***Essentials of Marketing, 16e* (Perreault)**
Chapter 2 Marketing Strategy Planning

1) Planning, implementation, and control are basic jobs of all managers.

2) Controlling the marketing plan is the first step of the marketing management process.

3) The three basic jobs in the marketing management process are planning, implementation, and control.

4) The marketing management process consists of (1) planning marketing activities, (2) directing the implementation of the plans, and (3) controlling these plans.

5) Strategic planning is a top management job that includes planning only for marketing.

6) Strategic planning is the managerial process of developing and maintaining a match between an organization's resources and its market opportunities.

7) Strategic (management) planning is a managerial process of developing and maintaining a match between the resources of the production department and its product opportunities.

8) Finding attractive opportunities and developing profitable marketing strategies are tasks included in the marketing manager's marketing strategy planning job.

9) Marketing strategy planning is the process of deciding how best to sell the products the firm produces.

10) A marketing strategy specifies a target market and a related marketing mix.

11) A marketing strategy is composed of two interrelated parts—a target market and a marketing mix.

12) A marketing strategy is composed of two interrelated parts—planning and implementation.

13) The two parts of a marketing strategy are an attractive opportunity and a target market.

14) A target market consists of a group of consumers who are usually quite different.

15) A marketing mix consists of the uncontrollable variables that a company puts together to satisfy a target market.

16) Target marketing aims a marketing mix at some specific target customers.

17) Mass marketing means focusing on some specific customers, as opposed to assuming that everyone is the same and will want whatever the firm offers.

18) The mass marketing approach is more production-oriented than marketing-oriented.

19) The terms mass marketing and mass marketers mean the same thing.

20) "Mass marketers" like Target usually try to aim at clearly defined target markets.

21) The problem with target marketing is that it limits the firm to small market segments.

22) Potential customers are all alike.

23) The basic reason to focus on some specific target customers instead of all possible customers is so that managers can develop a marketing mix that satisfies those customers' specific needs better than they are satisfied by some other firm.

24) The "Four Ps" are Product, Promotion, Price, and Personnel.

25) The "Four Ps" of the marketing mix are Product, Position, Promotion, and Price.

26) The "Four Ps" of the marketing mix are People, Products, Price, and Promotion.

27) Product, Place, Promotion, and Price are the four major variables (decision areas) in a firm's marketing mix.

28) The customer is a part of the marketing mix and should be the target of all marketing efforts.

29) Although the customer should be the target of all marketing efforts, customers are not part of a marketing mix.

30) The customer should not be considered part of a "marketing mix."

31) The Product area is concerned with developing the right physical good, service, or blend of both for the target market.

32) According to the text, a firm that sells a service rather than a physical good does not have a product.

33) The Product area of the marketing mix may involve a service and/or a physical good, which satisfies some customers' needs.

34) The Place decisions are concerned with getting the right product to the target market at the right time.

35) Any series of firms (or individuals) from producer to final user or consumer is a channel of distribution.

36) A channel of distribution is any series of firms or individuals that participate in the flow of products from producer to final user or consumer.

37) A channel of distribution must include an intermediary.

38) A channel of distribution must include several kinds of intermediaries and collaborators.

39) Personal selling, mass selling, and sales promotion are all included in the Promotion area of the marketing mix.

40) Promotion is composed of personal selling, advertising, publicity, and sales promotion.

41) Personal selling involves direct personal communication to get the sale, but personal attention is seldom required after the sale.

42) Customer service is needed when a customer wants the seller to resolve a problem with a purchase.

43) Advertising is any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.

44) Sales promotion can involve point-of-purchase materials, store signs, contests, catalogs, and circulars.

45) Sales promotion refers to those promotion activities—other than advertising, publicity, and personal selling—that stimulate interest, trial, or purchase by final customers or others in the channel.

46) Personal selling and advertising are both forms of sales promotion.

47) The "Four Ps" are used by marketing managers to deliver customer value to a target market.

48) According to the text, Promotion is the most important of the "Four Ps."

49) Price is the most important of the "Four Ps."

50) In general, no single element of the "Four Ps" is more important than the others.

51) The marketing mix should be set before the best target market is selected.

52) As in the Toddler University case, the needs of a target market virtually determine the nature of an appropriate marketing mix.

53) Marketing plan and marketing strategy mean the same thing.

54) A marketing strategy and all the time-related details for carrying out the strategy is a "marketing plan."

55) A marketing plan is a written statement of a marketing strategy and the time-related details for carrying out the strategy.

56) Implementation means putting the marketing plan into operation.

57) Short-run decisions that stay within the overall guidelines set during strategy planning are called implementation decisions.

58) Marketing strategy planning should specify all the operational decisions to implement the plan.

59) Companies such as Campbell's can only implement one marketing strategy at a time.

60) Marketing analytics is used to evaluate marketing performance in order to maximize efficiency and effectiveness.

61) Most companies implement only one marketing strategy at a time.

62) A marketing program blends all of the firm's marketing plans into one "big" plan and is the responsibility of the whole company.

63) A marketing program blends all of a firm's marketing plans into one "big" plan.

64) A marketing program may consist of several marketing plans.

65) A successful marketing program benefits the firm by increasing customer equity.

66) Customer lifetime value (CLV) represents the total stream of purchase a customer could contribute to the company over the life of the relationship.

67) One way to increase customer equity is to find cost-effective ways to serve current customers so they buy more.

68) One way to increase customer equity is to find cost-effective ways to add new customers for the firm's products.

69) The best way to increase customer equity is to find cost-effective ways to increase earnings from current customers while bringing profitable new customers into the fold.

70) The customer equity approach guides the marketing manager to make marketing decisions that enhance the firm's short-term profits—just for the next quarter or year.

71) Enhancing customer value by increasing their purchases is a potential source of new revenue.

72) The retention rate is the amount it costs to attract a new customer compared to the amount it costs to retain customers.

73) If a firm spent $5,000 in advertising to obtain 50 new customers, its acquisition cost would be $100 per customer.

74) The single most important factor in screening possible marketing opportunities is the long-run trends facing the company.

75) Attractive opportunities for a particular firm are those that the firm has some chance of doing something about—given its resources and objectives.

76) A breakthrough opportunity is an opportunity that helps innovators develop long-term, hard-to-copy marketing strategies that will be very profitable.

77) Breakthrough opportunities are those that help innovators develop hard-to-copy marketing strategies that will be profitable for a long time.

78) A firm with a "competitive advantage" has a marketing mix that the target market sees as better than a competitor's mix.

79) Finding competitive advantages is important because they are needed for survival in increasingly competitive markets.

80) It is useful to think of the marketing strategy planning process as a narrowing-down process.

81) The marketing strategy planning process starts with a narrow look at a market and becomes broader the closer the firm comes to developing a marketing mix.

82) There are usually more different strategy possibilities than a firm can pursue.

83) Developing a set of specific qualitative and quantitative screening criteria can help a manager define in which business and markets the firm wants to compete.

84) A S.W.O.T. analysis is one way to zero in on a marketing strategy that is well-suited to the firm.

85) A S.W.O.T. analysis identifies the "special weapons or tactics" used by the competitor in a product market that has the most profitable marketing mix.

86) S.W.O.T. analysis is based on the idea that one of the best ways to develop a strategy is to identify and copy the marketing "strategies, weapons, outlook, and tactics" of the firm's most effective competitor.

87) A good S.W.O.T. analysis helps a manager focus on a strategy that takes advantages of the firm's opportunities and strengths while avoiding its weaknesses and threats to its success.

88) The letters in "S.W.O.T." analysis are an abbreviation for the first letters of the words "strengths, weaknesses, opportunities, and threats."

89) The letters in "S.W.O.T." analysis are an abbreviation for the first letters of the words "special weapons or tactics."

90) Segmentation is the process a manager goes through to decide which subgroups of customers to select.

91) Differentiation means that the marketing mix is distinct from and better than what is available from a competitor.

92) Differentiation means that the firm's marketing mix is similar to its competitors' mixes.

93) Differentiation often requires a firm to fine-tune its marketing mix to meet the specific needs of its target market(s).

94) Differentiation emphasizes uniqueness rather than similarity.

95) Differentiation emphasizes similarity rather than uniqueness.

96) The external market environment doesn't play a role in the marketing strategy planning process because it exists outside of the company.

97) It is useful to think of the marketing strategy planning process as a process that begins with a narrow focus but then broadens to embrace unlimited opportunities and options.

98) The first two letters in "S.W.O.T." analysis help managers examine customers, competition, and the external marketing environment.

99) The last two letters in "S.W.O.T." refer to "opportunities" and "threats" related to factors outside the company, including customers, competition, and the external marketing environment.

100) Marketing opportunities involving present products and present markets are called "market penetration" opportunities.

101) Market penetration means trying to increase sales of a firm's present products in its present markets—probably through a more aggressive marketing mix.

102) A firm that tries to increase sales by selling new products in new markets is pursuing "market development" opportunities.

103) A market development opportunity would involve a firm offering new or improved products to its present markets.

104) When a firm tries to increase sales by offering new or improved products to its present markets, this is called "product development."

105) Nike moved beyond shoes and sportswear to offer its athletic target market a running watch, digital audio player, and even a portable heart-rate monitor. This is an example of a market development strategy.

106) The ArrowPoint Company has just modified and enlarged its product line to meet the changing needs of its current customers. This is an example of "market development."

107) When Cadillac added a new sports utility vehicle called Escalade to the "luxury-oriented" selection at its existing dealers, it was seeking "market development" opportunities.

108) If Burger King added tacos to the "burger-oriented" menu in its existing restaurants, it would be seeking "market development" opportunities.

109) Marketing opportunities that involve moving into totally different lines of business are "diversification" opportunities.

110) The least risky—but most challenging—marketing opportunities are diversification opportunities.

111) Often, attractive opportunities are fairly close to markets the firm already knows.

112) When it comes to choosing among different types of opportunities, most firms tend to be production-oriented and usually think first of diversification.

113) Of the four types of opportunities firms can pursue, diversification is the easiest to evaluate and involves the least risk.

114) Advances in e-commerce, transportation, and communications have had little impact on creating international opportunities.

115) If customers in other countries are interested in the products a firm offers, or could offer, serving them may improve economies of scale.

116) Unfavorable trends in the domestic market environment may make the international marketing environment very attractive.

117) International opportunities should be considered in the strategy planning process, but they don't always survive as the most attractive ones that are turned into strategies.

118) Marketing managers usually find that opportunities in international markets are less profitable than in domestic markets.

119) When a firm's domestic market is prosperous, marketing managers are less likely to pursue opportunities in international markets.

120) The three basic tasks of all managers, according to the text, are
A) planning, staffing, and evaluating.
B) marketing, production, and finance.
C) execution, feedback, and control.
D) hiring, training, and compensating.
E) planning, implementation, and control.

121) Controlling is vital to the marketing management process because
A) marketing managers need to control their subordinates.
B) controlling examines a firm's strengths, weaknesses, opportunities, and threats.
C) gathering feedback on a plan's results may lead to beneficial adjustments or entirely new plans.
D) controlling involves identifying a target market.
E) controlling is part of the marketing mix.

122) Which of the following duties would NOT be performed by a firm's marketing managers?
A) planning activities
B) directing the implementation of plans
C) controlling plans
D) overseeing the firm's financial statements
E) developing marketing mixes for target markets

123) Which of the following is one of three basic marketing management jobs?
A) directing the implementation of plans
B) controlling the plans in actual operation
C) planning marketing activities
D) All these answers are correct.

124) The marketing management process is the process of
A) planning marketing activities.
B) implementing marketing plans.
C) controlling marketing plans.
D) All these answers are correct.

125) Which of the following refers to the managerial process of developing and maintaining a match between an organization’s resources and its market opportunities?
A) marketing mix decisions
B) strategic (management) planning
C) advertising and promotional activities
D) marketing management process
E) effective marketing strategy

126) What sets the tone and direction for the whole company?
A) expansion plan
B) manager's qualification
C) marketing plan
D) management process
E) sales and promotion

127) Marketing strategies
A) are not whole-company plans.
B) ensure that every opportunity is good for every company.
C) do not specify target markets and related marketing mixes.
D) ensure sales and profit for the company.
E) provide a limited picture of what a firm will do in some market.

128) Why can't marketing managers be satisfied just planning present activities?
A) Markets are dynamic.
B) Consumers' needs keep changing.
C) The environment keeps changing.
D) Competitors often change.
E) All of these are reasons that marketing managers can't be satisfied just planning present activities.

129) The managerial process of developing and maintaining a match between the resources of an organization and its market opportunities is called
A) management by objective.
B) marketing programming.
C) marketing strategy planning.
D) strategic (management) planning.
E) market planning.

130) ________ is the managerial process of developing and maintaining a match between an organization's resources and its market opportunities.
A) Strategic (management) planning
B) Target marketing
C) Mass marketing
D) Resource allocation
E) Marketing control

131) "Marketing strategy planning" means
A) finding attractive opportunities and developing profitable marketing strategies.
B) finding attractive opportunities and selecting a target market.
C) selecting an attractive target market.
D) selecting an attractive marketing mix.
E) selecting a target market and developing a marketing strategy.

132) Marketing strategies
A) enable marketing managers to be satisfied just planning present activities.
B) ensure that every opportunity is good for every company.
C) do not specify target markets and related marketing mixes.
D) provide a limited picture of what a firm will do in some market.
E) are not whole-company plans.

133) A marketing strategy
A) specifies a target market and a related marketing mix.
B) provides a focused but narrow picture of what a firm will do in some market.
C) is a market-oriented, whole-company plan.
D) includes two interrelated parts: product mix and product development.
E) includes the marketing mix, but does not specify customers.

134) A marketing strategy specifies
A) a target market and a related marketing mix.
B) all the company's resources.
C) a target market.
D) a target market and the company's objectives.
E) a marketing mix.

135) A marketing strategy specifies
A) a marketing mix.
B) a target market and a related marketing mix.
C) a target market.
D) the resources needed to implement a marketing mix.

136) A target market and a related marketing mix make up a
A) marketing plan.
B) marketing strategy.
C) marketing program.
D) marketing analysis.
E) marketing proposal.

137) Which of the following refers to a fairly homogeneous (similar) group of customers to whom a company wishes to appeal?
A) related market
B) target market
C) typical market
D) mix market
E) trial market

138) Herbal Essences tries to sell its hair shampoos and conditioners to young women in their late teens and early 20s. These women represent Herbal Essences' primary
A) marketing strategy.
B) "Four Ps."
C) target market.
D) marketing mix.
E) channel of distribution.

139) What term refers to the controllable variables the company puts together to satisfy a target group?
A) target marketing
B) marketing strategy
C) direct marketing
D) mass marketing
E) marketing mix

140) In contrast to mass marketing, target marketing
A) assumes all customers have the same needs.
B) assumes everyone is a potential customer.
C) focuses only on small market segments.
D) tailors a marketing mix to fit some specific group of customers.
E) makes it more likely that a firm will face direct competition.

141) Which of the following statements about target marketing is NOT correct?
A) Target marketing is not mass marketing.
B) Mass marketers like Kraft and Walmart may conduct target marketing.
C) Target marketing is not limited to small market segments.
D) Target marketing assumes that everyone is different and specifies some particular target customers.
E) Target marketing is associated with the typical production-oriented approach that aims at everyone with the same marketing mix.

142) The difference between target marketing and mass marketing is that target marketing
A) means focusing on a small market.
B) focuses on short-run objectives, while mass marketing focuses on long-run objectives.
C) focuses on specific customers, while mass marketing aims at an entire market.
D) does not rely on e-commerce, but mass marketing does.
E) aims at increased sales, while mass marketing focuses on increased profits.

143) In contrast to mass marketing, target marketing
A) ignores the need for the firm to obtain a competitive advantage.
B) ignores markets that are large and spread out.
C) is limited to small market segments.
D) assumes that all customers are basically the same.
E) None of these answers is correct.

144) Target marketing
A) is a production-oriented approach to marketing.
B) is essentially the same as mass marketing.
C) considers everyone a potential customer.
D) assumes that everyone is the same.
E) specifies some particular group of customers.

145) ________ assume(s) that everyone is the same and consider(s) everyone to be a potential customer.
A) Mass marketers
B) Target marketing
C) Mass marketing
D) Target marketers
E) Objective marketing

146) Which type of marketing aims to sell to everyone?
A) controlled marketing
B) target marketing
C) oriented marketing
D) direct marketing
E) mass marketing

147) Marketing managers should view potential customers as
A) all alike.
B) all having the same needs.
C) always wanting to meet needs in the same way.
D) grouped into segments of similar consumers.
E) being of different types, but all having the same characteristics.

148) Good marketing strategy planners know that
A) firms like Nabisco and Walmart are too large to aim at clearly defined target markets.
B) target marketing does not limit one to small market segments.
C) mass marketing is often very desirable and effective.
D) the terms "mass marketing" and "mass marketer" mean basically the same thing.
E) target markets cannot be large and spread out.

149) In contrast to mass marketing, target marketing
A) is limited to small market segments.
B) assumes that all customers are basically the same.
C) ignores markets that are large and spread out.
D) assumes that what they give is what customers want.
E) focuses on fairly homogeneous market segments.

150) Which of the following statements about target marketing is NOT correct?
A) Target marketing is not mass marketing.
B) Mass marketers cannot do target marketing.
C) Target marketing can mean big markets and profits.
D) Marketing-oriented managers practice "target marketing."
E) Target marketing aims at a marketing mix that is tailored to fit specific target customers.

151) The marketing mix
A) includes four variables: People, Place, Promotion, and Price.
B) includes the target market.
C) helps to organize the marketing strategy decision areas.
D) includes four variables: advertising, personal selling, customer service, and sales promotion.
E) does not focus on target customers.

152) The "Four Ps" of a marketing mix are
A) Production, Personnel, Price, and Physical Distribution.
B) Promotion, Production, Price, and People.
C) Potential Customers, Product, Price, and Personal Selling.
D) Product, Price, Promotion, and Profit.
E) Product, Place, Promotion, and Price.

153) A marketing mix consists of
A) Policies, Procedures, Plans, and Personnel.
B) the customer and the "Four Ps."
C) all variables, controllable and uncontrollable.
D) Product, Price, Promotion, and Place.

154) A firm's "marketing mix" decision areas do NOT include
A) Promotion.
B) People.
C) Price.
D) Product.
E) Place.

155) A firm's marketing mix decision areas do NOT include
A) Price.
B) Promotion.
C) Product.
D) Place.
E) Profit.

156) Which of the following is NOT one of the four variables in a marketing mix?
A) Price
B) Product
C) Promotion
D) Payment
E) Place

157) Which of the following is true?
A) The Product "P" in the marketing mix stands only for physical goods.
B) The Product "P" in the marketing mix stands for both physical goods and services.
C) The Product "P" in the marketing mix stands only for tangible merchandise.
D) The Product "P" in the marketing mix stands only for physical merchandise.
E) The Product "P" in the marketing mix stands strictly for physical goods and tangible merchandise.

158) What is important to remember when developing the “right” product?
A) The product must be competitive in the market.
B) The product must bring in good profit.
C) The product must be unique to the market.
D) The product must be easily available in the market.
E) The product must satisfy the customer’s needs.

159) "Product" is concerned with
A) branding.
B) packaging and warranty.
C) physical goods.
D) services.
E) all of these might be involved with Product.

160) "Product" is concerned with
A) branding and warranties.
B) physical goods and/or services.
C) packaging.
D) developing the right new product for a market.
E) All of these might be involved with "Product."

161) "Product" is concerned with
A) services.
B) developing products that will satisfy some customers' needs.
C) designing, packaging, and branding new products.
D) physical goods.
E) All of these might be involved with "Product."

162) "Product" is NOT concerned with
A) quality level.
B) branding.
C) wholesale price.
D) packaging.
E) warranty.

163) Which of the following is NOT a Product-area decision?
A) quality level
B) market exposure
C) instructions
D) packaging
E) branding

164) Which of the following is considered a product?
A) tax advice from a financial consultant
B) a computer
C) a haircut
D) a chair
E) All of these are considered products.

165) Henry Ford told prospective customers of his Model T car, "You can have any color as long as it is black." Which aspect of the marketing mix was he stressing?
A) Promotion
B) Product
C) Place
D) Price
E) People

166) The packaging design for a new flavor of Ben and Jerry's ice cream is an aspect of which component of the marketing mix?
A) Place
B) Price
C) Product
D) Promotion
E) People

167) Suzuki's 3-year/36,000-mile new car warranty is part of which marketing mix decision area?
A) Price
B) Target Market
C) Place
D) Product
E) Promotion

168) Dell, Inc. wants to offer customers televisions in addition to computers. This is a change in its ________ strategy.
A) Pricing
B) Promotion
C) Personnel
D) Product
E) Placement

169) Big Fizz Co., a manufacturer of cola-flavored drinks, wants to add packaged fruit juices to its existing product line. Big Fizz needs to make some decisions regarding packaging and branding of the fruit juices. These decisions would fall under which variable of the marketing mix?
A) Product
B) Place
C) Promotion
D) Price
E) Personal Selling

170) When one considers the strategy decisions organized by the "Four Ps," branding is related to packaging as
A) branding is to pricing.
B) production is to marketing.
C) store location is to sales force selection.
D) personal selling is to mass selling.
E) pricing is to promotion.

171) A firm's decisions regarding channel type, market exposure, and kinds of intermediaries would fall under the marketing mix variable of
A) Product.
B) Place.
C) Promotion.
D) Price.
E) People.

172) The ________ area of the marketing mix is concerned with decisions about getting the "right" product to the target market when and where it's wanted.
A) Product
B) People
C) Promotion
D) Price
E) Place

173) "Place" is concerned with
A) intermediaries.
B) transporting.
C) channel members.
D) storing.
E) All of these might be involved with Place.

174) "Place" is concerned with
A) getting the product to its intended market.
B) intermediaries located between producers and consumers.
C) where, when, and by whom goods are offered for sale.
D) when and where products are wanted.
E) All of these might be involved with Place.

175) "Place" is NOT concerned with
A) storing.
B) intermediaries.
C) transporting.
D) channels of distribution.
E) sales reps.

176) "Place" is NOT concerned with ...
A) who handles storing and transporting.
B) when and where products are wanted.
C) kinds of intermediaries needed to reach customers.
D) telling the target market what products are available and where.
E) channels of distribution.

177) Hewlett-Packard sells personal computers through specialty computer stores, electronics superstores, and its own Internet site. The marketing mix variable that is being considered here is
A) Price.
B) Promotion.
C) Personnel.
D) Product.
E) Place.

178) Scott Paper uses many intermediaries to reach its target markets; Citibank uses none. Which of the marketing mix variables is being considered here?
A) Penetration
B) Product
C) Promotion
D) Place
E) Price

179) Any series of firms or individuals that participate in the flow of products from producer to final user or consumer is known as
A) customer service.
B) a packaging line.
C) a production line.
D) a channel of distribution.
E) mass marketing.

180) A channel of distribution
A) usually has three members—a manufacturer, a distributor, and a retailer.
B) is any series of firms (or individuals) from producer to final user or consumer.
C) should be as short as possible.
D) is not involved if a firm sells directly from its own website to final customers.

181) Herbal Essences tries to get shelf space in Target and Walmart because young women frequently shop there for hair care products. This is an example of which of the "Four Ps"?
A) Price
B) Product
C) Promotion
D) Place
E) People

182) A detailed plan for handling transportation and storage of a new product that is now being distributed to wholesalers nationwide is an aspect of which part of the "Four Ps"?
A) Place
B) Product
C) Promotion
D) Price

183) An office supplies producer sells a variety of office supplies to final consumers and businesses using its own mail order catalog. Here,
A) there is no channel of distribution.
B) there is no opportunity to apply target marketing.
C) no promotion is involved.
D) a production orientation is just as effective as a marketing orientation.
E) None of these of these answers is correct.

184) The ________ area of the marketing mix includes decisions related to telling the target market or others in the channel of distribution about the "right" product.
A) Product
B) Place
C) Promotion
D) Price
E) Communication

185) "Promotion" may include
A) personal selling to channel members.
B) point-of-purchase materials.
C) mail-order selling.
D) advertising on the Internet.
E) All of these may be included in Promotion.

186) "Promotion" includes
A) advertising.
B) personal selling.
C) sales promotion.
D) publicity.
E) All of these may be included in Promotion.

187) Marketing strategy decisions concerning Promotion include decisions about
A) packaging and branding.
B) the kinds of intermediaries to use.
C) training for salespeople.
D) transporting and storing.
E) discounts and allowances.

188) "Promotion" is NOT concerned with
A) creating billboard ads.
B) designing new products.
C) publicity.
D) television commercials.
E) personal selling.

189) Personal selling lets the salesperson adapt the firm's marketing mix to a specific customer. This is an aspect of which marketing mix variable?
A) Price
B) Place
C) Promotion
D) Product

190) ________ is direct spoken communication between sellers and potential customers.
A) Personal selling
B) Sales promotion
C) Advertising
D) Publicity
E) Mass selling

191) From the perspective of the "Four Ps," personal selling is to advertising as
A) mass selling is to branding.
B) Place is to Product.
C) sales promotion is to pricing.
D) warranties are to channel type.
E) geographic terms are to price allowances.

192) ________ refers to personal communication between a seller and a customer who wants the seller to resolve a problem with a purchase.
A) Advertising
B) Sales promotion
C) Publicity
D) Personal selling
E) Customer service

193) Advertising is
A) the designing and distribution of novelties, point-of-purchase materials, store signs, contests, catalogs, and circulars.
B) direct communication between sellers and potential customers.
C) any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.
D) the main form of publicity.
E) All of these are included in Advertising.

194) A popular television show, *The Unexpected*, achieved skyrocketing ratings after moralist Tom Bowman attempted to have it removed from the air. This is an example of mass selling through
A) advertising.
B) publicity.
C) unethical means.
D) personal selling.
E) media hype.

195) Sales promotion ...
A) lets the salesperson adapt the firm's marketing mix to each potential customer.
B) is the main form of advertising.
C) tries to help the personal selling and mass selling people.
D) is free.
E) consists of both advertising and personal selling.

196) Catalogs, point-of-purchase materials, and free samples are all examples of
A) publicity.
B) personal selling.
C) sales promotion.
D) advertising.
E) marketing.

197) Coupons, samples, and point-of-purchase materials are examples of
A) advertising.
B) publicity.
C) specialty services.
D) personal selling.
E) sales promotion.

198) When Herbal Essences offers "dollar-off coupons" to adult women to try to get them to try its shampoos and conditioners, it is an example of
A) publicity.
B) sales promotion.
C) product development.
D) market penetration.
E) distribution.

199) Ford Motor Co. "loaned" new Fiestas to social trendsetters who drove the cars as part of their Meals on Wheels responsibilities. When Ford asked them to write about their driving experiences on Facebook and Twitter, it was emphasizing which aspect of the "Four Ps"?
A) Product
B) Place
C) Price
D) Promotion
E) People

200) The owner of the new Sharp Scissors hair salon gave coupons to potential customers walking by her store to stimulate interest and offer a trial of her new hair salon. The coupons are an example of
A) advertising.
B) publicity.
C) sales promotion.
D) a channel of distribution.
E) media.

201) To help cosmetic company RedRain Inc. launch a new line of lipstick, tickets that can be redeemed for prizes are enclosed in some of the lipstick packages. This activity is best classified as
A) advertising.
B) publicity.
C) sales promotion.
D) personal selling.
E) mass marketing.

202) The company 3M sent samples of Breathe Right Nasal Strips to NFL trainers. This was an example of a ________ strategy.
A) price
B) promotion
C) personnel
D) product
E) place

203) "Price"
A) is affected by the kind of competition in the target market.
B) includes markups and discounts, but not allowances and freight charges.
C) is not affected by customer reactions.
D) is the most important part of a marketing mix.

204) While setting the price of a product, what must managers consider?
A) cost of the whole marketing mix
B) buying capacity of the customers
C) profit it should bring the company
D) transportation cost
E) personnel cost to the company

205) The Price area of the marketing mix
A) requires consideration of the cost of the marketing mix and the competition facing the firm when setting prices.
B) does not involve estimating consumer reaction to possible prices.
C) refers to any paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor.
D) does not include the consideration of geographic terms in price setting.
E) None of these answers is correct.

206) When developing a marketing mix, a marketing manager should remember that
A) "Promotion" includes only personal selling and publicity.
B) a channel of distribution includes at least one intermediary.
C) "Price" includes markups, discounts, allowances, and geographic terms.
D) "Product" includes physical goods but not services.
E) customers' needs are all the same.

207) When Ford Motor Co. introduced its Escape hybrid SUV, it offered a $1,000 rebate as an incentive to attract new buyers. This was an example of which aspect of the marketing mix?
A) Price
B) Promotion
C) Place
D) Product
E) People

208) In which of the following ways would a marketing manager seek to deliver customer value to a target market?
A) increased product features
B) lower price
C) more convenient buying options
D) effective communication about product value
E) All these answers are correct.

209) The most important variable in a firm's marketing mix is
A) Product.
B) Price.
C) Promotion.
D) Place.
E) None of these answers is correct, since all contribute to one whole.

210) An appropriate marketing mix should be determined primarily by
A) what has worked for the company in the past.
B) the needs of a target market.
C) the budget available to spend.
D) the past experiences of the marketing manager.
E) what product the firm can produce with economies of scale.

211) Ideally, a good marketing mix should
A) be very similar to the marketing mix typically used by key competitors.
B) be determined by which marketing mix costs the least.
C) not include much advertising, because it's expensive and usually isn't very effective.
D) flow logically from all the relevant dimensions of a target market.
E) bring big profits to the company.

212) The text's Toddler University example shows that
A) parents are not price sensitive when it comes to assuring that their kids will get a good college education.
B) the needs of a target market determine the nature of the appropriate marketing mix.
C) a small producer can't compete effectively against large competitors.
D) in the long run, a firm cannot make a profit without its own production facilities.
E) All of these answers are correct.

213) The text's Toddler University example shows that
A) no mass market exists for general-purpose baby shoes.
B) the needs of a target market determine the nature of the appropriate marketing mix.
C) a small producer can't compete effectively against large competitors.
D) no target market exists for high-quality baby shoes.
E) All these answers are correct.

214) In the text's Toddler University (TU) example, TU's marketing plan included
A) a detailed description of the marketing mix to be offered.
B) a description of the resources required to carry out the plan.
C) expected results of the plan.
D) control procedures.
E) All these answers are correct.

215) The main difference between a "marketing strategy" and a "marketing plan" is that
A) time-related details are included in a marketing plan.
B) a marketing plan includes several marketing strategies.
C) a marketing strategy provides more detail.
D) a marketing strategy omits pricing plans.
E) a marketing plan does not include a target market.

216) Which of the following refers to a written statement of a marketing strategy and the time-related details for carrying out the strategy?
A) marketing mix
B) marketing program
C) marketing plan
D) marketing design
E) marketing direction

217) A marketing plan is
A) a marketing program.
B) a marketing strategy.
C) a marketing strategy plus the time-related details for carrying it out.
D) a target market and a related marketing mix.
E) a plan that contains the necessary operational decisions.

218) A marketing plan
A) is just another term for "marketing strategy."
B) consists of several "marketing programs."
C) includes the time-related details for carrying out a marketing strategy.
D) is a strategy without all the operational decisions.
E) ignores implementation and control details.

219) A marketing plan should include
A) some control procedures.
B) what company resources will be needed, and at what rate.
C) what marketing mix is to be offered to whom, and for how long.
D) what sales and profit results are expected.
E) All of these are included in a marketing plan.

220) Which of the following is part of a complete marketing plan?
A) competitors' marketing strategies
B) what company resources (costs) are required and at what rate
C) how different marketing mixes (for different target markets) relate to each other
D) All of these are parts of a complete marketing plan.

221) Which of the following would probably NOT be in a proposed marketing plan?
A) a list of what company resources (costs) would be required
B) a statement of how frequently the design of the website will be changed
C) expected sales and profit results
D) a description of the target market and marketing mix

222) Which of the following is included in a marketing plan?
A) the control procedures to be used
B) the costs involved
C) the results expected
D) what marketing mix is to be offered
E) All of these should be included in a marketing plan.

223) ________ refers to putting marketing plans into operation.
A) Delivery
B) Implementation
C) Operational planning
D) Strategy planning
E) Control

224) Short-run decisions to help implement strategies are best known as
A) actionable items.
B) strategic decisions.
C) marketing plans.
D) operational decisions.
E) dependencies.

225) Managers should make operational decisions
A) within the guidelines set down during strategy planning.
B) with great care, as these decisions are the same as strategic decisions.
C) for the long-run, to help formulate strategic plans.
D) while keeping in mind that these decisions should always lead to changes in the basic strategy.
E) on a month-to-month basis, never daily or weekly.

226) Which of the following statements about operational decisions is FALSE?
A) They help to carry out a marketing strategy.
B) They are short-run decisions.
C) They are part of the implementation process.
D) They usually require ongoing changes in the basic strategy to be effective.

227) Which of the following statements is a strategy decision, rather than an operational decision?
A) "We will change the colors of our selection of shirts at the end of the season."
B) "We will cut prices as needed to in order to protect our market share."
C) "We will increase the number of training sessions for new sales associates from two to three."
D) "We will hire a merchandising specialist this month to help remodel our older stores."
E) "We will place a special ad in the Sunday newspaper promoting our upcoming sale."

228) Which of the following statements by a marketing manager refers to an operational decision, rather than to a strategy decision?
A) "Our target customers view most existing luxury sedans as dull, and they want performance as well as luxury."
B) "Newspaper ads will be more cost effective than 30-second radio ads, given the price increase for radio this month."
C) "We hope to earn a 15 percent return on investment with our plan."
D) All of these statements refer to operational decisions.

229) Which of the following is an operational decision rather than a strategy decision?
A) a decision to seek distribution only through the best retailers
B) selection of a specific target market
C) a decision to maintain a "one price" policy
D) selection of a specific cable TV channel on which to advertise
E) selection of a niche market

230) Which of the following is an example of an operational decision?
A) Focus promotion on the economy of the product.
B) Make the product available in every possible retail outlet.
C) Have a salesperson visit the manager of a new hardware store that will open next week.
D) Set a price that is no higher than competitors' prices.
E) None of these is an example of an operational decision.

231) Which of the following would NOT require an operational decision for a leading hair color manufacturer?
A) Solicit orders from any new, financially attractive, salons.
B) Drop colors that are losing appeal.
C) Create a fresh ad for each Sunday newspaper.
D) Set a competitive price if a primary competitor offers a special discount.
E) Promote the fair price and satisfactory quality of the product.

232) Happy Feet shoe company's strategic policy states "Carry as limited a line of colors, styles, and sizes as will satisfy the target market." This policy best relates to which decision area of the marketing mix?
A) People
B) Place
C) Promotion
D) Price
E) Product

233) One of the strategic policies of camera maker Zoom Cameras states: "We will communicate the key benefits and value of our cameras' unique zoom lenses and demonstrate how they meet customer needs." This policy best fits which marketing mix decision area?
A) Product
B) Place
C) Promotion
D) Price
E) People

234) A retailer's operational decision to hire new salespeople would best relate to the marketing mix decision area of
A) Product.
B) Place.
C) Promotion.
D) Price.
E) People.

235) When fast food restaurant Tommy's Tacos had poor sales in Central City, marketing managers closed one outlet on the east side of town and opened two new locations on the south side of town. These moves represent
A) operational decisions in the Product decision area.
B) strategy policies in the Place area.
C) strategy policies in the Product area.
D) operational decisions in the Place area.
E) strategy policies in the Promotion area.

236) The practice of measuring, managing, and analyzing market performance to maximize efficiency and effectiveness is known as
A) marketing analytics.
B) marketing metrics.
C) a marketing plan.
D) publicity.
E) differentiation.

237) What is the best way for a marketing manager to measure a firm’s marketing performance?
A) compare the firm’s marketing plans
B) perform marketing analytics
C) develop a marketing plan
D) create a single marketing strategy
E) initiate a marketing plan

238) A marketing program
A) blends all of a firm's marketing plans into one big plan.
B) is a description of a firm's marketing mix.
C) is a detailed plan of how to implement a strategy.
D) is a marketing strategy plus the time-related details.
E) None of these answers is correct.

239) Which of the following blends all of a firm's marketing plans into one big plan?
A) marketing program
B) marketing mix
C) marketing statement
D) marketing overview
E) marketing flow

240) ________ is the total stream of purchases that a customer could contribute to the company over the life of the relationship.
A) Customer equity
B) Profit
C) Net worth
D) Customer lifetime value
E) A premium price

241) The total stream of purchases that a single customer could contribute to a company over the length of the relationship is called customer
A) equity.
B) lifetime value.
C) service.
D) satisfaction.
E) feedback.

242) Estimating a customer's lifetime purchasing potential is important because it helps marketers to
A) make a quick sale on a product.
B) decide whether to place ads online or in magazines.
C) recognize that mass marketing is the best way to reach customers.
D) select the right channel of distribution.
E) devise long-range plans and strategies for building customer relationships.

243) When a customer who buys two Apple iPhones, an Apple iMac computer, and Apple TV over a period of several years, Apple's marketing managers should be thinking about
A) diversification.
B) mass marketing.
C) differentiation.
D) customer lifetime value.
E) customer feedback loops.

244) Customer lifetime value
A) emphasizes a short-run approach to marketing management.
B) is basically a historical measure of how profitable a firm has been in the past.
C) applies to firms that target final consumers but not to firms that target business customers.
D) will increase if a firm increases its market share with a particular strategy.
E) considers what a customer purchases from a company over the lifetime of the relationship.

245) When the manager of a Denny's Restaurant offers a customer a coupon for a free meal as compensation for slow service, the manager is focusing on
A) differentiation.
B) product development.
C) short-term profits.
D) a diversification strategy.
E) customer lifetime value.

246) ________ is the expected earnings stream of a firm's current and prospective customers over some period of time.
A) Profit
B) Earnings
C) Operating profit
D) Customer equity
E) Net value

247) The difference between customer lifetime value and customer equity is that
A) customer equity takes a financial approach where customer lifetime value does not.
B) customer lifetime value looks at specific target markets.
C) customer equity takes into account a firm's current and future customers and the costs associated with each.
D) customer equity reflects the total stream of purchases that a customer could contribute to a company over the length of the relationship.
E) customer lifetime value focuses on purchases over the next year, while customer equity takes into account a longer time horizon.

248) Which of the following is NOT a reason the marketing program should build customer equity?
A) Marketing strategies do not contribute to customer equity.
B) Expected profits depend on customer equity.
C) Firms expect financial returns.
D) Profit growth comes from customers.
E) Customers are the source of revenue.

249) Which of the following is most likely to increase a firm's customer equity?
A) The firm offers a more costly marketing mix that attracts more customers.
B) The firm offers customer value that is at least as good as what competitors offer.
C) The lifetime value of the firm's individual customers increases.
D) The competition in the firm's market increases.
E) The firm cuts costs by reducing promotion efforts.

250) The customer equity concept
A) encourages a manager to consider both the costs and the revenue from a marketing strategy.
B) recognizes that customers are satisfied at a cost. It is basically an estimate of a firm's future earnings.
C) applies even to firms that pursue several different strategies.
D) focuses on earnings as well as sales.
E) All of these are part of the customer equity concept.

251) Which of the following statements about customer equity is FALSE?
A) Expected losses depend on customer equity.
B) If the parts of a firm's marketing program work well together, it should increase the firm's customer equity.
C) Expected profits depend on customer equity.
D) Customer equity benefits customers but not the company.

252) Marketing strategies that focus on quick, short-term sales
A) miss an opportunity to ensure repeat purchases in the future.
B) do not generate revenue or profits.
C) never involve personal selling.
D) are known as breakthrough opportunities.
E) are never used by reputable companies.

253) What two marketing metrics are used to estimate both customer lifetime value and customer equity?
A) retention rate and acquisition cost
B) revenue and profit
C) price and quantity
D) revenue and retention rate
E) acquisition cost and customer satisfaction

254) How would a marketing manager determine a firm’s retention rate?
A) by determining the percentage of existing customers that a firm keeps as compared to its total number of customers
B) by figuring out the expense to the firm of attaining a new customer
C) by considering the revenues and costs of retaining customers over the long term
D) by analyzing the firm’s customer base as compared to the forecast in the firm’s marketing plan
E) by determining the average profit margin for each of the firm’s customers per year

255) If the local sandwich shop had 1,000 customers last year, and this year 250 of those same customers are still going to the sandwich shop for lunch, what is the shop’s retention rate?
A) 10 percent
B) 50 percent
C) 20 percent
D) 25 percent
E) 75 percent

256) Which of the following refers to the expense required to obtain a new customer?
A) retention cost
B) acquisition cost
C) customer equity
D) CLV
E) market development

257) If a firm spends $5,000 per year on advertising and attracts 50 new customers, what is the acquisition cost for each customer?
A) $100 per customer
B) $50 per customer
C) $500 per customer
D) $10 per customer
E) $20 per customer

258) It's best to think of breakthrough opportunities as opportunities that
A) appeal to the mass market.
B) will quickly create a whole new industry of firms competing with similar marketing mixes.
C) help innovators develop hard-to-copy marketing mixes.
D) increase sales.
E) will take profits to the highest level.

259) ________ help(s) innovators develop hard-to-copy marketing strategies that will be very profitable for a long time.
A) Opportunity segments
B) Competitive decisions
C) Breakthrough opportunities
D) Competitive marketing
E) Operational decisions

260) Which of the following best illustrates a breakthrough opportunity?
A) A recording company's new CD gets unexpected national publicity on MTV, and almost every teenager wants a copy for Christmas.
B) A drug company develops a patented pill that people can take once a year and safely avoid catching a cold.
C) A bank puts its credit card machines in convenient drive-up locations-so they will be more convenient for customers.
D) A nurse realizes that the growing number of older people will increase the demand for nursing home services, so she quits her job and opens a quality nursing center for the elderly.
E) A wireless phone company introduces a new service that offers more free weekend minutes than any other service in its market area.

261) Which of the following would be likely to help you develop a breakthrough opportunity?
A) a two-month advantage over competitors in introducing a new product
B) an idea for a new website animation that will attract consumer attention
C) accurate marketing research information about how much of a planned product the target market is likely to buy
D) None of these would help you develop a breakthrough opportunity.

262) Which of the following could be a breakthrough opportunity?
A) a unique technical invention that competitors could not legally copy
B) a contract with the best intermediaries to reach your market, ensuring that they will handle your product and no competitors' offerings
C) a head start in a market, so you can win target customers who will be loyal to your firm and its offering
D) All of these could be breakthrough opportunities.

263) A pharmaceutical company spent a significant amount of money developing a new drug to combat high blood pressure. The drug did not cause any of the typical side effects usually associated with blood pressure medications. It was forecasted to be a "blockbuster" medication that would achieve over $1 billion in sales. It would also be difficult for other firms to duplicate, at least in the short run, because of patent protection and the substantial research and development costs required. The introduction of this new drug would best be described as
A) diversification.
B) market development.
C) a breakthrough opportunity.
D) "hit-or-miss" marketing.
E) market penetration.

264) ________ means that a firm has a marketing mix that the target market sees as better than a competitor's mix.
A) Competitive advantage
B) Strategic policy
C) Customer equity
D) Comparative opportunity
E) Market development

265) Breakthrough opportunities are opportunities that:
A) help innovators develop hard-to-copy marketing strategies.
B) may be turned into marketing strategies that will be profitable for a long time.
C) help the firm develop a competitive advantage.
D) help a firm satisfy customers better than some competitor.
E) All of these apply to breakthrough opportunities.

266) Breakthrough opportunities
A) are so rare that they should be pursued even when they do not match the firm's resources and objectives.
B) seldom occur within or close to a firm's present markets.
C) are especially important in our increasingly competitive markets.
D) are those that a firm's competitors can copy quickly.
E) are best achieved by trying to hold onto a firm's current market share.

267) Which of the following statements regarding marketing strategies is FALSE?
A) It is useful to think of the marketing strategy planning process as a narrowing-down process.
B) These strategies must meet the needs of target customers, and a firm is likely to get a competitive advantage if it just meets needs in the same way as some other firm.
C) Developing successful marketing strategies doesn't need to be a hit-or-miss proposition.
D) These strategies require decisions about the specific customers the firm will target and the marketing mix the firm will develop to appeal to that target market.
E) Most companies implement more than one marketing strategy and related marketing plan at the same time.

268) Developing a set of specific qualitative and quantitative screening criteria
A) increases the different opportunities—and strategy possibilities—in the market.
B) can make it difficult to zero in on the best target market and marketing mix.
C) cannot help eliminate the potential of strategies that are not well suited for the firm.
D) can help a manager define in which business and markets the firm wants to compete.
E) highlights advantages of a strategy but does not make it clear why you should select that strategy.

269) A S.W.O.T. analysis includes
A) strengths.
B) weaknesses.
C) opportunities.
D) threats.
E) All of these are included in a S.W.O.T analysis.

270) Which of the following statements about S.W.O.T. analysis is true?
A) It is a useful aid for identifying relevant screening criteria and for zeroing in on a feasible strategy.
B) S.W.O.T. is simply an abbreviation for the first letters of the words: strengths, weaknesses, opportunities, and threats.
C) It identifies and lists the firm's strengths and weaknesses and its opportunities and threats.
D) It helps managers focus on a strategy that takes advantage of the firm's strengths and opportunities while avoiding its weaknesses and threats to its success.
E) All of these statements about S.W.O.T. analysis are true.

271) A S.W.O.T. analysis
A) seeks to improve strategy planning by "Scanning for Warnings, Omens, and Tips" about competitors' plans.
B) is not necessary if competitors have already entered the market.
C) defends against potential competitive threats by planning specific "safeguards, weapons, or tactics."
D) should help a manager develop a strategy that leads to a competitive advantage.
E) limits the competitive edge of the company.

272) A S.W.O.T. analysis can help a marketing manager
A) define in which business and markets the firm wants to compete.
B) narrow down to a specific target market and marketing mix from the many alternatives available.
C) see the pros and cons of different possible strategies.
D) develop a competitive advantage.
E) All of these can help a marketing manager who is using a S.W.O.T. analysis.

273) A S.W.O.T. analysis
A) focuses on what a firm plans to do to "Satisfy Wishes of a Target" customer.
B) summarizes a firm's "strategy, wishes (of its customers), outlook, and tactics."
C) helps defend against potential competitors by developing a set of competitive "safeguards, weapons, offensives, and tactics."
D) identifies a firm's "strengths, weaknesses, opportunities, and threats."
E) seeks to reduce the risk of competitive surprises by scanning the market for "signals, warnings, omens, and tips."

274) "A firm has adequate resources." With which element of the S.W.O.T analysis tool does this statement fit?
A) strengths
B) weaknesses
C) opportunities
D) threats
E) limitation

275) "A firm is in a fast-growing industry." With which element of the S.W.O.T. analysis tool does this statement fit?
A) strengths
B) weaknesses
C) opportunities
D) threats

276) "A firm is vulnerable to recession." With which element of the S.W.O.T. analysis tool does this statement fit?
A) strengths
B) weaknesses
C) opportunities
D) threats
E) limitation

277) "A firm is falling behind in research and development." With which element of the S.W.O.T. analysis tool does this statement fit?
A) strengths
B) weaknesses
C) opportunities
D) threats

278) ________ means that the marketing mix is distinct from what is available from a competitor.
A) Operational
B) Visible
C) Differentiation
D) Competitive
E) Diversification

279) Differentiation of a firm's marketing mix
A) means the firm's marketing mix is hard to distinguish from a competitor.
B) may provide the firm with a competitive advantage in the marketplace.
C) makes it harder for consumers to notice if there is a consistent theme across all elements of the marketing mix.
D) is usually not necessary in order for the firm to succeed.

280) Differentiation refers to the ________ of the firm's marketing mix to meet the needs of the target market.
A) similarity
B) uniqueness
C) unsuitability
D) willingness
E) adaptability

281) Differentiation
A) helps a firm get a competitive advantage if it just meets needs in the same way as other firms.
B) means that the marketing mix is similar to what is available from a competitor.
C) often requires that the firm fine-tune all the elements of its marketing mix to the specific needs of a distinctive target market.
D) is less obvious to target customers when there is a consistent theme integrated across the "Four Ps" decision areas.
E) can only be based on one important element of the marketing mix.

282) The company iRobot got its start by developing high-tech robots for military uses, but it later started making futuristic robots that clean and wax floors in homes everywhere. Which of the four types of opportunity does this illustrate?
A) market penetration
B) market development
C) diversification
D) opportunity cost
E) golden opportunity

283) Of the four types of opportunities firms can pursue, market penetration often appeals to marketers because
A) it requires the creation of new products.
B) it involves selling current products in familiar markets.
C) it involves selling current products in unfamiliar markets.
D) it doesn't require a more effective use of the marketing mix.
E) it is guaranteed to succeed.

284) Which of the following firms is exploring a market development opportunity?
A) The Coleman camping gear company boosts sales of popular lanterns by setting up promotional displays at well-attended outdoor events.
B) Campbell's targets health-conscious consumers with a new line of low-sodium soups.
C) McDonald's opens two upscale hotels in Switzerland to serve families and business travelers.
D) The E-Z-Go golf cart company begins selling golf carts for use in malls, factories, and airports.
E) Mammoth Mountain Ski Resort offers horseback riding and a mountain bike park for summer visitors.

285) ________ means trying to increase sales of a firm's present products in its present markets.
A) Differentiation
B) Product development
C) Market development
D) Diversification
E) Market penetration

286) When Colgate encourages its current customers to brush more often by taking their toothbrush and toothpaste to work with them, which market opportunity is Colgate pursuing?
A) market development
B) product development
C) diversification
D) market penetration

287) Lipton has increased sales by developing ads that encourage its current customers to drink Lipton tea instead of coffee at morning "coffee breaks." This effort focuses on
A) diversification.
B) market penetration.
C) product development.
D) mass marketing.
E) market development.

288) Tropicana is trying to get its customers to drink orange juice more often with ads that say, "It's not just for breakfast anymore." What type of opportunity is the company pursuing?
A) market penetration
B) diversification
C) market development
D) product development
E) mass marketing

289) Kraft Foods recently increased its advertising and couponing to its present cheese customers. It appears that Kraft is pursuing what kind of opportunity?
A) market penetration
B) product development
C) market development
D) mass marketing
E) diversification

290) If Frito-Lay (which has products in almost all the submarkets for snack foods) were to try to increase its share of one of its markets, it would be pursuing a ________ opportunity.
A) diversification
B) market penetration
C) product development
D) mass marketing
E) market development

291) Coca-Cola runs an advertising campaign on morning radio shows encouraging current customers to "have a Coke in the morning" instead of their morning coffee. This is an example of
A) market development.
B) product development.
C) diversification.
D) market penetration.
E) mass marketing.

292) Pop Soda Co. wants to increase sales of its existing carbonated drinks by making them more convenient, so it's making the drinks available at more stores in its present areas. This is an example of
A) market penetration.
B) differentiation.
C) product development.
D) diversification.
E) market development.

293) When a customer goes online to register Adobe's Acrobat Reader, the Web page promotes other related products, including its popular Photoshop software. This is an example of
A) product development.
B) screening opportunities.
C) mass marketing.
D) differentiation.
E) market penetration.

294) ________ means trying to increase sales by selling present products in new markets.
A) Differentiation
B) Market development
C) Product development
D) Diversification
E) Market penetration

295) When a firm tries to increase sales by selling its present products in new markets, it is called
A) product development.
B) diversification.
C) market penetration.
D) mass marketing.
E) market development.

296) A company expanding globally is an example of
A) market development.
B) product development.
C) diversification.
D) market penetration.
E) mass marketing.

297) When AT&T advertises in *The Wall Street Journal* that smartphones using its technology can make calls from more than 200 countries in the world, which market opportunity is AT&T pursuing?
A) market penetration
B) product development
C) diversification
D) market development

298) *The Wall Street Journal* has been trying to attract new customers by promoting its newspaper for student use in business courses. This is an example of
A) product development.
B) diversification.
C) market penetration.
D) market development.

299) An Embassy Suites hotel offers an inexpensive "Family Luncheon Buffet" on Sundays to get customers for its restaurant that is filled by business travelers during weekdays. This effort to get new customers for the available facility is an example of
A) a production orientation.
B) product development.
C) market development.
D) diversification.
E) market penetration.

300) Coca-Cola is taking advantage of the new willingness of Chinese leaders to engage in international trade by marketing its soft drinks in China. What type of opportunity is Coca-Cola pursuing?
A) market development
B) diversification
C) product development
D) market penetration
E) product reorientation

301) Avon, which in the past relied on door-to-door personal selling, is trying to reach new customers by distributing mail-order catalogs, adding toll-free telephone ordering, and opening online retail sites. Avon is pursuing a ________ opportunity.
A) market development
B) market penetration
C) target marketing
D) product development
E) mass marketing

302) A mail-order marketer of flower bulbs to gardening hobbyists decides to sell the bulbs in grocery stores, to reach nonhobbyists who might be interested in pretty flowers. This is an example of
A) market development.
B) diversification.
C) market penetration.
D) product development.

303) GreatGadgets, an Internet-based marketer of innovative gift items, decides to sell products in its own retail stores to reach consumers who don't like to buy without first seeing an item in person. This is an example of
A) market development.
B) diversification.
C) market penetration.
D) product development.

304) An Australian wine producer, facing declining sales at home, set up a new channel of distribution to sell wine in the United States. This seems to be an effort at
A) market development.
B) diversification.
C) market penetration.
D) product development.

305) E-Z-Go, a producer of golf carts, promotes its carts to other users by advertising them as an easy and quiet way for workers to get around malls, airports, and big factories. E-Z-Go is trying to increase its sales through
A) market penetration.
B) differentiation.
C) product development.
D) market development.
E) diversification.

306) BeQuick, a fast-food restaurant, has always operated outlets in malls. With a new strategy that involves opening new outlets that sell the same menu but operate in airports, zoos, casinos, and military bases, BeQuick is pursuing what type of opportunity?
A) product development
B) market development
C) differentiation
D) market penetration
E) diversification

307) In an effort to increase its total sales, Champion has started exporting its spark plugs for use by several German auto producers. Champion is pursuing a ________ opportunity.
A) diversification
B) market penetration
C) product development
D) mass marketing
E) market development

308) ________ refers to offering new or improved products for present markets.
A) Diversification
B) Market development
C) Differentiation
D) Market penetration
E) Product development

309) When a firm tries to increase sales by offering new or improved products to its present markets, it is called
A) mass marketing.
B) product development.
C) market penetration.
D) diversification.
E) market development.

310) If Wendy's decides to test-market a hot dog in several stores to determine if it can make more profit from this menu item than from a "Wendy's single," which market opportunity is Wendy's pursuing?
A) diversification
B) market development
C) market penetration
D) product development

311) To compete more successfully with its many competitors offering packaged cookies, Famous Amos added its own line of "extra chunky" premium cookies. This seems to be an effort at
A) combination.
B) market penetration.
C) market development.
D) product development.
E) diversification.

312) A producer of frozen pasta dinners finds that its current target customers select among its frozen pasta dinners, going to a pizza restaurant, or staying home and eating an Italian sub sandwich. So the company set up a chain of pizza restaurants that also serve Italian sub sandwiches. This seems to be an effort at
A) market development.
B) diversification.
C) market penetration.
D) product development.

313) Wendy's continues to test possible new toppings for hamburgers, including grilled mushrooms and provolone cheese. This suggests that Wendy's is pursuing
A) marketing myopia.
B) mass marketing.
C) product development.
D) market development.
E) diversification.

314) Wendy's continues to come out with new offerings, like stuffed pitas. This suggests that Wendy's is pursuing
A) marketing myopia.
B) mass marketing.
C) product development.
D) market development.
E) diversification.

315) Converse started selling its high-top canvas basketball shoes in colors such as hot pink, lime green, and purple, to accompany their traditional colors of black and white. Converse seems to be pursuing a ________ opportunity.
A) market penetration
B) market development
C) product development
D) diversification
E) breakthrough

316) Heinz, in order to boost its sales, came up with ketchup in gross green and funky purple colors. It packaged the ketchup in EZ Squirt dispensers molded to fit little hands. This is an example of
A) product development.
B) market development.
C) diversification.
D) market penetration.

317) In developing trails for hiking and biking to bring its winter ski customers back in the summer, Mountain High Ski Resort is pursuing what type of opportunity?
A) channel penetration
B) diversification
C) product development
D) market development
E) market penetration

318) Zippo is pursuing ________ opportunities with its Multi-Purpose Lighter that is designed to light candles, fireplaces, grills, and more.
A) market penetration
B) market development
C) product development
D) diversification
E) channeling

319) Hewlett-Packard decided that too many other companies were attracting its customers by advertising their computer printers as "having all of the features of Hewlett-Packard's LaserJet." So Hewlett-Packard designed a new color printer with a completely new set of features that no competitors' equipment offered. Hewlett-Packard then introduced it to the same market with the hope that it could develop a larger and more profitable share. This was an effort at
A) market development.
B) diversification.
C) market penetration.
D) product development.

320) To improve its profits, Delta Tool Corp. has redesigned its entire line of rechargeable power drills—adding several new or improved features and three new models. Apparently, Delta Tool is pursuing a ________ opportunity.
A) combiner
B) market development
C) product development
D) diversification
E) market penetration

321) Professional Dental Supply has been successfully selling dental instruments to dentists for the past twenty years and has developed strong customer relations. When looking for new marketing opportunities, Professional Dental Supply will most likely look first at
A) market penetration.
B) diversification.
C) market development.
D) product development.
E) Professional Dental Supply will look at all opportunities equally.

322) ________ means moving into totally different lines of business, perhaps entirely unfamiliar products, markets, or even levels in the production-marketing system.
A) Diversification
B) Market development
C) Product development
D) Differentiation
E) Market penetration

323) When a firm tries to increase its total sales by offering new products to new markets, it's pursuing
A) diversification.
B) product development.
C) market development.
D) market penetration.
E) All these answers are correct.

324) When Sony Corp., an electronics producer, purchased the Pebble Beach golf course in California, it was pursuing what type of opportunity?
A) diversification
B) market development
C) market penetration
D) product development

325) Cheese manufacturer Ashe Mountain Corp. started a new chain of movie theaters called Ashe Mountain's Movie World. The theaters have been a major success and significantly increased the revenues of Ashe Mountain Corp. This is an example of
A) diversification.
B) market development.
C) product penetration.
D) differentiation.
E) market penetration.

326) A beer distributor concerned about increasing regulation of alcoholic beverages decides to start a new business distributing children's toys. This company seems to be pursuing
A) market development.
B) diversification.
C) product development.
D) market penetration.

327) Industrial Plastics Corporation has decided to manufacture and sell electric motors for fishing boats. The firm appears to be pursuing a ________ opportunity.
A) combiner
B) product development
C) market development
D) market penetration
E) diversification

328) A producer of home burglar alarm devices decides to start manufacturing portable video cameras for use in industrial security situations. This is an example of
A) market development.
B) diversification.
C) product development.
D) market penetration.

329) If a cola producer bought out a mango juice producer in an attempt to appeal to health-conscious consumers who do not drink soft drinks, it would be pursuing a ________ opportunity.
A) market development
B) diversification
C) market penetration
D) product development

330) The most risky and challenging opportunities usually involve
A) market development.
B) product development.
C) diversification.
D) market penetration.
E) market modification.

331) The most risky types of marketing opportunity to pursue usually involve
A) market development.
B) market penetration.
C) diversification.
D) product development.
E) All of these are equally risky.

332) Because companies are likely to be most familiar with their own operations, ________ opportunities are usually the easiest to pursue.
A) market penetration
B) product development
C) market development
D) diversification
E) All of these are equally easy.

333) Which of the following statements about international opportunities in marketing is true?
A) There is no need to consider international opportunities when the domestic market is prosperous.
B) International trade is decreasing worldwide.
C) A product with slow sales growth in a domestic market may experience faster growth in another country.
D) Only large firms can engage in international marketing.
E) All of these statements about international opportunities in marketing are true.

334) Which of the following is NOT among the reasons international opportunities should be considered by managers?
A) The world is getting smaller.
B) Serving international markets may improve economies of scale.
C) Favorable trends at home and unfavorable trends in other countries make international marketing particularly attractive.
D) Around the world, potential customers have needs and money to spend.
E) It helps to develop a competitive advantage at home and abroad.

335) Going global has become easier than ever for marketers, due to
A) language differences between nations.
B) cultural differences among ethnic groups around the world.
C) advances in e-commerce, transportation, and communication.
D) political and social unrest in various parts of the world.
E) a worldwide economic recession.