1) ________ refers to the benefits a customer receives from purchasing a good or service.
a. Satisfaction
b. Demand
c. Want
d. Promotion
e. Customer Value

Answer: e
Diff: 1
Type: MC
Page Reference: 7
Topic: Welcome to Brand You
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

2) As described in the opening vignette of Chapter 1, customers return to the Yellow Point Lodge each year because it offers comfort and wonderful memories of years past. This is an example of ________.
a. marketing mix
b. Customer Value
c. Marketing Position
d. Marketing Integration
e. Desired Attributes

Answer: b
Diff: 3
Type: MC
Page Reference: 5
Topic: Real People Real Choices
Skill: Application
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

3) Which of the following is NOT a marketing field?
a. supply-channel management
b. accounting
c. brand management
d. advertising
e. new product planning

Answer: b
Diff: 2
Type: MC
Page Reference: 13
Topic: Careers in Marketing
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

4) A(n) ________ is the ultimate user of a good or service.
a. stakeholder
b. market
c. target market
d. marketer
e. consumer

Answer: e
Diff: 1
Type: MC
Page Reference: 9
Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

5) ________ 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. Demand satisfaction
b. Competitive advantage building
c. Marketing
d. Total Quality Management
e. Value chain management

Answer: c
Diff: 1
Type: MC
Page Reference: 8
Topic: What is Marketing
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

6) ________ is about delivering value to everyone who is affected by a transaction.
a. Demand
b. Competitive advantage
c. Marketing
d. Exchange
e. The value chain

Answer: c
Diff: 1
Type: MC
Page Reference: 8
Topic: What is Marketing
Skill: Concept

Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

7) Buyers, sellers, investors, and community residents are all considered ________ in a company.
a. stakeholders
b. shareholders
c. consumers
d. value chain members
e. social marketers

Answer: a
Diff: 1
Type: MC
Page Reference: 9
Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

8) Marketers first identify consumer needs and then provide products that satisfy those needs. This practice is referred to as ________.
a. the stakeholder orientation
b. the marketing concept
c. Total Quality Management
d. the production orientation
e. the marketing mix

Answer: b
Diff: 1
Type: MC
Page Reference: 9
Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

9) When a gap exists between a consumer's actual state and some ideal or desired state, the consumer has a ________.
a. benefit
b. demand
c. need
d. value
e. utility

Answer: c
Diff: 1
Type: MC
Page Reference: 9

Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

10) A ________ is a desire for a particular product a consumer uses to satisfy a need in a specific way that is culturally and socially influenced.
a. benefit
b. demand
c. value
d. utility
e. want

Answer: e
Diff: 1
Type: MC
Page Reference: 9
Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

11) A ________ is the outcome that motivates a customer's buying behavior.
a. benefit
b. demand
c. value
d. need
e. want

Answer: a
Diff: 2
Type: MC
Page Reference: 10
Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

12) A customer's desire for a product coupled with the buying power or resources to obtain that product is called a ________.
a. benefit
b. demand
c. need
d. stake
e. service

Answer: b
Diff: 1
Type: MC

Page Reference: 10
Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

13) To be part of the ________ for a product, consumers must share a common need that can be satisfied by the product and have the resources, willingness, and authority to purchase the product.
a. demand center
b. audience
c. value proposition
d. marketplace
e. market

Answer: e
Diff: 1
Type: MC
Page Reference: 10
Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

14) A glitzy shopping mall, a mail-order catalog, a television shopping network, and an e-commerce Web site are all examples of ________.
a. marketing concepts
b. value chains
c. monopolies
d. marketplaces
e. strategic business units

Answer: d
Diff: 2
Type: MC
Page Reference: 10
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

15) Carrie is shopping for a new watch. She is looking at a Timex and at a Rolex. The fact that either watch will give her the correct time is an example of a ________.
a. Benefit
b. Want
c. Demand
d. Need
e. Drive

Answer: a
Diff: 2
Type: MC
Page Reference: 10
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

16) A consumer paying for their purchases at a retail store with a credit card illustrates which of the following marketing concepts?
a. Exchange of Value
b. Want
c. Demand
d. Need
e. Drive

Answer: a
Diff: 2
Type: MC
Page Reference: 9
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

17) From a marketing perspective, when one student eats trail mix for lunch while another eats a cheeseburger and french fries, they are demonstrating differences in ________.
a. Benefit
b. Wants
c. Demand
d. Need
e. Drive

Answer: b
Diff: 3
Type: MC
Page Reference: 9
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

18) For an exchange to occur, ________.
a. at least two people or organizations must be willing to make a trade, and each must have something the other wants
b. there must be one winner and one loser
c. someone must make a financial profit

d. the item must be tangible
e. time utility must be created

Answer: a
Diff: 2
Type: MC
Page Reference: 9
Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

19) In which kind of market would a product orientation be most successful?
a. a buyer's market in which supply exceeds demand
b. a market in which there are more sellers than buyers
c. a seller's market in which the seller focusses on production and distribution of the product
d. a market that sells only intangible products
e. no market

Answer: c
Diff: 2
Type: MC
Page Reference: 31
Topic: Perspectives of Marketing
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

20) A firm that focuses on a ________ orientation is likely to learn an important lesson the hard way – consumers do not buy products,they buy benefits.
a. product
b. consumer
c. sustainability
d. CRM
e. TQM

Answer: a
Diff: 2
Type: MC
Page Reference: 31
Topic: Perspectives of Marketing
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

21) Companies that have a ________ orientation tend to be more successful at making one-time sales than at building repeat business.
a. consumer

b. marketing
c. selling
d. societal
e. relationship

Answer: c
Diff: 2
Type: MC
Page Reference: 31
Topic: Perspectives of Marketing
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

22) A ________ orientation is a management philosophy that focuses on ways to satisfy customers' needs and wants.
a. consumer
b. promotion
c. selling
d. production
e. quality

Answer: a
Diff: 1
Type: MC
Page Reference: 31
Topic: Perspectives of Marketing
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

23) A perspective that consumer spending, and hence the economy, is driven by psychological attachment to brands, the relevance ofinformation, and solutions is called
a. customer relationship management
b. Attention Economy
c. market positioning
d. creating sustainability
e. increasing the lifetime value of customers

Answer: b
Diff: 1
Type: MC
Page Reference: 28
Topic: Customer Relationship Management
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

24) Marketing of goods and services from one organization to the other is called ________
a. social marketer
b. business-to-business marketing
c. e-commerce marketer
d. marketing planner
e. instapreneur

Answer: e
Diff: 2
Type: MC
Page Reference: 15
Topic: B2B Goods and Services
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

25) In general, companies that focus on a triple bottom line are most likely to place a priority on which of the following?
a. sustainability
b. the production orientation
c. the selling orientation
d. manufacturing on demand
e. instapreneurship

Answer: a
Diff: 3
Type: MC
Page Reference: 27
Topic: The Global Environment of Business
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

26) Which of the following lists the three components of the triple bottom line orientation?
a. the financial bottom line, the social bottom line, and the environmental bottom line
b. the financial bottom line, the social bottom line, and the political bottom line
c. the financial bottom line, the cultural bottom line, and the business bottom line
d. the value bottom line, the service bottom line, and the business bottom line
e. the product bottom line, the service bottom line, and the relationship bottom line

Answer: a
Diff: 2
Type: MC
Page Reference: 27
Topic: The Global Environment of Business
Skill: Concept

Objective: 1-3 Making Decisions in a Sustainable World

27) ________ involves systematically tracking consumers' preferences and behaviors over time in order to tailor the value proposition as closely as possible to each individual's unique wants and needs.
a. Value propositioning
b. Customer relationship management (CRM)
c. Differential benefit development
d. Sales orientation
e. Value chain management

Answer: b
Diff: 1
Type: MC
Page Reference: 28
Topic: CRM
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

28) The Internet has created a paradigm shift for businesses, moving us toward an attention economy in which a company's success will be measured by its ________.
a. sustainability
b. social responsibility
c. consumer-generated value
d. social network
e. share of mind

Answer: e
Diff: 3
Type: MC
Page Reference: 28
Topic: CRM
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

29) ________ maintains that marketers must satisfy customers' needs in ways that also benefit society and are profitable to the firm.
a. Value propositioning
b. Customer relationship management (CRM)
c. The social marketing concept
d. A sales orientation
e. Value chain management

Answer: c
Diff: 1
Type: MC

Page Reference: 29
Topic: Social Marketing Concept
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

30) A company that focuses on ________ is concerned with meeting present consumer needs without compromising the ability of future generations to meet their needs.
a. the selling orientation
b. the production orientation
c. Total Quality Management
d. Sustainable Development
e. return on investment

Answer: d
Diff: 1
Type: MC
Page Reference: 29
Topic: Social Marketing Concept
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

31) Which of the following refers to marketing strategies that support environmental stewardship by establishing an environmentally founded differential benefit in the minds of consumers?
a. greenwashing
b. green marketing
c. triple bottom line orientation
d. social marketing
e. social networking

Answer: b
Diff: 1
Type: MC
Page Reference: 30
Topic: Social Marketing Concept
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

32) The direct financial impact of a firm's expenditure on marketing activities is called the ________.
a. value chain
b. value proposition
c. differential benefit
d. return on investment (ROI)
e. utility function

Answer: d
Diff: 2
Type: MC
Page Reference: 30
Topic: Social Marketing Concept
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

33) It is most accurate to say that popular culture consists of the ________ that the mass market consumes.
a. myths
b. social services
c. consumer goods
d. forms of entertainment
e. value propositions

Answer: d
Diff: 2
Type: MC
Page Reference: 15
Topic: What can we market?
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

34) The relationship between marketing and ___________is a two-way street. Marketers influence what is popular, but products and the communication of those products also reflect the key social beliefs and values of the times.
a. myths
b. social services
c. consumer goods
d. Popular culture
e. value propositions

Answer: d
Diff: 2
Type: MC
Page Reference: 15
Topic: What can we market?
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

35) ________ are intangible products that we pay for and use but never own.
a. Consumer goods
b. Services
c. Industrial goods
d. E-commerce products

e. Value products

Answer: b
Diff: 1
Type: MC
Page Reference: 14
Topic: What can we market?
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

36) ________ are the tangible products that individuals purchase for personal or family use.
a. Consumer services
b. Consumer goods
c. E-services
d. E-products
e. Industrial goods

Answer: b
Diff: 1
Type: MC
Page Reference: 14
Topic: What can we market?
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

37) More goods and services are sold in the ________ market than in the ________ market.
a. domestic; international
b. business-to-business; consumer
c. consumer; producer
d. industrial; business-to-business
e. e-commerce; Internet

Answer: b
Diff: 3
Type: MC
Page Reference: 15
Topic: What can we market?
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

38) ________ marketing is the marketing of goods and services from one organization to another.
a. Distributive
b. Consumer

c. Customer
d. Business-to-business
e. Target

Answer: d
Diff: 1
Type: MC
Page Reference: 15
Topic: What can we market?
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

39) ________ is the buying and selling of products over the Internet.
a. Consumer-generated marketing
b. Consumer relationship management
c. E-commerce
d. Social marketing
e. Social networking

Answer: c
Diff: 1
Type: MC
Page Reference: 15
Topic: What can we market?
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

40) ______________looks at how much profit they expect to make from a particular customer, including each and every purchase he or she will make from them now and in the future.
a. bait-and-switch
b. anticonsumption
c. demarketing
d. shrinkage
e. lifetime value of a customer

Answer: e
Diff: 2
Type: MC
Page Reference: 11
Topic: Marketing and Exchange Relationships
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

41) A social movement directed at protecting consumers from harmful business practices is called____________.

a. demarketing
b. exploitative consumption
c. addictive consumption
d. shrinkage
e. Consumerism

Answer: e
Diff: 2
Type: MC
Page Reference: 38
Topic: Consumerism: People fighting back
Skill: Concept
Objective: 1-4 Ethical Behaviour in Marketplace

42) A ________ is a group of people that have different needs,
wants, or preferences from other groups of people and would seek a different value
Proposition (solution).a. product position
b. market segment
c. mass market
d. value proposition
e. target market

Answer: e
Diff: 1
Type: MC
Page Reference: 9
Topic: Value Creation
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

43) When companies calculate the lifetime value of a customer they look at ________.
a. how much profit they expect to make from a particular customer, including each and every purchase she will make from them now and in the future
b. the positive word of mouth about the product that the customer can spread among her family, friends, and acquaintances
c. the lifetime expectancy of the product the customer purchased
d. the age of the customer to see whether she is likely to live long enough to utilize the product being sold
e. the career path of the customer to see if she may move to a different geographic area and no longer purchase from the company

Answer: a
Diff: 2
Type: MC
Page Reference: 11
Topic: Marketing and Exchange relationships

Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

44) Coca-Cola's unique and skillful marketing communications represent the company's ________.
a. consumer-generated value
b. production orientation
c. distinctive competency
d. return on investments
e. lifetime value

Answer: c
Diff: 2
Type: MC
Page Reference: 19
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

45) A firm's capability that is superior to that of its competition is referred to as a(n) ________.
a. distinctive competency
b. added value
c. value proposition
d. value chain
e. social benefit

Answer: a
Diff: 1
Type: MC
Page Reference: 19
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

46) The second step in developing a competitive advantage is to turn a distinctive competency into a ________ that is important to customers.
a. target market
b. service
c. marketing mix
d. market position
e. differential benefit

Answer: e
Diff: 2
Type: MC

Page Reference: 19
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

47) ________ provides reasons for customers to pay a premium for a firm's products and exhibit a strong brand preference.
a. An exchange
b. A differential benefit
c. An industrial good
d. A promotion position
e. A customer lifetime value

Answer: b
Diff: 2
Type: MC
Page Reference: 19
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

48) Apple relied on its inventive product designers to create a ________, a futuristic looking computer in a multitude of colors.
a. promotion
b. value chain
c. service
d. differential benefit
e. market segment

Answer: d
Diff: 3
Type: MC
Page Reference: 19
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

49) A ________ is a series of activities involved in designing, producing, marketing, delivering, and supporting any product.
a. value proposition
b. production orientation
c. value chain
d. marketing concept
e. market position

Answer: c

Diff: 1
Type: MC
Page Reference: 23
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

50) In addition to marketing activities, the ________ includes business functions such as human resource management and technology development.
a. value chain
b. marketing mix
c. utility function
d. customer relationship management process
e. market position

Answer: a
Diff: 2
Type: MC
Page Reference: 23
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

51) The main activities of value chain members include all of the following EXCEPT ________.
a. bringing in materials to make the product
b. converting the materials into the final product
c. providing unbiased information about the product to consumers
d. shipping out the final product
e. servicing the product after purchase

Answer: c
Diff: 3
Type: MC
Page Reference: 23
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

52) The phenomenon of ________ includes consumers creating their own ads and buying and selling products on eBay.
a. production orientation
b. the triple bottom line orientation
c. consumer-generated content
d. socially responsible marketing
e. the marketing concept

Answer: c
Diff: 2
Type: MC
Page Reference: 24
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

53) Social networking is an integral part of which of the following?
a. the triple bottom line orientation
b. lifetime value of a customer
c. the value chain
d. Web 2.0
e. Web 1.0

Answer: d
Diff: 2
Type: MC
Page Reference: 25-26
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

54) Which of the following is true of Web 2.0?
a. It categorizes entries according to a strict taxonomy.
b. It gets updated constantly.
c. It is based on the open source model.
d. It is based on the wisdom of crowds model.
e. It improves as the number of users decreases.

Answer: b
Diff: 2
Type: MC
Page Reference: 26
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

55) According to the theory of the wisdom of crowds, under the right circumstances ________.
a. a mass market approach is favorable to a target market approach
b. a target market approach is favorable to a mass market approach
c. groups are smarter than the smartest people in them
d. companies can make money by giving their products away for free
e. consumers can generate value

Answer: c
Diff: 3
Type: MC
Page Reference: 26
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

56) _________ is outsourcing tasks to an undefined, large group of people or community by posting an open call for assistance on the Internet.
a. microcelebrities
b. Crowdsourcing
c. folksonomists
d. open sourcers
e. instapreneurs

Answer: b
Diff: 2
Type: MC
Page Reference: 26
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

57) Alcoholism and cigarette smoking are both examples of ________.
a. anticonsumption behaviors
b. bait-and-switch behaviors
c. consumer addictions
d. shrinkage
e. consumed consumer behaviors

Answer: c
Diff: 2
Type: MC
Page Reference: 29
Topic: The dark side of marketing
Skill: Concept
Objective: 1-4 Ethical Behaviour in Marketplace

58) __________is a physiological or psychological dependency on goods or services.
a. Being a customer
b. social marketing techniques
c. consumer addiction
d. social networking
e. commodity

Answer: c
Diff: 2
Type: MC
Page Reference: 37
Topic: The dark side of marketing
Skill: Concept
Objective: 1-4 Ethical Behaviour in Marketplace

59) ________ is a decision process in which marketing managers determine the strategies that will help the firm meet its long-term objectives and then execute those strategies using the tools they have at their disposal.
a. Total Quality Management
b. Sustainability
c. Return on investment
d. Marketing
e. The open source model

Answer: d
Diff: 2
Type: MC
Page Reference: 8
Topic: What is Marketing
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

60) The ________ is a document that describes the marketing environment, outlines the marketing objectives and strategy, and identifies who will be responsible for carrying out each part of the marketing strategy.
a. marketing mix
b. marketing plan
c. value proposition
d. value chain
e. open source model

Answer: a
Diff: 1
Type: MC
Page Reference: 20
Topic: Marketing Mix
Skill: Concept
Objective: 1-2 Marketing as a decision making process

61) Which of the following is a major marketing decision for most companies?
a. the type of metrics used to calculate ROI
b. how many people to employ

c. the geographic layout of the factory making the product
d. which products to market to which consumers without turning off other consumers
e. the accounting method used to report earnings

Answer: d
Diff: 2
Type: MC
Page Reference: 16
Topic: Marketing as a decision making process
Skill: Concept
Objective: 1-2 Marketing as a decision making process

62) ________ is the first step in the process of decision making process in Marketing.
a. The marketing mix
b. Total Quality Management
c. Understand the Opportunity
d. Customer relationship management
e. Value proposition creation

Answer: c
Diff: 2
Type: MC
Page Reference: 17
Topic: Marketing as a decision making process
Skill: Concept
Objective: 1-2 Marketing as a decision making process

63) A ________ consists of all possible customers in a market regardless of the differences in their specific needs and wants.
a. popular culture
b. value chain
c. marketing mix
d. marketing concept
e. mass market

Answer: e
Diff: 1
Type: MC
Page Reference: 18
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

64) Which of these statements about mass marketing is true?
a. A mass marketing strategy is always preferable to a target marketing strategy.

b. The success of any organization's marketing efforts depends on its ability to engage in mass marketing.
c. Mass marketing can be cost effective.
d. Mass marketing allows marketers to develop products to satisfy the specific needs and wants of specific groups of customers.
e. Automakers typically use a mass marketing strategy.

Answer: c
Diff: 2
Type: MC
Page Reference: 18
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

65) A ________ is a distinctive group of customers within a larger market who are similar to one another in some way and whose needs differ from other customers in the larger market.
a. market segment
b. popular culture
c. mass market
d. market mix
e. market position

Answer: a
Diff: 1
Type: MC
Page Reference: 18
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

66) A ________ is defined as a market segment on which an organization focuses its marketing plan and toward which it directs its marketing efforts.
a. social network
b. market convergence
c. subculture
d. value chain
e. target market

Answer: e
Diff: 1
Type: MC
Page Reference: 18
Topic: Marketing Strategy
Skill: Concept

Objective: 1-2 Marketing as a decision making process

67) A market positioning refers to ________.
a. the organization's decision to use no more than two elements of the marketing mix
b. the location where the organization sells its products
c. the specific means the organization uses to distribute its products
d. how the target market perceives a product in relation to competitors' products
e. the strategic planning and execution of the marketing mix

Answer: d
Diff: 1
Type: MC
Page Reference: 19
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

68) The ________ consists of the tools an organization uses to create a desired response among a set of predefined consumers.
a. distinctive competency
b. market position
c. value proposition
d. differential benefit
e. marketing mix

Answer: e
Diff: 1
Type: MC
Page Reference: 20
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

69) The Four Ps are ________.
a. price, product, place, and promotion
b. price, profit, production, and possession
c. product, production, possession, and promotion
d. product, promotion, price, and profit
e. place, production, process, and profit

Answer: a
Diff: 1
Type: MC
Page Reference: 20
Topic: Marketing Strategy
Skill: Concept

Objective: 1-2 Marketing as a decision making process

70) Which of the following is a true statement about the Four Ps of the marketing mix?
a. A decision about one of the Ps affects every other marketing-mix decision.
b. Product is always the most important of the Four Ps.
c. Place is typically the least important of the Four Ps.
d. The Four Ps have little effect on a product's market position.
e. The Four Ps are used to determine a product's target market.

Answer: a
Diff: 2
Type: MC
Page Reference: 20
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

71) Which of the following is part of the product element of the marketing mix?
a. a quality discount
b. a store coupon
c. a newspaper advertisement
d. the packaging
e. publicity releases

Answer: d
Diff: 2
Type: MC
Page Reference: 21
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

72) A ________ is a good, service, idea, place, or person--whatever is offered for sale in the exchange.
a. product
b. place
c. utility
d. benefit
e. demand

Answer: a
Diff: 1
Type: MC
Page Reference: 21
Topic: Marketing Strategy
Skill: Concept

Objective: 1-2 Marketing as a decision making process

73) ________ is the assignment of a product's value, or the amount the consumer must exchange to receive the offering.
a. Promotion
b. Price
c. Benefit
d. Need
e. Utility

Answer: b
Diff: 1
Type: MC
Page Reference: 21
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

74) The ________ element of the marketing mix communicates the value proposition using forms such as personal selling, advertising, coupons, and publicity.
a. production
b. place
c. price
d. distribution
e. Communication (promotion)

Answer: e
Diff: 1
Type: MC
Page Reference: 22
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

75) Which element of the marketing mix is most closely associated with a company's supply chain?
a. production
b. place
c. price
d. profit
e. promotion

Answer: b
Diff: 2
Type: MC
Page Reference: 21

Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

76) When Tony rented a loft apartment where he would live for the summer, he acted as a(n) ________.
a. consumer
b. shareholder
c. producer
d. marketer
e. retailer

Answer: a
Diff: 3
Type: MC
Page Reference: 9
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What is marketing

77) Chris just landed her dream job but realizes that her college wardrobe is not going to work for her new professional position. In this situation, Chris has a(n) ________.
a. benefit
b. exchange
c. value
d. need
e. utility

Answer: d
Diff: 2
Type: MC
Page Reference: 10
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What is marketing

78) Greg Williams now has the buying power to purchase the computer system he has wanted for the last six months. Greg's want now has become a(n) ________.
a. need
b. necessity
c. demand
d. exchange
e. transaction

Answer: c
Diff: 3

Type: MC
Page Reference: 9
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What is marketing

79) Ruth Terry is a realtor. In her ads, Terry offers the free use of a moving truck to every customer she helps either buy or sell a house. This free use of a moving truck is an example of a(n) ________.
a. benefit
b. demand
c. social marketing concept
d. need
e. production orientation

Answer: a
Diff: 2
Type: MC
Page Reference: 10
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What is marketing

80) A sign manufacturer who uses plastic, metal, and neon tubing to create a motel sign has provided___________ of choice that people look forutility.
a. benefit
b. place
c. possession
d. time
e. creation

Answer: a
Diff: 3
Type: MC
Page Reference: 10
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What is marketing

81) Shane pulled her car into the gas station just as the fuel gauge dropped below empty. In this example, Shane benefited from the ________ offered by the gas station.
a. creation
b. Convenient location
c. value
d. marketing
e. quality

Answer: b
Diff: 3
Type: MC
Page Reference: 10
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What is marketing

82) Seth's mother didn't want to have a climbing wall as a permanent feature in her backyard, but it was certainly convenient to rent one from the company that catered Seth's twelfth birthday party. This is an example of providing ________ to the customer.
a. demand
b. place and creation
c. need
d. benefit
e. creation and possession

Answer: d
Diff: 2
Type: MC
Page Reference: 10
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What is marketing

83) A(n) ________ occurs when Rhonda Albers trades Max Lynch three hours of babysitting his three-year-old daughter for fixing the hole in her porch roof.
a. differential benefit
b. promotion
c. exchange
d. reciprocal loss
e. virtual trade

Answer: c
Diff: 2
Type: MC
Page Reference: 9
Topic: Creating Customer Value
Skill: Application
Objective: 1-1 What is marketing

84) A flour producer that identifies its mission as "the milling of finest flour" most likely has a ________ orientation.
a. customer
b. marketing

c. selling
d. product
e. new era

Answer: d
Diff: 2
Type: MC
Page Reference: 31
Topic: Perspectives of Marketing
Skill: Application
Objective: 1-3 Making Decisions in a sustainable world

85) Jolene's firm markets preplanning services for a mortician. She finds that most of her target market wants to avoid discussing future funeral needs, so she must somehow first get their attention. Jolene's firm most likely uses the ________.
a. production orientation
b. sustainability concept
c. selling orientation
d. consumer orientation
e. social marketing concept

Answer: c
Diff: 3
Type: MC
Page Reference: 31
Topic: Perspectives of Marketing
Skill: Application
Objective: 1-3 Making Decisions in a sustainable world

86) IBM manager Celia Moore coordinates IBM's long-standing "Reinventing Education" program that involves intensive research into how educational institutions can use the fruits of new technologies to transform what they do. In the process, the program is a
a. environmental
b. financial bottom line
c. selling
d. production
e. triple bottom line

Answer: e
Diff: 2
Type: MC
Page Reference: 27
Topic: Global Environment of Business
Skill: Application
Objective: 1-3 Making Decisions in a sustainable world

87) Which of the following is the best example of a consumer good?
a. the riding lawn mower purchased by the landscaping company
b. the disposable diapers purchased by the new mother for her baby
c. the paint purchased by the contractor
d. the cookies purchased for the daycare center
e. the art supplies purchased for the elementary school art center

Answer: b
Diff: 2
Type: MC
Page Reference: 14
Topic: What can we market?
Skill: Application
Objective: 1-1 What can we market?

88) Which of the following is the best example of a service?
a. the medical examination Jonathon had yesterday
b. the sheet music purchased by the piano teacher
c. the software Monica purchased from the Web site
d. the cleaning supplies purchased for the veterinarian's office
e. the t-shirt you got for running in a 5K race

Answer: a
Diff: 2
Type: MC
Page Reference: 14
Topic: What can we market?
Skill: Application
Objective: 1-1 What can we market?

89) Alex paid for a(n) ________ when he took his car to the carwash to be washed and waxed.
a. service
b. industrial product
c. consumer good
d. commercial
e. business product

Answer: a
Diff: 2
Type: MC
Page Reference: 14
Topic: What can we market?
Skill: Application
Objective: 1-1 What can we market?

90) Which of the following is an example of a transaction that might occur in business-to-business marketing?
a. Maurice buys a new razor on his way home from work.
b. The amateur gardener buys a new wheelbarrow.
c. The retail outlet buys athletic shoes to sell in its store.
d. The professional chef bakes a birthday cake for her son.
e. Robyn's mother hires a math tutor to help Robyn pass algebra.

Answer: c
Diff: 2
Type: MC
Page Reference: 15
Topic: What can we market?
Skill: Application
Objective: 1-1 What can we market?

91) Jack provides heating and air conditioning equipment for office buildings. He sells ________.
a. distributive goods
b. consumer services
c. consumer goods
d. industrial goods
e. intangible goods

Answer: d
Diff: 2
Type: MC
Page Reference: 15
Topic: What can we market?
Skill: Application
Objective: 1-1 What can we market?

92) Which of the following is an example of a not-for-profit organization that would use marketing principles?
a. a fast-food restaurant
b. a manufacturer of bicycles
c. a software developer
d. an amusement park
e. the Red Cross

Answer: e
Diff: 2
Type: MC
Page Reference: 15
Topic: What can we market?

Skill: Application
Objective: 1-1 What can we market?

93) A new shampoo advertisement on television tells all of the wonderful benefits the consumer will enjoy when using one company's shampoo as opposed to another shampoo. What is this company seeking to convey in this television commercial?
a. the product's time utility
b. the product's distinctive competency
c. the company's production orientation
d. the company's marketing segmentation process
e. the product's differential benefits

Answer: e
Diff: 3
Type: MC
Page Reference: 17
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

94) Kao Corp., which makes Ban deodorant, invited teenage girls to make an ad that would encourage other girls to buy the product. This program is an example of ________.
a. the wisdom of crowds
b. the production concept
c. the selling orientation
d. open source modeling
e. consumer-generated content

Answer: e
Diff: 2
Type: MC
Page Reference: 24
Topic: Adding value
Skill: Application
Objective: 1-2 Marketing as a decision making process

95) A catalog retailer has identified African-American professionals between the ages of thirty-five and forty-five as the group of customers within the larger market that is a potential market for its products. This is an example of___________.
a. targeting
b. marketing mix
c. product mix
d. mass market
e. market aggregation

Answer: a

Diff: 3
Type: MC
Page Reference: 18
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

96) An organic farmer has identified three distinct groups who might be interested in his products: vegetarians, people who are concerned about chemicals in their foods, and people who consider themselves innovators and trendsetters. These three groups are
a. marketing mixes
b. market segments
c. product mixes
d. mass markets
e. market positions

Answer: b
Diff: 2
Type: MC
Page Reference: 18
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

97) There are several different sports watches for cyclists. When compared to its competitors, the Bike Nashbar watch is the least expensive. The Acumen Basic is the only one designed for older cyclists who prefer a larger display.
Each of these watches is providing a____________________.a. marketing mixes
b. mass marketing strategies
c. Differential benefit
d. consumer orientations
e. selling orientations

Answer: c
Diff: 3
Type: MC
Page Reference: 19
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

98) When comparing itself to its competitors, Hidden Valley describes its Ranch dressing as the original. This is the ________ the manufacturer has selected for the product.
a. marketing mix
b. market segment
c. Posistioning

d. marketing concept
e. value chain

Answer: c
Diff: 2
Type: MC
Page Reference: 19
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

99) Two teachers purchased art supplies for their classes. One paid $103.45 for eight large boxes of crayons. The other teacher purchased ten identical boxes for $105.55. The second teacher got more for her money because she took advantage of a quantity discount. This relates to__________ element of marketing mix.
a. production
b. profit
c. price
d. place
e. possession

Answer: c
Diff: 2
Type: MC
Page Reference: 20
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

100) Conveniently located vending machines around your college or university campus make it easy for you to buy a soda and a snack between classes. This is an example of the ________ element of the marketing mix.
a. production
b. place
c. price
d. profit
e. promotion

Answer: b
Diff: 2
Type: MC
Page Reference: 21-22
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

101) The principles of marketing can apply to people, just as they apply to goods and services.
a. True
b. False

Answer: a
Diff: 2
Type: TF
Page Reference: 7
Topic: Welcome to Brand You
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

102) The term "marketing" is synonymous with the term "advertising."
a. True
b. False

Answer: b
Diff: 2
Type: TF
Page Reference: 7
Topic: Welcome to Brand You
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

103) Marketers define a need as the difference between a consumer's actual state and some ideal or desired state.
a. True
b. False

Answer: a
Diff: 1
Type: TF
Page Reference: 9
Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

104) Although having something to eat or drink may be a want, the desire for a specific brand name is referred to as a need.
a. True
b. False

Answer: b
Diff: 2
Type: TF

Page Reference: 9
Topic: Creating Customer Value
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

105) With the advent of the Internet, a CRM approach became much easier to implement.
a. True
b. False

Answer: a
Diff: 2
Type: TF
Page Reference: 28
Topic: Global Environment of Business
Skill: Application
Objective: 1-3 Making Decisions in a sustainable world

106) The customer relationship management concept maintains that marketers must satisfy customers' needs in ways that also benefit society.
a. True
b. False

Answer: b
Diff: 1
Type: TF
Page Reference: 28
Topic: Global Environment of Business
Skill: Application
Objective: 1-3 Making Decisions in a sustainable world

107) The marketing acronym ROI stands for rely on instinct.
a. True
b. False

Answer: b
Diff: 1
Type: TF
Page Reference: 30
Topic: Global Environment of Business
Skill: Application
Objective: 1-3 Making Decisions in a sustainable world

108) Very little of the online action in e-commerce is in business-to-business marketing.
a. True
b. False

Answer: b
Diff: 2
Type: TF
Page Reference: 15
Topic: What can we market?
Skill: Application
Objective: 1-1 What can we market?

109) Many not-for-profit organizations practice the marketing concept.
a. True
b. False

Answer: a
Diff: 2
Type: TF
Page Reference: 15
Topic: What can we market?
Skill: Application
Objective: 1-1 What can we market?

110) To calculate lifetime value, a company would estimate the amount of money a person would spend with the company over a lifetime and then subtract what it will cost the company to maintain this relationship.
a. True
b. False

Answer: a
Diff: 3
Type: TF
Page Reference: 11
Topic: Marketing and Exchange Relationships
Skill: Concept
Objective: 1-1 What can we market?

111) A firm has a distinctive competency when it is able to outperform the competition, providing customers with a desired benefit the competition does not.
a. True
b. False

Answer: a
Diff: 2
Type: TF
Page Reference: 19
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

112) Differential benefits set products apart from competitors' products by providing something unique that customers want.
a. True
b. False

Answer: a
Diff: 2
Type: TF
Page Reference: 19
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

113) Providing service to the customer after a purchase is not an activity associated with the value chain.
a. True
b. False

Answer: b
Diff: 2
Type: TF
Page Reference: 23
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

114) According to the theory of the wisdom of crowds, companies that make some of their products available for free are actually able to generate more revenue than companies that charge for all of their products.
a. True
b. False

Answer: b
Diff: 3
Type: TF
Page Reference: 24
Topic: Adding Value
Skill: Concept
Objective: 1-2 Marketing as a decision making process

115) The first phase of marketing decision making process is the development of a market position.
a. True
b. False

Answer: b
Diff: 2
Type: TF
Page Reference: 17
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

116) The marketing mix is the marketer's strategic toolbox.
a. True
b. False

Answer: a
Diff: 1
Type: TF
Page Reference: 20
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

117) The elements of the marketing mix are the four Ps.
a. True
b. False

Answer: a
Diff: 1
Type: TF
Page Reference: 20
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

118) The pricing element of the marketing mix always involves monetary exchanges.
a. True
b. False

Answer: b
Diff: 2
Type: TF
Page Reference: 21
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

119) The promotion element of the marketing mix includes the design of the product.
a. True

b. False

Answer: b
Diff: 2
Type: TF
Page Reference: 22
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

120) Within the context of the marketing mix, place refers to the availability of the product to the customer at the desired time and location.
a. True
b. False

Answer: a
Diff: 1
Type: TF
Page Reference: 21
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

121) Automobiles, haircuts, tutoring, and lighting fixtures are all examples of consumer goods.
a. True
b. False

Answer: b
Diff: 2
Type: TF
Page Reference: 14
Topic: What can we market?
Skill: Application
Objective: 1-1 What can we market?

122) Ria, a college sophomore, writes a daily blog that typically has over 50,000 readers each week. This is an example of consumer generated content.
a. True
b. False

Answer: a
Diff: 3
Type: TF
Page Reference: 24
Topic: Adding Value

Skill: Concept
Objective: 1-2 Marketing as a decision making process

123) A customer value proposition includes the whole bundle of benefits the firm promises to deliver, not just the benefits of the product itself.
a. True
b. False

Answer: a
Diff: 2
Type: TF
Page Reference: 7
Topic: Welcome to Brand You
Skill: Concept
Objective: 1-1 What can we market?

124) A marketer who wants to achieve a competitive advantage over her rivals cannot use the marketing mix to achieve this goal.
a. True
b. False

Answer: b
Diff: 2
Type: TF
Page Reference: 20
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

125) An entertainer such as Garth Brooks, a television show, and a magazine subscription are all examples of products.
a. True
b. False

Answer: a
Diff: 3
Type: TF
Page Reference: 20
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process

126) Discuss how the principles of marketing can be applied to people.

Answer:

The principles of marketing apply to people in the same way that they apply to products and services. People market, or "sell," themselves all of the time, whether they are applying for a job, hoping to gain a promotion, or participating in online dating. People package and promote themselves through the clothes and accessories they choose, the cars they drive, the music they listen to, the books they read, and much more.

Diff: 2
Type: ES
Page Reference: 7
Topic: Welcome to Brand You
Skill: Concept
Objective: 1-1 What can we market?

127) What is a target market?

Answer:
The group(s) of consumers or customers on which an organization focuses its marketing plan and toward which it directs its marketing efforts

Diff: 1
Type: ES
Page Reference: 9
Topic: Value Creation
Skill: Concept
Objective: 1-1 What can we market?

128) What does the phrase "exchange relationship" mean in relation to marketing?

Answer:
An exchange occurs when something is obtained for something else in return. The buyer receives an object, service, or idea that satisfies a need, and the seller receives something she feels is of equivalent value. For an exchange to occur, at least two people or organizations must be willing to make a trade, and each must have something the other wants. Both parties must agree on the value of the exchange and how it will be carried out. Each party also must be free to accept or reject the other's terms for the exchange. An exchange is at the heart of every marketing act.

Diff: 2
Type: ES
Page Reference: 9
Topic: Value Creation
Skill: Concept
Objective: 1-1 What can we market?

129) Explain the term ‘selling orientation’.

Answer:
Selling orientation refers to a managerial view of marketing as a selling function, or a way to move products out of warehouses to reduce inventory.

Diff: 3
Type: ES
Page Reference: 31
Topic: Other perspectives of Marketing
Skill: Concept
Objective: 1-3 Making Decisions in a Sustainable World

130) Explain why and how a company would adopt a consumer orientation.

Answer:
A company might adopt a consumer orientation to better identify and satisfy the needs and wants of customers. In the competitive marketplace of today, a company has to go beyond the selling and production orientations and consider the customer's desires. Following a consumer orientation, marketers would conduct research to understand the needs of different customers, tailor products to the needs of these various groups, and design marketing messages to speak to the needs of those customers.

Diff: 3
Type: ES
Page Reference: 31
Topic: Other perspectives of Marketing
Skill: Application
Objective: 1-3 Making Decisions in a Sustainable World

131) Briefly discuss how companies are adapting to the paradigm shift of the wired world.

Answer:
Companies promote their products in innovative and interesting ways while becoming part of their target markets' lives. In the attention economy, share of mind rather than share of market takes on greater importance. Product Web sites offer entertainment and high-value information that keep the consumer coming back to the site and continuing to buy the product. Companies have to do more to differentiate their products from the competition and to connect on a more personal level with potential customers.

Diff: 2
Type: ES
Page Reference: 28
Topic: CRM
Skill: Application
Objective: 1-3 Making Decisions in a Sustainable World

132) What is the difference between consumer goods and consumer services? Give an example of each.

Answer:
Consumer goods are the tangible products that individual consumers purchase for personal or family use. Consumer services are intangible products that consumers pay for and use but never own. Examples will vary, but should reflect these definitions.

Diff: 2
Type: ES
Page Reference: 14
Topic: What can we market?
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

133) Why might a company try to determine the lifetime value of a customer? What must a company do to determine this information?

Answer:
A company must look at how much profit it expects to make from a particular customer, including each and every purchase he will make from the company now and in the future. To calculate lifetime value, the company estimates the amount the person will spend and then subtracts what it will cost to maintain this relationship. This information will help a company decide which customers should be the focus of promotional efforts and which customers should be "fired."

Diff: 2
Type: ES
Page Reference: 11
Topic: Marketing and Exchange Relationships
Skill: Concept
Objective: 1-1 What Marketing is and how value creation is central to Marketing Concept

134) Explain how marketers are held accountable for the results of their work, including a discussion of scorecards and ROI.

Answer:
Marketers must prove to management that they are generating measurable value by aligning marketing activities with the firm's overall business objectives. Scorecards, which are like the marketing department's report card, are used to report how the company or brand is actually progressing in achieving various goals. Marketers assess the return on investment (ROI) by measuring how much they are spending and measuring the effects of marketing activities on the company's bottom line.

Diff: 2
Type: ES

Page Reference: 30
Topic: Social Marketing Concept
Skill: Application
Objective: 1-3 Making Decisions in a Sustainable World

135) Identify the four Ps in the following description: Rosa Alvarez markets 23 different varieties of salsa in 8-ounce and 12-ounce bottles at supermarkets in the southwestern United States. The 8-ounce bottle sells for $5.95, and the larger size sells for $7.95. Periodically, she sets up a table in one of the marketplaces that carries her salsa brand and offers customers a sample. She recently received considerable publicity for being the "Hispanic Entrepreneur of the Year."

Answer:
Product: 23 different varieties of salsa in 8-ounce and 12-ounce bottles
Price: $5.95 for smaller size and $7.95 for larger size
Place: supermarkets in southwestern United States
Promotion: sampling and publicity
Diff: 3
Type: ES
Page Reference: 20
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

136) Provide a brief explanation of what marketing is.

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.

Diff: 2
Type: ES
Page Reference: 8
Topic: Welcome to Brand You
Skill: Concept
Objective: 1-1 What is Marketing?

137) Select one real company located in your home state. Identify at least four different types of stakeholders in this company.

Answer:
Each student will present different information in responding to this question. Stakeholders should include the company's customers, the company's employees, investors in the company, and residents of the community.

Diff: 2
Type: ES
Page Reference: 9
Topic: Welcome to Brand You
Skill: Application
Objective: 1-1 What is Marketing?

138) Can a consumer of a product be a stakeholder in the company that markets the product? Briefly explain your answer.

Answer:
Yes. A consumer is one type of stakeholder. A stakeholder can be a buyer, seller, or investor in a company; a community resident; or a citizen of the nation where the company's goods or services are made or sold. A consumer is the ultimate user of a good or service. Therefore, a consumer could be a stakeholder who is also the ultimate consumer using the product.

Diff: 2
Type: ES
Page Reference: 9
Topic: Welcome to Brand You
Skill: Application
Objective: 1-1 What is Marketing?

139) Needs relate to either physical or psychological functions. How does Levi Strauss & Co. satisfy both of these needs with Levi's jeans?

Answer:
Levi Strauss & Co. jeans meet physical needs in that people need to wear clothes. The psychological needs are fulfilled in the way people may feel or think they look when wearing these jeans.

Diff: 2
Type: ES
Page Reference: 9
Topic: Welcome to Brand You
Skill: Application
Objective: 1-1 What is Marketing?

140) Give three examples of modern marketplaces.

Answer:
Answers will vary, but should reflect the broad range of marketplaces, from stand-alone retailers and shopping malls to mail-order catalogs and Web sites.

Diff: 3

Type: ES
Page Reference: 10
Topic: Welcome to Brand You
Skill: Application
Objective: 1-1 What is Marketing?

141) How has the Internet aided in the administration of customer relationship management (CRM)?

Answer:
Customer relationship management involves systematically tracking consumers' preferences and behaviors over time in order to tailor the value proposition as closely as possible to each individual's unique wants and needs. The Internet has enabled companies to maintain a database of information to implement this marketing practice. The Internet allows a firm to personalize its messages and products to better meet the needs of each individual consumer.

Diff: 3
Type: ES
Page Reference: 28
Topic: Global Environment of Business
Skill: Application
Objective: 1-3 Making Decisions in a sustainable world

142) What is a value chain?

Answer:
The value chain is a useful way to appreciate all the players that work together to create value. This term refers to a series of activities involved in designing, producing, marketing, delivering, and supporting any product.
Diff: 2
Type: ES
Page Reference: 23
Topic: Marketing Strategy
Skill: concept
Objective: 1-2 Marketing as a decision making process

143) Explain the concept of business-to-business marketing and give an example of a business-to-business transaction.

Answer:
Business-to-business marketing is the marketing of goods and services from one organization to another. Examples will vary, but should reflect this definition.

Diff: 2
Type: ES

Page Reference: 15
Topic: B2B goods and services
Skill: Application
Objective: 1-1 What can we market?

144) The Ford Motor Company sponsored "The Great American Pony Drive II" in honor of devotees of its legendary Mustang. In this example, how is the Ford Motor Company considering the lifetime value of a customer of the Mustang?

Answer:
Ford Motor Company would calculate how much lifetime profit it expects to make from a devoted Mustang customer minus the cost of maintaining this relationship. The cost of sponsoring "The Great American Pony Drive II" may be much less than the profits from current and future sales of the Mustang car to participating customers.

Diff: 2
Type: ES
Page Reference: 11
Topic: Marketing and Exchange relationships
Skill: Application
Objective: 1-1 What is Marketing?

145) Why should a firm be aware of its competitors' distinctive competencies?

Answer:
A distinctive competence is a firm's capability that is superior to the competition. A company must be aware of its competitors' distinctive competencies in order to successfully compete in the marketplace, shaping its own distinctive competencies into differential benefits that customers desire more than they desire the benefits offered by competitors.

Diff: 2
Type: ES
Page Reference: 19
Topic: Marketing Strategy
Skill: concept
Objective: 1-2 Marketing as a decision making process

146) What are two differential benefits a customer may benefit from when buying a bottle of soda from a local corner convenience store versus a chain supermarket?

Answer:
The customer may be able to park his car close to the door of the convenience store and make the purchase in only a few minutes. The parking lot of the chain store may require the customer to walk a distance before entering the store. The volume of customers in the

supermarket may cause the purchase to take longer than the purchase at the convenience store.

Diff: 2
Type: ES
Page Reference: 19
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

147) Explain the criticism – ‘Marketing corrupts society’.

Answer:
The marketing system comes under fire from both sides. On the one hand, some believe that marketers contribute to the moral breakdown of society by presenting images of selfish pleasure and encouraging materialism at the expense of
things like spirituality and concern for the environment. On the other hand, some on the “left” side of the spectrum might argue that many who would otherwise be engaged in more significant action for social change have been distracted by these same promises of material pleasure.
Diff: 3
Type: ES
Page Reference: 36
Topic: Dark side of Marketing
Skill: Application
Objective: 1-4 Ethical behavior in the marketplace

148) Write two questions that a firm would be likely to consider during the marketing decision making process.

Answer:
Answers will vary, but should reflect an understanding of the "big picture" nature of marketing planning. Examples: What product benefits will our customers want in the near future? What sets our firm apart from competitors? How will legal and regulatory issues affect our business?

Diff: 3
Type: ES
Page Reference: 17
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

149) What is a market segment? Explain how an automaker might appeal to different market segments.

Answer:
A market segment is a distinct group of customers within a larger market who are similar to one another in some way and whose needs differ from other customers in the larger market. An automaker offers different car models--sedans, sports cars, SUVs, station wagons, minivans, etc.--to appeal to different segments of the car-buying market.

Diff: 2
Type: ES
Page Reference: 18
Topic: Marketing Strategy
Skill: Application
Objective: 1-2 Marketing as a decision making process

150) What is the difference between a mass market and a market segment?

Answer:
A mass market consists of all possible customers in a market regardless of their differences, while a market segment is a smaller group of customers within the mass market who are similar to each other in one or some ways and different from the others in the mass market.

Diff: 2
Type: ES
Page Reference: 18
Topic: Marketing Strategy
Skill: Concept
Objective: 1-2 Marketing as a decision making process