

<https://sell.docx.com/products/marketing-fundamentals-2e-test-bank-baines>

Test Bank

Type: multiple choice question

Title: Chapter 01 Question 01

1) The key focus of the American Marketing Association's (AMA) 2013 definition of marketing is:

a. Organizational activities.

Feedback: Incorrect. The AMA definition stresses the importance of considering the customer, of determining their requirements or needs, by defining marketing as 'the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large' (AMA, 2013).

Page reference: 6

b. Product components.

Feedback: Incorrect. The AMA definition stresses the importance of considering the customer, of determining their requirements or needs, by defining marketing as 'the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large' (AMA, 2013).

Page reference: 6

c. Shareholder returns.

Feedback: Incorrect. The AMA definition stresses the importance of considering the customer, of determining their requirements or needs, by defining marketing as 'the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large' (AMA, 2013).

Page reference: 6

*d. Customers.

Feedback: Correct. The AMA definition stresses the importance of considering the customer, of determining their requirements or needs, by defining marketing as 'the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large' (AMA, 2013).

Page reference: 6

Type: multiple choice question

Title: Chapter 01 Question 02

2) The key difference between a customer and a consumer is that:

*a. A customer purchases a product while a consumer uses a product offering.

Feedback: Correct. A customer is a buyer, a purchaser, a patron, a client; or a shopper, and thus a customer is someone who buys from a shop, a website, a business, and, increasingly, another customer (e.g. Airbnb or eBay). The difference between a customer and a consumer is that while a customer purchases or obtains a product, service, or idea, a consumer uses it (or eats it in the case of food).

Page reference: 6

b. A consumer purchases a product and a customer consumes it.

Feedback: Incorrect. A customer is a buyer, a purchaser, a patron, a client; or a shopper, and thus a customer is someone who buys from a shop, a website, a business, and, increasingly, another customer (e.g. Airbnb or eBay). The difference between a customer and a consumer is that while a customer purchases or obtains a product, service, or idea, a consumer uses it (or eats it in the case of food).

Page reference: 6

c. A consumer only exists in B2B marketing contexts.

Feedback: Incorrect. A customer is a buyer, a purchaser, a patron, a client; or a shopper, and thus a customer is someone who buys from a shop, a website, a business, and, increasingly, another customer (e.g. Airbnb or eBay). The difference between a customer and a consumer is that while a customer purchases or obtains a product, service, or idea, a consumer uses it (or eats it in the case of food).

Page reference: 6

d. A customer both purchases and uses the product, where as a consumer only purchases it.

Feedback: Incorrect. A customer is a buyer, a purchaser, a patron, a client; or a shopper, and

thus a customer is someone who buys from a shop, a website, a business, and, increasingly, another customer (e.g. Airbnb or eBay). The difference between a customer and a consumer is that while a customer purchases or obtains a product, service, or idea, a consumer uses it (or eats it in the case of food).

Page reference: 6

Type: multiple choice question

Title: Chapter 01 Question 03

3) The _____ element in the 7Ps is to emphasize that the tangible components of services were strategically important.

a. process

Feedback: Incorrect. Physical evidence—to emphasize that the tangible components of services were strategically important, e.g. potential university students might assess whether or not they want to attend a university and a particular course by requesting a copy of brochures or by visiting the campus to assess the **servicescape** for themselves.

Page reference: 12

***b.** physical evidence

Feedback: Correct. Physical evidence—to emphasize that the tangible components of services were strategically important, e.g. potential university students might assess whether or not they want to attend a university and a particular course by requesting a copy of brochures or by visiting the campus to assess the **servicescape** for themselves.

Page reference: 12

c. people

Feedback: Incorrect. Physical evidence—to emphasize that the tangible components of services were strategically important, e.g. potential university students might assess whether or not they want to attend a university and a particular course by requesting a copy of brochures or by visiting the campus to assess the **servicescape** for themselves.

Page reference: 12

d. product

Feedback: Incorrect. Physical evidence—to emphasize that the tangible components of services were strategically important, e.g. potential university students might assess whether or not they want to attend a university and a particular course by requesting a copy of brochures or by visiting the campus to assess the **servicescape** for themselves.

Page reference: 12

Type: multiple choice question

Title: Chapter 01 Question 04

4) Organizations during the _____ period were characterized by a focus on the internal capabilities, where demand exceeded supply and little competition existed.

a. sales

Feedback: Incorrect. The development of marketing was first characterized by a production period which occurred during the 1890s to 1920s. This period of marketing was characterized by a focus on physical production and supply, where demand exceeded supply, there was little competition, and the range of products was limited. This phase came after the industrial revolution.

Page reference: 7

***b.** production

Feedback: Correct. The development of marketing was first characterized by a production period which occurred during the 1890s to 1920s. This period of marketing was characterised by a focus on physical production and supply, where demand exceeded supply, there was little competition, and the range of products was limited. This phase came after the industrial revolution.

Page reference: 7

c. marketing

Feedback: Incorrect. The development of marketing was first characterized by a production period which occurred during the 1890s to 1920s. This period of marketing was characterized by a focus on physical production and supply, where demand exceeded supply, there was little competition, and the range of products was limited. This phase came after the industrial revolution.

Page reference: 7

d. customer

Feedback: Incorrect. The development of marketing was first characterised by a production period which occurred during the 1890s to 1920s. This period of marketing was characterized by a focus on physical production and supply, where demand exceeded supply, there was little competition, and the range of products was limited. This phase came after the industrial revolution.

Page reference: 7

Type: multiple choice question

Title: Chapter 01 Question 05

5) Organizations during the _____ period believe that they exist not only to satisfy customer wants and needs and to meet organizational objectives but also to preserve or enhance individuals' and society's long-term best interests.

a. production

Feedback: Incorrect. The development of marketing has been characterized by four periods. The fourth and current period is the societal marketing period (1980s to present). Organizations in this period are characterized by a stronger focus on social and ethical concerns in marketing in the firm and recognition that not-for-profits could also undertake marketing. This phase took place during the 'information revolution' of the late twentieth century (Enright, 2002).

Page reference: 7

b. sales

Feedback: Incorrect. The development of marketing has been characterized by four periods. The fourth and current period is the societal marketing period (1980s to present). Organizations in this period are characterized by a stronger focus on social and ethical concerns in marketing in the firm and recognition that not-for-profits could also undertake marketing. This phase took place during the 'information revolution' of the late twentieth century (Enright, 2002).

Page reference: 7

c. marketing

Feedback: Incorrect. The development of marketing has been characterized by four periods. The fourth and current period is the societal marketing period (1980s to present). Organizations in this period are characterized by a stronger focus on social and ethical concerns in marketing in the firm and recognition that not-for-profits could also undertake marketing. This phase took place during the 'information revolution' of the late twentieth century (Enright, 2002).

Page reference: 7

***d. societal**

Feedback: Correct. The development of marketing has been characterized by four periods. The fourth and current period is the societal marketing period (1980s to present). Organizations in this period are characterized by a stronger focus on social and ethical concerns in marketing in the firm and recognition that not-for-profits could also undertake marketing. This phase took place during the 'information revolution' of the late twentieth century (Enright, 2002).

Page reference: 7

Type: multiple choice question

Title: Chapter 01 Question 06

6) More recently, there has been a realization that marketing needed to shift beyond a goods-based paradigm towards a _____.

***a. service-dominant logic**

Feedback: Correct. More recently, there has been a realization that marketing needed to shift beyond a goods-based paradigm towards a service-dominant logic (Vargo and Lusch, 2004). This new marketing paradigm sees service as *the* fundamental basis of exchange.

Page reference: 14

b. servicescape

Feedback: Incorrect. More recently, there has been a realization that marketing needed to shift

beyond a goods-based paradigm towards a service-dominant logic (Vargo and Lusch, 2004). This new marketing paradigm sees service as *the* fundamental basis of exchange.

Page reference: 14

c. servitization

Feedback: Incorrect. More recently, there has been a realization that marketing needed to shift beyond a goods-based paradigm towards a service-dominant logic (Vargo and Lusch, 2004). This new marketing paradigm sees service as *the* fundamental basis of exchange.

Page reference: 14

d. service pull

Feedback: Incorrect. More recently, there has been a realization that marketing needed to shift beyond a goods-based paradigm towards a service-dominant logic (Vargo and Lusch, 2004). This new marketing paradigm sees service as *the* fundamental basis of exchange.

Page reference: 14

Type: multiple choice question

Title: Chapter 01 Question 07

7) From the 1970s onwards came the development of the idea of marketing as an exchange process. This refers to marketing as:

a. A two-way process.

Feedback: Incorrect. In the mid-1970s, there was an increasing belief that marketing centred on the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975). There are numerous types of buyer–seller exchanges in marketing. Figure 1.2 illustrates some examples of two-way (**dyadic**) exchanges and the resources exchanged in these interactions. By understanding how exchanges take place between members of the supply chain, we can therefore determine where to add value to the customer experience.

Page reference: 10

b. Developing relationships between parties in the supply chain.

Feedback: Incorrect. In the mid-1970s, there was an increasing belief that marketing centred on the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975). There are numerous types of buyer–seller exchanges in marketing. Figure 1.2 illustrates some examples of two-way (**dyadic**) exchanges and the resources exchanged in these interactions. By understanding how exchanges take place between members of the supply chain, we can therefore determine where to add value to the customer experience.

Page reference: 10

c. Both economic and social exchanges.

Feedback: Incorrect. In the mid-1970s, there was an increasing belief that marketing centred on the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975). There are numerous types of buyer–seller exchanges in marketing. Figure 1.2 illustrates some examples of two-way (**dyadic**) exchanges and the resources exchanged in these interactions. By understanding how exchanges take place between members of the supply chain, we can therefore determine where to add value to the customer experience.

Page reference: 10

*d. All of the options above are correct.

Feedback: Correct. In the mid-1970s, there was an increasing belief that marketing centred on the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975). There are numerous types of buyer–seller exchanges in marketing. Figure 1.2 illustrates some examples of two-way (**dyadic**) exchanges and the resources exchanged in these interactions. By understanding how exchanges take place

between members of the supply chain, we can therefore determine where to add value to the customer experience.

Page reference: 10

Type: multiple choice question

Title: Chapter 01 Question 08

8) As intangible services have increased in their importance the marketing mix, the 4Ps theory has been further developed to incorporate an additional 3Ps; creating the 7Ps of services marketing. These new 3Ps include:

a. People, profit, and processes.

Feedback: Incorrect. To illustrate how marketing needed to market services differently, two American scholars, Booms and Bitner (1981), incorporated a further 3Ps into the marketing mix. These include: physical evidence, processes, and people.

Page reference: 12

b. Processes, promotion, and people.

Feedback: Incorrect. To illustrate how marketing needed to market services differently, two American scholars, Booms and Bitner (1981), incorporated a further 3Ps into the marketing mix. These include: physical evidence, processes, and people.

Page reference: 12

*c. Physical evidence, people, and processes.

Feedback: Correct. To illustrate how marketing needed to market services differently, two American scholars, Booms and Bitner (1981), incorporated a further 3Ps into the marketing mix. These include: physical evidence, processes, and people.

Page reference: 12

d. Place, people, and processes.

Feedback: Incorrect. To illustrate how marketing needed to market services differently, two American scholars, Booms and Bitner (1981), incorporated a further 3Ps into the marketing mix. These include: physical evidence, processes, and people.

Page reference: 12

Type: multiple choice question

Title: Chapter 01 Question 09

9) An organization that is characterized as developing a **market orientation**:

a. Is characterized the same as an organization that has a marketing orientation.

Feedback: Incorrect. An organization that is developing a **market** orientation is not the same as developing a **marketing** orientation. So what's the difference? A company with a marketing orientation would be a company that recognises the importance of marketing within the organization, e.g. by appointing a marketing person to its board of directors, or trustees in the case of a charity, or part of the executive team in a limited company or partnership. Developing a market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990).

Page reference: 7

b. Places increasing importance of marketing within the organization.

Feedback: Incorrect. An organization that is developing a **market** orientation is not the same as developing a **marketing** orientation. So what's the difference? A company with a marketing orientation would be a company that recognises the importance of marketing within the organization, e.g. by appointing a marketing person to its board of directors, or trustees in the case of a charity, or part of the executive team in a limited company or partnership. Developing a market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990).

Page reference: 7

c. Will appoint a marketing person to its board of directors, or trustees in the case of a charity, or part of the executive team in a limited company or partnership.

Feedback: Incorrect. An organization that is developing a **market** orientation is not the same as developing a **marketing** orientation. So what's the difference? A company with a

marketing orientation would be a company that recognises the importance of marketing within the organization, e.g. by appointing a marketing person to its board of directors, or trustees in the case of a charity, or part of the executive team in a limited company or partnership. Developing a market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990).

Page reference: 7

***d.** Will foster organization-wide responsiveness to market information generated and disseminated within the organization.

Feedback: Correct. An organization that is developing a **market** orientation is not the same as developing a **marketing** orientation. So what's the difference? A company with a marketing orientation would be a company that recognises the importance of marketing within the organization, e.g. by appointing a marketing person to its board of directors, or trustees in the case of a charity, or part of the executive team in a limited company or partnership. Developing a market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990).

Page reference: 7

Type: multiple choice question

Title: Chapter 01 Question 10

10) The term 'marketing mix' describes:

a. The relationship between a firm's marketing strengths and its business weaknesses.

Feedback: Incorrect. Neil Borden developed the concept of the Marketing Mix in his teaching at Harvard University in the 1950s, although he did not formally write the theory up until 1964. The idea came from the concept that the marketing manager was a 'mixer of ingredients'; a chef who concocted a unique marketing recipe to fit the requirements of the customers' needs at any particular time. The emphasis was on the creative fashioning of a mix of marketing procedures and policies to produce the profitable enterprise.

Page reference: 11

b. A series of business decisions that aid in selling a product.

Feedback: Incorrect. Neil Borden developed the concept of the Marketing Mix in his teaching at Harvard University in the 1950s, although he did not formally write the theory up until 1964. The idea came from the concept that the marketing manager was a 'mixer of ingredients'; a chef who concocted a unique marketing recipe to fit the requirements of the customers' needs at any particular time. The emphasis was on the creative fashioning of a mix of marketing procedures and policies to produce the profitable enterprise.

Page reference: 11

c. A composite analysis of all environmental factors inside and outside the firm.

Feedback: Incorrect. Neil Borden developed the concept of the Marketing Mix in his teaching at Harvard University in the 1950s, although he did not formally write the theory up until 1964. The idea came from the concept that the marketing manager was a 'mixer of ingredients'; a chef who concocted a unique marketing recipe to fit the requirements of the customers' needs at any particular time. The emphasis was on the creative fashioning of a mix of marketing procedures and policies to produce the profitable enterprise.

Page reference: 11

***d.** A blending of four strategic elements to satisfy specific target markets.

Feedback: Correct. Neil Borden developed the concept of the Marketing Mix in his teaching at Harvard University in the 1950s, although he did not formally write the theory up until 1964. The idea came from the concept that the marketing manager was a 'mixer of ingredients'; a chef who concocted a unique marketing recipe to fit the requirements of the customers' needs at any particular time. The emphasis was on the creative fashioning of a mix of marketing procedures and policies to produce the profitable enterprise.

Page reference: 11

Type: true-false

Title: Chapter 01 Question 11

11) The aggregate marketing system delivers to us a wide array of offerings, either directly or indirectly through business markets, to serve our wants and needs.

***a.** True

Feedback: Correct. The aggregate marketing system delivers to us a wide array of offerings, either directly or indirectly through business markets, to serve our wants and needs.

Page reference: 18

b. False

Feedback: Incorrect. The aggregate marketing system delivers to us a wide array of offerings, either directly or indirectly through business markets, to serve our wants and needs.

Page reference: 18

Type: true-false

Title: Chapter 01 Question 12

12) A market-oriented firm defines its business in terms of the benefits it offers to its customers.

a. True

Feedback: Incorrect. A market-oriented firm refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.

- Competitor orientation—requires an organization to develop an understanding of its competitors' short-term strengths and weaknesses and its long-term capabilities and strategies (Slater and Narver, 1994).

- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

***b.** False

Feedback: Correct. A market-oriented firm refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.

- Competitor orientation—requires an organization to develop an understanding of its competitors' short-term strengths and weaknesses and its long-term capabilities and strategies (Slater and Narver, 1994).

- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

Type: true-false

Title: Chapter 01 Question 13

13) The Chartered Institute of Marketing's (CIM) definition of marketing differs to the definition offered by the American Marketing Association (AMA) in that it focuses on 'satisfying customer requirements profitably' as opposed to 'delivery of value'?

***a.** True

Feedback: Correct. The CIM defines marketing as 'the management process of anticipating, identifying and satisfying customer requirements profitably' (CIM, 2015). In contrast, the AMA concentrates on 'customer value' by defining marketing as 'the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large' (AMA, 2013).

Page reference: 6

b. False

Feedback: Incorrect. The CIM defines marketing as 'the management process of anticipating, identifying and satisfying customer requirements profitably' (CIM, 2015). In contrast the AMA

concentrates on 'customer value' by defining marketing as 'the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large' (AMA, 2013).

Page reference: 6

Type: true-false

Title: Chapter 01 Question 14

14) The behaviours of a customer and the behaviours of a consumer are the same.

a. True

Feedback: Incorrect. A customer and consumer do not perform the same behaviour. A customer is a buyer, a purchaser, a patron, a client, or a shopper, and therefore someone who buys from a shop, a website, a business or, in the sharing economy, another customer (e.g. Airbnb or eBay). The consumer is someone who uses the offering (or eats it in the case of food).

Page reference: 5

***b.** False

Feedback: Correct. A customer and consumer do not perform the same behaviour. A customer is a buyer, a purchaser, a patron, a client, or a shopper, and therefore someone who buys from a shop, a website, a business or, in the sharing economy, another customer (e.g. Airbnb or eBay). The consumer is someone who uses the offering (or eats it in the case of food).

Page reference: 5

Type: true-false

Title: Chapter 01 Question 15

15) Newsletters, catalogues, and invitations to organization-sponsored events are most closely associated with the marketing mix activity of pricing.

a. True

Feedback: Incorrect. These activities are associated with the promotion element of the marketing mix. E.g. how the product's benefits and features are conveyed to the potential buyer.

Page reference: 11

***b.** False

Feedback: Correct. These activities are associated with the promotion element of the marketing mix. E.g. how the product's benefits and features are conveyed to the potential buyer.

Page reference: 11

Type: true-false

Title: Chapter 01 Question 16

16) The development of marketing has been characterized by some as comprising four main periods of development. One of these periods includes the sales period of 1920s-1950s where the focus was on personal selling, supported by research and advertising.

***a.** True

Feedback: Correct. The development of marketing has been characterized by some as comprising four main periods of development:

- the production period, 1890s-1920s;
- the sales period, 1920s-1950s;
- the marketing period, 1950s – 1980s;
- the societal marketing period, 1980s to present.

Page reference: 7

b. False

Feedback: Incorrect. The development of marketing has been characterized by some as comprising four main periods of development:

- the production period, 1890s-1920s;
- the sales period, 1920s-1950s;
- the marketing period, 1950s – 1980s;
- the societal marketing period, 1980s to present.

Page reference: 7

Type: true-false

Title: Chapter 01 Question 17

17) Companies employing a relationship marketing approach stressed customer retention over customer acquisition.

a. False

Feedback: Incorrect. Companies employing a relationship marketing approach stressed customer retention over customer acquisition. Customer retention is an important activity in marketing, with research demonstrating that when a company retains loyal customers, it is more likely to be profitable compared with competitors who do not.

Page reference: 14

***b.** True

Feedback: Correct. Companies employing a relationship marketing approach stressed customer retention over customer acquisition. Customer retention is an important activity in marketing, with research demonstrating that when a company retains loyal customers, it is more likely to be profitable compared with competitors who do not.

Page reference: 14

Type: true-false

Title: Chapter 01 Question 18

18) Originally, when identifying the responsibilities of a marketing manager, early theories in the 1950s-1960s saw a marketing manager as a 'mixer of ingredients' of a marketing recipe that comprised about 12 ingredients.

***a.** True

Feedback: Correct. To qualify the responsibilities of the marketing manager, Neil Borden developed the concept of the marketing mix in his teaching at Harvard University in the 1950s, although he did not formally write the theory up until 1964. The idea came from the idea that the marketing manager was a 'mixer of ingredients'; a chef who concocted a unique marketing recipe to fit the requirements of the customers' needs at any particular time. The emphasis was on the creative fashioning of a mix of marketing procedures and policies to produce the profitable enterprise. He composed a 12-item list of elements which the manufacturer should consider when developing their marketing mix policies and procedures.

Page reference: 10

b. False

Feedback: Incorrect. To qualify the responsibilities of the marketing manager, Neil Borden developed the concept of the marketing mix in his teaching at Harvard University in the 1950s, although he did not formally write the theory up until 1964. The idea came from the idea that the marketing manager was a 'mixer of ingredients'; a chef who concocted a unique marketing recipe to fit the requirements of the customers' needs at any particular time. The emphasis was on the creative fashioning of a mix of marketing procedures and policies to produce the profitable enterprise. He composed a 12-item list of elements which the manufacturer should consider when developing their marketing mix policies and procedures.

Page reference: 10

Type: true-false

Title: Chapter 01 Question 19

19) Relationship marketing focuses on the need to engage in transactions and, as such, is only concerned with the development of relationships with customers.

a. True

Feedback: Incorrect. The relationship marketing concept spawned further evolution of marketing's conceptual foundations. There was a shift from the need to engage in transactions towards the need to develop long-term customer relationships, including relationships with other stakeholders (Christopher et al., 2002) including: suppliers; potential employees; recruiters; referral markets, influence markets, and internal markets.

Page reference: 12

***b.** False

Feedback: Correct. The relationship marketing concept spawned further evolution of marketing's conceptual foundations. There was a shift from the need to engage in transactions towards the need to develop long-term customer relationships, including

relationships with other stakeholders (Christopher et al., 2002) including: suppliers; potential employees; recruiters; referral markets, influence markets, and internal markets.

Page reference: 12

Type: true-false

Title: Chapter 01 Question 20

20) The way in which the product is delivered to meet the customers' needs refers to promotion activities.

a. True

Feedback: Correct. The way in which the product is delivered to meet the customers' needs refers to place or distribution activities.

Page reference: 11

***b.** False

Feedback: Incorrect. The way in which the product is delivered to meet the customers' needs refers to place or distribution activities.

Page reference: 11

Type: multiple choice question

Title: Chapter 01 Question 21

21) Four competing philosophies strongly influence the role of marketing and marketing activities within an organization. Which if the following is not a component of market orientation?

***a.** Profitability orientation.

Feedback: Correct. Developing a market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.
- Competitor orientation—requires an organization to develop an understanding of its competitors' short-term strengths and weaknesses and its long-term capabilities and strategies (Slater and Narver, 1994).
- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

b. Interfunctional coordination.

Feedback: Incorrect. Developing a market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.
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- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

c. Customer orientation.

Feedback: Incorrect. Developing a market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.
- Competitor orientation—requires an organization to develop an understanding of its

competitors' short-term strengths and weaknesses and its long-term capabilities and strategies (Slater and Narver, 1994).

- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

d. Competitor orientation.

Feedback: Incorrect. Developing a market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.
- Competitor orientation—requires an organization to develop an understanding of its competitors' short-term strengths and weaknesses and its long-term capabilities and strategies (Slater and Narver, 1994).
- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

Type: multiple choice question

Title: Chapter 01 Question 22

22) In order for exchange to occur:

a. Organized marketing activities must also occur.

Feedback: Incorrect. Marketing is a two-way process. It's not just about the marketing organization doing all the work. The customer also has a strong input. In fact, not only must they specify how we might satisfy customer needs as marketers, because marketers are not mind-readers, but they must also pay for the product or service. In the mid-1970s, there was increasing belief that the underlying phenomenon in marketing related to the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975).

Page reference: 10

b. A complex societal system must be involved.

Feedback: Incorrect. Marketing is a two-way process. It's not just about the marketing organization doing all the work. The customer also has a strong input. In fact, not only must they specify how we might satisfy customer needs as marketers, because marketers are not mind-readers, but they must also pay for the product or service. In the mid-1970s, there was increasing belief that the underlying phenomenon in marketing related to the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975).

Page reference: 10

c. A profit-oriented organization must be involved.

Feedback: Incorrect. Marketing is a two-way process. It's not just about the marketing organization doing all the work. The customer also has a strong input. In fact, not only must they specify how we might satisfy customer needs as marketers, because marketers are not mind-readers, but they must also pay for the product or service. In the mid-1970s, there was increasing belief that the underlying phenomenon in marketing related to the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975).

Page reference: 10

***d.** Each party must have something of value to the other party.

Feedback: Correct. Marketing is a two-way process. It's not just about the marketing organization doing all the work. The customer also has a strong input. In fact, not only must

they specify how we might satisfy customer needs as marketers, because marketers are not mind-readers, but they must also pay for the product or service. In the mid-1970s, there was increasing belief that the underlying phenomenon in marketing related to the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975).

Page reference: 10

Type: multiple choice question

Title: Chapter 01 Question 23

23) Marketers interested in offering customer value can:

a. Offer products that perform.

Feedback: Incorrect. Developing a **market orientation** refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.
- Competitor orientation—requires an organization to develop an understanding of its competitors' short-term strengths and weaknesses and its long-term capabilities and strategies (Slater and Narver, 1994).
- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

b. Give consumers more than they expect.

Feedback: Incorrect. Developing a **market orientation** refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

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- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

c. Offer organization-wide commitment to service and after-the-sale support.

Feedback: Incorrect. Developing a **market orientation** refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

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- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

***d.** Do all of these.

Feedback: Correct. Developing a **market orientation** refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide

responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.
- Competitor orientation—requires an organization to develop an understanding of its competitors' short-term strengths and weaknesses and its long-term capabilities and strategies (Slater and Narver, 1994).
- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

Type: multiple choice question

Title: Chapter 01 Question 24

24) An organization that has a market orientation does **not**:

a. Integrate all the activities of the firm to satisfy customer wants.

Feedback: Incorrect. A market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.
- Competitor orientation—requires an organization to develop an understanding of its competitors' short-term strengths and weaknesses and its long-term capabilities and strategies (Slater and Narver, 1994).
- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

b. Focus on consumer needs and wants.

Feedback: Incorrect. A market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.
- Competitor orientation—requires an organization to develop an understanding of its competitors' short-term strengths and weaknesses and its long-term capabilities and strategies (Slater and Narver, 1994).
- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

c. Differentiate a firm's products from its competitor's products.

Feedback: Incorrect. A market orientation refers to 'the organization-wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.
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- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

***d.** Fuel sales growth through the application of aggressive sales techniques.

Feedback: Correct. A market orientation refers to 'the organization-wide generation of market

intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organization-wide responsiveness to it' (Kohli and Jaworski, 1990). So a market orientation doesn't just involve marketing, but requires a focus on all the following activities:

- Customer orientation—concerned with creating superior value by continuously developing and redeveloping offerings to meet customer needs.
- Competitor orientation—requires an organization to develop an understanding of its competitors' short-term strengths and weaknesses and its long-term capabilities and strategies (Slater and Narver, 1994).
- Interfunctional coordination—requires all functions of an organization to work together for long-term profit growth.

Page reference: 7

Type: multiple choice question

Title: Chapter 01 Question 25

25) A key ingredient in the philosophy of marketing is _____, or the idea that people give up something in order to receive something that they would rather have.

***a.** exchange

Feedback: Correct. Marketing is a two-way process. It's not just about the marketing organization doing all the work. The customer also has a strong input. In fact, not only must they specify how we might satisfy their needs as marketers, because marketers are not mind-readers, but they must also pay for the product or service. Around the middle of the 1970s, there was an increasing belief that the underlying phenomenon in marketing related to the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975).

Page reference: 10

b. synergy

Feedback: Incorrect. Marketing is a two-way process. It's not just about the marketing organisation doing all the work. The customer also has a strong input. In fact, not only must they specify how we might satisfy their needs as marketers, because marketers are not mind-readers, but they must also pay for the product or service. Around the middle of the 1970s, there was an increasing belief that the underlying phenomenon in marketing related to the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975).

Page reference: 10

c. promotion

Feedback: Incorrect. Marketing is a two-way process. It's not just about the marketing organisation doing all the work. The customer also has a strong input. In fact, not only must they specify how we might satisfy their needs as marketers, because marketers are not mind-readers, but they must also pay for the product or service. Around the middle of the 1970s, there was an increasing belief that the underlying phenomenon in marketing related to the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government) (Bagozzi, 1975).

Page reference: 10

d. reciprocity

Feedback: Incorrect. Marketing is a two-way process. It's not just about the marketing organisation doing all the work. The customer also has a strong input. In fact, not only must they specify how we might satisfy their needs as marketers, because marketers are not mind-readers, but they must also pay for the product or service. Around the middle of the 1970s, there was an increasing belief that the underlying phenomenon in marketing related to the exchange process between buyers and sellers and associated supply chain intermediaries. Exchange relationships were seen to be economic (e.g. a consumer buying groceries) and social (e.g. the service provided by the police on behalf of society paid for by government)

(Bagozzi, 1975).

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