Student name:__________

1) Which of the following is not one of the elements of the marketing mix?

A) Place
B) Price
C) Product
D) Production
E) Promotion

2) Customer satisfaction is viewed by supply chain executives as:

A) An activity or process that must be managed.
B) A corporate philosophy that treats customer satisfaction as an integral part of a firm's total supply chain policies.
C) Performance measures.
D) An activity or process that must be managed and performance measures.
E) An activity or process that must be managed, a corporate philosophy that treats customer satisfaction as an integral part of a firm's total supply chain policies, and performance measures.

3) The marketing concept is comprised of three components, including:

A) Cost minimization
B) Customer satisfaction
C) Integrated effort
D) Long-term profitability
E) Customer satisfaction, integrated effort, and long-term profitability

4) Which of the following would be considered a part of the pre-transaction element of customer service?

A) Acceptable stock-out levels to satisfy customer demand.
B) Order convenience.
C) Product

tracing.

D) Reverse logistics programs.

E) Written customer service statement.

5) Which of the following is <u>not</u> one of the dimensions or components of the SCOR© Model?

A) Deliver
B) Make
C) Research
D) Return
E) Source

6) "Optimizing warehouse management from receiving and picking product to loading and shipping the product" would occur in the __________ component of the SCOR© Model.

A) Deliver
B) Make
C) Research
D) Return
E) Source

7) "Scheduling production activities, issuing the product, producing and testing, package, and releasing the product to be delivered" would occur in the __________ component of the SCOR© Model.

A) Deliver
B) Make
C) Research
D) Return
E) Source

8) "Aligning customer service and satisfaction strategies with the overall financial plan of the organization" would occur in the __________ component of the SCOR© Model.

A) Deliver
B) Make
C) Plan
D) Research

E) Source

9) AMR Research developed a list of 17 of the most important key performance indicators (KPIs), but specifically identified three of them as being universally important in all types of supply chains. Which of the following are the three most important KPIs identified by AMR Research?

A) Demand forecast accuracy; days payables outstanding; and total inventory.
B) Demand forecast accuracy; perfect order fulfillment; and supply chain management cost.
C) Raw material inventory; finished goods inventory; and total inventory.
D) Supply chain cash-to-cash cycle; total inventory; and supplier quality.
E) Supply chain management cost; total inventory; and supply chain cash-to-cash cycle.

10) The perfect order is composed of orders delivered at the right time, in the right quantity, in the right condition and packaging, and with the right documentation. If a firm achieves 90% performance on each of these four components of the perfect order, the total perfect order percentage would be:

A) 50%
B) 66%
C) 85%
D) 90%
E) 95%

A) 5%
B) 10%
C) 15%
D) 20%
E) None of the options are correct.

12) Which of the following financial items is not directly impacted or controlled by supply chain executives in what they do on a daily basis?

A) Asset turnover.
B) Current assets.
C) Financial leverage.
D) Inventory costs.
E) Return on assets.

13) Which of the following is not a major component of the balanced scorecard approach to performance measurement?

A) Customer service.
B) Financial performance.
C) Education and learning.
D) Government and regulatory issues.
E) Internal business process.

14) In most research studies of supply chain executives across a variety of industries, the major reason given for discontinuing or stopping doing business with another company, was:

A) Customer service is poor.
B) High costs.
C) Lack of a sustainability program in the company.
D) Non-compatible information systems.
E) Poor product quality.

15) When collecting data or information to make supply chain decisions, the "best" type of data to collect would be:

A) Nominal data.
B) Nonmetric data.
C) Ordinal data.
D) Ratio-scaled data.
E) None of the options would be considered "best."

16) Which of the following statements regarding product stock-outs is <u>FALSE</u>?

A) Consumer responses to product stock-outs do not vary internationally; customers worldwide don't like to find products they want not available.
B) In most instances, a one-time stock-out will not result in a customer changing retail stores or changing the specific product they were going to buy.
C) Product stock-outs can be caused by delays in receiving shipments of products.
D) Repeated stock-outs often result in firms losing customers.
E) Whenever a customer experiences a product stock-out, there has been a customer service failure.

17) __________ is a business practice that improves accuracy by combining the intelligence of multiple trading participants in the planning and fulfillment of customer demand.

A) Collaborative planning, forecasting and replenishment (CPFR).
B) Cost and service trade-off analysis.
C) Customer-product action matrix.
D) Customer relationship management (CRM).
E) Strategic profit model.

18) In the Collaborative Planning, Forecasting and Replenishment (CPFR) process, which of the following would be part of the "planning" component?

A) Focus on key execution items.
B) Develop governance mechanisms with formal communication points.
C) Time-based decision making.
D) All of the above options would be part of the planning component of CPFR.
E) All of these options focus on key execution items and time-based decision making would be part of the planning component of CPFR.

19) While customers and products can be prioritized in many ways in a "Customer-Product Action Matrix," the most common approach is to use __________ as the primary measure.

A) Projected future growth rate in a customer's purchases.
B) Inventory turnover.
C) Profitability of customers and/or the products purchased by customers.
D) Sales revenues or sales growth rates.
E) Stage of the product in the product life cycle.

20) Which of the following statements about customer service is <u>FALSE?</u>

A) All customers should receive the same high level customer service.
B) All customers require consistent service levels.
C) The costs of serving the "best" customers are often higher than serving other less important customers.
D) Key accounts should receive higher service levels than customers that are not key accounts.
E) A positive service gap means that the supply chain delivers a higher level of service or satisfaction to customers than they require.

21) "Customer service" and "customer satisfaction" can be used interchangeably because they mean the same thing.

- ⊚ true
- ⊚ false

22) Customer service has three components: pre-transaction (before the sale); transaction (during the sale); and post-transaction (after the sale).

- ⊚ true
- ⊚ false

23) Customer service indicates the fulfillment that customers derive from doing business with a firm; i.e., it’s how happy the customers are with their transaction and overall experience with the company.

- ⊚ true
- ⊚ false

24) From the perspective of the marketing concept, customer satisfaction only refers to final customers, those firms or individuals that consume the goods and services produced by firms in the supply chain.

- ⊚ true
- ⊚ false

25) Simply stated "transshipments" refer to moving products between locations from where they are to where they should be.

- ⊚ true
- ⊚ false

26) Once a transaction has been completed with a buyer, the seller's job is done.

- ⊚ true
- ⊚ false

27) An important element of post-transaction customer service is the proper handling of customer complaints.

- ⊚ true
- ⊚ false

28) Consistency in all aspects of customer service is typically more important than other service elements such as the speed of service, immediate product availability or product payment terms.

- ⊚ true
- ⊚ false

29) While large companies collect literally thousands of pieces of information, some items, referred to as key performance indicators (KPIs), are essential in managing the company-customer interface.

- ⊚ true
- ⊚ false

30) The perfect order percentage attained by the majority of firms is consistently 90% and higher.

- ⊚ true
- ⊚ false

31) The concept of the "perfect order" is related to the concept of the "five rights of customers".

- ⊚ true
- ⊚ false

32) Key components in providing seamless, omnichannel customer service and satisfaction are centralized order management, inventory visibility, and utilizing market intelligence to optimize order allocation.

- ⊚ true
- ⊚ false

33) Return on net worth (RONW) is the return on shareholders’ investment plus retained earnings. As a mathematical calculation, it is net profit divided by net worth.

- ⊚ true
- ⊚ false

34) Return on assets (ROA) is a firm’s total assets divided by net profit, so it considers both income and balance statement considerations.

- ⊚ true
- ⊚ false

35) Organizations can outsource various supply chain activities, thus shifting assets to various suppliers and vendors, resulting in reduced assets but increased expenses.

◎ true

◎ false

36) The "internal business process" component in the balanced scorecard approach includes measures concerned with employees, systems, and procedures.

◎ true
◎ false

37) Only one of the four balanced scorecard components deals with financial issues.

◎ true
◎ false

38) Nonmetric data can always be modified to become metric data, but metric data cannot be changed into nonmetric data.

◎ true
◎ false

39) When products are out-of-stock in a retail store, the financial costs to the retailer and manufacturer of those products is the same.

◎ true
◎ false

40) All customers should receive the same level of service irrespective of customer profitability or amount of sales.

⊚ true ⊚ false

Answer Key

Test name: Stock 1e ch02

1) D

2) E

3) E

4) E

5) C

6) A

7) B

8) C

9) B

10) B

11) D

12) C

13) D

14) A

15) D

16) A

17) A

18) E

19) C

20) A

21) FALSE

22) TRUE

23) FALSE

24) FALSE

25) TRUE

26) FALSE

27) TRUE

28) TRUE

29) TRUE

30) FALSE

31) TRUE

32) TRUE

33) TRUE

34) FALSE

35) TRUE

36) FALSE

37) TRUE

38) FALSE

39) FALSE

40) FALSE