

Chapter 1

1) Advertising is best defined as

- A) marketing
- B) a paid form of marketing communication designed to influence thought patterns and purchase behavior
- C) a subsection of business
- D) a sales tool designed to elicit an immediate response from consumers
- E) a media division within a marketing department

Answer: B

Diff: 1 Type: MC Page Ref: 4

Skill: Recall

2) A story about a company product in a newscast or newspaper that is not paid for by the company is an example of which form of integrated marketing communications?

- A) advertising
- B) sales promotion
- C) public relations
- D) event marketing
- E) sponsorship

Answer: C

Diff: 2 Type: MC Page Ref: 12

Skill: Applied

3) Changes in consumer behaviour related to media consumption dictate that a media plan must include

- A) primetime television
- B) a strong internet presence
- C) direct response marketing
- D) event marketing
- E) sponsorship

Answer: B

Diff: 3 Type: MC Page Ref: 5

Skill: Applied

4) A main reason advertisers do not advertise more on social media is

- A) too expensive
- B) not sure which social media to use
- C) return on investment is difficult to measure
- D) traditional media work best
- E) it is not interactive

Answer: C

Diff: 3 Type: MC Page Ref: 10

Skill: Recall

- 5) You would use sales promotion to
- A) increase the product mix
 - B) encourage an immediate response from consumers
 - C) increase advertising dollars
 - D) improve distribution
 - E) increase the use of the media

Answer: B

Diff: 3 Type: MC Page Ref: 12

Skill: Recall

- 6) When Redbull sends out teams to hand out samples, the company is using which marketing communications tool?
- A) advertising
 - B) trade promotion
 - C) experiential marketing
 - D) public relations
 - E) interactive communications

Answer: C

Diff: 3 Type: MC Page Ref: 12

Skill: Applied

- 7) The United Way's campaign about helping the homeless is an example of
- A) consumer advertising
 - B) retail advertising
 - C) advocacy advertising
 - D) direct-response advertising
 - E) end-product advertising

Answer: C

Diff: 2 Type: MC Page Ref: 8

Skill: Applied

- 8) People are going online and discussing their experiences with products they have used. This activity takes place on
- A) television
 - B) radio
 - C) magazines
 - D) billboards
 - E) social media

Answer: E

Diff: 1 Type: MC Page Ref: 9

Skill: Applied

- 9) The critical time for marketing communications in the product life cycle is during
- A) the mature stage
 - B) the introduction and growth stages
 - C) the introduction stage
 - D) the growth stage
 - E) the mature and decline stages

Answer: B

Diff: 2 Type: MC Page Ref: 15

Skill: Recall

- 10) The most common way to show competitive advantage is to
- A) sell more products
 - B) demonstrate product superiority
 - C) avoid innovation
 - D) keep prices low
 - E) match the competition

Answer: B

Diff: 1 Type: MC Page Ref: 19

Skill: Recall

- 11) A recent phenomenon is the progressive use of lifestyle association in advertising.

This involves

- A) scientific demonstrations
- B) product comparisons
- C) emotional appeals
- D) price comparisons
- E) logical appeals

Answer: C

Diff: 3 Type: MC Page Ref: 20

Skill: Applied

- 12) Often the Public Relations Department of an organization is responsible for building and maintaining a positive image of a company with its various publics. This is called
- A) advocacy advertising
 - B) sponsorship advertising
 - C) corporate advertising
 - D) end-product advertising
 - E) direct-response advertising

Answer: C

Diff: 2 Type: MC Page Ref: 8

Skill: Applied

- 13) In reaching today's multi-tasking consumer who is active in several media at the same time, advertisers must consider

- A) the impact of PVRs on television viewing
- B) developing a stronger billboard presence
- C) placing messages at a time and place where the consumer is engaged
- D) embedding product messages into the scripts of TV shows
- E) increasing the media placement budget

Answer: C

Diff: 2 Type: MC Page Ref: 22

Skill: Applied

- 14) Research shows that social media are effective in building market share when

- A) advertising is a pop- up
- B) long advertising videos are shown on YouTube
- C) the audience can purchase immediately after seeing the advertising on the internet
- D) celebrities endorse the social media advertising
- E) customers share their positive opinions

Answer: E

Diff: 2 Type: MC Page Ref: 23

Skill: Applied

- 15) Advertising's primary role is to

- A) influence the behaviour of a target market
- B) induce trial purchase
- C) increase demographic sales
- D) increase multicultural awareness
- E) reduce media costs

Answer: A

Diff: 1 Type: MC Page Ref: 4

Skill: Recall

- 16) Assuming that consumers develop a favourable attitude toward a specific service or brand, advertising can be both

- A) informative and multi-cultural
- B) informative and segmented
- C) persuasive and direct response
- D) informative and persuasive
- E) informative and negative

Answer: D

Diff: 2 Type: MC Page Ref: 5

Skill: Applied

- 17) Advertising is just one component of marketing communications, along with

- A) personal selling
- B) product and distribution

- C) price
- D) media planning
- E) budgeting

Answer: A

Diff: 1 Type: MC Page Ref: 7

Skill: Recall

18) Advertising opportunities on the internet include

- A) billboard advertising
- B) television advertising
- C) display advertising
- D) public relations
- E) radio advertising

Answer: C

Diff: 3 Type: MC Page Ref: 9

Skill: Applied

19) For news and commercial messages, today's consumers are more reliant on

- A) television
- B) internet and mobile digital technology
- C) newspapers
- D) satellite radio
- E) magazines

Answer: B

Diff: 2 Type: MC Page Ref: 22

Skill: Recall

20) When East Side Mario's used advertising to communicate their new menu, its primary aim was to

- A) sell products to New Yorkers
- B) rejuvenate a mature product
- C) associate with New York
- D) stress its hidden qualities
- E) demonstrate its superiority

Answer: B

Diff: 3 Type: MC Page Ref: 18

Skill: Applied

21) Advocacy advertising by non-profit organizations like The United Way and Greenpeace is designed to

- A) Present a point of view on a public issue
- B) communicate a special price
- C) persuade all market segments
- D) launch new products
- E) communicate additions to the product mix

Answer: A

Diff: 3 Type: MC Page Ref: 8

Skill: Applied

- 22) The primary goal of sales promotion is to
- A) improve a company's image
 - B) communicate a company's store locations
 - C) provide takeover information
 - D) communicate changes in personnel
 - E) encourage an immediate response by the customer

Answer: E

Diff: 1 Type: MC Page Ref: 12

Skill: Applied

- 23) When Green Giant Corn advertises in Canadian Grocer Magazine, they are involved in
- A) direct response advertising
 - B) trade advertising
 - C) retail advertising
 - D) advocacy advertising
 - E) consumer advertising

Answer: B

Diff: 2 Type: MC Page Ref: 7

Skill: Applied

- 24) Free publicity is always generated through
- A) retail advertising
 - B) public relations
 - C) direct response advertising
 - D) end-product advertising
 - E) sales promotions

Answer: B

Diff: 2 Type: MC Page Ref: 12

Skill: Applied

- 25) Experiential marketing communications includes
- A) national brand ads
 - B) infomercials
 - C) flyers
 - D) events
 - E) out-of-home advertising

Answer: D

Diff: 1 Type: MC Page Ref: 13

Skill: Applied

- 26) An advertisement promoting fabricated parts in a specialized industry publication is an example of

- A) industrial advertising
- B) corporate advertising
- C) trade advertising
- D) professional advertising
- E) national advertising

Answer: A

Diff: 1 Type: MC Page Ref: 7

Skill: Applied

- 27) Trade advertising is done by manufacturers and directed at

- A) the legal profession
- B) consumers
- C) industrial buyers
- D) channel members
- E) advertising agencies

Answer: D

Diff: 2 Type: MC Page Ref: 7

Skill: Recall

- 28) The legal profession can be reached through advertising in magazines such as *Canadian Lawyer*. This is known as

- A) consumer advertising
- B) industrial advertising
- C) trade advertising
- D) business-to-business advertising
- E) national advertising

Answer: D

Diff: 3 Type: MC Page Ref: 7

Skill: Applied

- 29) Corporate advertising may be used to

- A) increase sales force
- B) increase media budget
- C) enhance a firm's image among its publics
- D) reduce costs
- E) improve product development

Answer: C

Diff: 2 Type: MC Page Ref: 8

Skill: Recall

- 30) Companies that approach communications as a complete package, embrace the concept of

- A) marketing strategy
- B) creative advertising

- C) integrated marketing communications
- D) product superiority
- E) customer satisfaction

Answer: C

Diff: 3 Type: MC Page Ref: 6

Skill: Applied

31) Advertising designed to influence public opinion is referred to as

- A) advocacy advertising
- B) service industry advertising
- C) product advertising
- D) promotional advertising
- E) public advertising

Answer: A

Diff: 2 Type: MC Page Ref: 8

Skill: Recall

32) At what stage in the product life cycle must the product focus on creating brand preference?

- A) introduction
- B) growth
- C) maturity
- D) decline
- E) withdrawal

Answer: B

Diff: 3 Type: MC Page Ref: 17

Skill: Applied

33) An advertisement featuring refrigerated display units in Canadian Grocer is an example of

- A) industrial advertising
- B) merchandising advertising
- C) trade advertising
- D) professional advertising
- E) service-industry advertising

Answer: A

Diff: 3 Type: MC Page Ref: 7

Skill: Applied

34) Wendy's finds itself in a product category where competitors like McDonald's invest heavily in advertising. Wendy's should

- A) adopt an online strategy
- B) pursue new customer segments
- C) evaluate less expensive alternatives such as sales promotion
- D) reduce advertising spending
- E) divert advertising dollars to broadcast media only

Answer: C

Diff: 3 Type: MC Page Ref: 20

Skill: Applied

35) Canadian programming is the cornerstone of the

- A) Telecommunications Act
- B) Canadian Code of Advertising Standards
- C) Competition Act
- D) Broadcasting Act
- E) Food and Drug Act

Answer: D

Diff: 2 Type: MC Page Ref: 25

Skill: Applied

36) Which medium accounts for the largest portion of advertising revenue among the mass media in Canada?

- A) radio
- B) television
- C) magazines
- D) billboards
- E) internet

Answer: B

Diff: 2 Type: MC Page Ref: 4

Skill: Recall

37) The largest advertising categories in Canada include:

- A) financial institutions
- B) telecommunications companies
- C) educational institutions
- D) publishing companies
- E) provincial governments

Answer: A

Diff: 2 Type: MC Page Ref: 4

Skill: Recall

38) Older consumers are more concerned than younger consumers about

- A) use of personal information
- B) social media
- C) inappropriate messages
- D) sex in advertising
- E) extreme advertising

Answer: A

Diff: 3 Type: MC Page Ref: 23

Skill: Recall

39) Communications that allow consumers to order directly is referred to as

- A) end-product advertising
- B) experiential marketing
- C) direct-response communications
- D) sales promotions
- E) service-industry advertising

Answer: C

Diff: 2 Type: MC Page Ref: 12

Skill: Applied

40) The channel that will be the hub for delivering content for all media is

- A) newspapers
- B) magazines
- C) radio
- D) television
- E) the internet

Answer: E

Diff: 1 Type: MC Page Ref: 22

Skill: Applied

41) Advertising that focuses on improving the company's image is known as

- A) socially responsible advertising
- B) multi-faceted advertising
- C) corporate advertising
- D) industrial advertising
- E) advocacy advertising

Answer: C

Diff: 1 Type: MC Page Ref: 8

Skill: Recall

42) Delivering a message directly to a potential customer is

- A) promotional advertising
- B) direct-response communications
- C) advocacy advertising
- D) corporate advertising
- E) retail advertising

Answer: B

Diff: 1 Type: MC Page Ref: 12

Skill: Recall

43) Labatt's "smooth taste teams" is an example of

- A) experiential marketing
- B) lifestyle advertising
- C) prestige promotions

- D) value advertising
- E) versatility display

Answer: A

Diff: 1 Type: MC Page Ref: 13

Skill: Recall

44) Popular promotions during the mature stage of the product life cycle are

- A) coupons and price discounts
- B) premium offers and contests
- C) price discounts and bonus packs
- D) seasonal packaging and coupons
- E) sale prices

Answer: B

Diff: 3 Type: MC Page Ref: 18

Skill: Applied

45) When Kashi communicated that its cereal was tasty and lowers cholesterol, the company's goal was to

- A) rejuvenate a mature product
- B) communicate a hidden quality
- C) target lifestyle aspirations
- D) communicate a sales promotion
- E) demonstrate its superiority

Answer: E

Diff: 2 Type: MC Page Ref: 19

Skill: Applied

46) A grocery store using coupons, cash refunds and contests is using

- A) public relations
- B) pricing strategy
- C) sales promotion
- D) advertising
- E) personal selling

Answer: C

Diff: 1 Type: MC Page Ref: 12

Skill: Applied

47) When Samsung launched the Galaxy S4 and communicated the product's features that were better than the competition, the company established a competitive advantage by

- A) offering a unique sales proposition
- B) communicating a product innovation
- C) re-positioning its product line
- D) targeting a niche audience
- E) stressing hidden qualities

Answer: B

Diff: 3 Type: MC Page Ref: 20
Skill: Applied

48) Major networks are streaming shows and sporting events for viewing online. This has led to

- A) On-demand viewing
- B) total commercial-free viewing
- C) more tech-savvy consumers
- D) consumers becoming more isolated in society
- E) consumers losing control of their TV

Answer: A

Diff: 2 Type: MC Page Ref: 22
Skill: Applied

49) The primary job of personal selling is to

- A) make a sale
- B) support an event
- C) encourage volume or seasonal buying
- D) generate free publicity
- E) stimulate awareness of a product

Answer: A

Diff: 2 Type: MC Page Ref: 13
Skill: Recall

50) The Canadian Code of Advertising Standards is administered by

- A) Canadian Radio-television and Telecommunications Commission
- B) AOL and Time Warner
- C) The Competition Act
- D) Advertising Standards Canada
- E) Canadian Institute of Advertising

Answer: D

Diff: 3 Type: MC Page Ref: 26
Skill: Recall

51) A television commercial showing "twenty-somethings" drinking Red Bull while active in extreme sports is an example of

- A) pop advertising
- B) lifestyle advertising
- C) sex-role stereotyping
- D) hidden qualities
- E) information-driven communication

Answer: B

Diff: 3 Type: MC Page Ref: 20
Skill: Applied

52) The Canadian Code of Advertising Standards addresses

- A) Canadian programming content
- B) broadcast license applications
- C) cable television licences
- D) Canadian ownership of broadcast licences
- E) appropriate and accurate messages

Answer: E

Diff: 2 Type: MC Page Ref: 27

Skill: Applied

53) A common complaint about advertising is

- A) the rising costs
- B) attention deficit in audiences
- C) lack of scientific evidence in messages
- D) use of sex to sell something
- E) people don't read ads

Answer: D

Diff: 2 Type: MC Page Ref: 24

Skill: Applied

54) Canadian Tire's association with the 2014 Canadian Olympic Team is an example of

- A) database marketing
- B) sales promotion activities
- C) sponsorship
- D) national advertising
- E) public relations

Answer: C

Diff: 2 Type: MC Page Ref: 13

Skill: Applied

55) Which type of communications provides a distinct reason to buy now rather than later?

- A) corporate advertising
- B) national advertising
- C) service-industry advertising
- D) advocacy advertising
- E) sales promotion

Answer: E

Diff: 2 Type: MC Page Ref: 12

Skill: Applied

56) The iced tea segment is growing based on consumers' perceptions that tea is a healthy beverage. This is an example of

- A) selective perception
- B) brand preference
- C) primary demand
- D) a product innovation

E) a lifestyle consideration

Answer: E

Diff: 3 Type: MC Page Ref: 20

Skill: Applied

57) In a competitive environment, brand leaders build market share by

- A) investing in sales promotion
- B) implementing price discounting
- C) maintaining significant advertising budgets
- D) making a short-term commitment to advertising
- E) relying more on personal selling

Answer: C

Diff: 3 Type: MC Page Ref: 20

Skill: Recall

58) In terms of integrated marketing communications, all elements should

- A) say the same thing and complement each other
- B) work to communicate several different messages
- C) take a secondary importance to advertising
- D) be invested in equally
- E) be handled by one outside supplier

Answer: A

Diff: 2 Type: MC Page Ref: 6

Skill: Applied

59) Traditionally, mass advertising helped to

- A) create clutter in media
- B) drive store traffic and sales
- C) create widespread awareness of a new product
- D) build customer databases
- E) create word-of-mouth advertising

Answer: C

Diff: 3 Type: MC Page Ref: 5

Skill: Recall

60) For management that perceives advertising as an expense, advertising goals will not be met when

- A) advertising is expensive
- B) measures of advertising effectiveness are unavailable
- C) there is a profit-squeeze situation
- D) social media is not being used
- E) public relations is a priority

Answer: C

Diff: 3 Type: MC Page Ref: 21

Skill: Applied

61) Advertising in Canada is big business! In 2011, the amount spent was \$14.4 billion.

A) True

B) False

Answer: True

Diff: 2

Type: TF

Page Ref: 4

Skill: Recall

62) Social media sites are a wonderful place for consumers to deliver word-of-mouth messages about companies.

A) True

B) False

Answer: True

Diff: 2

Type: TF

Page Ref: 10

Skill: Applied

63) Advocacy advertising encourages consumers to look for a particular component or ingredient when buying a final product.

A) True

B) False

Answer: False

Diff: 2

Type: TF

Page Ref: 8

Skill: Recall

64) Apple's launch of the new iPhone 5 with its new and better features is an example of showing a competitive advantage through product innovation.

A) True

B) False

Answer: True

Diff: 1

Type: TF

Page Ref: 20

Skill: Applied

65) New media alternatives are solely the domain of younger generations.

A) True

B) False

Answer: False

Diff: 2

Type: TF

Page Ref: 23

Skill: Recall

66) A Corvette television advertisement showing an enraged driver racing wildly is an example of extreme advertising used to encourage young audiences to get involved in street car racing.

A) True

B) False

Answer: True

Diff: 3

Type: TF

Page Ref: 25

Skill: Applied

- 67) Direct mail is the most common means of delivering direct-response messages to potential consumers.

A) True

B) False

Answer: True

Diff: 1 Type: TF Page Ref: 12

Skill: Recall

- 68) The Canadian Code of Advertising Standards addresses concerns about superstitions and fears in commercial messages.

A) True

B) False

Answer: True

Diff: 2 Type: TF Page Ref: 27

Skill: Recall

- 69) Business-to-business advertising refers to advertising aimed only at professional associations such as medical associations.

A) True

B) False

Answer: False

Diff: 1 Type: TF Page Ref: 7

Skill: Applied

- 70) A press release issued by Greenpeace would be used to influence the attitudes, opinions and behaviours of interest groups toward its organization.

A) True

B) False

Answer: True

Diff: 2 Type: TF Page Ref: 12

Skill: Applied

- 71) Rather than plan a unique event, a company may choose to sponsor an existing event in order to save money and reduce risk.

A) True

B) False

Answer: True

Diff: 3 Type: TF Page Ref: 13

Skill: Applied

- 72) Sales promotion is long term in scope.

A) True

B) False

Answer: False

Diff: 3 Type: TF Page Ref: 12

Skill: Applied

- 73) Companies use coupons, contests and other incentives to encourage immediate sales.

A) True

B) False

Answer: True

Diff: 1 Type: TF Page Ref: 12

Skill: Applied

- 74) SUV car ads showing people enjoying themselves outdoors is an example of an advertiser demonstrating product superiority.

A) True

B) False

Answer: False

Diff: 2 Type: TF Page Ref: 19

Skill: Applied

- 75) Kellogg's Special K Cereal print campaign offered a free personal slim plan with purchase. This advertising tactic encourages brand loyalty in the mature phase of the product life cycle.

A) True

B) False

Answer: True

Diff: 3 Type: TF Page Ref: 18

Skill: Applied

- 76) Bell Canada sponsored the 2010 Vancouver Olympic Games. This is a great example of direct-response communications.

A) True

B) False

Answer: False

Diff: 2 Type: TF Page Ref: 12

Skill: Applied

- 77) In the growth stage of a product, advertising performs a dual role, creating awareness while establishing brand preference.

A) True

B) False

Answer: True

Diff: 3 Type: TF Page Ref: 16

Skill: Recall

- 78) Advertising is critical at the decline stage of the product life cycle.

A) True

B) False

Answer: False

Diff: 2 Type: TF Page Ref: 19
Skill: Applied

- 79) The internet has the potential to become the biggest single-source generator of revenues among all communications alternatives.

A) True
B) False

Answer: True

Diff: 3 Type: TF Page Ref: 9
Skill: Applied

- 80) Canadians 18 and over spend more time watching television than listening to radio.

A) True
B) False

Answer: True

Diff: 2 Type: TF Page Ref: 3
Skill: Recall

- 81) A big challenge for advertisers is to convince people to use traditional rather than new media.

A) True
B) False

Answer: False

Diff: 1 Type: TF Page Ref: 5
Skill: Recall

- 82) Advertising makes products appear better than they actually are.

A) True
B) False

Answer: False

Diff: 3 Type: TF Page Ref: 21
Skill: Applied

- 83) The biggest problem with experiential marketing is that it is impersonal.

A) True
B) False

Answer: False

Diff: 2 Type: TF Page Ref: 13
Skill: Recall

- 84) Mobile communications are not interactive.

A) True
B) False

Answer: False

Diff: 3 Type: TF Page Ref: 10
Skill: Applied

- 85) A food manufacturer falsely claiming its products are organic comes under the scrutiny of Advertising Standards Canada.

A) True

B) False

Answer: True

Diff: 3 Type: TF Page Ref: 25

Skill: Applied

- 86) Event Marketing and Sponsorship is considered a growth area of marketing communications. Discuss the benefits of these IMC activities.

Answer:

Similar to public relations, event marketing and sponsorship often yield favourable news coverage and publicity. Customers may feel better about the sponsor knowing that it is participating in something that is meaningful to that customer, and it may ultimately influence product purchases.

Diff: 3 Type: ES Page Ref: 13

Skill: Applied

- 87) Discuss how an advertisement featuring a contest for Bell Mobility would impact product sales.

Answer:

Sales promotion activities like contests encourage immediate sales and may encourage volume buying or seasonal buying. Sales promotion activities may also encourage merchandising activity in retail stores which can provide the opportunity for increased sales at the point of purchase.

Diff: 3 Type: ES Page Ref: 12

Skill: Applied

- 88) If IKEA were to develop an advertising campaign featuring affordable furniture solutions for the challenges of student life, what technique would IKEA be using to differentiate its products? Discuss the effectiveness of this technique.

Answer:

A recent phenomenon in advertising is the progressive use of lifestyle associations to differentiate among products. Advertisers target lifestyle aspirations by appealing to the emotional side of the purchase decision. The advertising makes an emotional connection with potential consumers and shows how the product plays a role in one's life.

Diff: 3 Type: ES Page Ref: 20

Skill: Applied

- 89) Why is it so important for a product to live up to the promise advertising makes?

Answer:

Advertising messages focus on the unique selling points of the product and the benefits the customer will derive from them. Getting the customer to try a product once, at great expense, only to be disappointed in the quality or whatever the

primary benefit was to be is a waste of money. It is imperative that the brand meet consumer expectations so that repeat purchases occur in the longer term.

Diff: 3 Type: ES Page Ref: 21

Skill: Recall

- 90) How do product demand and the product life cycle influence the decision to invest in advertising?

Answer:

In the introductory and growth stages, a company should encourage demand through advertising. As demand declines, investment in advertising should be reduced or even withdrawn.

Diff: 2 Type: ES Page Ref: 15

Skill: Recall

- 91) What are the critical stages for marketing communications in the product life cycle?

Answer:

The critical stages for marketing communications are the product's introduction and growth stages. Advertising objectives focus on creating awareness for a new brand and on repositioning for a mature brand. Trial purchase through promotional incentives are also popular during the introductory stage

Diff: 2 Type: ES Page Ref: 15

Skill: Recall

- 92) Why are members of contemporary Canadian society complaining about the use of sex in advertising to sell products?

Answer:

Critics charge that advertisers are using more and more sex with each passing year. Using sex appeals in an appropriate manner and for appropriate products seems natural, but gratuitous sex is something consumers shouldn't have to tolerate.

Diff: 2 Type: ES Page Ref: 24

Skill: Recall

- 93) Discuss the challenges that new technologies are posing for television advertisers today.

Answer:

The increasing penetration of satellite dishes, cable television, and the availability of so many stations have changed the way that people view television. Audiences will continue to be chopped into increasingly smaller sizes, a phenomenon referred to as audience fragmentation. In addition, consumers are increasingly taking control of their television viewing by using their remote controls or PVRs. Online delivery of many television shows and sporting events has led to on-demand viewing.

Diff: 2 Type: ES Page Ref: 22

Skill: Applied

- 94) The goal of integrated marketing communications is to coordinate the various components of communications to achieve common objectives. What are the seven major elements of this mix?

Answer:

The marketing communications mix comprises seven major elements: advertising, public relations, sales promotion, personal selling, experiential marketing (event marketing and sponsorships), direct response, and interactive communications.

Diff: 1 Type: ES Page Ref: 7

Skill: Recall

- 95) Advertising has always played a major role in achieving brand and company objectives. Discuss how opportunities for contemporary advertising are changing.

Answer:

Advertising plays a major role by helping attract new customers and retain current customers. Contemporary advertising is now more targeted based on database and interactive marketing techniques. Social media are proving to be more cost effective at engaging customers and interacting with them.

Diff: 3 Type: ES Page Ref: 5

Skill: Recall

- 96) Should the success of an advertising campaign be measured strictly in terms of product sales? Why or why not?

Answer:

Such measurement is misleading, as there is no direct relationship between advertising and sales. Other variables beyond advertising influence the consumer's decision-making process. Marketing decisions regarding product, price, distribution, sales promotion, personal selling, and event marketing, for example, all combine to have an effect on sales. It is not reasonable to hold one variable, such as advertising, responsible when sales decline or increase.

Diff: 3 Type: ES Page Ref: 5

Skill: Applied

- 97) Should companies capitalize on social media? Explain your answer.

Yes! More audiences are using social media in Canada, especially the Baby Boomers. Many companies see social media as an effective advertising channel in building market share, especially when their customers are sharing positive feelings about the company on social media. Effective, two-way conversations between customers and a company produce positive word of mouth.

Diff: 3 Type: ES Page Ref: 23

Skill: Applied

- 98) Explain the difference between advertising and public relations.

Answer:

Both advertising and public relations are forms of marketing communications. Advertising is a paid form of communications where the company pays for space in a channel of communications. Examples would be a television spot, a radio

spot, a print advertisement in a magazine or newspaper, or an advertising banner on the internet. In contrast, public relations is an unpaid form of communications. Publication of a message is not directly funded by the company. Instead, companies rely on the media to see their message as newsworthy so that it will be published or broadcasted. Partnering with causes for the public good usually results in newsworthy messages.

Diff: 1 Type: ES Page Ref: 11
Skill: Applied

- 99) Alpine Gum offered consumers a significant benefit over its competitor Hall's lozenges: its medicinal properties last 20 minutes compared to only seven or eight minutes for a lozenge. Discuss Alpine's advantage and how it contributed to its advertising campaign.

Answer:

The most common way to show advantage is to demonstrate the superiority of a product compared to a similar product or stating what the product can do. Alpine's campaign had impact because the message was meaningful to the target audience.

Diff: 3 Type: ES Page Ref: 19
Skill: Applied

- 100) Define personal selling and explain its relationship to advertising.

Answer:

Personal selling is a personalized form of communication that involves a seller presenting the features and benefits of a product or service to a buyer for the purpose of making a sale. A sales representative presents the merits of a brand to the buyer at the head office of a retailer. To illustrate the importance of personal selling, consider how a new product such as Tide to Go or Minute Maid Simply Orange arrives on the shelf at your local supermarket. Advertising can be used in conjunction with personal selling by creating mass awareness of a product and supporting what the seller is communicating to an individual customer.

Diff: 1 Type: ES Page Ref: 13
Skill: Applied

- 101) Identify and briefly explain the differences between trade and industrial advertising.

Answer:

Trade advertising is conducted by manufacturers and directed towards distribution channel members. Messages usually stress the product's acceptance by other intermediaries, the promotions that the manufacturer will offer to help re-sell the product and its profit margins. Industrial advertising is conducted by suppliers targeting industrial buyers of capital equipment, accessories, fabricated parts or raw materials. The advertising message is supportive of personal selling activities. Industrial advertising tends to stimulate awareness and generate sales leads.

Diff: 1 Type: ES Page Ref: 7
Skill: Recall

- 102) The United Way's campaign about helping the homeless dramatically depicts the nature of the problem while encouraging the public to find a solution. What form of advertising is this and what is its primary objective?

Answer:

This is an example of advocacy advertising, defined as any public communication paid for by an identified sponsor that presents information or a point of view on a publicly recognized, controversial issue. The purpose of advocacy advertising is to influence public opinion.

Diff: 2 Type: ES Page Ref: 8

Skill: Applied

- 103) The most common way to show a competitive advantage is to demonstrate product superiority. Provide an example from a recent advertisement you've seen.

Answer:

Advertisers demonstrate the superiority of a given product by comparing it to a similar product or by making significant claims about what the product will do. Examples could include any product that is more affordable (KIA), faster (Bell Sympatico), superior performance (Samsung), etc.

Diff: 2 Type: ES Page Ref: 19

Skill: Applied

- 104) Why is it imperative that a brand meets consumer expectations?

Answer:

It is imperative that the brand meet consumer expectations (delivered as promised) so that repeat purchases occur in the longer term. Poor or inconsistent quality is inconsistent with customer relationship management programs that companies are now implementing. Advertising dollars are wasted because when a product does not deliver the promise, the advertiser loses credibility and advertising is considered unreliable and unbelievable.

Diff: 2 Type: ES Page Ref: 21

Skill: Recall

- 105) Explain how advertising has changed.

Contemporary advertising is now more targeted and based on database management and interactive marketing techniques. Media of choice today include more micro-based channels (direct response and interactive internet/mobile) than macro-based (television, radio, magazines). The biggest challenge for advertisers now is how to combine the right media to effectively reach the target audience. In the past, the challenge was how to create the best message. Today it is essential that creative and media planners work closely together.

Diff: 3 Type: ES Page Ref: 5

Skill: Recall

- 106) What is the challenge faced by companies in using social media to advertise?

Answer:

Nearly 86% of respondents of an Advertising Age survey said they used Facebook as a marketing tactic but only 55% say they advertise on Facebook. The main reason for this is the difficulty in measuring the effectiveness return on investment of social media advertising. In contrast, techniques for measuring return on investment for traditional media like television and radio are well established.

Diff: 2 Type: ES Page Ref: 10
Skill: Recall

- 107) Describe how Molson Coors Canada increased the impact of its advertising campaign by combining it with social media.

Answer:

Before the advertising campaign for Molson Canadian 67 was launched, Molson created buzz through Twitter, its Molson insider database, and its Molson Canadian Facebook fan page. The database and fan page identified advocates of their brand. Molson invited advocates and a friend to sample the beer and learn about the new brand at a Molson-hosted party. Guests were encouraged to submit written reports of their experience on a dedicated Molson 67 site.

Diff: 2 Type: ES Page Ref: 5
Skill: Applied

- 108) What marketing communication strategies should a company consider if it opts to rejuvenate a brand when it reaches the mature stage of its product life cycle?

Answer:

Repositioning of a brand requires a large investment in marketing communications to let consumers know how the new and improved brand can meet current consumer expectations. Mass media and online media can be used to get the message across to the target audience. Creating buzz with social media is also important. Promotions that include trial can also be effective.

Diff: 3 Type: ES Page Ref: 19
Skill: Recall

- 109) Extreme advertising is a good way to advertise. Discuss this statement.

Answer:

Advertisers have only a few seconds to catch the attention of today's viewers before they're gone! To many people in the advertising industry, this style of ad fits with a young, contemporary lifestyle. We have extreme sports, extreme music, extreme food and drink; ad agencies are simply trying to keep up. On the other hand, advertisers have come under criticism for using extreme advertising. In the automotive industry, for instance, car manufacturers are being criticized for encouraging dangerous driving.

Diff: 2 Type: ES Page Ref: 25
Skill: Applied

110) Define direct-response communications. Provide a recent example.

Answer:

Direct-response communications is a form of advertising in which messages are delivered directly to potential customers on an individual basis. Direct mail is the most common means of delivering these messages, but other forms of communication such as direct-response television, print and telemarketing play a significant role. Database management is used to target the audience personally. Shoppers Drug Mart's Optimum card is an example of how database information is used for developing effective direct-response communications. The company uses the database information to send unique offers tailored specifically to cardholders' shopping behaviour.

Diff: 1 Type: ES Page Ref: 12
Skill: Recall