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Advertising & IMC: Principles and Practice, 11e (Moriarty et al.) Chapter 1 Strategic Brand Communication

1) Marcom is an abbreviation for .
A) marketing company
B) marketing communication
C) market company
D) market communication
E) market community
Answer: B
Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy
AACSB: Written and oral communication
AACSD. WITHER AND OF ALL COMMUNICATION
2) The goal of marketing is achieved by matching a product's availability to the
A) competition's availability
B) previous year's level of sales
C) company's production capabilities
D) consumers' need, desire, or demand for the product
E) legal limits of availability
Answer: D
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Moderate
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3) The various marketing communication messages and brand experiences that create and
maintain a brand are referred to collectively as .
A) brand position
B) point of differentiation
C) brand communication
D) added value
E) integrated marketing
Answer: C
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
AACSB: Written and oral communication
4) The four tools of product, price, place, and promotion are collectively referred to as the

A) product mix
B) promotion mix
C) marketing mix
D) integration elements
E) exchange elements
Answer: C
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy

5) The marketing mix is also known as the
A) four Cs
B) four Ms
C) competitive advantage
D) marketing channel
E) four Ps
Answer: E
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
6) To marketing communication partners, the company or firm behind a brand is referred to as
the .
A) intermediary
B) vendor
C) client
D) supplier
E) distributor
Answer: C
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Moderate
7) Which of the following are considered "key players" in the marketing industry? A) marketers B) suppliers or vendors C) distributors or retailers D) agencies E) all of the above Answer: E Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy
8) Which key player in marketing refers to the organization, company, or manufacturer producing the product and offering it for sale? A) marketer B) supplier or vendor C) distributor or retailer D) agency E) brand manager
Answer: A Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy

9) The materials and ingredients used in producing the product are obtained from other
companies that are referred to as the producer's
A) marketers
B) suppliers
C) distributors
D) agencies
E) retailers
Answer: B
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
10) The complex network of vendors that produce components and ingredients which are then sold to the manufacturer is known as the A) network chain B) channel of distribution C) supply chain D) ingredient chain E) distribution chain
Answer: C
Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy
11) The refers to the various companies that are involved in moving a product from its manufacturer into the hands of its end buyers. A) network chain B) distribution chain C) supply chain D) ingredient chain E) promotion network Answer: B Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy
12) What term is used to mean either a place where an exchange occurs or a particular type of buyer? A) market B) position C) channel D) demographic E) partner Answer: A
buyer? A) market B) position C) channel D) demographic

13) The percentage of the total sales in a product category that a particular brand has is called the
brand's .
A) position
B) market segment
C) distribution
D) share of market
E) exchange
Answer: D
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
14) Which of the following is NOT considered a main type of market?
A) consumer
B) business-to-business
C) channel
D) institutional
E) media
Answer: E
Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Moderate
15) markets consist of people who buy products and services for personal or
household use.
A) Consumer
B) Business-to-business
C) Channel
D) Institutional
E) Media
Answer: A
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
16) markets consist of companies that buy products or services to use in their own
businesses or in making other products.
A) Consumer
B) Business-to-business
C) Distribution
D) Institutional
E) Indirect
Answer: B
Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy

17) markets include a wide variety of profit and nonprofit organizations, such as
hospitals, government agencies, and schools, that provide goods and services for the benefit of
society.
A) Consumer
B) Business-to-business
C) Channel
D) Institutional
E) Distribution
Answer: D
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
18) markets are made up of members of a company's distribution chain.
A) Consumer
B) Business-to-business
C) Channel
D) Institutional
E) Media
Answer: C
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
19) Resellers in a channel market are also known as .
A) suppliers
B) vendors
C) intermediaries
D) shareholders
E) competitors
Answer: C
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Moderate
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20) Most marketing communication dollars are spent on markets.
A) consumer
B) business-to-business
C) media
D) channel
E) institutional
Answer: A
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Moderate

21) Marketing communication that focuses primarily on price and its relation to value is called
A) price copy
B) prestige pricing
C) direct marketing
D) prospecting
E) added value
Answer: A
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
AACSB: Written and oral communication
22) Collectively, the companies involved in moving a product to its customers are called the
A) supply chain
B) distribution chain
C) institutional market
D) consumer market
E) trade market
Answer: B
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
AACSB: Written and oral communication
23) The identification of potential customers is called
A) customer service
B) lead generation
C) direct marketing
D) personal sales
E) field sales
Answer: B
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
AACSB: Written and oral communication
24) In which type of personal selling does a sales clerk provide assistance to store customers?
A) prospecting
B) field sales
C) retail selling
D) direct marketing
E) lead selling
Answer: C
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Moderate

- 25) In which type of personal selling does a representative make sales calls at a customer's place of business? A) prospecting B) field sales C) retail selling D) direct marketing E) lead selling Answer: B Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Moderate 26) Which of the following refers to a unique brand attribute that is significantly important to customers? A) brand parity B) brand equity C) competitive advantage D) psychological pricing E) brand meaning Answer: C Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy 27) A strategy or activity that makes a product more useful or appealing to consumers or distribution partners is called . A) product adaption B) brand identity C) a pull strategy D) a push strategy E) added value Answer: E Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy 28) Which of the following is NOT a way marketing communication adds value to a product? A) making the product appear more desirable
- B) presenting the product as a status symbol
- C) making the product more affordable for consumers to buy
- D) providing news and useful information of interest to consumers
- E) All of the above are ways advertising adds value to a product.

Answer: C

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Difficult

29) Which marketing mix element includes product design, quality, performance, and packaging? A) distribution B) branding C) product D) place E) promotion Answer: C Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy
30) Which marketing mix element includes personal selling, advertising, public relations, sales promotion, direct marketing, and events and sponsorships? A) price B) distribution C) product D) place E) promotion Answer: E Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy AACSB: Written and oral communication
31) The promotion "P" of marketing is also known as A) product B) distribution C) price D) brand communication E) differentiation Answer: D Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy AACSB: Written and oral communication
32) Which element of the marketing mix includes distribution channels and strategies? A) product B) promotion C) price D) communication E) place Answer: E Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Easy

- 33) Which of the following is LEAST likely to be a factor on which the price of a product is based?
- A) what the market will bear
- B) the amount of support provided by resellers
- C) the expected margin of profit
- D) the consumer's ability to gauge the value of the product
- E) the relative value of the product

Answer: B

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Difficult

- 34) A consumer's ability to gauge the value of a product is referred to as the . . .
- A) psychological price
- B) price/value proposition
- C) exchange rate
- D) comparative price
- E) value exchange

Answer: B

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

- 35) Which pricing strategy uses marketing communication to manipulate the customer's judgment of value?
- A) psychological pricing
- B) true pricing
- C) distribution pricing
- D) copy pricing
- E) value pricing

Answer: A

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Easy

AACSB: Written and oral communication

- 36) Which pricing strategy is used to communicate a dramatic or temporary price reduction?
- A) promotional pricing
- B) value pricing
- C) parity pricing
- D) copy pricing
- E) prestige pricing

Answer: A

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

37) Using, a marketer sets a high price for a product to make the product seem worth	ıy
or valuable.	
A) prestige pricing	
B) value pricing	
C) distribution pricing	
D) promotional pricing	
E) customary pricing	
Answer: A	
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?	
Difficulty: Moderate	
38) When a company distributes its products directly to buyers without the use of a reseller, the	.
company is using	
A) indirect marketing	
B) no-channel marketing	
C) direct marketing	
D) indirect channel marketing	
E) integrated marketing	
Answer: C	
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?	
Difficulty: Easy	
39) Which of the following refers to the help provided to a customer before, during, and after a	l
purchase?	
A) customer service	
B) brand stewardship	
C) brand management	
D) relationship marketing	
E) integrated marketing	
Answer: A	
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?	
Difficulty: Easy	
40) Which strategy directs marketing efforts at the consumer?	
A) push	
B) prospecting	
C) pull	
D) lead generation	
E) intermediary	
Answer: C	
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?	
Difficulty: Easy	

41) A(n) strategy directs marketing efforts at resellers, and success depends on the
ability of these intermediaries to market the product, which they often do with advertising.
A) push
B) pull
C) prospecting
D) direct
E) lead generation
Answer: A
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
AACSB: Written and oral communication
42) Which marketing communication tool uses face-to-face contact between the marketer and a
prospective customer?
A) advertising
B) sales promotion
C) public relations
D) personal sales
E) word-of-mouth
Answer: D
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Easy
AACSB: Written and oral communication
43) Procter & Gamble has sales of almost \$50 billion and spends more than \$4 billion on
advertising every year. The company's corporate brand value is estimated to be more than \$107
billion. Which type of key marketing player does P&G represent?
A) marketer
B) supplier or vendor
C) distributor
D) agency
E) media
Answer: A

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

- 44) Amco, Inc. manufactures small electronic components that become integral parts of the electronic systems in automobiles. Amco does not sell directly to auto manufacturers, but rather through brokers that are involved in selling the components to the auto manufacturers. Additionally, another company is employed to deliver the goods. All of these organizations are part of the in getting electronic component parts to the automobile manufacturers.
- A) distribution chain
- B) supply chain
- C) marketing network
- D) channel market
- E) share of market

Answer: B

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

AACSB: Analytical thinking

- 45) Puma sells its edgy designs to trendy retailers but also sells its more mainstream products in stores such as Foot Locker. Which marketing mix element does this strategy illustrate?
- A) product
- B) price
- C) place
- D) promotion
- E) branding

Answer: C

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

AACSB: Analytical thinking

- 46) During a World Cup held in Japan and South Korea, Puma got a well-known sushi chef to create a special Puma sushi roll that was served in select Japanese restaurants in cities around the world. Puma also discretely announced the sponsorship in its company-branded chopsticks, sake cups, and napkins. At the same time, Puma partnered with the Terence Conran design shop to sell an exclusive version of its World Cup soccer boot, holding weekend sushi-making events at the home furnishings store. Which marketing mix element does this strategy illustrate?
- A) product
- B) price
- C) place
- D) promotion
- E) push

Answer: D

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

47) A.Y. McDonald, a manufacturer of pumps and plumbing valves, employs regional
salespeople to sell its products to wholesalers and cities. This is an example of
A) sales promotion
B) personal selling
C) public relations
D) indirect marketing
E) advertising
Answer: B
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Moderate
AACSB: Analytical thinking
48) An ad in a professional journal targeted to an audience of dentists asked dentists to recommend Crest toothpaste to their patients. It offered toothpaste samples that dentists could buy at cost to give to their patients to encourage patients to take better care of their teeth. The manufacturer of Crest toothpaste was using
A) personal selling
B) direct marketing
C) a push strategy
D) a pull strategy
E) public relations
Answer: C
Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Moderate
AACSB: Analytical thinking
49) Glasis is a type of paint made specifically for use on cars. An ad in <i>Motor Trend</i> magazine advising consumers to request their body shops use Glasis paint is an example of how a company uses
A) word-of-mouth influence
B) public relations
C) buzz marketing
D) a push strategy
E) a pull strategy
Answer: E
Learning Objective: 1.1: What is the marketing mix, and how does it send messages?
Difficulty: Moderate
AACSB: Analytical thinking

Refer to the following passage to answer the questions below.

Johnson & Johnson manufactures health and beauty aid products under several brand names. The company sells its products to end consumers through retail stores such as grocery, drug, and discount stores. J&J employs a sales force that calls on intermediaries, such as wholesalers and retailers, and spends part of the promotion budget on trade deals to influence intermediaries to carry the company's brands. The remainder of J&J's promotion budget is spent on mass advertising and sales promotions, such as coupons, targeted toward consumers.

- 50) Which promotion strategy is J&J pursuing?
- A) push only
- B) promotional pricing
- C) direct
- D) pull only
- E) push and pull

Answer: E

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

AACSB: Analytical thinking

- 51) J&J also markets its Tylenol brand of pain relievers to hospitals. What type of market is that?
- A) consumer
- B) primary
- C) institutional
- D) reseller
- E) secondary

Answer: C

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

AACSB: Analytical thinking

- 52) More companies are adopting the concept of ______, which is the practice of unifying all brand communication messages and tools as well as the messages from the marketing mix decisions.
- A) integrated marketing communications
- B) integrated personal selling
- C) added value
- D) brand integrity
- E) buzz marketing

Answer: A

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Easy

53) Integrated marketing communications is designed to produce better communications
A) consistency
B) creativity
C) simplicity
D) variety
E) independence
Answer: A
Learning Objective: 1.2: What is integrated marketing communication?
Difficulty: Moderate
AACSB: Written and oral communication
54) Integrated marketing communications require a company's mass-market advertisements, website, email, and personal selling communications to have A) equal portions of the advertising budget
B) the same return on investment
C) separate marketing objectives D) the same target audience
E) a consistent message, look, and feel
Answer: E
Learning Objective: 1.2: What is integrated marketing communication?
Difficulty: Moderate
55) Advertising, sales promotion, personal selling, public relations, and direct marketing are all promotional tools
A) that should be integrated under the concept of integrated marketing communications
B) used in business-to-business markets but not consumer markets
C) used for push strategies but not pull strategies
D) used for pull strategies but not push strategies
E) used in consumer markets but not business-to-business markets
Answer: A
Learning Objective: 1.2: What is integrated marketing communication?
Difficulty: Moderate
56) Harpo Enterprises maintains OWN (the Oprah Winfrey Network), a website, and O
magazine. Because Harpo Enterprises practices integrated marketing communications, these different brand contacts all maintain in design and tone.
A) variety
B) independence
C) consistency
D) creativity
E) simplicity
Answer: C
Learning Objective: 1.2: What is integrated marketing communication?
Difficulty: Moderate
AACSB: Analytical thinking

- 57) Management of a company that adheres to the principle of integrated marketing communications is most likely to believe which of the following?
- A) The use of multiple marketing communications channels is advantageous.
- B) The use of a single marketing communications channel is advantageous.
- C) Long-term relationships with customers are best nurtured through sales promotion.
- D) Long-term relationships with customers are best nurtured through public relations.
- E) Short-term relationships with customers are more profitable than long-term relationships with customers.

Answer: A

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Difficult

AACSB: Application of knowledge

- 58) Which of the following creates the intangible elements of a brand that make it memorable and meaningful to a consumer?
- A) advertising
- B) branding
- C) prospecting
- D) marketing
- E) integrating

Answer: B

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Easy

- 59) Hamburgers and toothpaste are both examples of .
- A) services
- B) ideas
- C) brands
- D) products
- E) markets

Answer: D

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

- 60) A(n) _____ is a perception, often imbued with emotion, which results from experiences with and information about a company or a line of products.
- A) advertisement
- B) brand
- C) tagline
- D) logo
- E) trademark

Answer: B

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Easy

- 61) Which of the following is an intangible feature of a brand?
- A) the product's design
- B) the product's performance
- C) the product's package
- D) the product's perceived value
- E) the product's ingredients or components

Answer: D

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

- 62) Parity products are those that have _____.
- A) no brand name
- B) few competitors
- C) few distinguishing features
- D) a store's label
- E) a generic label

Answer: C

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Easy

- 63) Which of the following is a tangible feature of a brand?
- A) a person's feelings about the brand
- B) a person's experience with the brand
- C) the product's performance
- D) the product's perceived value
- E) the brand's image

Answer: C

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

- 64) Which of the following exists in consumers' hearts and minds?
- A) brand equity
- B) brand parity
- C) brand meaning
- D) brand trademark
- E) brand license

Answer: C

Learning Objective: 1.2: What is integrated marketing communication?

65) Which of the following was the top global brand, based on brand value, in 2016? A) Google B) Apple C) Coca-Cola D) McDonald's E) Walmart Answer: A Learning Objective: 1.2: What is integrated marketing communication? Difficulty: Difficult
66) Which of the following is NOT a desirable quality for a brand name? A) It should suggest something about the product's benefits and qualities. B) It should be easy to pronounce, recognize, and remember. C) The brand should be a long word to get attention. D) The name should translate easily into foreign languages. E) It should be distinctive. Answer: C Learning Objective: 1.2: What is integrated marketing communication? Difficulty: Difficult AACSB: Written and oral communication
67) A is a legal sign or symbol that indicates ownership. A) trademark B) logo C) brand D) patent E) brand position Answer: A Learning Objective: 1.2: What is integrated marketing communication? Difficulty: Easy
68) refers to how consumers see a brand relative to the other brands in the product category. A) Segmenting B) Targeting C) Differentiating D) Positioning E) Trademarking Answer: D Learning Objective: 1.2: What is integrated marketing communication? Difficulty: Moderate

69) Bold, fun, exciting, and daring are all examples of		
A) brand promises		
B) brand positions		
C) brand personalities		
D) brand equities		
E) brand value		
Answer: C		
Learning Objective: 1.2: What is integrated marketing communication?		
Difficulty: Moderate		
70) Donat - Indian and in the form of the relative to the		
70) Brand value comes in two forms: the value to the and the value to the		
A) consumer; competitor		
B) consumer; corporation C) competitor; channel		
D) corporation; competitor		
E) shareholder; stakeholder		
Answer: B		
Learning Objective: 1.2: What is integrated marketing communication?		
Difficulty: Moderate		
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71) Brand programs offer customers rewards for repeat business.		
A) value		
B) equity		
C) extension		
D) integration		
E) loyalty		
Answer: E		
Learning Objective: 1.2: What is integrated marketing communication?		
Difficulty: Easy		
is the intangible value of the brand based on the relationships with its		
stakeholders, as well as intellectual property.		
A) Brand position		
B) Brand parity		
C) Brand inage D) Brand identity		
D) Brand identity E) Brand againty		
E) Brand equity Answer: E		
Learning Objective: 1.2: What is integrated marketing communication?		
Difficulty: Easy		
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73) Which of the following measures the financial value the brand contributes to a company? A) trademark B) copyright C) brand image D) brand identity E) brand equity Answer: E Learning Objective: 1.2: What is integrated marketing communication? Difficulty: Easy
74) refers to the use of a brand name of a component in another product's advertising and promotion. A) Co-branding B) Ingredient branding C) Inside branding D) Brand licensing E) Integrated branding Answer: B Learning Objective: 1.2: What is integrated marketing communication? Difficulty: Easy
75) A company that uses an established brand name with a related line of products is using a(n) A) co-brand B) ingredient brand C) brand extension D) licensed brand E) parity brand Answer: C Learning Objective: 1.2: What is integrated marketing communication? Difficulty: Easy
76) Which of the following is a strategy that uses two brand names owned by two separate companies to create a partnership offering? A) co-branding B) equity branding C) brand licensing D) integrated branding E) parity branding Answer: A Learning Objective: 1.2: What is integrated marketing communication? Difficulty: Easy

77) Using, a partner company rents another company's brand name and transfers sor
of that brand equity to another product.
A) co-branding
B) equity branding
C) brand licensing
D) integrated branding
E) parity branding
Answer: C
Learning Objective: 1.2: What is integrated marketing communication?
Difficulty: Easy
78) Through its communication of a, a brand sets expectations for what a customer believes will happen when the product is used.
A) brand promise
B) point of differentiation
C) competitive advantage
D) brand personality
E) brand equity
Answer: A
Learning Objective: 1.2: What is integrated marketing communication?
Difficulty: Easy
AACSB: Written and oral communication
79) A brand is one that is marketed in a single country.
A) house
B) local
C) regional
D) store
E) private
Answer: B
Learning Objective: 1.2: What is integrated marketing communication?
Difficulty: Easy
80) A(n) brand is available in a number of different countries in various parts of the
world.
A) parity
B) local
C) regional
D) extension
E) international
Answer: E
Learning Objective: 1.2: What is integrated marketing communication?
Difficulty: Easy

81) A company that takes a	approach to international marketing tries to make
accommodations in its marketing mix	for cultural differences.

A) parity

B) domestic

C) global

D) standardized

E) localized

Answer: E

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Diverse and multicultural work environments

- 82) Brand relationship strategies aim to do which of the following?
- A) introduce a product to new markets
- B) demonstrate a product's effectiveness
- C) extend a brand's image to a new product
- D) highlight a competitive advantage
- E) build long-term loyalty and trust with customers

Answer: E

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Written and oral communication

- 83) Which of the following refers to the rapid spread of a brand message on the Internet through a wide network of contacts?
- A) brand stewardship
- B) brand parity
- C) direct marketing
- D) indirect marketing
- E) viral marketing

Answer: E

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Easy

- 84) Peter purchased an inexpensive necklace from a department store to give to his sweetheart, Julie, on Valentine's Day. He didn't want her to know that he did not spend very much for the jewelry, so he put it in a box he had from an upscale jewelry store that sells only expensive items. When Julie unwrapped her gift, she was excited to see that it came from this store and absolutely loved the necklace Peter gave her. Which key concept of marketing does this illustrate?
- A) push strategy
- B) branding
- C) integration
- D) pull strategy
- E) distribution

Answer: B

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Analytical thinking

- 85) Laurie owns a 2014 Honda Accord, which is the third Honda vehicle that she and her husband have owned. They describe themselves as a "Honda family" and intend to purchase another Honda automobile when their daughter gets her driver's license. They know and trust Hondas. Which key concept of marketing does this illustrate?
- A) brand framework
- B) brand relationship
- C) brand personality
- D) cause marketing
- E) organization identity

Answer: B

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Analytical thinking

- 86) When Tylenol pain relief capsules were tampered with in 1982, resulting in the death of several consumers, the manufacturer pulled all of its products from store shelves, redesigned packaging to resist tampering, and reintroduced noncapsule forms of the product. This was very expensive for Tylenol to do, but the company knew that the reputation, meaning, and value that its brand name had acquired over time held financial value. Today, Tylenol brand medications have the reputation of being high-quality products. The reputation, meaning, and value that the Tylenol brand name has acquired over time is known as
- A) brand personality
- B) brand transformation
- C) brand framework
- D) brand relationship
- E) brand equity

Answer: E

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

- 87) Intel manufactures computer chips that are part of several personal computer manufacturers' finished products. Intel and the computer manufacturers realized that customers valued the superior quality of Intel computer chips and were asking whether or not the computer they were considering purchasing contained an Intel computer chip. As a result, Intel and computer manufacturers started communicating through advertising and other promotional tools that there's "Intel Inside." This is an example of
- A) primary branding
- B) secondary branding
- C) supply chain branding
- D) component branding
- E) ingredient branding

Answer: E

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Analytical thinking

- 88) An apparel marketer is planning to launch an existing brand name into a new product category. Which brand development strategy is being implemented?
- A) co-branding
- B) brand extension
- C) ingredient branding
- D) brand licensing
- E) rebranding

Answer: B

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Analytical thinking

- 89) Which of the following adds primarily psychological value to a product?
- A) branding
- B) quality
- C) features
- D) convenience
- E) service

Answer: A

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

- 90) Which of the following is an advantage offered by co-branding?
- A) Manufacturers do not have to invest in creating their own brand names.
- B) Retailers have exclusive products that cannot be purchased from competitors.
- C) A company can expand its existing brand into a category it otherwise might have difficulty entering alone.
- D) Advertising, sales, promotion, and marketing do not need to be as carefully coordinated.
- E) Brand equity is stabilized.

Answer: C

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Difficult

AACSB: Analytical thinking

91) The term *stakeholders* refers to customers of a product as well as employees of the company that produces and markets the product.

Answer: TRUE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

92) The goal in marketing is to sell as many products as possible.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

93) The key players in the marketing industry include the marketer, suppliers and vendors, distributors and retailers, and marketing partners, such as agencies.

Answer: TRUE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

94) The materials and ingredients used in producing the product are obtained from other companies, who are referred to as distributors.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

95) The channel of distribution refers to the complex network of suppliers who produce components and ingredients that are then sold to the manufacturer.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

96) The supply chain refers to the various companies that are involved in moving a product from its manufacturer into the hands of its buyer.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

97) Only manufacturers advertise.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

AACSB: Written and oral communication

98) A market can refer to either a place or a particular type of buyer.

Answer: TRUE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

99) Institutional markets consist of people who buy products and services for personal use.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

100) Institutional markets are made up of nonprofit organizations only.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

101) Channel marketing targets intermediaries rather than consumers.

Answer: TRUE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

102) The only marketing mix element with communication effects is promotion.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

103) Product performance delivers the loudest message about a product and determines whether the product is purchased again.

Answer: TRUE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

104) Price copy is the focus of a great deal of retail advertising.

Answer: TRUE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

105) The process of assessing whether there are identifiable groups within the market whose needs and wants intersect with the product and its features is known as point of differentiation.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

106) The phrase "clicks or bricks" refers to whether a product is sold online or in a traditional store.

Answer: TRUE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

107) The goal of brand communication is to create immediate sales to people who are shopping for a product.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

AACSB: Written and oral communication

108) Information from the marketing mix can add value to a brand.

Answer: TRUE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

109) A push strategy directs marketing efforts at the consumer in an attempt to stimulate consumer demand.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

AACSB: Written and oral communication

110) In personal sales, leads are also known as prospects.

Answer: TRUE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

111) A car manufacturer buys tires from a tire manufacturer. These manufacturers are part of the institutional market.

Answer: FALSE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

AACSB: Analytical thinking

112) Channel marketing is used to target messages to intermediaries rather than consumers.

Answer: TRUE

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

113) An IMC program is more complex than a traditional advertising plan.

Answer: TRUE

Learning Objective: 1.2: What is integrated marketing communication?

114) Integrated marketing communication (IMC) is a recent trend that uses databases to drive communication with customers and keep track of their interactions with a company.

Answer: FALSE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Easy

AACSB: Information technology

115) Synergy is created when the components of integrated marketing communication have more impact as a whole than they would individually.

Answer: TRUE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Written and oral communication

116) The branding of an organization will occur even if a branding process is not managed.

Answer: TRUE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

117) Advertising is the process of creating the tangible and intangible elements of a brand.

Answer: FALSE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

118) Goodwill refers to the part of brand equity that is based on relationships.

Answer: TRUE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

119) Co-branding means acknowledging a supplier's brand as an important product feature or component.

Answer: FALSE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

120) In marketing terms, ROI stands for rate of interest.

Answer: FALSE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Easy

121) Marketers who calculate ROI do not need to use other tools or techniques to evaluate the efficiency and effectiveness of their marketing communications.

Answer: FALSE

Learning Objective: 1.2: What is integrated marketing communication?

122) The calculation of ROI identifies how much money a brand made in comparison to its expenses.

Answer: TRUE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

123) Word-of-mouth communication about a product is persuasive because people tend to have more faith in comments from friends and family members than in planned marketing communication messages.

Answer: TRUE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

124) Retailers and wholesalers who have created their own brands—such as Walmart's Sam's Choice beverages and food products—are participating in co-branding.

Answer: FALSE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

125) To maximize the toothpaste market in China, Crest needs to convince more of the Chinese population to brush their teeth three times a day. Crest is most likely to use a standardized approach for its marketing in China.

Answer: FALSE

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Difficult

AACSB: Application of knowledge

126) Describe the roles of the four key players in marketing.

Answer:

- (1) Marketer (Client): Any company or organization behind the product (i.e., the organization, company, or manufacturer producing the product and offering it for sale).
- (2) Suppliers and vendors: Companies that supply the materials and ingredients used in producing the product. In marketing practice these suppliers and vendors are partners in the creation of a successful product. The term *supply chain* refers to the network of suppliers who produce components that are sold to manufacturers.
- (3) Distributors and retailers: Companies that are involved in moving a product from its manufacturer into the hands of its buyer. The various companies involved in this are referred to as the channel of distribution.
- (4) Marketing partners: These companies are advertising agencies or marketing communication firms.

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

127) Name and describe the four main types of markets, and discuss characteristics of advertising targeted toward each market.

Answer:

- (1) Consumer markets consist of people who buy products and services for personal or household use. Just about any product that an individual purchases including clothing, food, books, health and beauty aids, and so forth can be advertised to consumers through mass media such as radio, television, newspapers, general consumer magazines, and direct-response media, such as direct mail. Businesses spend most of their advertising dollars on this market.
- (2) Business-to-business (B2B) markets consist of companies that buy products or services to use in their own businesses or in making other products. Promotion tends to focus on facts and information.
- (3) Institutional markets include a wide variety of profit and nonprofit organizations such as hospitals, government agencies, and schools that provide goods and services for the benefit of society. This market is typically reached through the same means as industrial markets.
- (4) Channel markets are made up of members of the distribution chain, also known as resellers or intermediaries. This market is also typically reached through the same means as industrial and institutional markets.

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Difficult

AACSB: Analytical thinking

128) How are the product, price, and place elements of the marketing mix involved in contributing communication effects in the marketing mix?

Answer:

- (1) Product: When a product performs well, it sends a positive message about the brand, communicating to the customer that it is okay to repurchase the product. On the other hand, when a product does not perform well, the message is that the customer should not repurchase the product.
- (2) Price: The price of a product sends a message about its quality and status. The higher the price is, the higher expectations of quality and status consumers may have.
- (3) Place: Where and how a brand is available contributes to the image of the brand. The objective is to match the distribution to the product quality, brand personality, and price. Learning Objective: 1.1: What is the marketing mix, and how does it send messages? Difficulty: Difficult

AACSB: Written and oral communication

129) What is the difference between a supply chain and a distribution chain?

Answer: A supply chain is made up of suppliers who produce components and ingredients that are sold to a manufacturer. A distribution chain is made up of all the companies that move a finished product from the manufacturer to its buyers.

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

130) What are the typical communication goals in a product launch?

Answer: When introducing a new product or brand with a product launch, a company's communication goals are typically to build awareness of the new brand, explain how the new product works, and identify how it is different from competitors' products.

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

AACSB: Written and oral communication

131) Blenco, Inc. is a manufacturer of frozen breakfast products, such as biscuits, pancakes, and waffles. Blenco does not spend any money on consumer advertising or promotions, but rather concentrates its promotion budget on intermediaries in the channel of distribution. What promotion strategy is Blenco pursuing, and which promotion tools are most appropriate for implementing this strategy?

Answer: Blenco is pursuing a push promotion strategy that concentrates the flow of marketing communication on the members of the channel of distribution rather than on end consumers. Blenco is most likely offering retailers promotional incentives to get its products in the channel of distribution.

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Difficult

AACSB: Application of knowledge

132) You just interviewed for a job with Dial, Inc. and learned that they are looking for someone who will call on grocery, drug, and convenience stores to sell and service Dial's health and beauty aid items to these types of retailers. What type of personal selling does this represent? Answer: Field sales. Field sales are a type of personal selling that includes calls at the place of business by a field representative.

Learning Objective: 1.1: What is the marketing mix, and how does it send messages?

Difficulty: Moderate

AACSB: Analytical thinking

133) Explain the concept of integrated marketing communications.

Answer: IMC calls for recognizing all contact points where the customer may encounter the company and its brands. A company wants to deliver a consistent and positive message with each contact. IMC ties together all of the company's messages and images, avoiding the confusion that can arise from customers receiving varied messages from a variety of media. Integration can create synergy, increasing the impact of a whole set of communications about a brand.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Written and oral communication

134) How does integrated marketing communication (IMC) build brand identity?

Answer: IMC builds brand identity and strong customer relationships by tying together all of the company's messages and images.

Learning Objective: 1.2: What is integrated marketing communication?

135) Describe the evolution of Procter & Gamble's Ivory soap. How does it illustrate the concept of branding?

Answer: P&G created identity elements for its brand Ivory before anyone had thought of making a bar of soap a distinctive brand. The Ivory brand identity system also called attention to innovative features of the product. In the 1800s, soap wasn't like it is today; rather, it was homemade from lye, fats, and fireplace ashes. It was a soft jelly-like yellowish soap that would clean, but if it fell to the bottom of a pail, it dissolved into mush. The Castile bar, which was a pure white soap imported from the Mediterranean and made from the finest olive oil, was considered the benchmark for quality soap and was highly expensive. P&G discovered a formula that produced a uniform, predictable bar soap, which they provided in wooden boxes to both armies during the Civil War, introducing the concept of mass production. After the war there was a huge market for the soap because returning soldiers demanded the bars for home use. However, these bars were still yellow and sank in a tub of water. The problem was solved when P&G created a white soap that was much like the Castile bar. This bar became the "soap that floats" when extra air was accidentally whipped into it, making the bar lighter. This claim—"It floats" became one of the world's greatest statements of a product benefit. The soap was named "Ivory soap," and it became a product that consumers asked for by name. P&G also discovered that Ivory had only 0.56 percent impurities, leading to the claim that it was "99 and 44/100 percent pure," which is one of the most famous slogans in brand history.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Application of knowledge

136) What kind of control does a company have over the meaning of one of its brands? Answer: A company owns a brand name and a symbol, and can certainly influence what people think about the brand. However, the brand meaning is ultimately created by consumers because the meaning exists in their minds, derived from their own experiences with the brand.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Application of knowledge

137) Consider such brand names as A1 Steak Sauce, 409, A & D Ointment, A & W Root Beer, and Super 8. Why might such names with alphanumeric characters aid in brand name selection?

Answer: Such brands are easy to pronounce, easy to recognize, and easy to remember.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Difficult

AACSB: Application of knowledge

138) What is the difference between an intangible feature and a tangible feature?

Answer: A product's tangible features, such as design and performance, can be observed or touched. Intangible features, such as brand image, are not physical and cannot be touched or observed.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

139) Why are the intangible features of a brand just as important as the tangible features of a brand?

Answer: Intangible features, such as personal experience, create the emotional bonds people have with their favorite brands and contribute to consumers' brand concept.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Difficult

AACSB: Application of knowledge

140) Why is it important for a brand promise to be simple and honest?

Answer: Consumers who purchase the product and believe it does not live up to the promise will develop a negative image of the brand; they will be less likely to become loyal customers.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Difficult

AACSB: Application of knowledge

141) How does a brand name add value to a product?

Answer: Quality and consistency can be identified through a brand; experience with or knowledge of another's experience with a brand helps a buyer know what features, benefits, and quality to expect from a product.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Difficult

AACSB: Application of knowledge

142) Explain why someone would rather have a Rolex watch than a Timex watch, which is as reliable as a Rolex but considerably less expensive.

Answer: Although both are well-known brands, Rolex has built its brand image on quality and luxury. It's a status symbol to own a Rolex, and the watch is perceived more as a piece of jewelry than merely a timepiece. Timex is known as an inexpensive, reliable timepiece. Through effective branding, Rolex has transformed this product by creating a special meaning for it, and the meaning of the brand tells something about the person wearing that brand.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Difficult

AACSB: Reflective thinking

143) What is a brand loyalty program? Give an example of one.

Answer: A brand loyalty program offers consumers rewards for their repeat business. Any program that awards points, money, or free products for repeated purchases could be used as an example.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Application of knowledge

144) When Dell indicates in its ads and on its computer boxes "Intel inside," what type of branding is this, and why does Dell do this?

Answer: This is called ingredient branding, which means acknowledging a supplier's brand as an important product feature. Dell knows that the quality and reputation of the Intel brand of computer chips adds value to its product and wants to communicate that to buyers.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Application of knowledge

145) How do marketing managers use ROI?

Answer: ROI stands for return on marketing investment. It is a calculation that marketing managers can use to determine the relationship between what a marketing program cost and what it delivered in sales.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Application of knowledge

146) What types of products would be successful with standardized global marketing? Answer: Products that require no change to the product itself or to the product's promotion would follow a standardized marketing mix.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Application of knowledge

147) What are brand relationship strategies, and why are they important?

Answer: Relationship-building programs have shifted the focus from increasing one-time purchases to increasing repeat purchases and maintaining long-term brand loyalty. Relationship marketing can be directed at all of a brand's critical stakeholders, from consumers to employees and suppliers.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Application of knowledge

148) Why might a viral marketing strategy be risky?

Answer: Viral marketing refers to the rapid spread of marketing communication—whether generated by consumers or by the company—through a wide network of contacts on the Internet.

A brand can start a viral process but cannot control it.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

Refer to the passage below to answer the following questions.

Gore-Tex is a revolutionary material that is used in several types of outer- and athletic-wear that can keep consumers warm and dry in the winter but also cool in the summer. It is lighter and stronger than other types of materials, such as wool or cotton, and costs more. However, many consumers of these products were not aware of the advantages of Gore-Tex when comparing products and were put off by the very high price. To change this, Gore-Tex hired an advertising agency to assist in creating a special meaning for the brand and to communicate the advantages to end-user consumers. Gore-Tex also worked with the manufacturers of the products into which Gore-Tex was incorporated to encourage them to call attention to the fact that Gore-Tex is used in their products.

149) Which key concept in marketing is illustrated by Gore-Tex's desire to create a special meaning for it, and how can advertising help accomplish this?

Answer: Branding is the process of creating a special meaning for a product, one that makes it distinctive in the marketplace and in its product category. Brand image is the result of communication as well as consumers' own personal experiences with the product. A brand, and the advertising behind it, creates familiarity. Advertising can also be used to communicate the distinctive advantage of Gore-Tex over other types of material.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Application of knowledge

150) Manufacturers of apparel products using Gore-Tex include that information on their product labels as well as in their advertising. What is this practice called, and why do these manufacturers use this approach?

Answer: This is known as ingredient branding, which means acknowledging a supplier's brand as an important product feature. Every contribution from the supply chain adds value to the product, and in practice, suppliers and vendors are partners in the creation of a successful product. The quality of the Gore-Tex brand of material enhances the quality of the finished products that it goes into.

Learning Objective: 1.2: What is integrated marketing communication?

Difficulty: Moderate

AACSB: Application of knowledge