marketing campaigns. |

|  |  |
| --- | --- |
| D.  | It can allow nonprofit organizations to receive tax breaks from the government. |

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| --- | --- |
| E.  | It can help to increase revenue and profits for the firm. |

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| 75. | According to your text, taking a marketing course can help your career in all of the following ways EXCEPT

|  |  |
| --- | --- |
| A.  | by helping you market yourself to get a job after college. |

|  |  |
| --- | --- |
| B.  | by helping you reach professional goals. |

|  |  |
| --- | --- |
| C.  | by helping you position yourself relative to others competing for the same job. |

|  |  |
| --- | --- |
| D.  | by helping you communicate your value so that you get an interview. |

|  |  |
| --- | --- |
| E.  | by helping you determine what career field you should enter. |

 |

**Fill in the Blank Questions**

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| --- | --- |
| 76. | 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 \_\_\_\_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

|  |  |
| --- | --- |
| 77. | \_\_\_\_\_\_\_\_\_\_ refers to the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared to the cost associated with obtaining it.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 78. | Regardless whether economic conditions are favorable or unfavorable, \_\_\_\_\_\_\_ of products introduced in the marketplace will fail.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 79. | The global network used to create and deliver products is referred to as the \_\_\_\_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 80. | Logistics is the process of coordinating the flow of \_\_\_\_\_\_\_\_\_ among members of the supply chain.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 81. | Firms with a \_\_\_\_\_\_\_\_ orientation believed that quality products would simply sell themselves.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 82. | The sales orientation era started in the mid-1920s and continued until \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 83. | The marketing concept reflects the idea that the long-term success for a firm must include a company-wide effort to satisfy \_\_\_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 84. | The marketing strategy that focuses on attracting, maintaining, and enhancing customer relationships is called \_\_\_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 85. | 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.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 86. | When a buyer and a seller trade things of value with each party being better off as a result, a(n) \_\_\_\_\_\_\_ has taken place.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 87. | A \_\_\_\_\_\_\_ can be described as a state of felt deprivation.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 88. | A \_\_\_\_\_\_\_ occurs when a person feels deprived of basic necessities such as food, clothing, shelter, transportation and safety.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 89. | The job of marketers is to focus on providing products that fulfill customers' \_\_\_\_\_\_\_, which in turn will satisfy their underlying \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 90. | 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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| 91. | The four Ps are elements that make up the \_\_\_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 92. | The four Ps are product, price, place and \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 93. | The combination of activities that represent everything a firm can do to influence demand for its good, service, or idea is called the \_\_\_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 94. | The central element in the marketing mix is \_\_\_\_\_\_\_, which is the element that all other decisions revolve around.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 95. | Directly related to the value consumers place on a product, the element of \_\_\_\_\_\_ is one of the most important strategic decisions a firm faces.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 96. | Typically, \_\_\_\_\_\_\_ is the easiest marketing mix element to change.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 97. | \_\_\_\_\_\_\_ decisions relate to locations, transportation, logistics, and managing the supply chain.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 98. | When people think of what marketing entails, they typically think about the element of \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 99. | \_\_\_\_\_\_\_ includes advertising, public relations, personal selling, and sales promotion  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 100. | A group of Internet-based applications that allow the creation and exchange of user-generated content is referred to as \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 101. | \_\_\_\_\_\_\_ is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 102. | Much of the growth in U.S. firms ranging from McDonald's to General Motors comes from their expansion into \_\_\_\_\_\_\_ markets.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 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 firm's products.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 104. | The increasingly interconnected nature of the world economy is referred to as \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 105. | NAFTA is an international trade agreement between \_\_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 106. | \_\_\_\_\_\_ is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 107. | An organization's obligation to maximize its positive impact and minimize its negative impact on society is referred to as \_\_\_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 108. | \_\_\_\_\_\_\_ focuses specifically on the obligations an organization has to those who can affect whether or not the firm achieves its objectives.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 109. | Employees, managers, and owners are all part of a firm's \_\_\_\_\_\_\_ stakeholders.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 110. | Creating charitable foundations, supporting minority activities and demanding responsible business practices throughout the organization are all initiatives a firm can take to show its commitment to \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 111. | Moral standards expected by a society are referred to as \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 112. | The document that marketers can use as a guide in ethical decision making called the Code of Ethics was developed by \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

|  |  |
| --- | --- |
| 113. | According to the AMA's Code of Ethics, to acknowledge the basic human dignity of all stakeholders represents the ethical value of \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 114. | \_\_\_\_\_\_\_ was the largest accounting firm in the United States in 2000, until a series of unethical decisions by a limited number of employees led to its demise.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 115. | There are \_\_\_\_\_\_\_ steps in the ethical decision-making framework.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 116. | The first step in the ethical decision-making framework is to \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 117. | The question - *Should jobs be outsourced to other members of the supply chain? -* relates to the \_\_\_\_\_\_\_ element of the marketing mix.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 118. | The ethical decision-making framework will be valuable only if \_\_\_\_\_\_\_ is clearly understood.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 119. | Charities, universities, and churches are all examples of \_\_\_\_\_\_\_.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| --- | --- |
| 120. | 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.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

**True / False Questions**

|  |  |
| --- | --- |
| 121. | Marketing refers to advertising and selling a product.  True    False |

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| 122. | 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 |

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| --- | --- |
| 123. | Regardless of market conditions, over 80 percent of all new products fail in the marketplace.  True    False |

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| 124. | Logistics is the process of coordinating the flow of money among members of the supply chain.  True    False |

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| 125. | The production era continued until the mid-1920s, when consumer demand could not keep up with the growth in production and new strategies were needed to maximize success.  True    False |

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| 126. | The sales orientation strategy is characterized by a customer orientation that focuses on customer satisfaction.  True    False |

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| 127. | 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 |

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| 128. | 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 |

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| 129. | Products like Facebook and Twitter are changing how firms interact with customers to better meet the needs of the marketplace.  True    False |

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| 130. | Marketers create value for customers when they develop products that allow consumers to satisfy their needs and wants through exchange relationships.  True    False |

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| 131. | In a marketing sense, there is really no difference between a *need* and a *want*.  True    False |

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| 132. | 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 |

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| 133. | The marketing mix is also referred to as the four Ps of marketing.  True    False |

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| 134. | The question- *How much inventory should I have?* -directly relates to the element of product.  True    False |

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| 135. | 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 |

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| 136. | Promotion is typically the easiest marketing mix element to change.  True    False |

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| 137. | Promotion involves the activities a firm undertakes to make its product available to potential customers.  True    False |

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| 138. | 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 |

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| 139. | The interconnected nature of the world economy is referred to as internationalization.  True    False |

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| --- | --- |
| 140. | 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 |

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| --- | --- |
| 141. | The small green gecko is part of the brand that differentiates GEICO's Auto insurance from that of other firms.  True    False |

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| --- | --- |
| 142. | An organization's obligation to maximize its positive impact and minimize its negative impact on society is referred to as stakeholder responsibility.  True    False |

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| 143. | Suppliers, creditors, and society as a whole are all part of a firm's external stakeholders.  True    False |

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| 144. | The number of Fortune 500 firms participating in CSR initiatives has increased dramatically in the past decade.  True    False |

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| 145. | The AMA Code of Ethics is not necessarily something that marketers need to adhere to for every marketing approach.  True    False |

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| 146. | When comparing ethical firms to the S&P 500 index for the years 2007-2011, it was discovered that firms identified as ethical were more profitable on the whole than the mix of companies included in the S&P 500 index.  True    False |

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| 147. | The first step in the ethical decision-making framework is to identify the ethical issue at hand.  True    False |

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| 148. | 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 |

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| 149. | Since they are not in the business of generating revenue or making profits, non-profit organizations do not need to rely on marketing efforts to be successful.  True    False |

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| 150. | 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 |

Chapter 01 Why Marketing Matters to You Answer Key

**Multiple Choice Questions**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1. | Marketing is defined as

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| --- | --- |
| A.  | any activity used to advertise and promote a product or service. |

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| --- | --- |
| B.  | the process of targeting and selecting a group of consumers or organizational buyers in order to promote a product or service. |

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| --- | --- |
| **C.**  | 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. |

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| --- | --- |
| D.  | the process of managing the supply chain to ensure that products are delivered where and when customers want them. |

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| E.  | the set of activities needed to produce and deliver a product that produces the highest return on investment. |

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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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

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| **A.**  | provide customers with value. |

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| --- | --- |
| B.  | increase profits by ensuring customers pay the highest price possible for a product. |

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| --- | --- |
| C.  | accurately and truthfully advertise the product. |

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| --- | --- |
| D.  | generate repeat sales from each and every customer. |

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| 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. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| 3. | Marketers define customer value as

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| --- | --- |
| A.  | providing a product at the lowest possible price after covering all production expenses. |

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| --- | --- |
| B.  | selling products that generate the least amount of customer returns or complaints. |

|  |  |
| --- | --- |
| C.  | selling a product regardless of whether or not it meets a customer's needs and/or wants. |

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| --- | --- |
| D.  | 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. |

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| **E.**  | the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared to the cost associated with obtaining it. |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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

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| --- | --- |
| A.  | a marketing exchange. |

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| --- | --- |
| B.  | relationship marketing. |

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| --- | --- |
| **C.**  | customer value. |

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| --- | --- |
| D.  | the marketing mix. |

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| E.  | benefit segmentation. |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 5. | What is the key to creating value?

|  |  |
| --- | --- |
| A.  | being the first to create a new product or service |

|  |  |
| --- | --- |
| **B.**  | providing consumers with benefits that meet their needs and wants |

|  |  |
| --- | --- |
| C.  | accurately advertising a product |

|  |  |
| --- | --- |
| D.  | making sure that products are priced lower than the competition |

|  |  |
| --- | --- |
| E.  | convincing consumers that they need a product, even if they do not perceive that they do |

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. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.**  | customer value. |

|  |  |
| --- | --- |
| B.  | benefit marketing. |

|  |  |
| --- | --- |
| C.  | benefit segmentation. |

|  |  |
| --- | --- |
| D.  | a marketing mix. |

|  |  |
| --- | --- |
| E.  | customer service. |

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. |

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

|  |  |
| --- | --- |
| A.  | 5 to 10 percent |

|  |  |
| --- | --- |
| B.  | approximately 25 percent |

|  |  |
| --- | --- |
| C.  | 50 percent |

|  |  |
| --- | --- |
| D.  | less than 3 percent |

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| --- | --- |
| **E.**  | over 80 percent |

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

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.  | consistently creating new products for the marketplace |

|  |  |
| --- | --- |
| C.  | figuring out how to charge the highest price for a product that customers are willing to pay |

|  |  |
| --- | --- |
| **D.**  | understanding the marketplace demands before competitors do |

|  |  |
| --- | --- |
| E.  | saturating the market with all forms of advertising promotions |

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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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 MOST LIKELY attempting to

|  |  |
| --- | --- |
| A.  | explain value. |

|  |  |
| --- | --- |
| **B.**  | communicate value. |

|  |  |
| --- | --- |
| C.  | deliver value. |

|  |  |
| --- | --- |
| D.  | forecast value. |

|  |  |
| --- | --- |
| E.  | market 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. |

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| 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.  | deliver value. |

|  |  |
| --- | --- |
| B.  | market value. |

|  |  |
| --- | --- |
| C.  | explain value. |

|  |  |
| --- | --- |
| D.  | forecast value. |

|  |  |
| --- | --- |
| **E.**  | communicate 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. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 11. | Having an efficient supply chain is critical if a firm wishes to

|  |  |
| --- | --- |
| **A.**  | deliver value. |

|  |  |
| --- | --- |
| B.  | forecast value. |

|  |  |
| --- | --- |
| C.  | create value. |

|  |  |
| --- | --- |
| D.  | communicate value. |

|  |  |
| --- | --- |
| E.  | market value. |

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

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.  | creating value. |

|  |  |
| --- | --- |
| B.  | communicating value. |

|  |  |
| --- | --- |
| **C.**  | delivering value. |

|  |  |
| --- | --- |
| D.  | forecasting value. |

|  |  |
| --- | --- |
| E.  | marketing 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. |

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| *AACSB: AnalyticBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 13. | The global network used to create and deliver products is referred to as

|  |  |
| --- | --- |
| A.  | the marketing chain. |

|  |  |
| --- | --- |
| B.  | the production cycle. |

|  |  |
| --- | --- |
| **C.**  | the supply chain. |

|  |  |
| --- | --- |
| D.  | logistics. |

|  |  |
| --- | --- |
| E.  | marketing. |

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. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 14. | Which of the following would NOT be considered a member of a supply chain?

|  |  |
| --- | --- |
| A.  | manufacturers |

|  |  |
| --- | --- |
| B.  | wholesalers |

|  |  |
| --- | --- |
| C.  | retailers |

|  |  |
| --- | --- |
| **D.**  | customers |

|  |  |
| --- | --- |
| E.  | shipping companies |

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. Customers do not deliver products, so they are not considered part of the supply chain. |

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| 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.**  | logistics. |

|  |  |
| --- | --- |
| B.  | production. |

|  |  |
| --- | --- |
| C.  | the supply chain. |

|  |  |
| --- | --- |
| D.  | operations. |

|  |  |
| --- | --- |
| E.  | marketing. |

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

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

|  |  |
| --- | --- |
| A.  | sales orientation, production orientation, marketing concept, relationship marketing |

|  |  |
| --- | --- |
| B.  | production orientation, marketing concept, relationship marketing, sales orientation |

|  |  |
| --- | --- |
| **C.**  | production orientation, sales orientation, marketing concept, relationship marketing |

|  |  |
| --- | --- |
| D.  | marketing concept, production orientation, sales orientation, relationship marketing |

|  |  |
| --- | --- |
| E.  | sales orientation, production orientation, relationship marketing, marketing concept |

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

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 17. | Which era in the history of marketing began in the early years of the United States and lasted until the mid-1920s?

|  |  |
| --- | --- |
| **A.**  | production orientation |

|  |  |
| --- | --- |
| B.  | sales orientation |

|  |  |
| --- | --- |
| C.  | marketing concept |

|  |  |
| --- | --- |
| D.  | relationship marketing |

|  |  |
| --- | --- |
| E.  | customer orientation |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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

|  |  |
| --- | --- |
| A.  | sales orientation |

|  |  |
| --- | --- |
| **B.**  | production orientation |

|  |  |
| --- | --- |
| C.  | marketing concept |

|  |  |
| --- | --- |
| D.  | relationship marketing |

|  |  |
| --- | --- |
| E.  | customer orientation |

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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 19. | The era in the evolution of marketing when firms produced more goods than they could sell and thus had to focus on effective sales forces to find customers for their growing production capacity was referred to as the

|  |  |
| --- | --- |
| A.  | sales orientation era. |

|  |  |
| --- | --- |
| B.  | relationship marketing era. |

|  |  |
| --- | --- |
| C.  | marketing concept era. |

|  |  |
| --- | --- |
| **D.**  | production orientation era. |

|  |  |
| --- | --- |
| E.  | customer orientation 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.  | customer orientation |

|  |  |
| --- | --- |
| B.  | production orientation |

|  |  |
| --- | --- |
| C.  | marketing concept |

|  |  |
| --- | --- |
| D.  | relationship marketing |

|  |  |
| --- | --- |
| **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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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

|  |  |
| --- | --- |
| A.  | production orientation |

|  |  |
| --- | --- |
| **B.**  | sales orientation |

|  |  |
| --- | --- |
| C.  | marketing concept |

|  |  |
| --- | --- |
| D.  | relationship marketing |

|  |  |
| --- | --- |
| E.  | customer orientation |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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

|  |  |
| --- | --- |
| A.  | We need to find more efficient means of creating quality products. |

|  |  |
| --- | --- |
| B.  | Our entire company needs to be focused on satisfying our customers' needs. |

|  |  |
| --- | --- |
| C.  | It's time we develop a strategy to attract and maintain more customers. |

|  |  |
| --- | --- |
| D.  | Our products are of such great quality, they practically sell themselves. |

|  |  |
| --- | --- |
| **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. |

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| *AACSB: Reflective ThinkingBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 23. | What is the premise behind the marketing concept?

|  |  |
| --- | --- |
| A.  | a company-wide focus on increasing profits |

|  |  |
| --- | --- |
| B.  | focusing on keeping the company stakeholders satisfied |

|  |  |
| --- | --- |
| C.  | an interest in streamlining production processes |

|  |  |
| --- | --- |
| **D.**  | a focus on satisfying the needs of the customer |

|  |  |
| --- | --- |
| E.  | utilizing all aspects of marketing to persuade consumers to buy |

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

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 24. | The marketing concept began to emerge in the

|  |  |
| --- | --- |
| A.  | 1920s. |

|  |  |
| --- | --- |
| B.  | 1930s. |

|  |  |
| --- | --- |
| **C.**  | 1950s. |

|  |  |
| --- | --- |
| D.  | 1970s. |

|  |  |
| --- | --- |
| E.  | 1990s. |

After two decades of economic depression and world war, the U.S. 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. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.**  | marketing concept |

|  |  |
| --- | --- |
| B.  | production orientation |

|  |  |
| --- | --- |
| C.  | sales orientation |

|  |  |
| --- | --- |
| D.  | customer orientation |

|  |  |
| --- | --- |
| E.  | relationship marketing |

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

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 26. | The focus of the marketing concept era was on

|  |  |
| --- | --- |
| A.  | production. |

|  |  |
| --- | --- |
| **B.**  | customers. |

|  |  |
| --- | --- |
| C.  | sales. |

|  |  |
| --- | --- |
| D.  | competition. |

|  |  |
| --- | --- |
| E.  | technology. |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 27. | Compare the following statements regarding relationship marketing to determine which is MOST accurate?

|  |  |
| --- | --- |
| **A.**  | Relationship marketing is most successful when firms focus on attracting, maintaining, and enhancing customer relationships. |

|  |  |
| --- | --- |
| B.  | Relationship marketing has waned as a viable strategy with the advent of the Internet. |

|  |  |
| --- | --- |
| C.  | Relationship marketing focuses on satisfying the needs of all the company stakeholders. |

|  |  |
| --- | --- |
| D.  | Relationship marketing is best described as the use of personal selling to persuade consumers to buy products. |

|  |  |
| --- | --- |
| E.  | Very few companies in today's marketplace are engaged in relationship marketing. |

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

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| *AACSB: Reflective ThinkingBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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 to them as well as send them articles that pertain to their favorite activities. In addition, Outdoor Adventures has added a section to their 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.**  | relationship marketing. |

|  |  |
| --- | --- |
| C.  | societal marketing. |

|  |  |
| --- | --- |
| D.  | logistics. |

|  |  |
| --- | --- |
| E.  | a sales orientation. |

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

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| *AACSB: Reflective ThinkingBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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

|  |  |
| --- | --- |
| A.  | 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. |

|  |  |
| --- | --- |
| B.  | Information posed online in blogs and through websites has not proven to be as successful as marketers thought since consumers often doubt the accuracy of the information posted. |

|  |  |
| --- | --- |
| **C.**  | 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. |

|  |  |
| --- | --- |
| D.  | 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. |

|  |  |
| --- | --- |
| E.  | Even though newspaper circulation has decreased in recent years, it is still the preferred way to advertise because of its low cost. |

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. |

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| *AACSB: Reflective ThinkingBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 30. | In marketing, an *exchange* refers to

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| A.  | the money paid by a consumer for a product or service. |

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| --- | --- |
| B.  | replacing a non-effective form of advertising for a more effective one. |

|  |  |
| --- | --- |
| C.  | two people bartering products and services for other products and services. |

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| --- | --- |
| D.  | updating or replacing a non-profitable product in hopes of generating more revenue. |

|  |  |
| --- | --- |
| **E.**  | buyers and sellers trading things of value so that each is better off as a result. |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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

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| --- | --- |
| A.  | bartering. |

|  |  |
| --- | --- |
| **B.**  | an exchange. |

|  |  |
| --- | --- |
| C.  | personal selling. |

|  |  |
| --- | --- |
| D.  | a marketing interchange. |

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| --- | --- |
| E.  | merchandising. |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 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 the family had to pay for advertising and therefore was engaged in *marketing*. |

|  |  |
| --- | --- |
| C.  | No, because Salina did not receive anything for participating in the event. |

|  |  |
| --- | --- |
| **D.**  | Yes, because participating in the run was exchanged for Salina's feeling of satisfaction for helping the family. |

|  |  |
| --- | --- |
| 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. |

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| *AACSB: Reflective ThinkingBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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

|  |  |
| --- | --- |
| **A.**  | determining the difference between consumer needs and wants |

|  |  |
| --- | --- |
| B.  | determining the best advertising outlet for a product |

|  |  |
| --- | --- |
| C.  | streamlining production costs to generate maximum profits |

|  |  |
| --- | --- |
| D.  | satisfying the needs of stakeholders |

|  |  |
| --- | --- |
| E.  | getting all members of an organization to agree on a marketing plan |

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. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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

|  |  |
| --- | --- |
| A.  | wants. |

|  |  |
| --- | --- |
| B.  | desires. |

|  |  |
| --- | --- |
| **C.**  | needs. |

|  |  |
| --- | --- |
| D.  | cravings. |

|  |  |
| --- | --- |
| E.  | opportunities. |

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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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 need |

|  |  |
| --- | --- |
| B.  | a want |

|  |  |
| --- | --- |
| C.  | a craving |

|  |  |
| --- | --- |
| D.  | a dilemma |

|  |  |
| --- | --- |
| E.  | a desire |

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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 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 want. |

|  |  |
| --- | --- |
| C.  | a craving. |

|  |  |
| --- | --- |
| D.  | a dilemma. |

|  |  |
| --- | --- |
| E.  | a desire. |

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. |

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| *AACSB: AnalyticBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 37. | Which of the following products does NOT satisfy a consumer need?

|  |  |
| --- | --- |
| A.  | a home security system |

|  |  |
| --- | --- |
| B.  | a winter coat |

|  |  |
| --- | --- |
| C.  | groceries |

|  |  |
| --- | --- |
| D.  | a house |

|  |  |
| --- | --- |
| **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*. |

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| *AACSB: AnalyticBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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

|  |  |
| --- | --- |
| A.  | time, money, and expense. |

|  |  |
| --- | --- |
| B.  | culture, money, and geography. |

|  |  |
| --- | --- |
| **C.**  | personality, culture, and buying situation. |

|  |  |
| --- | --- |
| D.  | lifestyle, demographics, and economic conditions. |

|  |  |
| --- | --- |
| E.  | money, desire, and ability. |

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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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

|  |  |
| --- | --- |
| A.  | a craving |

|  |  |
| --- | --- |
| **B.**  | a want |

|  |  |
| --- | --- |
| C.  | a demand |

|  |  |
| --- | --- |
| D.  | a necessity |

|  |  |
| --- | --- |
| E.  | an emergency |

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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 40. | An advertisement shows a group of boys playing soccer on a hot day. When they take a break, the group 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 \_\_\_\_\_, while Gatorade represents a \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | want; need |

|  |  |
| --- | --- |
| B.  | want; preference |

|  |  |
| --- | --- |
| C.  | craving; need |

|  |  |
| --- | --- |
| **D.**  | need; want |

|  |  |
| --- | --- |
| E.  | craving; preference |

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

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| *AACSB: Reflective ThinkingBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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

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| --- | --- |
| A.  | 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. |

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| --- | --- |
| **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 were responsible for not notifying the public that a crisis was looming. |

|  |  |
| --- | --- |
| 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 acted unethically by only advertising bank loan rates in certain areas of the country. |

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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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

|  |  |
| --- | --- |
| A.  | product, price, promotion, and perception |

|  |  |
| --- | --- |
| B.  | production, promotion, profit, and participation |

|  |  |
| --- | --- |
| C.  | promotion, place, profit, and preference |

|  |  |
| --- | --- |
| **D.**  | product, price, place, and promotion |

|  |  |
| --- | --- |
| E.  | perception, preference, participation, payment |

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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 43. | All of the following are elements contained in the 4 Ps of the marketing mix EXCEPT

|  |  |
| --- | --- |
| A.  | price. |

|  |  |
| --- | --- |
| B.  | promotion. |

|  |  |
| --- | --- |
| **C.**  | profit. |

|  |  |
| --- | --- |
| D.  | place. |

|  |  |
| --- | --- |
| E.  | product. |

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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 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.  | concept. |

|  |  |
| --- | --- |
| **C.**  | mix. |

|  |  |
| --- | --- |
| D.  | matrix. |

|  |  |
| --- | --- |
| E.  | model. |

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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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

|  |  |
| --- | --- |
| A.  | dimensions. |

|  |  |
| --- | --- |
| B.  | concept. |

|  |  |
| --- | --- |
| C.  | framework. |

|  |  |
| --- | --- |
| D.  | matrix. |

|  |  |
| --- | --- |
| **E.**  | 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 are: product, price, place, and promotion. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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

|  |  |
| --- | --- |
| A.  | How long has my product existed? |

|  |  |
| --- | --- |
| **B.**  | How much inventory should I have? |

|  |  |
| --- | --- |
| C.  | Should I offer customers a discount? |

|  |  |
| --- | --- |
| D.  | Do I need to hire salespeople? |

|  |  |
| --- | --- |
| E.  | How do I want the public to view my product? |

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

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 47. | According to your text, any discussion of the marketing mix typically begins with the

|  |  |
| --- | --- |
| A.  | place. |

|  |  |
| --- | --- |
| B.  | price. |

|  |  |
| --- | --- |
| C.  | promotion. |

|  |  |
| --- | --- |
| D.  | consumers. |

|  |  |
| --- | --- |
| **E.**  | product. |

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. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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

|  |  |
| --- | --- |
| A.  | product |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| **C.**  | place |

|  |  |
| --- | --- |
| D.  | promotion |

|  |  |
| --- | --- |
| E.  | perception |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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

|  |  |
| --- | --- |
| A.  | product |

|  |  |
| --- | --- |
| **B.**  | price |

|  |  |
| --- | --- |
| C.  | place |

|  |  |
| --- | --- |
| D.  | promotion |

|  |  |
| --- | --- |
| E.  | perception |

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. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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

|  |  |
| --- | --- |
| A.  | perception |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| **C.**  | place |

|  |  |
| --- | --- |
| D.  | promotion |

|  |  |
| --- | --- |
| E.  | product |

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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.  | purpose |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| C.  | place |

|  |  |
| --- | --- |
| **D.**  | promotion |

|  |  |
| --- | --- |
| E.  | product |

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

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| *AACSB: AnalyticBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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.  | participation |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| C.  | place |

|  |  |
| --- | --- |
| **D.**  | promotion |

|  |  |
| --- | --- |
| E.  | product |

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. |

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| *AACSB: TechnologyBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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

|  |  |
| --- | --- |
| **A.**  | social media |

|  |  |
| --- | --- |
| B.  | web media |

|  |  |
| --- | --- |
| C.  | online applications |

|  |  |
| --- | --- |
| D.  | Internet marketing |

|  |  |
| --- | --- |
| E.  | network marketing |

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

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| *AACSB: TechnologyBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 54. | What type of marketing strategy is a company using if it consciously addresses customers, markets, and competition throughout the world?

|  |  |
| --- | --- |
| A.  | an import/export strategy |

|  |  |
| --- | --- |
| **B.**  | a global marketing strategy |

|  |  |
| --- | --- |
| C.  | a domestic market strategy |

|  |  |
| --- | --- |
| D.  | a foreign investment agreement |

|  |  |
| --- | --- |
| E.  | an international trade agreement |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 55. | What term is used to describe the increasingly interconnected nature of the world economy?

|  |  |
| --- | --- |
| **A.**  | globalization |

|  |  |
| --- | --- |
| B.  | internationalization |

|  |  |
| --- | --- |
| C.  | the marketing mix |

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| D.  | relationship marketing |

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| E.  | the worldwide web |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 56. | NAFTA is an international trade agreement between the United States

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| A.  | and Brazil. |

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| **B.**  | Canada, and Mexico. |

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| C.  | China, and Japan. |

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| D.  | and Great Britain. |

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| E.  | India, and China. |

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

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 57. | Compare the following statements to determine which one accurately describes the impact NAFTA has had on U.S. farmers.

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| A.  | Because of the heavy regulations imposed on exports, farmers have avoided exporting goods to participating NAFTA countries. |

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| B.  | 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. |

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| C.  | 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. |

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| D.  | 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. |

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| **E.**  | 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. |

The relaxation of trade restrictions between the U.S., 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. |

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| *AACSB: Reflective ThinkingBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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

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| --- | --- |
| A.  | trademark. |

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| --- | --- |
| B.  | patent. |

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| --- | --- |
| **C.**  | brand. |

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| --- | --- |
| D.  | logo. |

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| 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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

|  |  |
| --- | --- |
| **A.**  | brand |

|  |  |
| --- | --- |
| B.  | logo |

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| --- | --- |
| C.  | patent |

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| --- | --- |
| D.  | trademark |

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| --- | --- |
| 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. |

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| *AACSB: AnalyticBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 60. | Compare the following definitions and select the one which accurately defines the term *corporate social responsibility*.

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| A.  | an organization's responsibility to balance the desire for profit with the cost of having to employ people |

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| B.  | any charitable measure taken by a firm that benefits society as a whole |

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| --- | --- |
| C.  | an organization's responsibility to provide a good product at a fair price |

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| --- | --- |
| **D.**  | an organization's obligation to maximize its positive impact and minimize its negative impact on society |

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| E.  | an organization's obligation to benefit those who impact its ability to achieve its objectives |

Corporate social responsibility is an organization's obligation to maximize its positive impact and minimize its negative impact on society. |

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| *AACSB: AnalyticBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 61. | In an effort to help raise awareness of hunger in the United States, Tyson Foods initiated the KNOW Hunger campaign to encourage people to KNOW the scope of hunger in their own communities. As part of this effort, Tyson has committed to donate one million pounds of chicken to food banks around the country. These actions by Tyson are an example of

|  |  |
| --- | --- |
| **A.**  | corporate social responsibility. |

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| --- | --- |
| B.  | its marketing plan. |

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| --- | --- |
| C.  | global marketing. |

|  |  |
| --- | --- |
| D.  | its marketing concept. |

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| --- | --- |
| E.  | stakeholder responsibility. |

Corporate social responsibility is an organization's obligation to maximize its positive impact and minimize its negative impact on society. The actions of Tyson are an example of maximizing positive impact. |

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| *AACSB: AnalyticBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 62. | What is a firm concerned with when it focuses specifically on the obligations an organization has to those who can affect whether or not the firm achieves its objectives?

|  |  |
| --- | --- |
| A.  | employee morale |

|  |  |
| --- | --- |
| B.  | corporate social responsibility |

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| --- | --- |
| C.  | shareholder responsibility |

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| --- | --- |
| D.  | ethical marketing |

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| **E.**  | stakeholder responsibility |

A firm is concerned with stakeholder responsibility if it focuses on the obligations it has to those who can affect whether or not a firm achieves its objectives. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 63. | All of the following are considered to be external stakeholders of a firm EXCEPT

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| --- | --- |
| A.  | suppliers. |

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| --- | --- |
| **B.**  | managers. |

|  |  |
| --- | --- |
| C.  | government. |

|  |  |
| --- | --- |
| D.  | customers. |

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| --- | --- |
| E.  | shareholders. |

Managers, along with employees and owners are the *internal* stakeholders of a firm. The *external* stakeholders include: suppliers, society, government, creditors, shareholders, and customers. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 64. | Initiatives such as creating corporate charitable foundations, supporting minority activities and demanding responsible business practices throughout the organization are all examples of

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| --- | --- |
| A.  | stakeholder responsibility. |

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| --- | --- |
| B.  | social marketing efforts. |

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| --- | --- |
| **C.**  | corporate social responsibility. |

|  |  |
| --- | --- |
| D.  | global marketing. |

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| --- | --- |
| E.  | logistics. |

There are various initiatives a firm can take to show its commitment to corporate social responsibility. Creating corporate charitable foundations, supporting minority activities and demanding responsible business practices throughout the organization are a few examples. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 65. | Your text defines ethics as moral standards expected by

|  |  |
| --- | --- |
| A.  | an organization. |

|  |  |
| --- | --- |
| **B.**  | a society. |

|  |  |
| --- | --- |
| C.  | the AMA. |

|  |  |
| --- | --- |
| D.  | employees. |

|  |  |
| --- | --- |
| E.  | consumers. |

Ethics are moral standards expected by a society. |

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| *AACSB: EthicsBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 66. | Which of the following is NOT one of the ethical norms spelled out in the AMA's Code of Ethics?

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| --- | --- |
| A.  | transparency |

|  |  |
| --- | --- |
| B.  | fairness |

|  |  |
| --- | --- |
| C.  | citizenship |

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| --- | --- |
| **D.**  | balance |

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| --- | --- |
| E.  | honesty |

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

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 67. | Think about the ethical values set forth in the AMA's code of ethics. Which value is represented when a firm accepts constructive criticism from customers and other stakeholders?

|  |  |
| --- | --- |
| A.  | honesty |

|  |  |
| --- | --- |
| B.  | fairness |

|  |  |
| --- | --- |
| C.  | responsibility |

|  |  |
| --- | --- |
| D.  | respect |

|  |  |
| --- | --- |
| **E.**  | transparency |

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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 68. | As noted in your text, what was the result when some of the world's most ethical companies were compared to the S&P 500 index on a profitability measure?

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| --- | --- |
| A.  | The firms that were identified as ethical were more profitable initially, but then showed a pattern of declining profitability compared to the mix of companies included in the S&P 500 index. |

|  |  |
| --- | --- |
| B.  | The firms that were identified as ethical were significantly less profitable on the whole than the mix of companies included in the S&P 500 index. |

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| --- | --- |
| **C.**  | The firms that were identified as ethical were more profitable on the whole than the mix of companies included in the S&P 500 index. |

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| --- | --- |
| D.  | The firms that were identified as ethical were not as profitable initially, but then showed a pattern of unprecedented profit increase when compared to the mix of companies included in the S&P 500 index. |

|  |  |
| --- | --- |
| E.  | The firms that were identified as ethical were equally profitable on the whole to the mix of companies included in the S&P 500 index. |

As noted in your text, when compared to the mix of companies that make-up the S&P 500, firms that were identified as the world's most ethical were more profitable on the whole. This held true even in 2008, during the worst of the U.S. recession. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 69. | How many steps are there in the ethical decision-making framework?

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| --- | --- |
| A.  | five |

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| --- | --- |
| **B.**  | eight |

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| --- | --- |
| C.  | six |

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| --- | --- |
| D.  | seven |

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| --- | --- |
| E.  | ten |

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

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| *AACSB: EthicsBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 70. | What is the first step in the ethical decision-making framework?

|  |  |
| --- | --- |
| A.  | identify the ethical issue at hand |

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| --- | --- |
| B.  | identify the stakeholders impacted by the decision |

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| --- | --- |
| C.  | consider how the issue will affect the stakeholders |

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| --- | --- |
| **D.**  | determine the facts in an unbiased manner |

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| --- | --- |
| E.  | discuss the issue with the stakeholders |

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. |

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| *AACSB: EthicsBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 71. | What step in the ethical decision-making framework is sometimes referred to as *seeing through a problem to the other side*?

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| --- | --- |
| **A.**  | consider how the decision will affect the stakeholders |

|  |  |
| --- | --- |
| B.  | identify the ethical issue at hand |

|  |  |
| --- | --- |
| C.  | discuss the pending decision with the stakeholders |

|  |  |
| --- | --- |
| D.  | consider all available alternatives |

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| --- | --- |
| E.  | make the decision |

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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 72. | 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.  | product |

|  |  |
| --- | --- |
| B.  | price |

|  |  |
| --- | --- |
| **C.**  | place |

|  |  |
| --- | --- |
| D.  | promotion |

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| --- | --- |
| 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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 73. | Which of the following questions would a firm ask if it were using the ethical decision-making framework regarding its product?

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| --- | --- |
| A.  | Are the relationships between wholesalers and retailers inappropriate? |

|  |  |
| --- | --- |
| B.  | Does the advertising message represent the product's benefits honestly? |

|  |  |
| --- | --- |
| C.  | Should the firm increase prices due to a lack of local competition? |

|  |  |
| --- | --- |
| **D.**  | What default privacy settings should be built into a website? |

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| --- | --- |
| E.  | Does the advertising message attack competing products rather than highlight the benefits of the firm's product? |

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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 74. | What impact can a successful marketing campaign have on nonprofit organizations?

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| --- | --- |
| A.  | It can help nonprofit organizations achieve a for-profit status. |

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| --- | --- |
| **B.**  | It can help nonprofit organizations attract members and raise much-needed funds. |

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| --- | --- |
| C.  | It would have no impact since nonprofit organizations do not require marketing campaigns. |

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| --- | --- |
| D.  | It can allow nonprofit organizations to receive tax breaks from the government. |

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| --- | --- |
| E.  | It can help to increase revenue and profits for the firm. |

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. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.Topic: Marketing for Nonprofit Organizations* |

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| 75. | According to your text, taking a marketing course can help your career in all of the following ways EXCEPT

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| --- | --- |
| A.  | by helping you market yourself to get a job after college. |

|  |  |
| --- | --- |
| B.  | by helping you reach professional goals. |

|  |  |
| --- | --- |
| C.  | by helping you position yourself relative to others competing for the same job. |

|  |  |
| --- | --- |
| D.  | by helping you communicate your value so that you get an interview. |

|  |  |
| --- | --- |
| **E.**  | by helping you determine what career field you should enter. |

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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.Topic: Marketing Yourself* |

**Fill in the Blank Questions**

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| --- | --- |
| 76. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| 77. | \_\_\_\_\_\_\_\_\_\_ refers to the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared to the cost associated with obtaining it.  **Customer value**Customer value refers to the perceived benefits a customer receives from a product compared to 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| --- | --- |
| 78. | Regardless whether economic conditions are favorable or unfavorable, \_\_\_\_\_\_\_ of products introduced in the marketplace will fail.  **over 80 percent**Consistently, over 80 percent of all new products introduced into the marketplace will fail regardless whether economic conditions are good or bad. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| 79. | The global network used to create and deliver products is referred to as the \_\_\_\_\_\_\_\_\_\_.  **supply chain**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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| --- | --- |
| 80. | Logistics is the process of coordinating the flow of \_\_\_\_\_\_\_\_\_ among members of the supply chain.  **information, goods, and services**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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| --- | --- |
| 81. | Firms with a \_\_\_\_\_\_\_\_ orientation believed that quality products would simply sell themselves.  **production**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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 82. | The sales orientation era started in the mid-1920s and continued until \_\_\_\_\_\_\_.  **the end of World War II**The selling era continued until the end of World War II. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 83. | The marketing concept reflects the idea that the long-term success for a firm must include a company-wide effort to satisfy \_\_\_\_\_\_\_\_\_.  **customer needs**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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| --- | --- |
| 84. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 85. | 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. |

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| *AACSB: Reflective ThinkingBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 86. | 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**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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 87. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 88. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 89. | The job of marketers is to focus on providing products that fulfill customers' \_\_\_\_\_\_\_, which in turn will satisfy their underlying \_\_\_\_\_\_\_.  **wants; 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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 90. | 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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 91. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 92. | The four Ps are product, price, place and \_\_\_\_\_\_\_.  **promotion**The four Ps of the marketing mix are product, price, place and promotion. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 93. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 94. | 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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 95. | 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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 96. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 97. | \_\_\_\_\_\_\_ 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 98. | When people think of what marketing entails, they typically think about the element of \_\_\_\_\_\_\_.  **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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 99. | \_\_\_\_\_\_\_ 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 100. | 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 social media refers to a group of Internet-based applications that allow the creation and exchange of user-generated content. |

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| *AACSB: TechnologyBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 101. | \_\_\_\_\_\_\_ is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.  **Global marketing**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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 1 EasyLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 102. | Much of the growth in U.S. firms ranging from McDonald's to General Motors comes from their expansion into \_\_\_\_\_\_\_ markets.  **international**Modern marketers must not only create, communicate and deliver value, but do so in a global marketplace. Much of the growth in U.S. firms has come from their expansion into international markets. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 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 firm's 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. |

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| *AACSB: AnalyticBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 104. | The increasingly interconnected nature of the world economy is referred to as \_\_\_\_\_\_\_.  **globalization**Globalization refers to the interconnected nature of the world economy. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 105. | NAFTA is an international trade agreement between \_\_\_\_\_\_\_\_.  **the U.S., Canada, and Mexico**The North American Free Trade Agreement (NAFTA) relaxed trade restrictions between the U.S., Canada, and Mexico. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 106. | \_\_\_\_\_\_ is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.  **Global marketing**Global marketing is a marketing strategy that consciously addresses customers, markets, and competition throughout the world. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 107. | An organization's obligation to maximize its positive impact and minimize its negative impact on society is referred to as \_\_\_\_\_\_\_\_\_.  **corporate social responsibility**Corporate social responsibility (CSR) refers to an organization's obligation to maximize its positive impact and minimize its negative impact on society. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 108. | \_\_\_\_\_\_\_ focuses specifically on the obligations an organization has to those who can affect whether or not the firm achieves its objectives.  **Stakeholder responsibility**Stakeholder responsibility refers to the obligations an organization has to those who can affect whether or not the firm achieves its objectives. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 109. | Employees, managers, and owners are all part of a firm's \_\_\_\_\_\_\_ stakeholders.  **internal**Firms have responsibilities to a variety of internal and external stakeholder groups. Internal stakeholders include employees, managers, and owners. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 110. | Creating charitable foundations, supporting minority activities and demanding responsible business practices throughout the organization are all initiatives a firm can take to show its commitment to \_\_\_\_\_\_\_.  **corporate social responsibility**Corporate social responsibility is expanding to include a wide range of initiatives such as creating charitable foundations, supporting minority activities and demanding responsible business practices throughout the organization. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 111. | 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. |

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| *AACSB: EthicsBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 112. | 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**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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 1 EasyLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 113. | 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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 114. | \_\_\_\_\_\_\_ was the largest accounting firm in the United States in 2000, until a series of unethical decisions by a limited number of employees led to its demise.  **Arthur Andersen**Ignoring ethical considerations has destroyed some of the largest companies in the world, including Arthur Anderson. |

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| *AACSB: EthicsBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 115. | There are \_\_\_\_\_\_\_ steps in the ethical decision-making framework.  **eight**Eight steps make up the ethical decision-making framework that can be used in almost any marketing challenge. |

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| *AACSB: EthicsBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 116. | The first step in the ethical decision-making framework is to \_\_\_\_\_\_\_.  **determine the facts in an unbiased manner**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. |

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| *AACSB: EthicsBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 117. | 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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 118. | The ethical decision-making framework will be valuable only if \_\_\_\_\_\_\_ is clearly understood.  **the issue itself**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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 119. | Charities, universities, and churches are all examples of \_\_\_\_\_\_\_.  **non-profit organizations**As with for-profit firms, marketing efforts are an essential part of the success of nonprofit organizations such as charities, universities, and churches. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.Topic: Marketing for Nonprofit Organizations* |

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| 120. | 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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.Topic: Marketing Yourself* |

**True / False Questions**

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| 121. | Marketing refers to advertising and selling a product.  **FALSE**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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| 122. | 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 benefits both monetary and nonmonetary, that customers receive from a product compared to the cost associated with obtaining it. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| 123. | 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 whether economic conditions are good or bad. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| 124. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Define marketing and describe a marketer's role in creating; communicating; and delivering value.Topic: The Value of Marketing* |

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| 125. | The production era continued until the mid-1920s, when 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 the mid-1920s, when 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 126. | 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. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 127. | 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. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 128. | 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. |

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| *AACSB: Reflective ThinkingBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 129. | 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 perceive to receive information. The use of Facebook and Twitter is one example of how firms are adapting to this new environment. |

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| *AACSB: TechnologyBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Differentiate among the various eras in the history of marketing.Topic: History of Marketing* |

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| 130. | 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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 131. | 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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 132. | 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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Distinguish between consumer needs and consumer wants.Topic: Needs Versus Wants* |

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| 133. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 134. | 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*. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 135. | 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. |

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| *AACSB: AnalyticBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 136. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 137. | 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*. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 138. | 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. |

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| *AACSB: TechnologyBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-04 Explain each of the four elements in the marketing mix.Topic: The Marketing Mix: The Four Ps* |

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| 139. | 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. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 140. | 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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 141. | 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. |

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| *AACSB: AnalyticBlooms: ApplyDifficulty: 3 HardLearning Objective: 01-05 Discuss the importance of globalization in the field of marketing.Topic: Trends Affecting Marketing* |

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| 142. | An organization's obligation to maximize its positive impact and minimize its negative impact on society is referred to as stakeholder responsibility.  **FALSE**Corporate social responsibility (CSR) is the term used for an organization's obligation to maximize its positive impact and minimize its negative impact on society. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 143. | Suppliers, creditors, and society as a whole are all part of a firm's external stakeholders.  **TRUE**Firms have responsibilities to a variety of internal and external stakeholder groups. External stakeholders include customers, suppliers, creditors, shareholders, governments, and society as a whole. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 144. | The number of Fortune 500 firms participating in CSR initiatives has increased dramatically in the past decade.  **TRUE**In 2002, only about a dozen Fortune 500 firms issued a CSR report. Today, over 300 Fortune 500 firms issue a CSR report annually. |

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| *AACSB: AnalyticBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Evaluate the potential benefits of corporate social responsibility.Topic: Trends Affecting Marketing* |

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| 145. | 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. |

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| *AACSB: EthicsBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 146. | When comparing ethical firms to the S&P 500 index for the years 2007-2011, it was discovered that firms identified as ethical were more profitable on the whole than the mix of companies included in the S&P 500 index.  **TRUE**Making ethical decisions not only makes good business sense, it can also generate profits, even during a recession. During the years from 2007 to 2011, firms identified as being ethical were more profitable on the whole than the mix of companies included in the S&P 500 index. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 147. | 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. |

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| *AACSB: EthicsBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 148. | 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. |

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| *AACSB: EthicsBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-07 Demonstrate the relationship between ethical business practices and marketplace success.Topic: Trends Affecting Marketing* |

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| 149. | Since they are not in the business of generating revenue or making profits, non-profit 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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.Topic: Marketing for Nonprofit Organizations* |

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| 150. | Professionally speaking, the same marketing principles used in business settings can help you market yourself and help you to reach your professional goals.  **TRUE**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. |

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| *AACSB: AnalyticBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-08 Analyze the functions of marketing beyond the for-profit firm.Topic: Marketing Yourself* |