

c1

Student: _____

1. Which level of strategy provides direction on the company's mission, the kinds of businesses it should be in and its growth policies?
 - A. business-level strategy
 - B. corporate strategy
 - C. marketing strategy
 - D. service strategy

2. What component of strategy involves detailing the desired levels of accomplishment on one or more performance dimension over specified time periods for the organisation as a whole?
 - A. scope of an organisation
 - B. resource deployments
 - C. identifying a sustainable competitive advantage
 - D. goals and objectives of an organisation

3. What question needs to be specifically addressed while developing a business strategy?
 - A. What business are we in?
 - B. What business should we be in?
 - C. What portion of our total resources should we devote to each business to achieve overall goals and objectives?
 - D. What distinctive competencies can give the business unit a competitive advantage?

4. What is the primary focus of marketing strategy?
 - A. decisions about the organisation's scope and resource deployments across divisions
 - B. effective allocation and coordination of resources to meet organisational objectives within a specific product-market
 - C. addressing which competitive advantage best matches the needs and wants of the customers in the target segment
 - D. how a business unit competes within its industry

5. Which of the following falls within the scope of corporate strategy?
 - A. target market definition
 - B. vertical integration
 - C. branding policies
 - D. line extension

6. Which observation concerning market-oriented firms is incorrect?
- A. They are characterised by a consistent focus on customers' needs by personnel in all departments.
 - B. They adapt product offerings to the special needs of different target markets.
 - C. They are slower and less willing to adapt products and functional programs to fit environmental changes.
 - D. They adopt a variety of organisational procedures to improve the responsiveness of decision-making.
7. Why are early entrants into newly emerging industries, particularly industries based on new technologies, especially likely to be internally focused and not very market-oriented?
- A. strong competition during the formative years
 - B. rapid growth in demand for the new product
 - C. customer demand less than available supply
 - D. resource constraints rarely an immediate threat to survival
8. The tendency for firms to automatically continue strategies that were successful in the past, even though current market conditions are changing, is referred to as:
- A. marketing myopia
 - B. strategic inertia
 - C. cognitive dissonance
 - D. law of probability
9. Product-oriented firms:
- A. are primarily concerned with the marketing concept
 - B. are likely to be internally focused
 - C. have broad product lines
 - D. consider credit a customer service
10. Which of the following approaches characterises a production-oriented organisation?
- A. pricing based on perceived benefits provided
 - B. applying new technology to satisfy customer needs
 - C. company makes what can be sold
 - D. primary focus on functional performance and cost
11. What characterises a market-oriented organisation?
- A. narrow product lines
 - B. packaging designed for customer convenience
 - C. technical research and focus on cost cutting in the production process
 - D. emphasis on product features, quality and price

12. Dell attempted to maintain its long-standing low-cost position by reducing the number of technicians in its customer call centres. As a result, an increasing number of customers spent 30 minutes or more on hold before they found a technician to solve their problem. This affected Dell's customer satisfaction rating in the United States and its sales and profit growth stagnated. This scenario highlights:

- A. the increased importance of service
- B. strategic inertia
- C. the company's market-orientation focus
- D. the impact of information technology

13. Identify the incorrect statement concerning services.

- A. Services are the fastest-growing sector of developed economies.
- B. Good services improve customer loyalty over the long term.
- C. The intangible nature of services creates unique challenges for marketers.
- D. Efficient services are always tied to a physical product.

14. E-tailers such as Amazon and iTunes are examples of firms in this e-commerce category:

- A. business-to-business
- B. consumer-to-business
- C. business-to-consumer
- D. consumer-to-consumer

15. Marketers have identified 4Cs critical to a good strategic marketing plan. Which of the following is not one among them?

- A. company
- B. context
- C. contacts
- D. customers

16. A distinct subset of people with similar needs, circumstances and characteristics that lead them to respond in a similar way to a particular product or service offering is known as a:

- A. market segment
- B. target market
- C. penetrated market
- D. marketing mix

17. Which of the following is considered an important tool for communicating and coordinating expectations and responsibilities throughout the firm?
- A. value statement
 - B. written marketing plan
 - C. detailed market analysis
 - D. positioning statement
18. Research indicates that the general influence of marketing managers on higher-level strategic decisions has:
- A. remained negligible in comparison to managers from other departments such as finance and operations
 - B. been welcomed by governments as a move toward greater market efficiency
 - C. increased significantly in recent years and is particularly noticeable in countries like the US
 - D. increased significantly in recent years and is particularly noticeable in countries like Germany
19. The marketing concept was originally developed by:
- A. Motorola
 - B. Philip Kotler
 - C. The American Marketing Association
 - D. General Electric
20. Changes in the environment that are rapidly altering the way marketing strategies are planned include the following:
- A. globalisation and Americanisation
 - B. globalisation and information technology
 - C. globalisation and terrorism
 - D. globalisation and the ageing workforce
21. What are the major parts to a marketing plan?
- A. assessment of current situation, strategy for coming period, financial and resource implications
 - B. executive summary, SWOT, competitor analysis
 - C. assessment of current situation, product development, competitor analysis
 - D. executive summary, market audit, controls
22. Market orientation should generally be the main goal for organisations because:
- A. once you achieve market orientation, no other competitor can also become market-oriented
 - B. market orientation generally provides superior performance
 - C. market orientation protects against imports
 - D. market orientation makes advertising your products cheaper

23. A marketing plan is vital for an organisation as the plan can be regarded as:

- A. protection against competitors
- B. a blueprint for action
- C. a standard practice and procedure
- D. a document to show customers

24. What is the primary focus of marketing-level strategies? What critical issues do they focus on?

25. What is a marketing plan? Explain its importance.

26. The five components of strategy are scope, goals and objectives, resource deployments, identification of a sustainable competitive advantage and systems.

True False

27. The primary strategic responsibility of any manager is to continuously monitor the performance of market competitors.

True False

28. Spending more on selling efforts usually creates a sustainable competitive advantage.

True False

29. Planning and executing a marketing strategy involves many interrelated decisions about what to do, when to do it and how.

True False

30. When analysing available market opportunities, managers must always consider price as being the key attribute for positioning a product or service in the minds of customers in the target market segment.

True False

31. When Eric Kim joined the global marketing team at Samsung, he quickly recognised the importance of service training for all employees and initiated a process of total quality management, whereby all departments received extensive training in quality assurance.

True False

32. Current trends indicate that in the future, the most important task for strategic marketing is the creation of effective advertising and promotion campaigns to reach customers in global markets.

True False

c1 Key

1. Which level of strategy provides direction on the company's mission, the kinds of businesses it should be in and its growth policies?

- A. business-level strategy
- B. corporate strategy**
- C. marketing strategy
- D. service strategy

Blooms: Knowledge

Difficulty: Easy

Learning Objective: 1.1 Identify the three different levels of strategy.

Section: Strategic challenges addressed in chapter 1

Walker - Chapter 01 #1

2. What component of strategy involves detailing the desired levels of accomplishment on one or more performance dimension over specified time periods for the organisation as a whole?

- A. scope of an organisation
- B. resource deployments
- C. identifying a sustainable competitive advantage
- D. goals and objectives of an organisation**

Difficulty: Medium

Learning Objective: 1.1 Identify the three different levels of strategy.

Section: The components of strategy

Walker - Chapter 01 #2

3. What question needs to be specifically addressed while developing a business strategy?

- A. What business are we in?
- B. What business should we be in?
- C. What portion of our total resources should we devote to each business to achieve overall goals and objectives?
- D. What distinctive competencies can give the business unit a competitive advantage?**

Difficulty: Hard

Learning Objective: 1.1 Identify the three different levels of strategy.

Section: Business-level strategy

Walker - Chapter 01 #3

4. What is the primary focus of marketing strategy?

A. decisions about the organisation's scope and resource deployments across divisions

B. effective allocation and coordination of resources to meet organisational objectives within a specific product-market

C. addressing which competitive advantage best matches the needs and wants of the customers in the target segment

D. how a business unit competes within its industry

Blooms: Comprehension

Difficulty: Medium

Learning Objective: 1.1 Identify the three different levels of strategy.

Section: The hierarchy of strategies

Walker - Chapter 01 #4

5. Which of the following falls within the scope of corporate strategy?

A. target market definition

B. vertical integration

C. branding policies

D. line extension

Blooms: Knowledge

Difficulty: Medium

Learning Objective: 1.1 Identify the three different levels of strategy.

Section: Exhibit 1.2 Key components of corporate, business and marketing strategies

Walker - Chapter 01 #5

6. Which observation concerning market-oriented firms is incorrect?

A. They are characterised by a consistent focus on customers' needs by personnel in all departments.

B. They adapt product offerings to the special needs of different target markets.

C. They are slower and less willing to adapt products and functional programs to fit environmental changes.

D. They adopt a variety of organisational procedures to improve the responsiveness of decision-making.

Blooms: Evaluation

Difficulty: Medium

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: Market-oriented management

Walker - Chapter 01 #6

7. Why are early entrants into newly emerging industries, particularly industries based on new technologies, especially likely to be internally focused and not very market-oriented?

- A. strong competition during the formative years
- B. rapid growth in demand for the new product**
- C. customer demand less than available supply
- D. resource constraints rarely an immediate threat to survival

Blooms: Evaluation

Difficulty: Hard

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: Competitive factors affecting a business's market orientation

Walker - Chapter 01 #7

8. The tendency for firms to automatically continue strategies that were successful in the past, even though current market conditions are changing, is referred to as:

- A. marketing myopia
- B. strategic inertia**
- C. cognitive dissonance
- D. law of probability

Blooms: Knowledge

Difficulty: Medium

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: Factors that mediate marketing's strategic role

Walker - Chapter 01 #8

9. Product-oriented firms:

- A. are primarily concerned with the marketing concept
- B. are likely to be internally focused**
- C. have broad product lines
- D. consider credit a customer service

Blooms: Knowledge

Difficulty: Medium

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: Competitive factors affecting a business's market orientation

Walker - Chapter 01 #9

10. Which of the following approaches characterises a production-oriented organisation?

- A. pricing based on perceived benefits provided
- B. applying new technology to satisfy customer needs
- C. company makes what can be sold
- D. primary focus on functional performance and cost**

Blooms: Comprehension

Difficulty: Medium

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: Competitive factors affecting a business's market orientation

Walker - Chapter 01 #10

11. What characterises a market-oriented organisation?

- A. narrow product lines
- B. packaging designed for customer convenience**
- C. technical research and focus on cost cutting in the production process
- D. emphasis on product features, quality and price

Blooms: Knowledge

Difficulty: Medium

Learning Objective: 1.2 Describe marketings role in formulating and implementing strategies.

Section: Exhibit 1.6 Differences between production-oriented and market-oriented organisations

Walker - Chapter 01 #11

12. Dell attempted to maintain its long-standing low-cost position by reducing the number of technicians in its customer call centres. As a result, an increasing number of customers spent 30 minutes or more on hold before they found a technician to solve their problem. This affected Dell's customer satisfaction rating in the United States and its sales and profit growth stagnated. This scenario highlights:

- A. the increased importance of service**
- B. strategic inertia
- C. the company's market-orientation focus
- D. the impact of information technology

Blooms: Evaluation

Difficulty: Easy

Learning Objective: 1.2 Describe marketings role in formulating and implementing strategies.

Section: Increased importance of service

Walker - Chapter 01 #12

13. Identify the incorrect statement concerning services.

- A. Services are the fastest-growing sector of developed economies.
- B. Good services improve customer loyalty over the long term.
- C. The intangible nature of services creates unique challenges for marketers.
- D. Efficient services are always tied to a physical product.**

Blooms: Comprehension

Difficulty: Medium

Learning Objective: 1.2 Describe marketings role in formulating and implementing strategies.

Section: Increased importance of service

Walker - Chapter 01 #13

14. E-tailers such as Amazon and iTunes are examples of firms in this e-commerce category:

- A. business-to-business
- B. consumer-to-business
- C. business-to-consumer
- D. consumer-to-consumer

Difficulty: Easy

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: Information technology

Walker - Chapter 01 #14

15. Marketers have identified 4Cs critical to a good strategic marketing plan. Which of the following is not one among them?

- A. company
- B. context
- C. contacts
- D. customers

Blooms: Knowledge

Difficulty: Medium

Learning Objective: 1.3 Explain how to formulate and implement marketing strategies.

Section: Analysis comes first: the '4Cs

Walker - Chapter 01 #15

16. A distinct subset of people with similar needs, circumstances and characteristics that lead them to respond in a similar way to a particular product or service offering is known as a:

- A. market segment
- B. target market
- C. penetrated market
- D. marketing mix

Blooms: Knowledge

Difficulty: Easy

Learning Objective: 1.3 Explain how to formulate and implement marketing strategies.

Section: Market segmentation, targeting and positioning decisions

Walker - Chapter 01 #16

17. Which of the following is considered an important tool for communicating and coordinating expectations and responsibilities throughout the firm?

- A. value statement
- B. written marketing plan**
- C. detailed market analysis
- D. positioning statement

Blooms: Comprehension

Difficulty: Easy

Learning Objective: 1.4 Describe the marketing plan.

Section: The marketing plan—a blueprint for action

Walker - Chapter 01 #17

18. Research indicates that the general influence of marketing managers on higher-level strategic decisions has:

- A. remained negligible in comparison to managers from other departments such as finance and operations
- B. been welcomed by governments as a move toward greater market efficiency
- C. increased significantly in recent years and is particularly noticeable in countries like the US**
- D. increased significantly in recent years and is particularly noticeable in countries like Germany

Blooms: Knowledge

Difficulty: Medium

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: What is marketing's role in formulating and implementing strategies?

Walker - Chapter 01 #18

19. The marketing concept was originally developed by:

- A. Motorola
- B. Philip Kotler
- C. The American Marketing Association
- D. General Electric**

Blooms: Knowledge

Difficulty: Medium

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: Market-oriented management

Walker - Chapter 01 #19

20. Changes in the environment that are rapidly altering the way marketing strategies are planned include the following:

- A. globalisation and Americanisation
- B. globalisation and information technology**
- C. globalisation and terrorism
- D. globalisation and the ageing workforce

Blooms: Knowledge

Difficulty: Easy

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: The influence of different stages of development across industries and global markets

Walker - Chapter 01 #20

21. What are the major parts to a marketing plan?

- A. assessment of current situation, strategy for coming period, financial and resource implications
- B. executive summary, SWOT, competitor analysis**
- C. assessment of current situation, product development, competitor analysis
- D. executive summary, market audit, controls

Blooms: Knowledge

Difficulty: Medium

Learning Objective: 1.4 Describe the marketing plan.

Section: Exhibit 1.9 Contents of a marketing plan

Walker - Chapter 01 #21

22. Market orientation should generally be the main goal for organisations because:

- A. once you achieve market orientation, no other competitor can also become market-oriented
- B. market orientation generally provides superior performance**
- C. market orientation protects against imports
- D. market orientation makes advertising your products cheaper

Blooms: Comprehension

Difficulty: Medium

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: Does being market-oriented pay?

Walker - Chapter 01 #22

23. A marketing plan is vital for an organisation as the plan can be regarded as:

- A. protection against competitors
- B. a blueprint for action**
- C. a standard practice and procedure
- D. a document to show customers

Blooms: Knowledge

Difficulty: Easy

Learning Objective: 1.4 Describe the marketing plan.

Section: The marketing plan—a blueprint for action

Walker - Chapter 01 #23

24. What is the primary focus of marketing-level strategies? What critical issues do they focus on?

The primary focus of marketing strategy is to effectively allocate and coordinate marketing resources and activities to accomplish the firm's objectives within a specific product-market. Thus, the critical issue concerning the scope of a marketing strategy is specifying the target market(s) for a particular product or product line. Firms then seek competitive advantage and synergy through a well-integrated program of marketing mix elements (primarily the 4Ps of product, price, place, promotion) tailored to the needs and wants of potential customers in that target market.

Blooms: Comprehension

Difficulty: Hard

Learning Objective: 1.1 Identify the three different levels of strategy.

Section: Marketing strategy

Walker - Chapter 01 #24

25. What is a marketing plan? Explain its importance.

A marketing plan is a written document detailing current situation concerning customers, competitors and the external environment; providing guidelines for objectives, marketing actions and resource allocations over the planning period for either an existing or a proposed product or service. It is important because it provides a concrete history of a product's strategies and performance over time, aiding institutional memory and educating new managers. It is an important tool for communicating and coordinating expectations and responsibilities through the firm. It is especially important in larger firms because (1) marketing proposals are usually reviewed and approved by higher management levels and (2) an approved plan provides a benchmark against which to judge performance.

Difficulty: Hard

Learning Objective: 1.3 Explain how to formulate and implement marketing strategies.

Section: The marketing plan—a blueprint for action

Walker - Chapter 01 #25

26. The five components of strategy are scope, goals and objectives, resource deployments, identification of a sustainable competitive advantage and systems.

FALSE

Blooms: Knowledge

Difficulty: Easy

Learning Objective: 1.1 Identify the three different levels of strategy.

Section: The components of strategy

Walker - Chapter 01 #26

27. The primary strategic responsibility of any manager is to continuously monitor the performance of market competitors.

FALSE

Blooms: Comprehension

Difficulty: Medium

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: What is marketing's role in formulating and implementing strategies?

Walker - Chapter 01 #27

28. Spending more on selling efforts usually creates a sustainable competitive advantage.

FALSE

Blooms: Evaluation

Difficulty: Easy

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: Competitive factors affecting a business's market orientation

Walker - Chapter 01 #28

29. Planning and executing a marketing strategy involves many interrelated decisions about what to do, when to do it and how.

TRUE

Blooms: Comprehension

Difficulty: Medium

Learning Objective: 1.3 Explain how to formulate and implement marketing strategies.

Section: Relationships across functions and businesses

Walker - Chapter 01 #29

30. When analysing available market opportunities, managers must always consider price as being the key attribute for positioning a product or service in the minds of customers in the target market segment.

FALSE

Blooms: Evaluation

Difficulty: Easy

Learning Objective: 1.3 Explain how to formulate and implement marketing strategies.

Section: Market segmentation, targeting and positioning decisions

Walker - Chapter 01 #30

31. When Eric Kim joined the global marketing team at Samsung, he quickly recognised the importance of service training for all employees and initiated a process of total quality management, whereby all departments received extensive training in quality assurance.

FALSE

Blooms: Knowledge

Difficulty: Hard

Learning Objective: 1.1 Identify the three different levels of strategy.

Section: Samsung: Changing strategies to build a global brand

Walker - Chapter 01 #31

32. Current trends indicate that in the future, the most important task for strategic marketing is the creation of effective advertising and promotion campaigns to reach customers in global markets.

FALSE

Blooms: Knowledge

Difficulty: Hard

Learning Objective: 1.2 Describe marketing's role in formulating and implementing strategies.

Section: Information technology

Walker - Chapter 01 #32

c1 Summary

<u>Category</u>	<u># of Questions</u>
Blooms: Comprehension	8
Blooms: Evaluation	5
Blooms: Knowledge	15
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Difficulty: Hard	6
Difficulty: Medium	16
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Learning Objective: 1.2 Describe marketings role in formulating and implementing strategies.	16
Learning Objective: 1.3 Explain how to formulate and implement marketing strategies.	5
Learning Objective: 1.4 Describe the marketing plan.	3
Section: Analysis comes first: the '4Cs	1
Section: Business-level strategy	1
Section: Competitive factors affecting a businesss market orientation	4
Section: Does being market-oriented pay?	1
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Section: The hierarchy of strategies	1
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