

Multiple Choice Questions

Chapter 1: Processes and applications of direct marketing

- 1-1. _____ is a database-driven interactive process of directly communicating with targeted customers or prospects using any medium to obtain a measurable response or transaction via one or multiple channels.
- A. database marketing
 - B. direct marketing
 - C. mass marketing
 - D. affiliate marketing

(Answer: b., p. 9)

- 1-2. Direct marketing as a term is synonymous with _____.
- A. mail order selling
 - B. Internet advertising
 - C. telemarketing
 - D. none of the above

(Answer: d., p. 9)

- 1-3. Direct marketing objectives do not include _____.
- A. selling merchandise for a company
 - B. enhancing a company's image
 - C. getting people to visit a store
 - D. getting people to inquire about a specific product or service

(Answer: b., p. 10-11)

- 1-4. Brand marketing and direct marketing are converging because of:
- A. cost
 - B. the regulatory environment
 - C. the digital revolution
 - D. the cost of paper

(Answer: c., p. 11)

- 1-5. Direct marketing is known for having its historical roots in _____ and _____.
- A. measurability and accountability

- B. direct mail and mail order selling
- C. Internet mail and on-line catalogs
- D. offers and promotions

(Answer: b., p. 11)

- 1-6. Direct marketing is characterized by ____.
- A. ongoing relationships and affinity with customers
 - B. measurement of results and accountability for costs
 - C. multichannel fulfillment and distribution
 - D. all of the above

(Answer: d., p. 10)

- 1-7. Which of the following are not factors that have affected the growth of direct marketing?
- A. more banking options
 - B. improved printing techniques
 - C. dissatisfaction with retail outlets
 - D. increasing use of credit cards

(Answer: a., p. 12-14)

- 1-8. Which of the following is not a basic characteristic of direct marketing?
- A. Measurement of results
 - B. Accountability for costs
 - C. discounts
 - D. customer/prospect database

(Answer: c., p. 10)

- 1-9. ____ allows customers to select the media or channels they prefer when shopping for products and services.
- A. Multichannel distribution
 - B. Internet marketing
 - C. Electronic media
 - D. Response marketing

(Answer: a., p. 19)

- 1-10. Multichannel distribution means:
- A. using more than one direct mail campaign to reach customers

- B. using more than one television or cable station to reach customers
- C. using a variety of media to reach customers
- D. none of the above

(Answer: c., p. 19)

1-11. The seamless approach to delivering a consistent brand experience across all available channels and devices a customer uses to interact with a company or organization and its brands is called:

- A. Customer Lifetime Value
- B. Market Segmentation
- C. Omni-Channel Marketing
- D. Multi-Channel Fulfillment

(Answer: c., p. 20)

1-17. The goal of the direct marketer is to:

- A. eliminate brand marketing
- B. interact with the customer on a one-to-one basis
- C. do everything inexpensively
- D. use as few channels as possible to get the message out

(Answer: b., p. 17)

1-18. Which of the following transactions is not an example of direct marketing?

- A. Going to a retail store to purchase an item seen in their Christmas catalog that you received by mail.
- B. Purchasing clothing from a Land's End catalog, given to you by a friend.
- C. Selecting a new set of tires at a Firestone neighborhood store.
- D. Ordering a Kenmore vacuum cleaner by mail from a Sears sales catalog.

(Answer: c., p. 19)

1-19. Organizations that can benefit from the use of a database and direct marketing include which of the following?

- A. product and service enterprises
- B. non-profit organizations
- C. political action groups
- D. all of the above

(Answer: d., p. 21)

- 1-20. Marketers are able to target relevant communications to customers based on geographic location, utilizing _____.
A. placement analysis
B. navi-tags
C. geo-tags
D. none of the above

(Answer: c., p. 17)

- 1-21. The single most notable differentiating feature of direct marketing is that it always seeks to generate _____.
A. an immediate purchase
B. a measurable response
C. awareness
D. none of the above

(Answer: b., p. 18)

- 1-22. The “historical foundations” of direct marketing are centered on _____.
A. customer relationship management
B. high-tech media
C. list rental activities
D. multi-channels

(Answer: a., p. 14-15)

- 1-23. Non-profit organizations use direct marketing primarily in order to:
A. keep costs down
B. let people know about their cause and gain support
C. sell their own products
D. avoid legal challenges to mass advertising practices

(Answer: b., p. 24)

- 1-24. According to the text, Victoria’s Secret is an excellent example of a company that uses _____.
A. team-based buying
B. high-tech media formats
C. multichannel distribution

D. database marketing

(Answer: c., p. 19)

- 1-25. Sports organizations use direct marketing to:
- A. fill seats
 - B. get corporate supports
 - C. promote special events to season ticket holders
 - D. all of the above

(Answer: d., p. 28)

TRUE-FALSE

- 1-26. The Internet has not yet proved to be a valuable tool in political fundraising.
(false, p. 24)
- 1-27. The goal of direct marketers is to interact with customers on a one-to-one basis, based on information obtained and stored about each customer in the customer database.
(true, p. 17)
- 1-28. The goal of direct marketing is to make a sale.
(false, p. 19)
- 1-29. Mass media expenditures and practices have not yet been significantly impacted by direct marketing.
(false, p. 15)
- 1-30. Inherent to the effectiveness of the direct marketing process is the constant focus on offer creation.
(false, p. 14)
- 1-31. Direct marketing is measurable, with results always being related to costs.
(true, p. 18)
- 1-32. Sears Roebuck & Company was the first to create the concept of mail-order catalogs.
(false, p. 11)

- 1-33. The Internet has placed a new perspective on how organizations transact as well as on how businesses are valued.
(true, p. 12)

- 1-34. Micro-targeting has proved to be a valuable technique for political parties.
(true, p. 25)

- 1-35. Lack of budget, marketing skills, and senior level buy-in are reasons why all direct marketers don't embrace omni-channel marketing.
(true, p. 21)

- 1-36. An uncontrollable variable in sports marketing is the reputation of the visiting team.
(true, p. 30)

- 1-37. New marketing channels continue to emerge while traditional channels grow irrelevant.
(false, p. 20)