

Student name: _____

TRUE/FALSE - Write 'T' if the statement is true and 'F' if the statement is false.

Marketing refers to advertising and selling a product.

true

false

In order to measure the value customers receive from a product, marketers need only look at the actual monetary outlay the customer must produce in order to obtain the product.

true

false

Regardless of market conditions, most new products introduced in the marketplace are successful.

true

false

Logistics is the process of coordinating the flow of money among members of the supply chain.

true

false

The production era continued until consumer demand could not keep up with the growth in production and new strategies were needed to maximize success.

true

false

The sales orientation strategy is characterized by a customer orientation that focuses on customer satisfaction.

true

false

The marketing concept is a strategy that utilizes all aspects of marketing in order to satisfy customer needs.

true

false

The marketing concept strategy was short lived, giving way to what is the dominant strategy in today's marketplace, that of sales orientation.

true

false

Platforms like Facebook and Twitter are changing how firms interact with customers to better meet the needs of the marketplace.

true

false

Marketers create value for customers when they develop products that allow consumers to satisfy their needs and wants through exchange relationships.

true

false

In a marketing sense, there is really no difference between a *need* and a *want*.

true

false

When it comes to marketing products and services, marketers do not need to be concerned with any ethical implications of their actions because the consumer bears the ultimate responsibility to determine whether or not a product is needed.

true

false

The marketing concept is also referred to as the four Ps of marketing.

true

false

Janine is looking to open a cupcake shop. She wants to make sure her shop is successful, so she hires a consultant to help her determine the best location for her new business. In this example, the information given to Janine by the consultant is considered a product.

true

false

Promotion is typically the easiest marketing mix element to change.

true

false

The *place* element of the marketing mix involves the activities a firm undertakes to make its product available to potential customers.

true

false

Firms that use social media for promotion try to create content that attracts attention and encourages readers to share the content with their social networks.

true

false

The interconnected nature of the world economy is referred to as internationalization.

true

false

NAFTA has had a negative impact on U.S. farmers because of the restrictions it imposes on exports, which has made trade between countries more difficult for the farmers.

true

false

Tony the Tiger is part of the brand that differentiates Kellogg's cereal from that of other firms.

true

false

The practice of measuring, managing, and analyzing market performance is referred to as logistics.

true

false

The first step in the ethical decision-making framework is to identify the ethical issue at hand.

true

false

Determining what default privacy settings should be built into a company website is an ethical issue that relates to the product element of the marketing mix.

true

false

Since they are not in the business of generating revenue or making profits, nonprofit organizations do not need to rely on marketing efforts to be successful.

true

false

Professionally speaking, you need different marketing principles than those used in business settings to help you market yourself and help you to reach your professional goals.

true

false

MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.

Marketing is defined as

the process of targeting and selecting a group of consumers or organizational buyers in order to promote a product or service with the aim of achieving a profit.

the process of creating, communicating, delivering, and exchanging value to customers and managing those relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole.

the set of activities needed to produce and deliver a product that produces the highest return on investment.

any activity used to advertise and promote a product or service.

the process of managing the supply chain to ensure that products are delivered where and when customers want them.

As it relates to customers, the aim of marketing is to

provide customers with value.

increase profits by ensuring customers pay the highest price possible for a product.

accurately and truthfully advertise the product.

generate repeat sales from each and every customer.

reduce the number of customer complaints.

Marketers define customer value as

selling a product regardless of whether or not it meets a customer's needs and/or wants.

the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.

the ability to provide a product at the lowest possible price after covering all production expenses.

providing a product or a service to a customer such that the customer will purchase that same product or service again in the future.

being able to sell products that generate little to no customer returns or complaints.

What is the key to creating value?

being the first to create a new product or service

making sure that products are priced lower than the competition

providing consumers with benefits that meet their needs and wants

convincing consumers that they need a product, even if they do not perceive that they do

accurately advertising a product

After listening to customer requests for more travel routes to midwestern cities, an airline added routes to both Columbus and Indianapolis. By providing its customers with benefits that meet their needs, this airline is providing

customer value.

benefit segmentation.

a marketing mix.

benefit marketing.

customer service.

What percentage of new products fail in the marketplace?

5 to 10 percent

approximately 25 percent

over 80 percent

50 percent

less than 3 percent

According to your text, what is the secret of great marketing when it comes to creating value?

figuring out how to charge the highest price for a product that customers are willing to pay
understanding the marketplace demands before competitors do
consistently creating new products for the marketplace
convincing customers that they need a product even if they do not
saturating the market with all forms of advertising promotions

A new health club just opened a new location in your neighborhood. The club mailed a flyer to all households in the area that contains information about the club—its location, hours, the classes it offers, its personal trainers, etc.—and a coupon for one free personal training session. In doing so, the club is *most* attempting to

market value.

explain value.

communicate value.

deliver value.

forecast value.

On a personal level, as you begin looking for a job after you graduate, it will be critical for you to know how to _____ value with your resume in order to secure job opportunities and interviews that will lead to a job.

explain

communicate

forecast

deliver

market

Having an efficient supply chain is directly related to which of the three components of value?

producing value

communicating value

marketing value

delivering value

forecasting value

Everyman's Clothing Company manufactures clothes to be sold in retail stores. After the clothing is manufactured, it is shipped to wholesalers who, in turn, use transportation companies to ship the product to various retail outlets. The manufacturer, wholesaler, transportation company, and retailer all work together to create and deliver the product. This is an example of forecasting value.

communicating value.

exchanging value.

delivering value.

marketing value.

The set of multiple companies directly linked by one or more of the upstream and downstream flows of products, services, finances, and information from a source to a consumer is referred to as

the production cycle.

marketing.

the supply chain.

the value proposition.

the marketing chain.

What do manufacturers, shipping companies, wholesalers, and retailers all have in common?

They are all components of the marketing mix.

They are all integral parts of both for-profit and not-for-profit firms.

They are all members of the supply chain.

They all help to define a firm's brand.

They are all involved in the promotion of a firm's product.

The process of planning, implementing, and controlling the flow of goods, services, and information between the point of origin and the point of consumption in order to meet customer requirements is

operations.

logistics.

the supply chain.

production.

marketing.

A _____ is the set of companies that allows products to flow from the source to the consumers, whereas _____ is the actual management process of planning, implementing, and controlling such flow.

supply chain; logistics

channels; supervising

logistics; management

logistics; supply chain

supply chain; supervising

Bart works for a consumer products company. Bart's job is to coordinate the flow of the goods from the factory to retail outlets, and everything in between. Bart works

in logistics.

for the marketing department.

in a warehouse.

for a retail chain.

with outsourced companies.

Which order accurately depicts the eras in the evolution of marketing?

marketing concept, production orientation, sales orientation, relationship marketing
production orientation, sales orientation, marketing concept, relationship marketing
sales orientation, production orientation, marketing concept, relationship marketing
sales orientation, production orientation, relationship marketing, marketing concept
production orientation, marketing concept, relationship marketing, sales orientation

Which era in the history of marketing began in the early years of the United States and lasted until the mid-1920s when the growth in production outpaced consumer demand?

sales orientation
marketing concept
customer orientation
relationship marketing
production orientation

During what era in the evolution of marketing did firms believe that quality products would sell themselves?

customer orientation
production orientation
marketing concept
relationship marketing
sales orientation

A marketing strategy in which the firm focused on efficient processes and production to create quality products and reduce unit costs was referred to as the _____ era.

relationship marketing
marketing concept
customer orientation
sales orientation

production orientation

Which approach to marketing was especially important during the Great Depression when consumers did not have much money and firms competed intensely for customer sales?

sales orientation

production orientation

marketing concept

customer orientation

relationship marketing

Which era in the history of marketing continued until the end of World War II?

relationship marketing

customer orientation

production orientation

sales orientation

marketing concept

Compare the following statements to determine which one best reflects the thinking behind the sales orientation era of marketing?

Our entire company needs to be focused on satisfying our customers' needs.

We need to find more efficient means of creating quality products.

It's time we develop a strategy to attract and maintain more customers.

We'd better persuade our customers to buy our products or they will buy from our competitors.

Our products are of such great quality, they practically sell themselves.

What is the premise behind the marketing concept?

an interest in streamlining production processes

a company-wide focus on increasing profits

a focus on satisfying the needs of the customer

focusing on keeping the company stakeholders satisfied

utilizing all aspects of marketing to persuade consumers to buy

The marketing concept began to emerge in the

1930s.

1990s.

1920s.

1970s.

1950s.

What era in the history of marketing *best* reflects the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs?

marketing concept

production orientation

sales orientation

customer orientation

The focus of the marketing concept era was on

competition.

sales.

production.

customers.

technology.

Your local coffee shop has recently implemented an app that allows customers to receive a free drink for every 10 drinks purchased, gives birthday rewards, and provides recommendations for

new beverages to try based on prior purchasing history. This app attempts to maintain and enhance customers' connection to the coffee shop and reflects

tech orientation.

sales orientation.

relationship marketing.

guerrilla marketing.

production orientation.

Which statement about relationship marketing is *most* accurate?

Relationship marketing is best described as the use of personal selling to persuade consumers to buy products.

Relationship marketing depends upon the large-scale customer data sets in order to craft customized offers to customers.

Relationship marketing is most successful when firms focus on attracting, maintaining, and enhancing customer relationships.

Relationship marketing has waned as a viable strategy with the advent of the Internet.

Very few companies in today's marketplace are engaged in relationship marketing.

Natural Clothing is a company that sells clothing and gear related to all types of outdoor activities. In an effort to stave off competition, the company has begun keeping a log of customer interests and hobbies so it can alert them to local events of relevance, as well as send them articles that pertain to their favorite activities. In addition, Natural Clothing has added a section to its website where customers can post pictures of themselves using the store's gear. These efforts illustrate how the firm is engaged in

logistics.

relationship marketing.

a sales orientation.

personal selling.

societal marketing.

Which trend regarding the future of marketing is accurate?

Posting news and information online in social media sites has not proven to be as successful as marketers thought since consumers often doubt the accuracy of the information posted.

As technology impacts the business world, firms will need to explore new models that address what customers want and how they prefer to receive information.

The number of cable television subscribers has increased in recent years, signaling to marketers that television advertising is still the preferred choice for marketing products.

With the advent of technology, the basic goal of marketing has changed from how to create, communicate, and deliver value to consumers to how to better segment and target consumer markets.

Even though newspaper circulation has decreased in recent years, it is still the preferred way to advertise because of its low cost.

In marketing, an *exchange* refers to

updating or replacing a nonprofitable product in hopes of generating more revenue.

buyers and sellers trading things of value so that each is better off as a result.

replacing a noneffective form of advertising for a more effective one.

the money paid by a consumer for a product or service.

two people bartering products and services for other products and services.

A local family is advertising a 5K run to raise awareness for autism since one of their children suffers from the disorder. Tristan likes to run, so he decides to pay the fee to participate in the event. Afterward, he is pleased that he went and felt good about helping out the family. Would this be considered a marketing exchange?

no, because Tristan did not receive anything for participating in the event

no, because the consumer needs of Tristan were not met

yes, because the family had to pay for advertising and therefore was engaged in *marketing*

no, because the event involved a service but not a good

yes, because participating in the run was exchanged for Tristan's feeling of satisfaction for helping the family

According to your text, what is the most basic concept in marketing?

satisfying the needs of stakeholders

streamlining production costs to generate maximum profits

determining the best advertising outlet for a product

determining the difference between consumer needs and wants

getting all members of an organization to agree on a marketing plan

In marketing, states of felt deprivation are referred to as

opportunities.

desires.

wants.

cravings.

needs.

In marketing terms, what is a person looking to satisfy if that person feels deprived of basic necessities such as food, clothing, shelter, transportation, or safety?

a desire

a craving

a want

a dilemma

a need

Barbara used to work in the city where she would take public transportation to work. However, she just took a new job in the suburbs and now not only has to find a place to live, but also has to buy a car to get to and from her job. As it relates to marketing, these things represent a _____ for Barbara.

dilemma

want

need

desire

luxury

Compare the actions of each person to determine which one is satisfying a consumer *need*.

Although Greg's vacation home is nice, he would rather be closer to the ocean so he is going to look for a new place.

The crime rate in Tasha's neighborhood has increased dramatically, so she is going to invest in a home security system.

Fuchsia is the "in" color right now, so Jiang decides to replace her winter coat for a new one in that color.

Dierk heard his coworkers rave about a new mini-series shown on HBO, so he decides to sign up for the app.

Divya is throwing a dinner party. To impress her guests, she orders lobster from the local seafood market.

Wants are the form that human needs take and are shaped by
culture, money, and geography.

personality, culture, and buying situation.

money, desire, and ability.

lifestyle, demographics, and economic conditions.

time, money, and expense.

An advertisement shows a group of boys playing soccer on a hot day. When they take a break, the boys run to a cooler to find something to quench their thirst. Inside the cooler are water bottles, cans of soda, fruit juices, and Gatorade. Immediately, the boys fight over the Gatorade showing that it is clearly the best choice. In this ad, liquid refreshment represents a_____, and Gatorade represents a_____.

craving; preference

need; want

want; need

want; preference

craving; need

Elsbeth and Griet decided to buy a home together, even though they had a beautiful rent-controlled apartment. They pooled their money for a down payment and a realtor convinced them they could afford a very expensive house. They soon found out that they could not keep up the payments and they lost the house. Elsbeth and Griet *most likely*

wanted the apartment and the house.

needed the apartment and the house.

wanted and needed a new house.

needed a house but couldn't afford it.

wanted a new house but didn't need one.

As consumers spend more time online and have more technological tools that enable them to avoid exposure to TV ads, marketers will most likely

invest in flashier television advertisements to attract attention to themselves.

lobby for legislation that will prohibit the sale of devices that allow consumers to avoid advertising on the basis that such devices are anticompetitive.

block out any mention of brand names during regular programming.

buy more air time in an attempt to crowd out their competitors' advertisements.

shift dollars from traditional display advertising to sites like Twitter that can deliver huge audiences.

The 4Ps that make up the marketing mix are

product, price, promotion, and perception.

product, price, place, and promotion.

promotion, place, profit, and preference.

production, promotion, profit, and participation.

perception, preference, participation, and payment.

In her position at Widgets Inc., Dolores was responsible for deciding how many salespeople to hire. Which element of the 4Ps does this fall under?

price

profit

promotion

place

product

Maurice had a decision to make. Should he use a slower, less expensive method of shipping the company's goods, like trucks, or should he use faster, more expensive mode of transportation, like airplanes? Which of the 4Ps was Maurice considering?

price

profit

promotion

place

product

The element of the marketing mix that is also known as distribution is

price.

profit.

promotion.

place.

product.

The combination of activities that represent everything a firm can do to influence demand for its good, service, or idea is referred to as the marketing

concept.

plan.

model.

matrix.

mix.

Eileen is called “the coupon queen” by her friends. She seldom buys anything if she doesn’t have a coupon for it. Which of the 4Ps is impacting Eileen’s buying behavior?

price

profit

promotion

place

product

The *four* Ps are more formally referred to as the marketing

concept.

mix.

dimensions.

matrix.

framework.

Which question relates to the *place* element of the marketing mix?

How do I want the public to view my product?

Do I need to hire salespeople?

Should I offer customers a discount?

How much inventory should I have?

How long has my product existed?

According to your text, any discussion of the marketing mix typically begins with which of the four Ps?

place

product

price

promotion

plan

Which marketing mix element describes what a buyer exchanges with a seller?

product

place

perception

promotion

price

Which marketing mix element is typically the easiest to change?

price

product

perception

promotion

place

Which marketing mix element involves decisions regarding logistics and managing the supply chain?

price

perception

place

product

promotion

The owners of a restaurant have decided to place an advertisement in the local minor league baseball team's program booklet. Which element of the marketing mix does this represent?

purpose

promotion

product

place

price

A new pizza shop in town allows customers to create their own individual pizzas using various toppings. The store owners have decided to have a contest for the most unique customer creation. They are asking customers to create a pizza, take a picture of their creation, and post it on the shop's Facebook page as well as on Instagram so people can vote for their favorite. The winning creation will be featured on the shop's menu. This use of social media relates to which element of the marketing mix?

price

product

promotion

participation

place

You have recently been hired by a logistics company. In your new role, you must coordinate and manage the transportation of the products between suppliers. Which element of the marketing mix does your job represent?

promotion

price

profit

place

product

The group of Internet-based applications that allows users to create their own content and share it with others who access the sites is called

online applications.

web media.

network marketing.

social media.

Internet marketing.

Determining the message that salespeople should use to communicate the value of the product and persuade customers to buy it, relates to the _____ element of the marketing mix.

promotion

price

place

product

profit

What term is used to describe the increasingly interconnected nature of the world economy?

relationship marketing

internationalization

globalization

the marketing mix

the World Wide Web

NAFTA was an international trade agreement between the United States and Brazil.

Canada, and Mexico.

China, and Japan.

and Great Britain.

India, and China.

Compare statements to determine which one accurately describes the impact NAFTA had on U.S. farmers.

Even though NAFTA has relaxed trade restrictions, farmers have been reluctant to ship products into other countries for fear of improper storage and/or contamination of their product.

Even though farmers can now ship and sell their products to other countries, the fees imposed for doing so have not allowed farmers to generate any profit.

Because of the heavy regulations imposed on exports, farmers have avoided exporting goods to participating NAFTA countries.

Because they have been able to ship and sell their produce to other countries, NAFTA has given farmers the opportunity to expand their business and increase profits.

Because of the negative view of NAFTA in other countries, U.S. farmers have found a difficult time getting their products shipped into those countries.

In 2018, the United States, Canada, and Mexico agreed to terms of a trade agreement. What is the name of this agreement?

NAFTA

USMCA

CAFTA

CMUSTA

MEXCAUS

What type of marketing strategy is a company using if it consciously addresses customers, markets, and competition throughout the world?

a domestic market strategy

a foreign investment agreement

an international trade agreement

a global marketing strategy

an import/export strategy

The name, term, symbol, design, or any combination of these that identifies and differentiates a firm's products is known as its

brand.

trademark.

identifier.

patent.

logo.

The leprechaun that appears on a cereal box and the slogan "They're magically delicious" are elements that help to identify Kellogg's _____ from that of its competitors.

style

brand

trademark

logo

patent

The practice of measuring, managing, and analyzing market performance is referred to as supply chain management.

logistics.

the marketing concept.

marketing analytics.

global marketing.

When marketers evaluate whether a marketing campaign was successful by using metrics to measure performance, they are engaged in

brand management.

marketing analytics.

corporate social responsibility.

logistics.

global marketing.

Which statement is accurate regarding marketing analytics?

Marketing analytics has not proven to be helpful in the allocation of resources.

The pressure to be more data driven has played a large role in the growing use of marketing analytics.

The advent of the Internet has reduced the need for marketers to engage in marketing analytics.

Budgets related to marketing analytics are expected to decline in the coming years.

Marketing analytics is useful for analyzing the performance of products, but not for analyzing the performance of services or ideas.

Your text defines ethics as moral standards expected by

an organization.

employees.

a society.

the AMA.

consumers.

As noted in your text, what was the result when some of the world's most ethical companies were compared with the U.S. Large-Cap Index on a profitability measure?

The firms that were identified as ethical were significantly less profitable on the whole than the mix of companies included in the Large-Cap Index.

The firms that were identified as ethical took a long time to reach a profit, but then showed a pattern of unprecedented profit increase when compared with the mix of companies included in the Large-Cap Index.

The firms that were identified as ethical outperformed the mix of companies included in the Large-Cap Index through different political, regulatory, and economic circumstances.

The firms that were identified as ethical were equally profitable on the whole to the mix of companies included in the Large-Cap Index.

The firms that were identified as ethical were more profitable initially, but then showed a pattern of declining profitability compared with the mix of companies included in the Large-Cap Index.

How many steps are there in the ethical decision-making framework?

five

six

seven

eight

ten

What is the first step in the ethical decision-making framework?

Discuss the issue with the stakeholders.

Consider how the issue will affect the stakeholders.

Determine the facts in an unbiased manner.

Identify the ethical issue at hand.

Identify the stakeholders impacted by the decision.

What step in the ethical decision-making framework is sometimes referred to as *seeing through a problem to the other side*?

Consider how the decision will affect the stakeholders.

Identify the ethical issue at hand.

Discuss the pending decision with the stakeholders.

Make the decision.

Consider all available alternatives.

You are designing a marketing campaign to help the American Red Cross recruit new members and volunteers to assist its organization. This type of marketing is referred to as

services.

for-profit.

social media.

head hunting.

nonprofit.

Which organization is most likely to be a nonprofit?

Brookfield Zoo

Sandy's Sub Shoppe

an automobile dealership

a grocery store

a home builder

What represents the third-largest employment sector in the U.S.?

service sector

government

for-profit

nonprofit

global

In ethical decision making, what element of the marketing mix is affected when a firm is deciding whether or not to outsource jobs to other members of the supply chain?

place

product

price

promotion

profitability

What question would a firm ask if it were using the ethical decision-making framework regarding its product?

Should the firm increase prices due to a lack of local competition?

Are the relationships between wholesalers and retailers inappropriate?

What default privacy settings should be built into a website?

Does the advertising message attack competing products rather than highlight the benefits of the firm's product?

Does the advertising message represent the product's benefits honestly?

What impact can a successful marketing campaign have on nonprofit organizations?

It would have no impact since nonprofit organizations do not require marketing campaigns.

It can help nonprofit organizations achieve a for-profit status.

It can allow nonprofit organizations to receive tax breaks from the government.

It can help to increase revenue and profits for the firm.

It can help nonprofit organizations attract members and raise much-needed funds.

FILL IN THE BLANK. Write the word or phrase that best completes each statement or answers the question.

The organizational function and set of processes for creating, communicating, and delivering value to customers and managing customer relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole is referred to as_____.

Customer_____ refers to the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.

Regardless of whether economic conditions are favorable or unfavorable, over_____ percent of products introduced in the marketplace will fail.

The linked set of companies that perform or support the delivery of a company's products to customers is referred to as the_____.

_____ is the process of coordinating the flow of goods, information, and services among members of the supply chain.

Firms with a_____ orientation believed that quality products would simply sell themselves.

The_____ orientation era started in the mid-1920s and continued until the end of World War II.

The_____ concept reflects the idea that the long-term success for a firm must include a company-wide effort to satisfy customer needs.

A company that institutes a loyalty program in order to reward its most loyal customers and maintain a relationship with them is practicing_____ marketing.

The marketing strategy that focuses on attracting, maintaining, and enhancing customer relationships is called_____.

When a buyer and a seller trade things of value with each party being better off as a result, a(n)_____ has taken place.

A_____ can be described as a state of felt deprivation.

A _____ occurs when a person feels deprived of basic necessities such as food, clothing, shelter, transportation, and safety.

The job of marketers is to focus on providing products that fulfill customers' wants, which in turn will satisfy their underlying _____.

The four Ps are elements that make up the _____.

The four Ps are product, price, place, and _____.

The combination of activities that represent everything a firm can do to influence demand for its good, service, or idea is called the _____.

The central element in the marketing mix is _____, which is the element that all other decisions revolve around.

The element of the marketing mix that is directly related to the value consumers place on a product is _____.

In the marketing mix, _____ decisions relate to locations, transportation, logistics, and managing the supply chain.

When people think of what marketing entails, they typically think about the marketing mix element referred to as _____.

The marketing mix element referred to as _____ includes advertising, public relations, personal selling, and sales promotion.

A group of Internet-based applications that allow the creation and exchange of user-generated content is referred to as _____.

_____ marketing is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.

The increasingly interconnected nature of the world economy is referred to as_____.

_____ is an international trade agreement between the United States, Canada, and Mexico.

The swoosh symbol on its shoes, its orange shoe boxes, and the slogan "Just Do It" are elements that help to identify Nike's_____ from other firms' products.

Marketing_____ is the practice of measuring, managing, and analyzing market performance.

As a way to measure, manage, and analyze performance, marketing_____ is an essential tool for helping organizations make better decisions.

Moral standards expected by a society are referred to as_____.

According to the AMA's Code of Ethics, to acknowledge the basic human dignity of all stakeholders represents the ethical value of_____.

Large companies like Enron, WorldCom, and Arthur Andersen all failed due to their lack of_____.

Determining the facts in an unbiased manner is the_____ step in the ethical decision-making framework.

The question, "Should jobs be outsourced to other members of the supply chain?" relates to the_____ element of the marketing mix.

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

How do organizations create value for the customer?

How is the marketing concept different from the sales orientation strategy?

How are consumer wants different from consumer needs?

You are interested in selling your homemade crafts. You have chosen a retail location to sell your crafts. What other factors in distribution ("place" from the marketing mix) do you need to consider besides the location?

You work in a jewelry store, and your supervisor has told you to decrease the price of a line of jewelry that is not selling well in the hope that the remainder of the inventory will sell quickly. Why might this strategy be effective in selling the remaining units of this jewelry line?

As an American small business owner, why would you want to think global in developing your marketing plan?

What is marketing analytics and how does it benefit marketers?

Paulo owns a small shoe store. He has heard about the marketing concept and he thinks he should implement it in his store. What is the marketing concept? What are some things Paulo can do to implement this concept in his shoe store?

Tai has extra inventory of a product that he needs to get rid of. Using the elements of promotion, what might Tai do in order to sell his inventory quickly?

What is a brand? Give some examples of real-world brands that you have identified and explain what elements make up those brands.

Answer Key

Test name: Ch1_Marketing_4e

FALSE

Marketing is not just about advertising and promotion. It is the process of creating, communicating, and delivering value to customers, and managing those relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole.

FALSE

Customer value is the perceived benefit, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.

FALSE

Consistently, over 80 percent of all new products introduced into the marketplace will *fail* regardless of whether economic conditions are good or bad.

FALSE

Logistics is the process of coordinating the flow of information, goods, and services among members of the supply chain.

TRUE

The production era continued until consumer demand could not keep up with the growth in production, and firms sought to develop effective sales forces that could find customers for their growing production capacity.

FALSE

The sales orientation strategy focuses on personal selling and advertising to persuade customers to buy products; the marketing concept strategy is characterized by customer orientation.

TRUE

The marketing concept strategy is characterized by a company-wide effort to satisfy customer needs. The sales orientation used personal selling and advertising to persuade consumers to buy new products and more of existing products.

FALSE

The marketing concept strategy continues to evolve in today's marketplace. Organizations are finding new ways to establish, maintain, and grow customer relationships.

TRUE

As technology and other changes impact the business world, firms will need to explore new models that address what customers want and how they prefer to receive information. The use of Facebook and Twitter is one example of how firms are adapting to this new environment.

TRUE

Marketers create value for customers when they develop products that allow consumers to satisfy their needs and wants through exchange relationships. An exchange happens when a buyer and seller trade things of value so that each is better off as a result.

FALSE

The distinction between needs and wants is important and not always black and white. Marketers focus on providing products that fulfill customers' wants, which in turn satisfy their underlying needs.

FALSE

Evaluating customer needs and wants must be done through an ethical framework to avoid potential problems for the firm and society as a whole.

FALSE

The elements of product, price, place, and promotion make up what is called the four Ps or, more formally, the marketing mix. The marketing concept is the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs and wants.

TRUE

In addition to goods, products can also take the form of services or ideas, like those offered by a consultant.

FALSE

Pricing is typically the easiest marketing mix element to change, making it a powerful tool for firms looking to quickly adjust their market share or revenue.

TRUE

The combination of activities a firm undertakes to make its product available to potential customers is related to the marketing mix element of place.

TRUE

Social media is a group of Internet-based applications that allow the creation and exchange of user-generated content.

FALSE

Globalization is the term used to describe the interconnected nature of the world economy.

FALSE

For U.S. farmers who have been able to ship and sell their produce to Canada and Mexico, NAFTA has given them the opportunity to expand their business and increase profits.

TRUE

The name, term, symbol, design, or any combination of these that identifies and differentiates a firm's products is its brand.

FALSE

The practice of measuring, managing, and analyzing market performance is referred to as marketing analytics. Broadly speaking, marketing analytics is the processes and technologies that enable marketers to evaluate the success of marketing initiatives by measuring performance using business metrics.

FALSE

The first step in the ethical decision-making framework is to determine the facts in an unbiased manner.

TRUE

A website is a company product and determining what is to be included on that website (including default privacy settings) is an issue related to the product element of the marketing mix.

FALSE

As with for-profit firms, marketing efforts are an essential part of the success of nonprofit organizations. Successful marketing helps nonprofit organizations attract membership and much-needed funds.

FALSE

Your ability to use marketing principles to market yourself will be critical to your success in your professional life.

B

Marketing is not about just advertising and promotion. It is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

A

Whether they are selling a product or a service, organizations today are constantly looking for new ways to create value for the customer.

B

Customer value is the perceived benefits, both monetary and nonmonetary, that customers receive from a product compared with the cost associated with obtaining it.

C

The key ingredient for creating value is providing consumers with benefits that meet their needs and wants. Merely creating a new product does not guarantee success.

A

The key ingredient for creating value is providing consumers with benefits that meet their needs and wants. By adding new routes based on customer requests, the airline is providing value to its customers.

C

Consistently, over 80 percent of all new products introduced into the marketplace will fail regardless of whether economic conditions are good or bad.

B

To create value, the new good, service, or idea must satisfy a perceived marketplace demand. Understanding marketplace demands before competitors do is one of the secrets of great marketing.

C

If customers do not know that a new health club exists in the neighborhood, the business could likely fail. By sending households information about the club, with a coupon for a free personal training session, the health club is communicating what its product is and the value the product brings to potential customers.

B

When it comes time to look for a job, if your resume looks like every other resume in the stack, odds are your value will not be communicated. It is critical to be able to communicate value to a potential employer if you wish to land a job.

D

The supply chain is a global network used to create and deliver products. An efficient and well-managed supply chain is critical in delivering value.

D

The supply chain is a global network used to create and deliver products. Members of the supply chain can include manufacturers, wholesalers, retailers, transportation companies, and other groups, depending on the specific industry.

C

A firm's supply chain is a set of multiple companies directly linked by one or more of the upstream and downstream flows of products, services, finances, and information from a source to a customer. Members of the supply chain can include manufacturers, wholesalers, retailers, transportation companies, and other groups, depending on the specific industry.

C

A firm's supply chain is a set of multiple companies directly linked by one or more of the upstream and downstream flows of products, services, finances, and information from a source to a customer. Members of the supply chain can include manufacturers, wholesalers, retailers, transportation companies, and other groups, depending on the specific industry.

B

Logistics is the process of coordinating the flow of information, goods, and services among members of the supply chain.

A

A supply chain is a set of multiple companies directly linked by one or more of the upstream and downstream flows of products, services, finances, and information from a source to a customer. The part of supply chain management that plans, implements, and controls the flow of goods, services, and information between the point of origin and the final customer is referred to as logistics.

A

Logistics is the process of coordinating the flow of information, goods, and services among members of the supply chain. Bart works in logistics.

B

Marketing has evolved first from a production orientation, then to a sales orientation, then to a marketing concept and focuses today on relationship marketing.

E

Prior to the 1920s, most firms throughout the United States focused on production. The production orientation era lasted until the mid-1920s.

B

The production era was a marketing strategy in which the firm focused on efficient processes and production to create quality products and reduce unit costs. Firms with a production orientation believed that quality products would simply sell themselves.

E

The production era was a marketing strategy in which the firm focused on efficient processes and production to create quality products and reduce unit costs. Firms with a production orientation believed that quality products would simply sell themselves.

A

The sales orientation was a marketing strategy in which personal selling and advertising were used to persuade consumers to buy new products and more of existing products. This strategy was especially important during the Great Depression when firms had to compete intensely for sales.

D

The sales-orientation era was especially important during the Great Depression and continued until the end of World War II.

D

The sales-orientation era emphasized personal selling and competition between firms, so the statement about persuading customers to buy our products rather than products from competitors would be the best choice.

C

The marketing concept reflects the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs.

E

After two decades of economic depression and world war, the United States entered an era of expansion beginning in the early 1950s. As a result, a strategy focused on the consumer called the marketing concept began to emerge.

A

The marketing concept reflects the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs.

D

The marketing concept reflects the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs.

C

Relationship marketing is a strategy that focuses on attracting, maintaining, and enhancing customer relationships. The coffee shop is trying to keep their customers happy and encourage more purchases in the future.

C

Relationship marketing is a strategy that focuses on attracting, maintaining, and enhancing customer relationships.

B

Relationship marketing is a strategy that focuses on attracting, maintaining, and enhancing customer relationships.

B

Regardless of how marketing evolves in the years ahead, the basic goal of marketing—to create, communicate, and deliver value—has not changed. What has changed is that firms will now need to explore new models that address what customers want and how they prefer to receive information.

B

In marketing, an exchange is an activity that occurs when a buyer and seller trade things of value so that each is better off as a result.

E

A marketing exchange takes place when buyers and sellers trade things of value so that each is better off as a result. In this example, the fee that Tristan paid was exchanged for his feeling of satisfaction.

D

Your text notes that the difference between consumer needs and wants is perhaps the most basic concept in marketing. The job of a marketer is to match consumer needs with wants.

E

In a marketing sense, needs are states of felt deprivation. Consumers feel deprived when they lack something useful or desirable like food, clothing, shelter, transportation, and safety.

E

In a marketing sense, needs are states of felt deprivation. Consumers feel deprived when they lack something useful or desirable like food, clothing, shelter, transportation, and safety.

C

In a marketing sense, needs are states of felt deprivation. Consumers feel deprived when they lack something useful or desirable like food, clothing, shelter, transportation, and safety.

B

Needs occur when consumers feel deprived of basic necessities such as food, clothing, shelter, transportation, and safety. The need for safety prompts Tasha to invest in a home security system.

B

Wants are the form that human needs take as they are shaped by personality, culture, and buying situation. Wants are influenced by many things including a consumer's family, job, and background.

B

Quenching one's thirst with liquid refreshment reflects a need; choosing Gatorade to fulfill that need represents a want.

E

Elsbeth and Griet had an apartment, so they most likely did not need a house, but they wanted one. That led them to spend too much to satisfy the want.

E

As technology and other changes affect the business world, firms will need to explore new models that address what customers want and how they prefer to receive information. The amount of news consumers get through social media platforms is at an all-time high. Products like Facebook, Instagram, and Twitter are changing how firms interact with customers.

B

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. The four Ps of the marketing mix are product, price, place, and promotion.

C

Salespeople are part of the promotion role of the 4Ps.

D

Deciding how to deliver products to customers is an element of place.

D

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. The four Ps of the marketing mix are: product, price, place, and promotion. Place is also referred to as distribution.

E

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. The four Ps of the marketing mix are: product, price, place, and promotion.

C

Coupons are a form of promotion, as are rebates and discounts.

B

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. The four Ps of the marketing mix are: product, price, place, and promotion.

D

As outlined in Figure 1.2, issues relating to the delivery of product, types of suppliers to use, and inventory decisions all relate to the element of place.

B

The discussion of marketing mix typically begins with the product because, without it, a firm has few, if any, decisions to make when it comes to price, place, or promotion.

E

Price is the amount of something (money, time, or effort) that a buyer exchanges with a seller to obtain a product.

A

Pricing is typically the easiest marketing mix element to change, making it a powerful tool for firms looking to quickly adjust their market share or revenue.

C

Place includes the activities a firm undertakes to make its product available to potential customers including decisions relating to locations, transportation, logistics, and managing the supply chain.

B

Promotion includes advertising, public relations, personal selling, and sales promotion.

C

Social media allows the creation and exchange of user-generated content. In this case, the use of social media is helping to promote the product by allowing customers to share their creations with the people in their social networks. This in turn helps to promote the pizza shop and its product.

D

The place element of the marketing mix relates to decisions regarding the transportation, logistics, and supply chain management. By coordinating the transportation between suppliers, your new job deals primarily with place element decisions.

D

Social media refers to a group of Internet-based applications that enable users to create their own content and share it with others who access the sites.

A

Promotion is all the activities that communication the value of a product and persuade customers to buy it through activities such as: advertising, sales promotions, personal selling, and even public relations.

C

The increasingly interconnected nature of the world economy is referred to as globalization.

B

The North American Free Trade Agreement (NAFTA) was an international trade agreement between the United States, Canada, and Mexico. In 2018, the three countries reached agreement on the United States–Mexico–Canada Agreement, or USMCA, which is a successor to NAFTA.

D

The relaxation of trade restrictions between the United States, Canada, and Mexico has had a positive impact on U.S. farmers, since they now can ship and sell their produce to these countries. This has allowed U.S. farmers to expand their businesses and increase profits.

B

In 2018, the United States, Canada, and Mexico reached agreement on the USMCA trade agreement, which is a successor to NAFTA and makes several small changes to the original agreement in areas ranging from cars to dairy to dispute resolutions.

D

Global marketing is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.

A

A firm's brand is the name, term, symbol, design, or any combination of these that differentiates its product from that of its competitors.

B

A firm's brand is the name, term, symbol, design, or any combination of these that differentiates its product from that of its competitors. The leprechaun and the slogan "They're magically delicious" have helped to identify Kellogg's Lucky Charms from that of other cereals on the market.

D

Marketing analytics is the practice of measuring, managing, and analyzing marketing performance.

B

Marketing analytics is the processes and technologies that enable marketers to evaluate the success of marketing initiatives by measuring performance using business metrics.

B

Business executives are facing rising pressure to be more data driven, with marketing receiving particular scrutiny. The percentage of marketing budgets allocated for marketing analytics is expected to almost double in the next three years.

C

Ethics are moral standards expected by a society.

C

As noted in your text, firms that were identified as ethical outperformed the mix of companies included in the U.S. Large-Cap Index through both positive and negative economic circumstances.

D

There are eight steps in the ethical decision-making framework.

C

The first step in the ethical decision-making framework is to determine the facts in an unbiased manner. This must be done even before identifying the ethical issue at hand.

A

Considering how the decision will affect the stakeholders is sometimes referred to as *seeing through a problem to the other side* because this step allows a firm to consider ahead of time how the decision will affect all stakeholders.

E

Nonprofit organizations are those whose motive is something other than to make a profit for owners. The campaign for the American Red Cross helps recruit new volunteers to the organization.

A

Nonprofit organizations are those whose motive is something other than to make a profit for owners. They include hospitals, charities, universities, zoos, and churches.

D

Nonprofit organizations employ approximately 11 million people and represent the third-largest employment sector in the United States.

A

Each element of the marketing mix is affected by a firm's decisions. In ethical decision making regarding place, a firm might ask itself whether or not jobs should be outsourced to other members of the supply chain.

C

Since a website is a product itself, questions concerning how it should be set up are questions relating to the product element of the marketing mix.

E

As with for-profit firms, marketing efforts are an essential part of the success of nonprofit organizations. Successful marketing helps nonprofit organizations attract members and raise much-needed funds.

marketing

Marketing is not just about advertising and promotion. It is the process of communicating and delivering value to customers and managing those relationships in ways that benefit the organization and its employees, customers, investors, and society as a whole.

value

Customer value refers to the perceived benefits a customer receives from a product compared with the cost associated with obtaining it. These benefits can be both monetary and nonmonetary, such as the feeling of safety associated with purchasing a home security system.

80

Consistently, over 80 percent of all new products introduced into the marketplace will fail regardless of whether economic conditions are good or bad.

supply

A firm's supply chain is the linked set of companies that perform or support the delivery of a company's products to customers. Members of the supply chain can include manufacturers, wholesalers, retailers, transportation companies, and other groups, depending on the specific industry.

Logistics

The process of planning, implementing, and controlling the flow of goods, services, and information between the point of origin and the point of consumption in order to meet customers' requirements is called logistics.

production

The production era used a marketing strategy in which the firm focused on efficient processes and production to create quality products and reduce unit costs. Firms with a production orientation believed that quality products would simply sell themselves.

sales

The sales era continued until the end of World War II.

marketing

The marketing concept is characterized by a customer orientation, which stresses the idea that everyone in a firm should strive to assess, and then satisfy, the needs of consumers.

relationship

Relationship marketing is a strategy that focuses on attracting, maintaining, and enhancing customer relationships.

relationship

The marketing concept is characterized by a customer orientation, which stresses the idea that everyone in a firm should strive to assess, and then satisfy, the needs of consumers.

exchange

An exchange takes place when a buyer and a seller trade things of value so that each is better off as a result.

need

Needs are states of felt deprivation. Consumers feel deprived when they lack something useful or desirable like food, clothing, shelter, transportation, and safety.

need

Needs are states of felt deprivation. Consumers feel deprived when they lack something useful or desirable like food, clothing, shelter, transportation, and safety.

needs

The distinction between needs and wants is important and not always black and white. Marketers focus on providing products that fulfill customers' wants, which in turn satisfy their underlying needs.

marketing mix

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea. The four Ps of the marketing mix provide marketers with the tools to increase customer awareness, sales, and profitability.

promotion

The four Ps of the marketing mix are product, price, place, and promotion.

marketing mix

The marketing mix represents everything that a firm can do to influence demand for its good, service, or idea.

product

The discussion of the marketing mix typically begins with the product because, without it, a firm has few, if any, decisions when it comes to price, place, or promotion.

price

The element of price is directly related to the value consumers place on the product. In addition, the price of a product can send a signal about product quality. Therefore, firms must carefully determine what they will charge for their products.

place

Place includes the activities a firm undertakes to make its product available to potential customers, which includes locations, transportation, logistics, and managing the supply chain.

promotion

Promotion is all the activities that communicate the value of a product and persuade customers to buy it. Because it involves advertising, public relations, personal selling, and promotion, it is the element that people typically associate with marketing.

promotion

Because it involves advertising, public relations, personal selling, and promotion, it is the element that people typically associate with marketing.

social media

Today, firms can communicate quickly and directly with their customers using a variety of online and digital tools, otherwise known as social media. The term *social media* refers to a group of Internet-based applications that allow the creation and exchange of user-generated content.

Global

Modern marketers must not only create, communicate, and deliver value, but do so in a global marketplace. Global marketing is a marketing strategy that consciously addresses customers, markets, and competition throughout the world.

globalization

Globalization refers to the interconnected nature of the world economy.

NAFTA

The North American Free Trade Agreement (NAFTA) relaxed trade restrictions between the United States, Canada, and Mexico.

brand

A firm actively promotes its brand, which is the name, term, symbol, design, or any combination of these that identifies and differentiates a firm's products.

analytics

Marketing analytics is the practice of measuring, managing, and analyzing market performance. Broadly, it is the processes and technologies that enable marketers to evaluate the success of marketing initiatives by measuring performance using business metrics.

analytics

Marketing analytics is the practice of measuring, managing, and analyzing market performance. Marketing analytics is an essential tool for helping organizations make better decisions.

ethics

Ethics are the moral standards expected by a society. Ethical decision making should be a key component of a successful marketing approach.

respect

The American Marketing Association's Code of Ethics should be read and adhered to by all marketers.

ethics

Ignoring ethical considerations has destroyed some of the largest companies in the world, including Enron, WorldCom, and Arthur Andersen.

first

The first thing that needs to be done when making an ethical decision is to determine the factual elements of the problem without letting any potential bias influence your decision.

place

Questions relating to logistics and management of the supply chain refer to the place element of the marketing mix.

Short Answer

Businesses create value for customers by letting them know the benefits that customers will receive from the products or services the business sells. These benefits can be either monetary or nonmonetary and, in the opinion of the firm, meet the customers' needs and wants. Satisfying the perceived market demand is how an organization can create value.

Short Answer

The sales orientation strategy concentrates on personal selling and advertising that work on getting customers to buy additional units of an existing product or to try a new product. This strategy tries to persuade customers to buy based on the product's or service's function. In the marketing concept, businesses concentrate on developing long-term relationships with their customers, and their success is based on satisfying customer needs, not just selling to them.

Short Answer

A need is something that is required or necessary such as food, clothing, shelter, health care, and safety. If a person does not have it, he or she will feel deprived. A want is a need that is determined by personality, culture, and buying situation.

Short Answer

The place or distribution component of the marketing mix includes all activities involved in making your products available to the consumer. The location or method that you choose to make your products available and sell to the consumer is very important, but there are other factors that must be considered. You also need to make decisions on issues relating to transportation, logistics, and managing your supply chain.

Short Answer

Price is the value of money that a buyer will provide a seller to obtain a product or service. In most cases, pricing is the easiest component of the marketing mix to change, therefore, it can change sales or market share quickly. By decreasing the price, this may entice customers to purchase the jewelry leading to increased sales.

Short Answer

Over 95 percent of consumers are located outside of the United States. You can develop marketing strategies to meet the needs and wants of consumers outside the United States and many non-U.S. consumers desire American products and services. To operate globally, U.S. firms must do many of the same things—such as study the markets, produce a product or service that meets a need or want, and market the product or service—that they would have to do domestically to be successful.

Short Answer

Marketing analytics is the practice of measuring, managing, and analyzing market performance. Broadly, it is the processes and technologies that enable marketers to evaluate the success of marketing initiatives by measuring performance using business metrics. Marketing analytics is an essential tool for helping organizations make better decisions. Marketing analytics can be used for issues ranging from justifying how advertising dollars get spent to what to do with large amounts of consumer data that are now available.

Short Answer

The marketing concept is the idea that a firm's long-term success must include a company-wide effort to satisfy customer needs. The marketing concept is characterized by a customer orientation, which stresses the idea that everyone in a firm should assess, then satisfy, a consumer's needs. Paulo might implement this by making sure his salespeople are friendly and helpful when helping customers; that the managers of each department are available to answer customer questions and make sure that products are stocked properly; by keeping costs down so that his prices remain competitive; and by having a friendly and helpful customer service staff. Additionally, Paulo might want to offer a loyalty program for his customers, offer to help customers put purchases in their cars, or even offer to deliver purchases to customers.

Short Answer

Promotion is all the activities that communicate the value of a product and persuade customers to buy it. Promotion includes advertising, sales promotion, personal selling, and public relations.

- Advertising: Tai could increase the amount of advertising of the product or advertise it in different outlets, such as social media
- Sales promotion: Tai could offer a coupon to entice customers to purchase the product, or perhaps offer free shipping if the product is sold online
- Personal selling: Tai could make sure his salespeople are well-informed on the product and have them engage customers in an effort to buy the product.
- Public relations: If applicable, Tai could sponsor an event in which the product might be highlighted.

Short Answer

A brand is the name, term, symbol, design, or any combination of these that identifies and differentiates a firm's products through advertising and social media. Student answers may vary but should include a listing of the elements of the brand. For example:

- McDonald's: Its golden arches, Ronald McDonald
- Nike: The Nike swoosh symbol, its orange shoe boxes, the tagline "Just Do It."
- Kellogg's Frosted Flakes: Tony the Tiger, the tagline "They're Great!"
- Target: Its bulls-eye logo, the tagline "Target Run and Done."