

Chapter 1 - An Introduction to Marketing

1. What does the term marketing refer to?

- a. new product concepts and improvements
- b. selling
- c. advertising and promotional activities
- d. understanding and focusing on customer needs

ANSWER:

d

2. What is the definition of marketing?

- a. understanding the needs and wants of the consumer to deliver a promised offering
- b. seeking to discover, investigate, create, and announce value for customers and society as a whole
- c. developing the needs for the advertising of a product or service to a consumer
- d. developing the wants of a marketing firm's tools that will bring the product to market

ANSWER:

b

3. Without marketing, which of the following does not exist?

- a. product
- b. strategy
- c. customer
- d. competition

ANSWER:

c

4. What is marketing's main focus?

- a. a control system
- b. marketing products
- c. understanding value
- d. profits

ANSWER:

c

5. Which of the following best defines marketing?

- a. creating processes within an organization
- b. creating advertising and social media strategies
- c. analyzing the market for the next big product or service
- d. defining value in order to meet consumer needs

ANSWER:

d

6. When did the AMA definition of delivering "value for customers, clients, partners, and society at large" occur?

- a. 1998
- b. 2004
- c. 2007
- d. 2013

ANSWER:

c

7. What is an important part of marketing as it relates to needs?

- a. planning strategy
- b. customer management
- c. engaging with the customer
- d. reciprocity

ANSWER:

c

8. Which of the following best describes a highly desirable outcome of marketing?

- a. promotional activities
- b. personal selling
- c. advertising
- d. customer satisfaction

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ANSWER: d

9. The goal of marketing is summarized nicely by which of the following?

- a. the customer
- b. the competition
- c. the firm's advertising
- d. the marketing concept

ANSWER: d

10. An organization that is focused on satisfying the customer's current situation and helping to find solutions is an adherence to which of the following?

- a. needs
- b. the profit principle
- c. the need to make money
- d. a desire to beat competition

ANSWER: a

11. Which statement best describes marketing?

- a. It is more of a philosophy rather than an organization function.
- b. It is focused on just selling goods, services, and/or ideas.
- c. It rewards the seller and not the buyer of a transaction.
- d. It focuses on delivering value and benefits to customers.

ANSWER: d

12. What is the primary goal when describing the history of marketing?

- a. to criticize marketing practices
- b. to establish a chronological timeline
- c. to determine how marketing's role has evolved
- d. to emphasize misnomers and misinterpretations

ANSWER: c

13. According to the text, why is understanding the history of marketing considered beneficial?

- a. to criticize contemporary marketing techniques
- b. to address misconceptions and misinterpretations
- c. to create a timeline of marketing events
- d. to promote sordid marketing practices

ANSWER: b

14. What caution does the text give to readers regarding the eras of marketing?

- a. There is no agreed-upon start and end date for particular eras.
- b. Overlapping eras are intentional for confusion.
- c. The naming of eras is irrelevant in marketing history.
- d. Eras are clearly defined without any disagreements.

ANSWER: a

15. A criticism about the Era of Antecedents was a focus on meeting the needs of which group?

- a. men
- b. military
- c. nobility
- d. merchants

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ANSWER: c

16. What characterizes the Era of Antecedents, the earliest era of marketing?
- a. a focus on digital marketing
 - b. the creation of luxury goods for the rich
 - c. an introduction of social media marketing
 - d. the implementation of mass production

ANSWER: b

17. During which era did focus shift away from nobility and luxury goods towards a more widespread satisfaction of needs?
- a. Era of Antecedents
 - b. Era of Origins
 - c. Era of Institutional Development
 - d. Era of Refinement and Formalization

ANSWER: b

18. A company formed at the start of the Industrial Revolution, which was building steel products such as railway equipment, was competing during which era in the history of marketing?
- a. Era of Antecedents
 - b. Era of Origins
 - c. Era of Institutional Development
 - d. Era of Refinement and Formalization

ANSWER: c

19. What was evolving during the Era of Institutional Development?
- a. market segmentation and promotion
 - b. the Industrial Revolution
 - c. mail order and department stores
 - d. luxury goods production

ANSWER: c

20. What was the focus of the Era of Refinement and Formalization in marketing?
- a. mass production
 - b. giving customers what they want
 - c. invention of digital marketing tools
 - d. backlash against marketing practices

ANSWER: b

21. Fashion designers at the House of Jones use computer-assisted design software to create what it thinks women should wear. The company has developed marketing research systems to help monitor trends and bring new ideas to the company's leaders. This company is competing in which era of the history of marketing?
- a. Era of Antecedents
 - b. Era of Origins
 - c. Era of Institutional Development
 - d. Era of Refinement and Formalization

ANSWER: d

22. Canon Paper Products has been monitoring trends in the marketplace and has noticed that its largest customers are embarking on long-term programs that look to reduce reliance on the use of printed papers. Canon realizes that it needs to give the customers what they are looking for and has started to implement significant company changes that includes a reduced emphasis on paper both in product offering and company branding. This company has employed many of the methods developed in which era of the history of marketing?

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- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era of Refinement and Formalization

ANSWER: d

23. What is the most often mentioned focus of the current era of marketing (Era 5)?

- a. relationship marketing
- b. mass production
- c. luxury goods production
- d. technological

ANSWER: d

24. Acme Limited focused on market segmentation and promotion in the late 18th century. What era does this company align with?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era of Refinement and Formalization

ANSWER: b

25. TechGenius Inc. matures its marketing research tools to understand trends in the market. What era does TechGenius Inc. operate in?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era of Refinement and Formalization

ANSWER: d

26. Luxurify Co. focuses on creating luxury goods for the rich. In which era was Luxurify Co. established?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era of Refinement and Formalization

ANSWER: a

27. ClaspWares Inc. established large institutions during the late 19th century. What era does ClaspWares Inc. belong to?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era of Refinement and Formalization

ANSWER: c

28. ValueMasters Co. applies the marketing concept of “giving customers what they want.” What era does this company operate in?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era of Refinement and Formalization

ANSWER: d

29. TrendSavvy Corp. focuses on communication and information in its marketing strategy. What era does TrendSavvy

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Corp. align with?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era of Refinement and Formalization

ANSWER: d

30. Minor League Baseball suffers from poor attendance. If the league ignores marketing research and trends to help it make decisions, in which era of the history of marketing are they going to struggle to compete with competing leagues employing those methods?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era of Refinement and Formalization

ANSWER: b

31. The Societal Co. focuses on societal marketing. Which era is The Societal Co. likely a part of?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era 5

ANSWER: d

32. Innovative Silversmiths creates and markets silver and turquoise jewellery, which it sells to high-income clients without much concern for understanding the needs of a wider marketplace. In which era is this company competing?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era of Refinement and Formalization

ANSWER: a

33. If a company competed during the Era of Institutional Development, what type of relationship with customers would be most beneficial to its success?

- a. informed
- b. sales oriented
- c. transaction
- d. segmented

ANSWER: a

34. Which statement best describes the Era of Origins?

- a. The company develops its products to meet the needs of specific groups of people.
- b. The company's primary goal is profit through customer satisfaction.
- c. The company is focused on product design improvements to meet the needs of empowered customers.
- d. The company is in business to deliver high-end products to high-end clients.

ANSWER: c

35. "Giving the customer what they want" is the hallmark of which era in the history of marketing?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era of Refinement and Formalization

ANSWER: d

36. A company has emerged in the current "Era 5" marketplace. For it to succeed, which element would NOT be a focus?

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- a. relationship marketing
- b. communication
- c. societal marketing
- d. sales force training

ANSWER: d

37. A shift away from nobility to the more widespread marketplace was the hallmark of which era of the history of marketing?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era 5

ANSWER: b

38. Jacques Torres Chocolate is a factory and retail store. Its owner is willing to try to produce new flavours when his customers suggest them, such as chili-pepper-laced chocolate candy. He believes his customers have the final say on whether the product is of any value. He states, "If something doesn't move, that's the last time you see it." What concept is Jacques Torres using to give the customers what they want?

- a. customer satisfaction
- b. distribution focus
- c. marketing needs
- d. marketing concept

ANSWER: d

39. In which era did consumers first start questioning the invasiveness of marketing?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era 5

ANSWER: c

40. Which statement best describes the marketing concept?

- a. The marketing concept focuses on linking the needs of customers with the competencies of the organization.
- b. It overlooks the importance of understanding the competitive arena and competitors' strengths and weaknesses.
- c. It states that firms should give maximum importance to aggressive promotional and advertising activities.
- d. It states that marketing solely means selling things and collecting money.

ANSWER: a

41. Even with a focus on the coordination of marketing efforts to ensure his restaurant continually meets customer expectations, Jason knows he can never get complacent. Why is this?

- a. The customer is always right.
- b. Consumers are asking for more from restaurants as they seek out new ways to be satisfied.
- c. There is so much competition.
- d. The economy is in a slump.

ANSWER: b

42. The manufacturer of Omega brand watches is competing in the Era of Refinement and Formalization and follows the marketing concept. What would most likely be the first action the company would take if it learned its customers were dissatisfied with its watches?

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- a. hire more salespeople
- b. conduct research to determine if customers' needs have changed
- c. increase advertising to underserved markets
- d. increase the number of jewellery stores that carry Omega watches

ANSWER:

b

43. Purple Paper Notebooks believes that the social and economic validation for its existence is obtained from achieving their organizational objectives by satisfying customer wants and needs legally and responsibly. In which era of marketing is Purple Paper competing?

- a. Societal Era
- b. Social Era
- c. Era 5
- d. Customer Era

ANSWER:

c

44. For years, Richard Branson, founder of the Virgin Group, has believed in customer service. He believes that good customer service stems from an environment founded on "a chain, one that is consistent from beginning to end." Which idea has Virgin Group captured in this short phrase?

- a. the societal concept
- b. Maslow's hierarchy of needs
- c. the marketing concept
- d. the sales-orientation philosophy

ANSWER:

c

45. Which strategy would have been put into place by a company that originated at the start of the Era of Origins?

- a. market segmentation looking beyond only high income groups
- b. focus on company needs and wants
- c. differentiation of the firm's products from other firms' products
- d. sales growth fuelled through the application of aggressive sales techniques

ANSWER:

a

46. What does the marketing concept involve?

- a. focusing on customers' wants so that the organization can distinguish its product (or products) from the competitors' products
- b. selling products at the highest prices that the market will bear with the idea of maximizing profits in the short run
- c. selling as much product as possible under the assumption people will buy more goods and services if aggressive selling techniques are used
- d. focusing on production in order to increase product quality and lower prices

ANSWER:

a

47. Which statement best describes the focus of the marketing concept?

- a. It links the needs of the customer with the competencies of the organizational.
- b. Customers must be satisfied no matter the long-term effect on the firm.
- c. The only reason for any business to exist is to make a profit.
- d. It is focused on finding a target market that differs from that of the competition.

ANSWER:

a

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48. The marketing concept stresses that the social and economic justification for an organization's existence is the satisfaction of customer needs and wants while doing which of the following?

- a. producing a good or service at the lowest possible cost
- b. linking needs of the customer to the organization's competencies
- c. constantly increasing sales volumes
- d. applying scientific management techniques to improve efficiency

ANSWER: b

49. Levi Strauss has developed a line of jeans that does not use any chemical dyes to colour the pants. Consumers like the look of the jeans, and Levi's use of all-natural dyes is good for the environment. The launching of this line ushered in which era of marketing history?

- a. Era of Origins
- b. Era of Refinement and Formalization
- c. Era 5
- d. Era of Social Cause

ANSWER: c

50. While shopping at their local market, Justine and her husband Amil notice there is now choice in the market, and products are targeting towards them, a middle class family, for the first time. Which era of marketing history does this scenario describe?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era 5

ANSWER: b

51. Many of the lowest-priced diamonds are sold by African rebels who use the profits to engage in genocide. Lee Brant is one retail jewellery store that sells only diamonds certified as originating in "conflict-free" countries. This greater awareness of social issues is representative of which era of marketing history?

- a. Era of Origins
- b. Era of Institutional Development
- c. Era of Refinement and Formalization
- d. Era 5

ANSWER: d

52. Era 5 is focused on bringing social and relationship focus to marketing by using technology as a tool to incorporate these new market trends. Which new concept in marketing is wrongly associated with Era 5?

- a. social media
- b. SEO optimization
- c. digital marketing
- d. search marketing

ANSWER: c

53. Allied Inc., a beverage manufacturer, decides to take advantage of the growing business gained from using mail order as a means to reach customers. Allied is competing in which era of marketing history?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era 5

ANSWER: c

54. Health issues relating to product use with greater awareness of the safety and dietary issues attached to products is consistent with which era?

- a. Era of Customer Safety
- b. Era of Origins
- c. Social Marketing Era
- d. Era 5

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ANSWER:

d

55. Nessca Corp. manufactures rechargeable lights for cyclists to attach to the front and rear of their bikes to enhance safety while commuting back and forth to work. It has yet to incorporate much in the way of marketing research or segmentation to meet customers' needs. Nessa has yet to incorporate which era's key marketing concepts?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Refinement and Formalization
- d. Era 5

ANSWER:

a

56. Livin' Styles is a home décor company that decided to have its products shown at department stores. It realized the customers it was targeting were much more sophisticated, much like the markets in which the company was attempting to compete. Livin' Styles was competing in which era of marketing history?

- a. Era of Origins
- b. Era of Institutional Development
- c. Era of Refinement and Formalization
- d. Era 5

ANSWER:

b

57. If a firm extensively uses relationship marketing strategies, in what era is it most likely competing?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Refinement and Formalization
- d. Era 5

ANSWER:

d

58. An organization believes that it exists not only to satisfy customer wants and needs and meet organizational objectives, but also to preserve individuals' and society's long-term best interests. This organization has likely moved from which era to the next in line in the history of marketing?

- a. Era of Origins to Era of Institutional Development
- b. Era of Institutional Development to Era of Refinement and Formalization
- c. Era of Refinement and Formalization to Era 5
- d. Era 5 to Era of Social Responsibility

ANSWER:

c

59. Arcelor Mittal Dofasco Inc. is a highly successful international steel company. The company realizes that the quality of its product is important, and the end consumer is much more sophisticated than before. This indicates that Arcelor Mittal Dofasco is competing in which era?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Institutional Development
- d. Era 5

ANSWER:

c

60. Kinko's copy shops use 27 square kilometres of forest to produce all the paper needed by the corporation annually. While the company is committed to making a profit, it is also committed to meeting the needs of customers and dealing with the backlash that any marketing efforts would present. In which era is Kinko's competing in this scenario?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Refinement and Formalization
- d. Era 5

ANSWER:

c

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61. Nurture-U is an organic and natural beauty brand. It manufactures a variety of environmentally friendly skincare products. It believes that the environment should be protected for future generations. The company is against the use of animal products and uses plant extracts. In which era in marketing history is Nurture-U incorporating these strategies?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Refinement and Formalization
- d. Era 5

ANSWER: d

62. Sky High Builders is a sustainable construction company that uses eco-friendly materials to repair or construct infrastructure in the city. The company's products are made from recycled plastic. Sky High is incorporating which marketing area of focus for Era 5?

- a. sustainability
- b. relationship marketing
- c. CRM
- d. societal marketing

ANSWER: d

63. Happy Eating is a catering company that offers organic food. It serves edibles that are made from organic and locally grown fresh ingredients at private events and corporate functions. The company avoids using plastic and paper products for packaging. It also promotes awareness of the environmental benefits of choosing chemical free, organic food. In this scenario, in which era is Happy Eating competing?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Refinement and Formalization
- d. Era 5

ANSWER: d

64. Fresh Looks is a beauty salon that uses organic products to minimize the environmental impact of chemical-based products. It uses natural soaps and shampoos and other vegan beauty products, such as vegan moisturizers, nail polishes, and spa treatments. In which era is Fresh Looks incorporating the approaches of societal marketing?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Refinement and Formalization
- d. Era 5

ANSWER: d

65. Adorn is a fashion brand that uses recycled materials to create its products. It produces eco-friendly dress materials, handbags, and other accessories. Adorn's policies evolved over the years through an ongoing process of customer engagement through online social media conversations and attention paid to customer comments on their website. What aspect of Era 5 is Adorn using in this example?

- a. digital marketing
- b. marketing concept
- c. relationship marketing
- d. societal marketing

ANSWER: c

66. Jojo is a bath and body product manufacturer. This company produces handmade soaps and other products that are made of organic ingredients such as natural, herbal, and fruit extracts. Jojo has recently received funding to improve their business model by creating a proprietary customer relationship marketing software program. They are convinced this will support a revitalization of the business which was badly impacted by COVID-19. Jojo subscribes to which marketing era?

- a. Era of Antecedents
- b. Era of Origins
- c. Era of Refinement and Formalization
- d. Era 5

ANSWER: d

67. In an effort to be the leader in the coffee beverage market, McDonalds has introduced a promotion for a free coffee

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after every eight coffees purchased. This has proven to be an extremely effective tool to bring customers back, resulting in increased customer and retention. This is an example of achieving success when focused on what key concept in marketing?

- a. customer satisfaction
- b. competitive strategy
- c. churn rate
- d. loyalty programs

ANSWER:

a

68. Surj went to Second Cup and ordered a vanilla latte on a Monday. He enjoyed it so much that he returned every day that week and ordered the same drink from the same barista. By the end of the week the barista asked him if he would like his “usual.” What this an example of?

- a. commitment selling
- b. relationship marketing
- c. transactional marketing
- d. market engineering

ANSWER:

b

69. Domino’s Pizza is offering racing fans a chance to earn points toward NASCAR-branded merchandise via the NASCAR RacePoints loyalty program. What is Domino’s engaging in?

- a. transactional marketing
- b. sports-distribution marketing
- c. relationship marketing
- d. one-to-one marketing

ANSWER:

c

70. A company replaces any dissatisfied customer’s purchase at its own expense. Which strategy is the company using?

- a. management empowerment
- b. management–customer synergy
- c. customer satisfaction
- d. transactional marketing

ANSWER:

c

71. What is created when customer expectations regarding product quality, service quality, and value-based price are met or exceeded?

- a. a value line
- b. quality products
- c. dissonance excellence
- d. customer satisfaction

ANSWER:

d

72. What is customer satisfaction?

- a. the relationship between benefits and the sacrifice necessary to obtain those benefits
- b. the customer’s evaluation of a good or service in terms of whether that good or service has met the customer’s needs and expectations
- c. a customer who wants to purchase something
- d. the relationship between benefits and opportunity necessary to obtain those benefits

ANSWER:

b

73. Which term refers to a data mining system to help marketers understand each customer?

- a. marketing needs analysis
- b. CCP
- c. CVP
- d. CRM

ANSWER:

d

74. What has been an important result of the relationship marketing era?

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- a. customer happiness
- b. reduced attrition
- c. customer relationship management
- d. churn rate

ANSWER: c

75. Frequent-flyer programs are an example of financial incentives to customers in exchange for their continuing support. After flying a certain number of miles, the frequent-flyer program participant earns a free flight. What is this an example of?

- a. one-to-one marketing
- b. transaction marketing
- c. transformational marketing
- d. relationship marketing

ANSWER: d

76. Which term refers to the relationship between benefits and the sacrifice necessary to obtain those benefits?

- a. customer exchange
- b. customer value
- c. market value
- d. marketing mix

ANSWER: b

77. Canadian Smoked Turkey Inc. is a mail-order business that does not accept credit cards and does not have a toll-free number for customers to call. It may be old-fashioned, but it has a very loyal following. What does Canadian Smoked Turkey most likely use to maintain long-term ties to its customers?

- a. reactive marketing
- b. synergistic management
- c. relationship marketing
- d. promotional marketing

ANSWER: c

78. Which statement best describes customer relationship management?

- a. It involves targeting the average customer or everybody.
- b. It involves establishing and tracking customer interactions with the company.
- c. It considers all customers as one large group that should be targeted with a single promotional strategy.
- d. It is used by sales-oriented firms to convince customers to buy their products.

ANSWER: b

79. Which of the following is a key aspect of customer relationship management?

- a. trust
- b. happiness
- c. sales
- d. market share

ANSWER: a

80. The success of customer relationship management has been supported by companies increased use of which of the following?

- a. salesforce management tools
- b. mobile marketing and social media
- c. advertising
- d. sales promotion

ANSWER: b

81. What is one desired outcome of marketing?

- a. exchange
- b. happiness
- c. money
- d. quality product

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ANSWER:

a

82. Which condition needs to be met for an exchange to take place?

- a. At least two parties are involved.
- b. Each party needs to be happy.
- c. Each party must trust each other.
- d. Each party needs to accept the exchange offer.

ANSWER:

a

83. In 2019, while visiting Disney World with his mom, young Brody was completely overwhelmed and had a “meltdown.” As a young boy with autism, Brody couldn’t handle the stimulation coming at him. A Disney character, recognizing how Brody was feeling, took him aside and spent some time comforting and chatting with him. This is an example of Disney empowering employees to go beyond the regular to provide which of the following?

- a. unparalleled customer value
- b. unparalleled customer happiness
- c. a gift
- d. an exchange

ANSWER:

a

84. The management at Fairmont Hotels has authorized its hotel staff to provide, as quickly as possible, whatever amenity—such as a special magazine or a hypoallergenic pillow—their frequent guests request. What is Fairmont management using to provide customer value?

- a. relationship selling
- b. deregulation
- c. customer satisfaction
- d. commissioning

ANSWER:

c

85. Which term refers to the relationship between benefits and the sacrifice necessary to obtain those benefits?

- a. opportunity cost
- b. marketing utility
- c. market quality
- d. customer value

ANSWER:

d

86. Canada Post argues that its express service is comparable to what is offered by FedEx and that its prices are much lower. Yet FedEx dominates, with a significantly higher market share in the express-delivery market. Why does FedEx have a higher market share?

- a. Canada Post is perceived as offering greater customer value.
- b. FedEx is perceived as offering greater customer value.
- c. FedEx and Canada Post offer the same customer value.
- d. Customer value is not an issue in deciding between FedEx and Canada Post.

ANSWER:

b

87. What should a retail casket outlet do if it wishes to offer customer value?

- a. Use a production orientation.
- b. Use a sales orientation.
- c. Offer free services to go along with the casket.
- d. Provide customers with only a few casket choices.

ANSWER:

c

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88. Joban purchased a Canada Goose coat just in time for winter. It cost him almost \$800. What marketing activity does this transaction describe?

- a. exchange
- b. synergy
- c. leverage
- d. reciprocity

ANSWER:

a

89. Shaun wanted to purchase a used car. He was willing to either trade his old car or pay cash to get what he wanted. What is missing in this scenario?

- a. There must be at least two parties involved in an exchange.
- b. Money must be used in the transaction.
- c. At least one party must feel obligated to accept the offer.
- d. At least one party must have something of value that the other party desires.

ANSWER:

a

90. Andi Littleton has inherited a Featherlite brand horse trailer from her recently deceased grandfather. A preliminary investigation has shown that many people would be interested in owning a Featherlite brand horse trailer. She is considering placing an advertisement in a newspaper targeted to horse owners. The advertisement would mention a selling price of \$14,000 and that she would be willing to deliver it to the new owner if they were not equipped with a trailer hitch at the time of purchase. What is this an example of?

- a. relationship
- b. customer value
- c. campaign
- d. marketing mix

ANSWER:

d

91. To increase interest in rodeos, the local chapter of the National Rodeo Cowboys Association (NRCA) is offering free roping lessons to students in Grades 6 and 7. Which statement best describes this exchange?

- a. Students and their parents can decide for themselves if the lessons have any value.
- b. The students want to take the lessons but are unaware that they are being offered for free.
- c. The parents of the students are unsure whether the NRCA is a legitimate organization.
- d. Both the NRCA and the students taking the lessons will trade something of value.

ANSWER:

d

92. Which term refers to groups of individuals, families, or companies that are placed together because it is believed they share similar needs?

- a. market segment
- b. marketing mix
- c. customer value
- d. relationship

ANSWER:

a

93. What is a market segment?

- a. a target market
- b. a group of individuals who have similar needs
- c. a group who want to make an exchange
- d. a group that buys because of market research

ANSWER:

b

94. A portion of the automobile market loves taking long country drives in a convertible while their kids are with the

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babysitter. Which term refers to this subgroup of individuals?

- a. a market universe
- b. a market segment
- c. an aggregated market
- d. a segmentation base

ANSWER: b

95. The computer market can be divided into laptops, personal computers, mainframes, and tablets. This market can also be broken down by the types of users who will use each of these types of devices. Which term refers to this process of dividing markets?

- a. perceptual mapping
- b. positioning
- c. micromarketing
- d. market segmentation

ANSWER: d

96. If customer value occurs, which of the following is most likely to result?

- a. A customer will continue to a relationship.
- b. A customer will recommend the company.
- c. A customer will have buyer's remorse.
- d. A customer will purchase a product or service.

ANSWER: d

97. The best companies view new-customer attraction as the launching point for developing and enhancing which of the following?

- a. customer value
- b. customer segments
- c. relationships
- d. market segments

ANSWER: c

98. Which of the following is a marketing mix?

- a. product, price, place, and promotion
- b. product place, people, and process
- c. product, price, place, and people
- d. price, promotion, people, and place

ANSWER: a

99. Which of the following is an example of the principle of customer exchange?

- a. customer satisfaction
- b. customer marketing
- c. customer relationship management
- d. customer value

ANSWER: d

100. Which of the following is a characteristic of customer loyalty?

- a. maintaining and building trust with the customer
- b. developing a competitive advantage
- c. increasing company profits through sales
- d. increasing company profits using a pricing strategy

ANSWER: a

101. Sybil has been purchasing from Electronics Store for over 10 years. Which term best refers to Sybil's relationship with Electronics Store?

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- a. customer relationship management
- b. customer value
- c. customer loyalty
- d. customer marketing

ANSWER:

c

102. Which marketing tools does an organization use to achieve its goals?

- a. advertising and personal selling
- b. production, promotion, and pricing
- c. the marketing mix
- d. aggressive promotion

ANSWER:

c

103. Which of the following best defines place in the marketing mix?

- a. quantifying of a value in exchange for a company's offering
- b. the tangible and intangible aspects of a company's offering
- c. making an offering available to the customer
- d. the visible activities of marketing

ANSWER:

c

104. Which of the following best defines promotion in the marketing mix?

- a. quantifying a value in exchange for a company's offering
- b. tangible and intangible aspects of a company's offering
- c. making an offering available to the customer
- d. the visible activities of marketing

ANSWER:

d

105. Which of the following best defines price in the marketing mix?

- a. quantifying a value in exchange for a company's offering
- b. taking factors into consideration and making the best decision
- c. making an offering available to the customer
- d. the visible activities of marketing

ANSWER:

b

106. Which of the following best defines product in the marketing mix?

- a. the needs that are being satisfied and how to best package all aspects of the offering
- b. taking factors into consideration and making the best decision
- c. making an offering available to the customer
- d. the visible activities of marketing

ANSWER:

a

107. What is the difference between place and promotion?

- a. Place is the production of the product, and promotion is how the product is distributed.
- b. Place is the distribution and logistics, and promotion is packaging of the product.
- c. Place is the distribution and logistics, and promotion is the communication to the customer.
- d. Place is the location of the pricing, and promotion is the communication to the customer.

ANSWER:

c

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108. Which of the following is an example of promotion in the marketing mix?

- a. quantifying of a value in exchange for a company's offering
- b. making the best decision that satisfies the bottom line
- c. making an offering available to the customer
- d. designing and developing communication materials

ANSWER: d

109. If promotion in a marketing mix occurs, what is the most likely result?

- a. product development
- b. product pricing
- c. product packaging
- d. product advertising

ANSWER: d

110. As a freelance logistical specialist, Layne is finding that she is so busy she has turn clients away. The trend to online shopping and heightened consumer expectations for speedier delivery has forced companies to pay far closer attention to which element in the marketing mix?

- a. product
- b. price
- c. place
- d. promotion

ANSWER: c

111. There is so much competition in the fiction novel market. As a new fiction crime author hoping to get some decent sales from her self-published book, Lynn has invested a great deal of time and money into the creation of a visually arresting cover. Lynn is concentrating on which component of the marketing mix?

- a. product
- b. price
- c. place
- d. promotion

ANSWER: a

112. Jose has asked his friend Sam, who is an accountant, to look at his costs for growing and selling his heirloom tomatoes. He is sure that he can generate greater profits from reducing his costs because the consumer doesn't want to pay more for his tomatoes (even though his do taste better). Jose is concentrating on which component of the marketing mix?

- a. product
- b. price
- c. place
- d. promotion

ANSWER: b

113. The new hospice in town has created a marketing campaign that has some great visual imagery to support building awareness of all the services the hospice offers to families of the critically ill in the community. Which of the following is being used in this situation?

- a. product
- b. price
- c. place
- d. promotion

ANSWER: d

114. Which of the following factors would you use to develop a full marketing strategy?

- a. production orientation
- b. marketing mix 4Ps
- c. customer value strategy
- d. sales orientation

ANSWER: b

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115. Which statement exemplifies a valid reason to study marketing?

- a. Marketing teaches students how to sell all types of products and services.
- b. Marketing is part of every company.
- c. Marketing is used in many types of organizations but not charities and government.
- d. Marketing offers more money than other disciplines like finance.

ANSWER: b

116. Which statement best describes the importance of studying marketing?

- a. Marketing teaches students how to sell products that people do not need.
- b. Marketing deals with transactions, not relationships.
- c. Marketing is seen by everyone many times in a day.
- d. Marketing offers outstanding career opportunities.

ANSWER: d

117. Wilson is studying dairy science at university. After graduation, he hopes to modernize and expand his family's dairy farm in a scientific and efficient manner. His adviser at school has suggested he take a marketing course, but Wilson doesn't see the value in that. You are studying marketing. What would you suggest?

- a. Marketing knowledge will help Wilson to understand that he must satisfy wholesalers, retailers, and consumers.
- b. Wilson should also take a finance course to further broaden his business knowledge.
- c. More biology and agriculture classes will be most useful for Wilson. He should leave marketing to the experts and pay consultants when he needs them.
- d. The main reason to take marketing is to teach Wilson how to advertise milk.

ANSWER: a

118. Mohamed owns a small moving company. He has decided to take a few night school business courses because the company is growing quickly and there are many things he simply does not understand. Should he enrol in a marketing course?

- a. Yes, because marketing is synonymous with selling, and he will want to learn sales techniques to continue the growth of the company.
- b. Yes, because the concept of marketing will help him to better satisfy his customers.
- c. No, because marketing should be done by experts rather than someone who has taken one course.
- d. Yes, because marketing helps businesses sell products that people wouldn't have thought to buy without being marketed to.

ANSWER: b

119. Marketing 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. True
- b. False

ANSWER: True

120. Marketing can be defined as selling products.

- a. True

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b. False

ANSWER: False

121. Sara Lee Industries spent considerable money and time developing a crustless bread. Prior to the introduction, the company had not conducted market research among its customers, but it was confident that its technology department had produced a successful new product. Based on this example, Sara Lee has not yet moved through the Era of Refinement and Formalization.

a. True
b. False

ANSWER: True

122. During the Era of Origins, the focus shifted away from the nobility and luxury goods towards widespread satisfaction of needs, aided by the Industrial Revolution, mass production, and urbanization.

a. True
b. False

ANSWER: True

123. In the early 1920s, Ford promised its customers that they could have any colour car they wanted, “as long as it was black.” Ford’s management assumed anyone buying a car would accept the colour black, so it made products affordable by offering only one variety in large quantities. Ford is an example of a firm stuck in the Era of Origins.

a. True
b. False

ANSWER: False

124. Era 5 is the first time there is a true focus on society at large and the impacts of consumerism beyond the exchange between buyer and seller.

a. True
b. False

ANSWER: True

125. The Era of Institutional Development, exemplified by the emergence of mail order companies, commenced in the late 19th century and persisted until just before the Great Depression of the 1930s.

a. True
b. False

ANSWER: True

126. The Era of Origins, during the 18th century, lacked any real application of marketing techniques like segmentation.

a. True
b. False

ANSWER: False

127. The marketing concept focuses on linking the needs of customers with the competencies of an organization seeking to meet those needs.

a. True
b. False

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ANSWER: True

128. A company using marketing research in post-World War II Canada to help give customers what they want shows the Era of Institutional Development in full form.

- a. True
- b. False

ANSWER: False

129. The societal marketing concept considers society's long-term best interests, along with the satisfaction of customers' wants and needs, and it is the hallmark of Era 5.

- a. True
- b. False

ANSWER: True

130. Firms trying to give customers what they want in the Era of Refinement and Formalization must also deal with aspects of consumerism.

- a. True
- b. False

ANSWER: True

131. 3D Systems is a company that uses computers to generate new products. It has generated loyal business clients by providing the best customer support. The company also has salespeople who have both product and customer knowledge. This partnership between 3D Systems and its customers would be considered relationship marketing and would be a perfect example of Era 5 in the history of marketing.

- a. True
- b. False

ANSWER: True

132. Only a firm's salespeople need to be customer-oriented.

- a. True
- b. False

ANSWER: False

133. Retailers opening department stores in the Era of Institutional Development did so because this was the phase where "Marketing Begins."

- a. True
- b. False

ANSWER: False

134. Building customer trust against the negativity of consumerism was an important activity in the Era of Refinement and Formalization.

- a. True
- b. False

ANSWER: True

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135. An exchange cannot take place unless each party in the exchange has something that the other party values.

- a. True
- b. False

ANSWER: True

136. Marketing is a job that should be handled by marketers. People in management, accounting, and finance should focus on their own specialties.

- a. True
- b. False

ANSWER: False

137. Creating market segments requires little effort or thought.

- a. True
- b. False

ANSWER: False

138. The 4 Ps of marketing include product, price, promotion, and place.

- a. True
- b. False

ANSWER: True

139. What is the definition of marketing?

ANSWER: Marketing 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.

140. Exchange is the key concept in the definition of marketing. What is the concept of exchange? What are the five conditions of exchange that must be satisfied for exchange to occur?

ANSWER: The concept of exchange simply means that people give up something to receive something that they would rather have. Money, goods, or services may be the medium of exchange. There are five conditions of exchange:

1. There must be at least two parties.
2. Each party has something that might be of value to the other party.
3. Each party is capable of communication and delivery.
4. Each party is free to accept or reject the exchange offer.
5. Each party believes it is appropriate or desirable to deal with the other party.

141. There are five conditions that must be satisfied for an exchange to take place. However, even if all these conditions are met, exchange may not necessarily take place. Give an example of a situation in which all conditions are met, but exchange does not take place. Can marketing occur, even if an exchange does not take place? Why or why not?

ANSWER: Many selling situations satisfy all five conditions for exchange, but unless a purchase or trade actually takes place, exchange does not occur. The five conditions are necessary but not sufficient for final exchange. The text provides the example of advertising a used auto in the classified ads.

Marketing can occur even if an exchange does not take place. Many of the activities of marketing (product development, planning, promotion, pricing, distribution, and so on) can take place without a final exchange.

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142. The goal of marketing is summarized nicely by the marketing concept. Explain what the marketing concept is, what it includes, and why it is important.

ANSWER: At its core, the marketing concept is about offering the customer what they are looking for. It includes the following:

- Focusing on customer wants and needs so that the organization can distinguish its offerings from those of its competitors.
- Integrating all the organization's activities, including production, to satisfy customers' wants.
- Achieving long-term goals for the organization by satisfying customers' wants and needs legally and responsibly.
- Adherence to the marketing concept will help companies stay focused on meeting customer needs satisfactorily.

143. Discuss the significance of the Era of Refinement and Formalization in the history of marketing, spanning from 1930 until more modern times. Explain how this era represents a period of evolution in which marketing practices were not only developed but also refined to adapt to a more sophisticated consumer base. Discuss the impact that marketing research had on this phase and how it impacts the current state of marketing today.

ANSWER: Central to this era was the widespread application of the marketing concept, succinctly captured as "giving customers what they want." This concept became a guiding principle for marketers, emphasizing the importance of meeting customer needs and preferences. The heyday of advertising and consumer products characterized this period, signifying a decades-long tutorial on marketing as a discipline. Marketing research helped to inform this focus on the customer's needs, and today we have sophisticated marketing research techniques to help understand consumer needs.

144. If a firm has an Era 5 orientation, what types of questions does management ask after assessing its resources? How would these questions differ from previous eras?

ANSWER: With an Era 5 orientation, a company focuses on society in general and looks at the impact of decisions on the wider community. In the past, much of what was of concern had to do only with the exchange between buyer and seller, and possibly the actions of competitors. A wider focus on society is a key difference between Era 5 and previous eras.

145. The five eras of marketing strongly influence the role of marketing and marketing activities within an organization. Name and briefly describe each of these five eras.

ANSWER: Era of Antecedents
Time Period: 1500 through the 1600s
Characteristics:

- Commerce, exchange, and sale of products
- Development of a taste for capitalism
- Focus on luxury goods for the affluent
- Innovations in distribution, including warehousing and retail shops

Era of Origins

Time Period: Late 18th and early 19th centuries in Europe and the United States
Characteristics:

- Shift from nobility and luxury goods to widespread satisfaction of needs
- Industrial Revolution impact: mass production and urbanization
- Emergence of market segmentation and promotion

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- Competitive marketplace with consumer choice

Era of Institutional Development

Time Period: Late 19th century until just before the Great Depression of the 1930s

Characteristics:

- Evolution of interaction methods (mail order to department stores)
- Definition and establishment of marketplaces
- Improvement in product display and promotional practices
- Increased sophistication of consumers and producers
- Greater awareness of advertising invasiveness
- Rise of modern marketing practices and large institutions

Era of Refinement and Formalization

Time Period: 1930 until more modern times

Characteristics:

- Refinement and formalization of techniques from previous eras
- Maturation of marketing research and trend analysis
- Emphasis on understanding a more sophisticated consumer
- Application of the marketing concept: “giving customers what they want”
- Backlash against “consumerism”

Era 5 (Potentially Technological Era)

Characteristics (Suggested Focus Areas):

- Relationship marketing
- Communication and information
- Societal marketing
- Potential technological focus (distinct from digital marketing)

Areas of exploration include digital advancements shaping the newest era

146. Examine the controversy surrounding the concept of marketing eras, as discussed in the text box “The Banishment of the Eras—‘The Marketing Revolution.’” Discuss the historical evolution of marketing eras, initially identified by Robert J. Keith, and the subsequent critique by Robert Fullerton. Evaluate the implications of Fullerton’s arguments against the eras and the resulting changes made in the text, replacing the traditional section about the evolution of marketing. Analyze the significance of this shift in perspective and how it influences the understanding of marketing history.

ANSWER: The controversy and subsequent banishment of the marketing eras underscore the evolving nature of marketing scholarship. The critique presented by Fullerton challenges conventional wisdom, pushing for a more critical and nuanced exploration of marketing history. This shift in perspective prompts students and scholars to engage with the subject in a more holistic manner, considering the multifaceted influences that have shaped the discipline over time.

147. What is the marketing concept? According to the marketing concept, what determines if a sale will actually occur?

ANSWER: The marketing concept is a simple and intuitively appealing philosophy. It states that the social and economic justification for an organization’s existence is the satisfaction of customer wants and needs while meeting organizational objectives. It is based on an understanding that a sale does not depend on an aggressive sales force but rather on a customer’s decision to purchase a product.

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148. The marketing mix is said to have more than 4Ps today, given the complexity of both the market and consumers within the marketplace. Make a case for the existing 4Ps to be enough for a company to compete in today's sophisticated marketplace.

ANSWER: While there may be greater sophistication, the existing 4Ps can still cover much of the new challenges presented in modern times. For example, technological advancements can fall under Product when it comes to development of new ideas. As well, promotion has become a catch all to cover much of what is going on with new approaches to marketing communication.

149. A market-oriented organization may choose not to deliver the benefits sought by customers because these benefits are not in the best interests of the individual or society. This is termed the *societal orientation*. What does this concept mean in terms of organizational justification? List three current issues where the societal orientation concept may need to be applied.

ANSWER: The societal orientation refines the market orientation by stating that the social and economic justification for an organization's existence is the satisfaction of customer wants and needs while meeting the organization's objectives and preserving or enhancing both the individual's and society's long-term best interests.

For example, societal issues could include environmental protection, smoking in public places, promotion of high-sugar content foods to children, seat belt laws, alcohol marketing, gun sales, and purchasing drugs that have not been approved by the government.

150. Describe a real company that has an Era 5 orientation in the marketplace today.

ANSWER: All students should select a company that exists not only to satisfy customers' wants and needs and meet organizational objectives, but also to preserve or enhance individuals' or society's long-term best interests.

151. Examine the distinctions between relationship marketing and customer relationship management (CRM) as discussed in the text. How do these two concepts differ in their strategies and objectives, and how do they contribute to building and maintaining customer connections? Provide examples to illustrate the application of relationship marketing and CRM in real-world scenarios.

ANSWER: Relationship marketing and customer relationship management (CRM) are integral components of contemporary marketing strategies, each with distinct focuses and methodologies.

Relationship marketing, as outlined in the text, is a strategic approach that prioritizes the development and enhancement of relationships with existing customers. It operates on the assumption that customers, both consumers and businesses, prefer maintaining long-term relationships with one organization rather than constantly switching providers in their pursuit of value. The text illustrates Disney's adept use of relationship marketing, emphasizing how the company prioritizes creating products and experiences that integrate into people's lives and memories. This approach permeates all levels of the organization, with Disney's commitment to customer satisfaction embedded in the decision-making process across departments.

On the other hand, customer relationship management (CRM) emerges because of the increased emphasis on relationship marketing. CRM, initially conceived as a data-mining system, has evolved into a comprehensive strategy aimed at understanding individual customers on a personalized level. While data mining is a foundational aspect, CRM's primary objective aligns with relationship marketing: meeting customer needs and fostering long-term relationships.

A crucial element common to both relationship marketing and CRM is trust. Trust-building involves companies sharing their stories with customers, actively listening to customer desires, and taking actionable steps based on this information. The text emphasizes the evolving landscape of trust-building, noting the challenges associated with data mining from various sources and the opportunities presented by social and

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mobile marketing. The advent of the online world further enables companies to establish a continuous 24/7/365 relationship with customers, emphasizing not only transactional exchanges but also genuine communication.

In essence, while relationship marketing centres on overarching strategies to maintain customer connections, CRM delves into the granular aspects of individualized understanding. Together, these concepts contribute to a holistic approach where trust, communication, and personalized engagement form the foundation of enduring customer relationships. Examples from Disney and insights into CRM applications elucidate how these strategies align with contemporary consumer preferences and market dynamics.

152. What is customer value? How can marketers make sure customers perceive their companies/products as sources of value?

ANSWER: Customer value is the relationship between benefits and the sacrifice necessary to obtain those benefits. Marketers who want to be perceived by their customers as offering value can (1) offer products that perform as they are expected to, (2) earn trust, (3) avoid unrealistic pricing, and (4) give the buyer facts.

153. Marketing has an image problem. It is considered in a very narrow scope by many as consisting primarily of advertising, selling, and social media. Present a case for ensuring that colleagues and friends understand why you are studying marketing and why you believe it is so important.

ANSWER: Marketing is part of every company. If you do not concern yourself with your customer, you will not exist in the future. Marketing provides the customer focus that concentrates on satisfying customer needs, which requires more than just selling or just creating a social media campaign.

154. What are three of the most important reasons for studying marketing.

ANSWER:

1. Marketing provides both financial and personal rewards.
2. Marketing is important to businesses.
3. Marketing offers outstanding career opportunities in a variety of industries.
4. Marketing develops strong communication and analytical skills.

155. How is marketing important to business?

ANSWER: Marketing contributes directly to the achievement of business objectives, including survival, profits, and growth. Marketing is concerned with assessing the wants and satisfactions of customers, designing and managing product offerings, determining prices, developing distribution strategies, and communicating with customers. These activities are vital to business organizations. A fundamental understanding of marketing is important to all businesspeople so that an organization can operate cohesively.

156. What types of marketing careers are available? What is the current percentage of marketing employees in the civilian workforce? What is the future forecast for marketing employment?

ANSWER: One-quarter to one-third of the civilian workforce performs marketing activities in areas such as professional selling, research, advertising, retail buying, distribution management, product management and development, and wholesaling. Marketing career opportunities exist in both business and non-business organizations.

Demand for marketing-educated personnel is growing. Marketing employment is projected to grow at a faster rate than that of all jobs. Additionally, marketing is a crucial part of every company's success.

157. How does marketing develop your personal skill set and help you in your job search?

ANSWER: You will need to sell yourself in whatever industry to intend to go into. Skills developed when learning marketing—how to understand needs, research trends, create an offering, and communicate benefits—all relate back to a person's job search.

Name _____ Class _____ Date _____
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