

c2

Student: _____

1. Sales is an activity which is separate from marketing strategy.

True False

2. The macro-environmental forces impacting a company's marketing system are generally beyond the sales manager's control.

True False

3. The sales manager generally has control over the forces of technology.

True False

4. The forces of competition are generally under the sales manager's control.

True False

5. Political-legal forces are generally beyond the sales manager's control.

True False

6. With respect to a company's complete marketing system, the physical environment is a macroenvironmental force that includes inventions, innovations, and advances in scientific knowledge.

True False

7. American's attitudes toward health and fitness are a sociocultural factor that can impact a firm's marketing system.

True False

8. The marketing mix is also known as the promotional mix.

True False

9. In the 1800s, the job of independent peddler appealed mostly to young, unmarried men.

True False

10. In the history of selling, canvassers sold a product line from a single manufacturer and used sophisticated, high-pressure sales strategies.

True False

11. In the 1800s, the book agents, who sold books door-to-door, were essentially all men.

True False

12. Toward the end of the 19th century, most manufacturers distributed their goods through drummers, who worked for a single manufacturer and who were paid straight-commission.

True False

13. In the 1920s, the sales forces of Singer Sewing Machine and National Cash Register were essentially the first modern sales forces to embrace the marketing concept.

True False

14. Some external forces are part of the company's marketing system.

True False

15. The components of the firm's marketing mix are largely under the control of management.

True False

16. Personal selling efforts are part of the firm's promotional mix.

True False

17. All firms today embrace the marketing concept.

True False

18. The marketing concept is focused on maximizing short term sales.

True False

19. The marketing concept is consumer oriented.

True False

20. In a production oriented firm, the sales manager's responsibilities include those of product design.

True False

21. Empowering salespeople involves giving them the responsibility and authority to take actions to help solve customer problems.

True False

22. Strategically, it is unimportant if the sales and marketing functions are not aligned.

True False

23. All company decisions and actions should be in alignment with its objectives and strategies.

True False

24. A strategy is a plan of action.

True False

25. A tactic is what a manager does to implement a plan.

True False

26. Strategic planning begins with the selection of a basic strategy.

True False

27. Companies that change strategies must then change tactics.

True False

28. Companies are adding new channels of distribution to their existing ones to lower costs.

True False

29. Using a mix of transaction selling and consultative selling can be consistent with a sound multiple relationship strategy.

True False

30. Which of the following is not a macroenvironmental force?

- A. Demography.
- B. Economics.
- C. Technology.
- D. Competition.
- E. None of these.

31. One of the seven macroenvironmental forces that impact a firm's marketing system is the physical environment, which consists of aspects of:

- A. age, sex, race and other basic characteristics of people.
- B. general climate and weather conditions.
- C. fundamental values and beliefs of society.
- D. advances in scientific knowledge.
- E. All of these.

32. When it rains in New York City, street vendors selling umbrellas suddenly appear out of no where. Which of the following macroenvironmental force does this best represent?

- A. Demography.
- B. Sociocultural factors.
- C. Physical environment.
- D. Technology.
- E. Competition.

33. Political-legal factors that impact a firm's marketing system include:

- A. Green River Ordinances.
- B. Attitudes toward health and fitness.
- C. Housing starts.
- D. Average income.
- E. Hurricanes and other weather disasters.

34. To reach their company's goals, executives have at their disposal a number of internal forces *that they can control*. These include:
- A. basic demographic characteristics of the market.
 - B. the physical environment.
 - C. sociocultural factors.
 - D. elements of the marketing mix.
 - E. All of these.
35. The major elements of the promotional mix are the company's:
- A. advertising efforts.
 - B. sales promotion efforts (e.g., coupons, contests, point-of-purchase displays)
 - C. personal selling efforts.
 - D. All of these.
 - E. A and B only.
36. Which of the following is not an internal force affecting marketing?
- A. Pricing.
 - B. Competition.
 - C. Product Planning.
 - D. Promotion.
 - E. Sales Operations.
37. Customer demographics can include all of the following, *except*:
- A. age.
 - B. income.
 - C. use of the Internet.
 - D. number of children.
 - E. race.
38. The stage of marketing that is characterized by the formation of a long-term commitment to a customer to do business over a long period is called:
- A. Sales orientation stage.
 - B. Relationship orientation stage.
 - C. Production orientation stage.
 - D. Marketing orientation stage.
 - E. None of these.

39. Which of the following is NOT a component of relationship marketing?

- A. Empowering employees.
- B. Understanding customer expectations.
- C. Total quality management.
- D. Maximizing profits.
- E. Building service partnerships.

40. Companies that implement a relationship marketing program could expect all of the following to happen *except*:

- A. Larger profits.
- B. Products of greater quality.
- C. More loyal customers.
- D. Higher customer satisfaction.
- E. All of these can be expected.

41. To effectively influence the customer's buying decisions, a relationship oriented firm should:

- A. Always consider lowering the prices.
- B. Have a senior sales management team ready to step in.
- C. Use selling teams made up of specialists who match their customer's expertise.
- D. Stand by their hard-sell philosophies.
- E. Turn large sales leads over to the marketing manager.

42. All of the following are reasons why marketing tools should be developed with the sales force in mind *except*:

- A. If the salespeople do not like a particular marketing tool - they probably won't use it.
- B. Salespeople have the responsibility of implementing the marketing strategies.
- C. The sales force will ultimately determine the success or failure of the marketing strategies by how well they are implemented.
- D. Sales activities are an integrated part of marketing.
- E. Only the marketing department knows best which tools will effectively impact their customers.

43. Which of the following firms is *least* likely being consistent with the marketing concept?

- A. A firm focused on marketing more than selling.
- B. A firm focused on generating profitable sales over the long run.
- C. A firm whose marketing managers work closely with the production function.
- D. A firm focused on satisfying its customers better than the competition does.
- E. A firm whose top marketing executive is the sales manager.

44. In the sales orientation stage,
- A. the marketing concept emerged for the first time.
 - B. most firms could not meet demand for their products.
 - C. the buyer and seller commit to do business with each other *over a long time*.
 - D. salespeople acquired a bad reputation.
 - E. All of these.

45. As selling has evolved over time, firms have approached it:
- A. as an activity that is less effective than advertising.
 - B. as a necessary evil.
 - C. as an aptitude that people either are born with or without.
 - D. more as science, as opposed to art.
 - E. All of these.

46. Independent peddlers were the dominant form of salespeople in the first 100 years of the United States. In general, peddlers:
- A. sold a product line from a single manufacturer.
 - B. often accepted other goods as payment, as opposed to money.
 - C. sold mostly books.
 - D. were well-respected by the general public.
 - E. All of these.

47. As the U.S. economy developed in the later 1800s, large manufacturing companies began to sell their goods through canvassers that would do all of the following, EXCEPT:
- A. sell door-to-door.
 - B. represent just one manufacturer.
 - C. use sophisticated sales strategies, that tended to be high-pressure.
 - D. sell goods "by subscription."
 - E. be successful largely through their entertaining personality.

48. With regard to the evolution of selling: _____ were similar to canvassers in most respects, except that they were much more likely to be female.
- A. Peddlers
 - B. Book agents
 - C. Drummers
 - D. Relationship sellers
 - E. Solicitors

49. Toward the end of the 19

th century, most manufacturers distributed their goods through large wholesale companies. These salespeople were called:

- A. Drummers
- B. Canvassers
- C. Book agents
- D. Peddlers
- E. Solicitors

50. Toward the end of the 19

th century, most manufacturers distributed their goods through drummers. All of the following is generally true, EXCEPT:

- A. Drummers worked for large, wholesale companies.
- B. Drummers sold to general stores.
- C. Drummers used sophisticated, high-pressure sales strategies.
- D. Drummers were paid a mixture of salary and commission.
- E. Drummers were typically white, protestant men.

51. In the 1920s, drummers began to be replaced by:

- A. what could be viewed as the modern sales force.
- B. salespeople that worked for just one manufacturer.
- C. salespeople that were the first to embrace the marketing concept.
- D. a sales force structure that took advantage of advances in technology.
- E. All of these.

52. When practicing relationship marketing, a selling firm typically

- A. solicits input from all customers before implementing its overall strategic plan.
- B. limits the authority of its salespeople.
- C. strives to negotiate the highest price possible for its products.
- D. requires a sales force skilled in creatively solving customer problems.
- E. emphasizes competition among salespeople, instead of teamwork.

53. Sales should work closely with production because

- A. today's successful sales organizations have a production-orientation.
- B. sales forecasts guide materials requirements and production schedules.
- C. production develops the firm's overall mission.
- D. most salespeople are hired from production.
- E. no one knows the customer better than production.

54. Which of the following is an accurate generalization regarding the concept of objectives in strategic sales force planning?
- A. Sales force objectives should guide strategic marketing planning.
 - B. The objectives should be specific, and be stated in written form.
 - C. After sales-management strategies are determined, then the objectives for sales management will follow.
 - D. Objectives are not necessary if you have good administrators.
 - E. None of these are correct.
55. Regarding the goals of an organization:
- A. Sales goals should not be stated in writing, because this limits a sales manager's flexibility.
 - B. Management should avoid setting broad goals, because they usually are vague.
 - C. Policy decisions by sales executives should be compatible with sales department goals.
 - D. Management by objectives is a useful concept, but it does not have much practical value in sales force management.
 - E. None of these is correct.
56. Which of the following objectives is least likely to be useful in guiding management?
- A. Maximize profits next year.
 - B. Generate a return on investment of 10 percent next year.
 - C. Next year increase sales by 15 percent over this year's total.
 - D. Hire 10 additional salespeople next year.
 - E. Next year keep selling expenses at 12 percent of sales, as a maximum.
57. Which of the following statements of objectives is really useful in guiding and evaluating management?
- A. Treat our customers fairly.
 - B. Build goodwill among our dealers.
 - C. Increase sales force morale.
 - D. Provide good service for our customers.
 - E. None of these.
58. According to the criteria stated in the text, which of the following goals is best stated?
- A. Maximize profits by expanding our product line.
 - B. Increase our sales.
 - C. In the future, our profitability should increase by 10 percent.
 - D. Stimulate sales by motivating our sales force.
 - E. Increase our market share by 5 percent next year.

59. A plan of action chosen to reach an objective is a:

- A. Strategy.
- B. Policy.
- C. Tactic.
- D. Goal.
- E. Forecast.

60. Which of the following is the best definition of a strategy?

- A. Plan of action by which an organization intends to reach its goal.
- B. Course of action adopted to routinely guide future decision making.
- C. Operational means used to implement a plan.
- D. A study of the past to decide now what to do in the future.
- E. None of these are even close.

61. Which of the following represents the correct order of hierarchy of the given concepts?

- A. Strategies – goals – tactics.
- B. Objectives – strategies – tactics.
- C. Objectives – targets – goals.
- D. Management by objectives – staffing – planning.
- E. Goals – tactics – strategies.

62. Which of the following statements is wrong?

- A. Objectives should be measurable.
- B. Objectives should be specific.
- C. Objectives are the basis for tactical planning.
- D. Objectives should be in alignment with each other.
- E. None of these.

63. Tactics, the activities which must be performed by people in order to achieve the objectives, will most likely succeed if:

- A. They are consistent with the overall strategy of the firm.
- B. They have met with high success in the past.
- C. Old compensation plans are maintained during the period of change in selling responsibilities.
- D. If they conform to tactics devised by competitors.
- E. When they are mandated from the top.

64. The detailed activities that implement a plan of action in a company are called:

- A. Strategies.
- B. Goals.
- C. Policies.
- D. Management by objectives.
- E. Tactics.

65. Which of the following statements about strategy is wrong?

- A. Usually strategies require some degree of persistence.
- B. Strategic planning is undertaken to achieve objectives.
- C. Strategies should evolve from the company's mission.
- D. Some organizations do not need strategies.
- E. None of these.

66. Which of the following statements is not true?

- A. There are no perfect tactics.
- B. Tactics should be consistent with the strategy.
- C. Tactics should not enter into any discussion strategic alternatives.
- D. All strategies require some tactical implementation.
- E. None of these.

67. Strategic planning usually starts with:

- A. A tactical evaluation of the situation.
- B. A budget.
- C. An evaluation of objectives.
- D. A determination of the firm's mission.
- E. A market research study.

68. As a general rule in a company, sales force management:

- A. Sets the guidelines for marketing management.
- B. Is the most important activity in marketing.
- C. Should be done within the context of the strategic company planning and strategic marketing planning in the firm.
- D. Is unrelated to top-level company planning.
- E. None of these are correct.

69. Normally the first step involved in strategic company planning is to:

- A. Decide on the organization's broad fundamental mission.
- B. Be sure that the sales force tactics are consistent with the marketing strategies.
- C. Make certain that sales force strategies are consistent with overall company strategies.
- D. Prepare the annual overall marketing plan.
- E. Identify tactics that have worked well in the past.

70. In strategic planning, which of the following is the proper sequence of events?

- A. Company planning – marketing planning – sales force planning.
- B. Set your goals – plan your strategy – identify your markets.
- C. Marketing strategy – company strategy – company goal.
- D. Identify company's mission – set sales force goals – plan marketing strategy.
- E. Strategy – tactics – company mission – goals.

71. Which of the following are true?

- A. When a company changes its strategies, it must also change its tactics.
- B. When a company changes its strategies, it should not change tactics.
- C. When a company changes its strategies, it doesn't matter if it changes its tactics.
- D. The same tactics will always work.
- E. Both B and D are true.

72. Regarding strategic planning in a company, it is correct to say that:

- A. Corporate strategies generally are not related to marketing goals.
- B. The strategic planning adopted for the marketing program generally is limited and guided by the company's strategic sales force planning.
- C. Once a company sets its goals, then management should determine the company's broad mission.
- D. The primary influence on a company's mission is its marketing strategy.
- E. None of these is correct.

73. An executive is instructed to decrease her selling expenses by 15 percent next year. This is an example of the company's:

- A. Objectives.
- B. Strategies.
- C. Tactics.
- D. It could be any of the above depending upon what executive level in the company we are talking about.
- E. None of these is correct.

74. Multiple sales channels are best defined as:

- A. Operating a direct sales force.
- B. Operating a direct sales force as well as a distribution network.
- C. Using a distribution network comprised of regional and national outlets.
- D. Using different channels to reach different segments of buyers which includes direct sales force, distributors, direct mail, telemarketing and electronic mail.
- E. None of these.

75. The purpose of team selling is:

- A. To boost morale of the sales force.
- B. To match the expertise of the buyer team.
- C. To develop one leader with a large support group.
- D. To ensure that if one sales member forgets the "pitch," other members of the team can help out.
- E. Give practical experience to new members of the sales team.

76. The Internet and related computer-technology

- A. will eventually replace most salespeople.
- B. have cut the number of salespeople in most firms by about 50%
- C. are tools that help salespeople develop close relationships with their clients.
- D. have had no impact on sales organizations.
- E. both A and B are correct.

77. Internet selling:

- A. is leading to a dramatic decline in the number of salespeople that firms hire.
- B. has resulted in a trend toward transactional selling in many organizations.
- C. has been so successful that firms are cutting back funding of face-to-face sales.
- D. helps salespeople develop closer relationships with their clients.
- E. A-B-C are all correct.

78. Consultative selling:

- A. should always be used (i.e., transaction selling should never be used).
- B. is inferior to – and thus should be emphasized much less than – transaction selling.
- C. is on the opposite end of a continuum with transaction selling.
- D. is a specific type of transaction selling.
- E. Both A and C are correct.

79. As we progress in the 21

st century, marketing management is shifting its focus

- A. from toxic waste to pollution.
- B. from services to products.
- C. from materialism to humanitarianism.
- D. from people to animals.
- E. None of these.

c2 Key

1. Sales is an activity which is separate from marketing strategy.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #1

2. The macro-environmental forces impacting a company's marketing system are generally beyond the sales manager's control.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #2

3. The sales manager generally has control over the forces of technology.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #3

4. The forces of competition are generally under the sales manager's control.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #4

5. Political-legal forces are generally beyond the sales manager's control.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #5

6. With respect to a company's complete marketing system, the physical environment is a macroenvironmental force that includes inventions, innovations, and advances in scientific knowledge.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #6

7. American's attitudes toward health and fitness are a sociocultural factor that can impact a firm's marketing system.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #7

8. The marketing mix is also known as the promotional mix.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #8

9. In the 1800s, the job of independent peddler appealed mostly to young, unmarried men.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #9

10. In the history of selling, canvassers sold a product line from a single manufacturer and used sophisticated, high-pressure sales strategies.

TRUE

Difficulty: Medium
Spiro - Chapter 002 #10

11. In the 1800s, the book agents, who sold books door-to-door, were essentially all men.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #11

12. Toward the end of the 19

th century, most manufacturers distributed their goods through drummers, who worked for a single manufacturer and who were paid straight-commission.

FALSE

Difficulty: Medium
Spiro - Chapter 002 #12

13. In the 1920s, the sales forces of Singer Sewing Machine and National Cash Register were essentially the first modern sales forces to embrace the marketing concept.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #13

14. Some external forces are part of the company's marketing system.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #14

15. The components of the firm's marketing mix are largely under the control of management.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #15

16. Personal selling efforts are part of the firm's promotional mix.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #16

17. All firms today embrace the marketing concept.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #17

18. The marketing concept is focused on maximizing short term sales.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #18

19. The marketing concept is consumer oriented.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #19

20. In a production oriented firm, the sales manager's responsibilities include those of product design.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #20

21. Empowering salespeople involves giving them the responsibility and authority to take actions to help solve customer problems.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #21

22. Strategically, it is unimportant if the sales and marketing functions are not aligned.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #22

23. All company decisions and actions should be in alignment with its objectives and strategies.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #23

24. A strategy is a plan of action.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #24

25. A tactic is what a manager does to implement a plan.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #25

26. Strategic planning begins with the selection of a basic strategy.

FALSE

Difficulty: Easy
Spiro - Chapter 002 #26

27. Companies that change strategies must then change tactics.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #27

28. Companies are adding new channels of distribution to their existing ones to lower costs.

TRUE

Difficulty: Easy
Spiro - Chapter 002 #28

29. Using a mix of transaction selling and consultative selling can be consistent with a sound multiple relationship strategy.

TRUE

Difficulty: Hard
Spiro - Chapter 002 #29

30. Which of the following is not a macroenvironmental force?

- A. Demography.
- B. Economics.
- C. Technology.
- D. Competition.
- E. None of these.**

Difficulty: Easy
Spiro - Chapter 002 #30

31. One of the seven macroenvironmental forces that impact a firm's marketing system is the physical environment, which consists of aspects of:

- A. age, sex, race and other basic characteristics of people.
- B. general climate and weather conditions.**
- C. fundamental values and beliefs of society.
- D. advances in scientific knowledge.
- E. All of these.

Difficulty: Easy
Spiro - Chapter 002 #31

32. When it rains in New York City, street vendors selling umbrellas suddenly appear out of no where. Which of the following macroenvironmental force does this best represent?

- A. Demography.
- B. Sociocultural factors.
- C. Physical environment.**
- D. Technology.
- E. Competition.

Difficulty: Medium
Spiro - Chapter 002 #32

33. Political-legal factors that impact a firm's marketing system include:

- A. Green River Ordinances.**
- B. Attitudes toward health and fitness.
- C. Housing starts.
- D. Average income.
- E. Hurricanes and other weather disasters.

Difficulty: Easy
Spiro - Chapter 002 #33

34. To reach their company's goals, executives have at their disposal a number of internal forces *that they can control*. These include:

- A. basic demographic characteristics of the market.
- B. the physical environment.
- C. sociocultural factors.
- D.** elements of the marketing mix.
- E. All of these.

Difficulty: Easy

Spiro - Chapter 002 #34

35. The major elements of the promotional mix are the company's:

- A. advertising efforts.
- B. sales promotion efforts (e.g., coupons, contests, point-of-purchase displays)
- C. personal selling efforts.
- D. All of these.
- E.** A and B only.

Difficulty: Easy

Spiro - Chapter 002 #35

36. Which of the following is not an internal force affecting marketing?

- A. Pricing.
- B.** Competition.
- C. Product Planning.
- D. Promotion.
- E. Sales Operations.

Difficulty: Easy

Spiro - Chapter 002 #36

37. Customer demographics can include all of the following, *except*:

- A. age.
- B. income.
- C.** use of the Internet.
- D. number of children.
- E. race.

Difficulty: Easy

Spiro - Chapter 002 #37

38. The stage of marketing that is characterized by the formation of a long-term commitment to a customer to do business over a long period is called:

- A. Sales orientation stage.
- B. Relationship orientation stage.**
- C. Production orientation stage.
- D. Marketing orientation stage.
- E. None of these.

Difficulty: Easy

Spiro - Chapter 002 #38

39. Which of the following is NOT a component of relationship marketing?

- A. Empowering employees.
- B. Understanding customer expectations.
- C. Total quality management.
- D. Maximizing profits.**
- E. Building service partnerships.

Difficulty: Medium

Spiro - Chapter 002 #39

40. Companies that implement a relationship marketing program could expect all of the following to happen *except*:

- A. Larger profits.
- B. Products of greater quality.
- C. More loyal customers.
- D. Higher customer satisfaction.
- E. All of these can be expected.**

Difficulty: Easy

Spiro - Chapter 002 #40

41. To effectively influence the customer's buying decisions, a relationship oriented firm should:

- A. Always consider lowering the prices.
- B. Have a senior sales management team ready to step in.
- C. Use selling teams made up of specialists who match their customer's expertise.**
- D. Stand by their hard-sell philosophies.
- E. Turn large sales leads over to the marketing manager.

Difficulty: Hard

Spiro - Chapter 002 #41

42. All of the following are reasons why marketing tools should be developed with the sales force in mind *except*:

- A. If the salespeople do not like a particular marketing tool - they probably won't use it.
- B. Salespeople have the responsibility of implementing the marketing strategies.
- C. The sales force will ultimately determine the success or failure of the marketing strategies by how well they are implemented.
- D. Sales activities are an integrated part of marketing.
- E.** Only the marketing department knows best which tools will effectively impact their customers.

Difficulty: Easy
Spiro - Chapter 002 #42

43. Which of the following firms is *least* likely being consistent with the marketing concept?

- A. A firm focused on marketing more than selling.
- B. A firm focused on generating profitable sales over the long run.
- C. A firm whose marketing managers work closely with the production function.
- D. A firm focused on satisfying its customers better than the competition does.
- E.** A firm whose top marketing executive is the sales manager.

Difficulty: Hard
Spiro - Chapter 002 #43

44. In the sales orientation stage,

- A. the marketing concept emerged for the first time.
- B. most firms could not meet demand for their products.
- C. the buyer and seller commit to do business with each other *over a long time*.
- D.** salespeople acquired a bad reputation.
- E. All of these.

Difficulty: Easy
Spiro - Chapter 002 #44

45. As selling has evolved over time, firms have approached it:

- A. as an activity that is less effective than advertising.
- B. as a necessary evil.
- C. as an aptitude that people either are born with or without.
- D.** more as science, as opposed to art.
- E. All of these.

Difficulty: Medium
Spiro - Chapter 002 #45

46. Independent peddlers were the dominant form of salespeople in the first 100 years of the United States. In general, peddlers:

- A. sold a product line from a single manufacturer.
- B. often accepted other goods as payment, as opposed to money.**
- C. sold mostly books.
- D. were well-respected by the general public.
- E. All of these.

Difficulty: Easy

Spiro - Chapter 002 #46

47. As the U.S. economy developed in the later 1800s, large manufacturing companies began to sell their goods through canvassers that would do all of the following, EXCEPT:

- A. sell door-to-door.
- B. represent just one manufacturer.
- C. use sophisticated sales strategies, that tended to be high-pressure.
- D. sell goods "by subscription."
- E. be successful largely through their entertaining personality.**

Difficulty: Medium

Spiro - Chapter 002 #47

48. With regard to the evolution of selling: _____ were similar to canvassers in most respects, except that they were much more likely to be female.

- A. Peddlers
- B. Book agents**
- C. Drummers
- D. Relationship sellers
- E. Solicitors

Difficulty: Easy

Spiro - Chapter 002 #48

49. Toward the end of the 19

th century, most manufacturers distributed their goods through large wholesale companies. These salespeople were called:

- A. Drummers**
- B. Canvassers
- C. Book agents
- D. Peddlers
- E. Solicitors

Difficulty: Easy

Spiro - Chapter 002 #49

50. Toward the end of the 19

th century, most manufacturers distributed their goods through drummers. All of the following is generally true, EXCEPT:

- A. Drummers worked for large, wholesale companies.
- B. Drummers sold to general stores.
- C.** Drummers used sophisticated, high-pressure sales strategies.
- D. Drummers were paid a mixture of salary and commission.
- E. Drummers were typically white, protestant men.

Difficulty: Medium
Spiro - Chapter 002 #50

51. In the 1920s, drummers began to be replaced by:

- A. what could be viewed as the modern sales force.
- B. salespeople that worked for just one manufacturer.
- C. salespeople that were the first to embrace the marketing concept.
- D. a sales force structure that took advantage of advances in technology.
- E.** All of these.

Difficulty: Easy
Spiro - Chapter 002 #51

52. When practicing relationship marketing, a selling firm typically

- A. solicits input from all customers before implementing its overall strategic plan.
- B. limits the authority of its salespeople.
- C. strives to negotiate the highest price possible for its products.
- D.** requires a sales force skilled in creatively solving customer problems.
- E. emphasizes competition among salespeople, instead of teamwork.

Difficulty: Hard
Spiro - Chapter 002 #52

53. Sales should work closely with production because

- A. today's successful sales organizations have a production-orientation.
- B.** sales forecasts guide materials requirements and production schedules.
- C. production develops the firm's overall mission.
- D. most salespeople are hired from production.
- E. no one knows the customer better than production.

Difficulty: Hard
Spiro - Chapter 002 #53

54. Which of the following is an accurate generalization regarding the concept of objectives in strategic sales force planning?

- A. Sales force objectives should guide strategic marketing planning.
- B. The objectives should be specific, and be stated in written form.**
- C. After sales-management strategies are determined, then the objectives for sales management will follow.
- D. Objectives are not necessary if you have good administrators.
- E. None of these are correct.

Difficulty: Easy

Spiro - Chapter 002 #54

55. Regarding the goals of an organization:

- A. Sales goals should not be stated in writing, because this limits a sales manager's flexibility.
- B. Management should avoid setting broad goals, because they usually are vague.
- C. Policy decisions by sales executives should be compatible with sales department goals.**
- D. Management by objectives is a useful concept, but it does not have much practical value in sales force management.
- E. None of these is correct.

Difficulty: Easy

Spiro - Chapter 002 #55

56. Which of the following objectives is least likely to be useful in guiding management?

- A. Maximize profits next year.**
- B. Generate a return on investment of 10 percent next year.
- C. Next year increase sales by 15 percent over this year's total.
- D. Hire 10 additional salespeople next year.
- E. Next year keep selling expenses at 12 percent of sales, as a maximum.

Difficulty: Easy

Spiro - Chapter 002 #56

57. Which of the following statements of objectives is really useful in guiding and evaluating management?

- A. Treat our customers fairly.
- B. Build goodwill among our dealers.
- C. Increase sales force morale.
- D. Provide good service for our customers.
- E. None of these.**

Difficulty: Easy

Spiro - Chapter 002 #57

58. According to the criteria stated in the text, which of the following goals is best stated?

- A. Maximize profits by expanding our product line.
- B. Increase our sales.
- C. In the future, our profitability should increase by 10 percent.
- D. Stimulate sales by motivating our sales force.
- E. Increase our market share by 5 percent next year.**

Difficulty: Easy
Spiro - Chapter 002 #58

59. A plan of action chosen to reach an objective is a:

- A. Strategy.**
- B. Policy.
- C. Tactic.
- D. Goal.
- E. Forecast.

Difficulty: Easy
Spiro - Chapter 002 #59

60. Which of the following is the best definition of a strategy?

- A. Plan of action by which an organization intends to reach its goal.**
- B. Course of action adopted to routinely guide future decision making.
- C. Operational means used to implement a plan.
- D. A study of the past to decide now what to do in the future.
- E. None of these are even close.

Difficulty: Easy
Spiro - Chapter 002 #60

61. Which of the following represents the correct order of hierarchy of the given concepts?

- A. Strategies – goals – tactics.
- B. Objectives – strategies – tactics.**
- C. Objectives – targets – goals.
- D. Management by objectives – staffing – planning.
- E. Goals – tactics – strategies.

Difficulty: Easy
Spiro - Chapter 002 #61

62. Which of the following statements is wrong?

- A. Objectives should be measurable.
- B. Objectives should be specific.
- C.** Objectives are the basis for tactical planning.
- D. Objectives should be in alignment with each other.
- E. None of these.

Difficulty: Hard
Spiro - Chapter 002 #62

63. Tactics, the activities which must be performed by people in order to achieve the objectives, will most likely succeed if:

- A.** They are consistent with the overall strategy of the firm.
- B. They have met with high success in the past.
- C. Old compensation plans are maintained during the period of change in selling responsibilities.
- D. If they conform to tactics devised by competitors.
- E. When they are mandated from the top.

Difficulty: Easy
Spiro - Chapter 002 #63

64. The detailed activities that implement a plan of action in a company are called:

- A. Strategies.
- B. Goals.
- C. Policies.
- D. Management by objectives.
- E.** Tactics.

Difficulty: Easy
Spiro - Chapter 002 #64

65. Which of the following statements about strategy is wrong?

- A. Usually strategies require some degree of persistence.
- B. Strategic planning is undertaken to achieve objectives.
- C. Strategies should evolve from the company's mission.
- D.** Some organizations do not need strategies.
- E. None of these.

Difficulty: Easy
Spiro - Chapter 002 #65

66. Which of the following statements is not true?

- A. There are no perfect tactics.
- B. Tactics should be consistent with the strategy.
- C. Tactics should not enter into any discussion strategic alternatives.**
- D. All strategies require some tactical implementation.
- E. None of these.

Difficulty: Easy
Spiro - Chapter 002 #66

67. Strategic planning usually starts with:

- A. A tactical evaluation of the situation.
- B. A budget.
- C. An evaluation of objectives.
- D. A determination of the firm's mission.**
- E. A market research study.

Difficulty: Easy
Spiro - Chapter 002 #67

68. As a general rule in a company, sales force management:

- A. Sets the guidelines for marketing management.
- B. Is the most important activity in marketing.
- C. Should be done within the context of the strategic company planning and strategic marketing planning in the firm.**
- D. Is unrelated to top-level company planning.
- E. None of these are correct.

Difficulty: Easy
Spiro - Chapter 002 #68

69. Normally the first step involved in strategic company planning is to:

- A. Decide on the organization's broad fundamental mission.**
- B. Be sure that the sales force tactics are consistent with the marketing strategies.
- C. Make certain that sales force strategies are consistent with overall company strategies.
- D. Prepare the annual overall marketing plan.
- E. Identify tactics that have worked well in the past.

Difficulty: Easy
Spiro - Chapter 002 #69

70. In strategic planning, which of the following is the proper sequence of events?

- A. Company planning – marketing planning – sales force planning.
- B. Set your goals – plan your strategy – identify your markets.
- C. Marketing strategy – company strategy – company goal.
- D. Identify company's mission – set sales force goals – plan marketing strategy.
- E. Strategy – tactics – company mission – goals.

Difficulty: Easy

Spiro - Chapter 002 #70

71. Which of the following are true?

- A. When a company changes its strategies, it must also change its tactics.
- B. When a company changes its strategies, it should not change tactics.
- C. When a company changes its strategies, it doesn't matter if it changes its tactics.
- D. The same tactics will always work.
- E. Both B and D are true.

Difficulty: Hard

Spiro - Chapter 002 #71

72. Regarding strategic planning in a company, it is correct to say that:

- A. Corporate strategies generally are not related to marketing goals.
- B. The strategic planning adopted for the marketing program generally is limited and guided by the company's strategic sales force planning.
- C. Once a company sets its goals, then management should determine the company's broad mission.
- D. The primary influence on a company's mission is its marketing strategy.
- E. None of these is correct.

Difficulty: Easy

Spiro - Chapter 002 #72

73. An executive is instructed to decrease her selling expenses by 15 percent next year. This is an example of the company's:

- A. Objectives.
- B. Strategies.
- C. Tactics.
- D. It could be any of the above depending upon what executive level in the company we are talking about.
- E. None of these is correct.

Difficulty: Hard

Spiro - Chapter 002 #73

74. Multiple sales channels are best defined as:

- A. Operating a direct sales force.
- B. Operating a direct sales force as well as a distribution network.
- C. Using a distribution network comprised of regional and national outlets.
- D.** Using different channels to reach different segments of buyers which includes direct sales force, distributors, direct mail, telemarketing and electronic mail.
- E. None of these.

Difficulty: Easy

Spiro - Chapter 002 #74

75. The purpose of team selling is:

- A. To boost morale of the sales force.
- B.** To match the expertise of the buyer team.
- C. To develop one leader with a large support group.
- D. To ensure that if one sales member forgets the "pitch," other members of the team can help out.
- E. Give practical experience to new members of the sales team.

Difficulty: Easy

Spiro - Chapter 002 #75

76. The Internet and related computer-technology

- A. will eventually replace most salespeople.
- B. have cut the number of salespeople in most firms by about 50%
- C.** are tools that help salespeople develop close relationships with their clients.
- D. have had no impact on sales organizations.
- E. both A and B are correct.

Difficulty: Easy

Spiro - Chapter 002 #76

77. Internet selling:

- A. is leading to a dramatic decline in the number of salespeople that firms hire.
- B. has resulted in a trend toward transactional selling in many organizations.
- C. has been so successful that firms are cutting back funding of face-to-face sales.
- D.** helps salespeople develop closer relationships with their clients.
- E. A-B-C are all correct.

Difficulty: Medium

Spiro - Chapter 002 #77

78. Consultative selling:

- A. should always be used (i.e., transaction selling should never be used).
- B. is inferior to – and thus should be emphasized much less than – transaction selling.
- C. is on the opposite end of a continuum with transaction selling.
- D. is a specific type of transaction selling.
- E. Both A and C are correct.

Difficulty: Hard
Spiro - Chapter 002 #78

79. As we progress in the 21

st century, marketing management is shifting its focus

- A. from toxic waste to pollution.
- B. from services to products.
- C. from materialism to humanitarianism.
- D. from people to animals.
- E. None of these.

Difficulty: Easy
Spiro - Chapter 002 #79

c2 Summary

<u>Category</u>	<u># of Questions</u>
Difficulty: Easy	62
Difficulty: Hard	9
Difficulty: Medium	8
Spiro - Chapter 002	79