

Marketing - 2006 SLC

- 1) Marketing consists primarily of selling and advertising.
A) True
B) False
- 2) The broadest and simplest definition of marketing states that it is the development and efficient distribution of products for consumer segments.
A) True
B) False
- 3) Customers are the focal point of all marketing activities.
A) True
B) False
- 4) A family that organizes and advertises a garage sale is performing marketing activities.
A) True
B) False
- 5) A marketing mix consists of three variables: product, price, and distribution
A) True
B) False
- 6) In marketing, a product can be a good or a service but not an idea.
A) True
B) False
- 7) A target market is a specific group of customers on whom an organization focuses its marketing efforts.
A) True
B) False
- 8) Marketing efforts do not involve the design and development of products.
A) True
B) False
- 9) Services are provided by applying human and mechanical efforts to people or objects.
A) True
B) False
- 10) The marketing concept stresses that a business organization can best achieve its goals by providing customer satisfaction through coordinated activities.
A) True
B) False
- 11) $\text{Value} = \text{customer costs} - \text{customer benefits}$.
A) True
B) False
- 12) Achievement of the firm's overall goal is part of the marketing concept.
A) True
B) False
- 13) Relationship marketing is a short-term, mutually beneficial arrangement in which buyer and seller focus on the creation of satisfying exchanges.
A) True
B) False
- 14) To effectively monitor changes in the marketing environment, marketers must engage in
A) environmental scanning and analysis.
B) marketing research.
C) information collection.
D) using the marketing concept.

- 15) Dell Computer collects information about a wide variety of competitive, economic, political, legal, technological, and sociological forces that affect its marketing activities. This process is called
- A) survey of the environment.
 - B) environmental scanning.
 - C) marketing information processing.
 - D) marketing.
- 16) Environmental scanning means _____ information about the marketing environment, whereas environmental analysis is concerned with _____ this information.
- A) assessing, collecting
 - B) assessing, interpreting
 - C) collecting, assessing
 - D) interpreting, observing
- 17) When PepsiCo takes information collected through research and attempts to assess and interpret what it means for its soft-drink marketing efforts, PepsiCo is engaged in environmental
- A) forces.
 - B) management.
 - C) scanning.
 - D) analysis.
- 18) Nabisco learned that health-conscious consumers preferred lower fat snack foods. At the same time, the firm saw sales of such products slumping and was careful not to launch new varieties of these products for a while. Which of the following best describes Nabisco's action?
- A) Demarketing
 - B) Environmental marketing
 - C) Environmental scanning
 - D) Environmental analysis
- 19) Daimler-Chrysler has developed aluminum car bodies that are 100% recyclable and light enough to conserve fuel. What kind of response is this environmental force?
- A) Competitive
 - B) Inactive
 - C) Proactive
 - D) Reactive
- 20) The best approach a firm can take in responding to marketing environmental forces is
- A) inactive.
 - B) reactive.
 - C) proactive.
 - D) variable.
- 21) XYZ Inc. is evaluating its employees' wage and compensation package, workplace safety programs, and family workplace programs. XYZ is addressing which dimension of marketing citizenship and social responsibility?
- A) Philanthropic
 - B) Ethical
 - C) Economic
 - D) Legal
- 22) Marketing ethics refers to principles and standards that define
- A) acceptable conduct in society.
 - B) improper behavior in marketing.
 - C) improper behavior in business.
 - D) acceptable conduct in marketing.
- 23) A business that contributes resources to the community to improve the quality of life is taking on a(n) _____ responsibility.
- A) social
 - B) legal
 - C) philanthropic
 - D) ethical
- 24) The practice of linking a firm's product marketing to a particular social cause is known as

- A) ethical marketing.
 - B) cause-related marketing.
 - C) social responsibility.
 - D) economic responsibility.
- 25) The United States' prohibition against imported cigars from Cuba is an example of a(n)
- A) quota.
 - B) exchange control.
 - C) health control.
 - D) embargo.
- 26) When a glove manufacturer in China is allowed to sell only a certain number of plastic gloves in Japan, that firm is facing a(n)
- A) quota.
 - B) restrictive product standard.
 - C) tariff.
 - D) embargo.
- 27) Government restrictions on the amount of a particular country's currency that can be bought or sold are known as
- A) import controls.
 - B) exchange controls.
 - C) embargoes.
 - D) quotas.
- 28) Which of the following is used to help maintain a more favorable balance of trade by a country?
- A) Changing political systems
 - B) Limiting imports
 - C) Limiting exports
 - D) Establishing exchange controls
- 29) _____ can force businesspeople to buy and sell foreign products through a central agency, such as a central bank.
- A) Exchange controls
 - B) Export tariffs
 - C) Quotas
 - D) Embargoes
- 30) The _____ is the difference in value between a nation's export and its imports.
- A) net trade value
 - B) gross domestic product
 - C) balance of trade
 - D) export/import ratio
- 31) When marketing researchers consider sampling techniques, they are preparing to collect _____ data.
- A) internal secondary
 - B) primary
 - C) census
 - D) statistical
- 32) If Georgia-Pacific seeks information about trends in housing around the country and uses U.S. Department of Commerce reports to get this information, it is using _____ data.
- A) secondary
 - B) causal
 - C) primary
 - D) exploratory
- 33) When working as a summer intern for a local retail store, Jan Halverson was sent to the library to look up data on population forecasts for the city of San Antonio. The population information she found would be considered
- A) primary data.
 - B) a primary database.
 - C) second-hand data.
 - D) secondary data.

- 34) One overlooked internal source of secondary marketing information a firm might collect is
- A) quality control data.
 - B) interviews with salespeople.
 - C) accounting records.
 - D) sales receipts.
- 35) The objective of sampling in marketing is to
- A) control independent variables that might influence research results.
 - B) elicit responses from as many people as possible.
 - C) ensure that measures in the study are reliable.
 - D) select representative units from a total population.
- 36) Patricia Robertson is running for Congress from the Sixth District in her state. She is interested in knowing the intended choices of the voters. All the registered voters in her district would constitute the study's
- A) dependent variables.
 - B) population.
 - C) independent variable.
 - D) experiment.
- 37) If you were to choose a sample with which to study the market for preschool toys in Illinois, the population would logically be defined as all
- A) preschool children in Illinois.
 - B) people in Illinois.
 - C) preschools in Illinois.
 - D) children in Illinois.
- 38) In what type sampling does every element have a known chance of being selected for study?
- A) Random
 - B) Stratified
 - C) Probability
 - D) Quota
- 39) Which sampling design gives every member of the population an equal chance of appearing in the sample?
- A) Nonprobability
 - B) Poll
 - C) Random
 - D) Quota
- 40) Markets fall into one or two categories. These categories are
- A) organizational and business.
 - B) homogenous and heterogeneous.
 - C) consumer and business.
 - D) consumer and customer.
- 41) In business markets, individuals or groups purchase products for one of three purposes. These purposes are
- A) resale, wholesale, and use in producing other products.
 - B) resale, direct use in producing other products, and use in general daily operations.
 - C) wholesale, direct use, and use in producing other products.
 - D) resale, wholesale, and direct use.
- 42) The four types of business markets include
- A) local government, federal government, institutional, and reseller.
 - B) producer, reseller, government, and institutional.
 - C) wholesale, retail, government, and institutional.
 - D) wholesale, government, institutional, and reseller.
- 43) When Hunter ceiling fans buys electrical wire for use in producing its ceiling fans, Hunter is part of what type of market for electrical wire?
- A) Resale
 - B) Customer
 - C) Wholesale
 - D) Business

- 44) Why would a company use the undifferentiated strategy?
- A) The undifferentiated strategy is the one strategy that provides maximum satisfaction to the whole market.
 - B) The undifferentiated strategy requires less time and fewer resources.
 - C) The needs of individual consumers in the target market for a specific product are similar, so the organization can satisfy most customers with a single marketing mix.
 - D) The needs of individual consumers are dissimilar, and distinctive marketing mixes are required to satisfy them.
- 45) When needs of individual consumers in a target market for a specific product are similar and the organization can satisfy most customers with a single marketing mix, the best approach to use may be the _____ strategy.
- A) concentrated
 - B) segmented
 - C) differentiated
 - D) undifferentiated
- 46) Which of the following statements about undifferentiated targeting strategy is false?
- A) The undifferentiated targeting strategy uses multiple distribution systems to best reach individuals in the target market.
 - B) The undifferentiated targeting strategy is good for use with staple items like sugar and salt.
 - C) The undifferentiated targeting strategy uses one promotional program aimed at everyone in the target market.
 - D) The undifferentiated targeting strategy should be used when the needs of the individual consumers are similar.
- 47) The Pro-Mark Company manufactures and sells only one type of ballpoint pen at only one price. All its advertising is the same and is directed at the mass market. What type of targeting strategy is the ProMark Company using?
- A) Intensive
 - B) Extensive
 - C) Concentrated
 - D) Undifferentiated
- 48) If Morton Salt saw all table salt customers as pretty much alike and thus offered only one marketing mix, they would be using the _____ strategy.
- A) directed
 - B) differentiated
 - C) segmented
 - D) undifferentiated
- 49) General Motors has learned that some people want sports cars, while others want vans, trucks, sedans, and economy cars. In this instance, General Motors has found its market to be
- A) focused.
 - B) undifferentiated.
 - C) heterogeneous.
 - D) concentrated.
- 50) Mattel views the toy market as composed of four age groupings, each with different needs and desires. Each of these groups are known as
- A) heterogeneous.
 - B) an undifferentiated market.
 - C) a marketing mix.
 - D) a market segment.
- 51) The purpose of market segmentation is to
- A) reduce overall costs of marketing activities.
 - B) differentiate products.
 - C) divide a total market to enable a marketer to develop a more precise marketing mix.
 - D) meet the needs of homogeneous markets.
- 52) The process of dividing a total market into market groups because people within each group have relatively similar product needs is called
- A) target marketing.
 - B) segmentation.
 - C) diversification.
 - D) concentration.

- 53) Many aspects of consumer buying decisions are affected by the individual's level of involvement. Level of involvement is
- A) the amount of external search that an individual puts into the decision-making process.
 - B) the importance and intensity of interest in a product in a particular situation.
 - C) a combination of an individual's demographic factors.
 - D) the buyer's perception, motives, and abilities.
- 54) Cindy and Marc are searching for a health club to join. This purchase will likely be affected by _____ involvement.
- A) enduring
 - B) evoked
 - C) internal
 - D) low
- 55) In contrast to extended problem solving, routinized response behavior requires
- A) less information about products.
 - B) considerable thought.
 - C) more time.
 - D) careful deliberation before making a choice.
- 56) While shopping at a Kroger grocery store, Tom sees a display of his favorite brand of diet cola. He buys a six-pack. The purchase process would be described as
- A) limited problem solving.
 - B) extended problem solving.
 - C) routinized response behavior.
 - D) situational perception.
- 57) Which of the following consumer problem-solving processes will probably be used in the purchase of toothpaste?
- A) Intensive problem solving
 - B) Extended problem solving
 - C) Routinized response behavior
 - D) Limited problem solving
- 58) Which of the following buying situations is most consistent with routinized response behavior?
- A) Aaron buying a new fishing rod and reel
 - B) Stella buying bottled water
 - C) Mary buying a new set of tires
 - D) Igor buying his first pair of basketball shoes
- 59) Stacy is going to the store to buy a gallon of milk. She will most likely use _____ in her consumer decision-making process.
- A) limited problem solving
 - B) routinized response behavior
 - C) extended problem solving
 - D) perceptual scanning
- 60) Routinized response behavior is what a consumer does when
- A) purchasing an unfamiliar product.
 - B) an information search is extensive and involves consulting friends.
 - C) buying frequently purchased, low-cost items that need little effort.
 - D) buying a product that requires a moderate amount of time for information gathering and deliberation.
- 61) To find a target market, a firm can use the
- A) socioeconomic strategy and the psychological strategy.
 - B) undifferentiated strategy, the concentrated strategy and the differentiated strategy.
 - C) total market strategy and undifferentiated strategy.
 - D) product differentiation strategy and the customer differentiation strategy.
- 62) When a firm designs a single manufacturing mix and directs it at an entire market for a particular product, the company is using a(n) _____ strategy.
- A) concentrated targeting
 - B) differentiated
 - C) single mix
 - D) undifferentiated

- 63) Jenny plans to buy a new swimsuit for her spring break cruise. She has not seen this year's styles and thus will do some comparison shopping before making a purchase decision. Jenny is engaged in
- A) extended problem solving.
 - B) impulse buying.
 - C) limited problem solving.
 - D) routinized response behavior.
- 64) Kellogg's is introducing a new bran waffle for toasters. Television commercials will be a key element in communicating the benefits associated with this product. Based on that decision, Kellogg's is expecting consumers to engage in what form of problem solving?
- A) Extended problem solving
 - B) Limited problem solving
 - C) Impulse buying
 - D) Routinized response behavior
- 65) Individuals and business organizations that purchase products for making a profit either by using the products to produce other products or by using them in their operations are classified as _____ markets.
- A) consumer
 - B) producer
 - C) institutional
 - D) reseller
- 66) An accountant who purchases software for maintaining client's books is an example of a buyer in a(n) _____ market.
- A) producer
 - B) reseller
 - C) consumer
 - D) government
- 67) Business markets are typically divided into four categories. These categories are
- A) retailers, wholesalers, services, and non-profit firms.
 - B) producers, resellers, government, and institutional.
 - C) manufacturer, wholesaler, retailer, and services.
 - D) producers, manufacturer, resellers, and government.
- 68) Mike's Roadside Market buys produce from area farmers, marks the merchandise at a price that includes some profit, and sells the fruit and vegetables to the people in and around Centerville. Mike's would be classified as part of a _____ market.
- A) consumer
 - B) producer
 - C) reseller
 - D) government
- 69) Tool's, Inc. purchases hammers, bolts, and other hardware items from a variety of manufacturers and sells them to hardware stores at a price that includes a profit. This company would be part of what type of business market?
- A) Manufacturers
 - B) Producer
 - C) Reseller
 - D) Consumer
- 70) Reseller markets consist mainly of
- A) wholesalers and retailers.
 - B) retailers.
 - C) manufacturers.
 - D) consumers.
- 71) Retailers like Wal-Mart and K-Mart are considered members of which business market?
- A) Reseller
 - B) Producer
 - C) Institutional
 - D) Retailer

- 72) Kroger Grocery Store is an example of a reseller. Which of the following factors concerning reseller purchase decisions is false?
- A) Resellers are not concerned with how much space the product takes up as long as it has a high price.
 - B) Resellers are concerned with markup.
 - C) Resellers are concerned with the level of demand for the product.
 - D) Resellers want producers to be able to supply adequate quantities of the product.
- 73) Which type of business market tends to have the most complex buying procedures?
- A) Institutional
 - B) Reseller
 - C) Retailer
 - D) Government
- 74) The state of Montana is preparing to buy a large quantity of frozen orange juice for use in a large school district. Alice Long's firm has never sold juice in the government market. To have a chance to get this order, Alice's first step must be to get her firm to
- A) advertise in the capital city.
 - B) make a presentation to the state.
 - C) quote prices to the purchasing department.
 - D) secure a slot on the list of qualified bidders.
- 75) Pi Delta Mu sorority purchases food in bulk to feed its members living in the house. This means it is part of a(n) _____ market.
- A) consumer
 - B) reseller
 - C) producer
 - D) institutional
- 76) Institutional markets are
- A) intermediaries who resell goods to make a profit.
 - B) state or local government units.
 - C) federal and state government units.
 - D) consumers who buy products for their own use.
- 77) Individuals and business organizations that buy finished goods and resell them to make a profit without changing the physical characteristics of the product are classified as _____ markets.
- A) reseller
 - B) consumer
 - C) institutional
 - D) producer
- 78) A product is defined as
- A) the idea that the customer receives in an exchange.
 - B) anything the customer receives in an exchange.
 - C) the physical object the customer receives in an exchange.
 - D) the service that is rendered to the customer.
- 79) To make intangible products more tangible or real to the customer, marketers often
- A) use external reference prices.
 - B) use low prices on tangible goods.
 - C) use symbols or cues to help symbolize product benefit.
 - D) use multiple channels of distribution.
- 80) Which of the following best illustrates how a firm can use a symbol to make an intangible product more tangible?
- A) Nike swoosh
 - B) Mercedes Benz emblem
 - C) Traveler's Insurance umbrella
 - D) McDonald's arches
- 81) A light bulb can be considered all the following except
- A) a consumer product.
 - B) either a consumer product or a business product.

- C) a consumer product if it is used to light the office of the board of directors.
D) a business product.
- 82) Products are classified as being business or consumer products according to the
A) goals of the organization.
B) seller's intended use of the product.
C) location of use.
D) buyer's intended use of the product.
- 83) Which of the following is always used to determine the classification of goods?
A) Price of the product
B) Amount of shopping required by the buyer to obtain the product
C) Buyer intent for using the product
D) Specific product features
- 84) The leading cause of new-product failure is
A) a lack of market research.
B) too little money spent on product development.
C) an ineffective advertising campaign.
D) a lack of top management support for the new product.
- 85) A complex product development process that includes extensive business analysis to determine the possibility of success, are hallmarks of a
A) radically new product.
B) genuinely new product.
C) new product failure.
D) market share advance.
- 86) A genuinely new product, like the DVD player once was, offers
A) better value than existing products.
B) lower prices than existing products.
C) innovative benefits to consumers.
D) at least two new product features.
- 87) All of the following are major steps in developing new products except
A) evaluation of competitor's efforts.
B) Screening.
C) test marketing.
D) business analysis.
- 88) Concerns about cannibalization of current product sales must be addressed in the _____ phase of the new-product development process.
A) business analysis
B) screening
C) test marketing
D) concept testing
- 89) TCBY Yogurt wants to expand its line of food products. The managers sent surveys to consumers to determine which food items would appeal to them. TCBY is currently in the _____ phase of new-product development.
A) test marketing
B) product development
C) idea generation
D) business analysis
- 90) When marketers at Hershey meet to identify the types of snacks young people want, they are engaging in which phase of new-product development?
A) Idea generation
B) Business analysis
C) Commercialization
D) Test marketing

- 91) A group of managers has been assigned the task of developing a new product, has listed several good ideas, and is now in the process of assessing each idea to determine whether it is consistent with the firm's overall objectives and resources. The managers are at what stage of the new-product development process?
- A) Business analysis
 - B) Idea generation
 - C) Screening
 - D) Product testing
- 92) Compared with other phases of the new-product development process, the largest number of new-product ideas are rejected during the _____ phase.
- A) idea generation
 - B) screening
 - C) concept testing
 - D) business analysis
- 93) Any group of people who, as individuals or as organizations, have needs for products in a product class and who have the ability, willingness, and authority to buy such products is a(n)
- A) subculture.
 - B) aggregation.
 - C) marketing mix.
 - D) market.
- 94) When marketing research shows that an aggregate of people does not desire a particular product, the people in that aggregate
- A) do not have the authority to purchase the product.
 - B) are a market.
 - C) do not have the ability to purchase the product.
 - D) are not a market for the product.
- 95) The phase of new-product development in which a small sample of potential buyers are presented with a product idea in order to determine their attitudes and initial buying intentions regarding the product is called
- A) customer response testing.
 - B) idea analysis.
 - C) test marketing.
 - D) concept testing.
- 96) Which of the following is the stage of new-product development process where customers are first exposed to the new product idea?
- A) Business analysis
 - B) Concept testing
 - C) Product development
 - D) Screening
- 97) A brand is best defined as a
- A) name, term, sign, symbol, design, or combination of these that identifies a seller's product.
 - B) name of the manufacturer or product.
 - C) registered design or symbol that may be displayed on the product or used to promote it.
 - D) related group of words that describe the product.
- 98) Marketers who view political forces as being beyond their control are taking a _____ response toward these forces.
- A) competitive
 - B) reactive
 - C) proactive
 - D) aggressive
- 99) Kleenex Boutique is a brand _____ of tissues made by Kimberly-Clark.
- A) name
 - B) mark
 - C) identification
 - D) trade name
- 100) The Nike swoosh that is prominent on all of the firm's packaging, products, and advertising is a
- A) trade character.

- B) trade mark.
- C) trade name.
- D) brand.