Marketing - An Introduction 16th edition Armstrong Test Bank

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Marketing: An Introduction, 16e **(Armstrong)**
Chapter 1 Marketing: Creating Customer Value and Engagement

1) Marketing, more than any other business function, deals with _____.
A) customers
B) sales
C) advertising
D) new products
E) brands
Answer: A
Diff: 1
LO: 1-1: Define marketing and outline the steps in the marketing process.
AACSB: Application of knowledge

2) Selling and advertising _____.
A) are only the tip of the marketing iceberg
B) have become less important in marketing
C) no longer play a role in today's marketing environment
D) are the full extent of marketing
E) have never been considered part of marketing
Answer: A
Diff: 1
LO: 1-1: Define marketing and outline the steps in the marketing process.
AACSB: Application of knowledge

3) Today, marketing must be understood in the sense of _____.
A) making a sale
B) telling and selling
C) showing and growing
D) satisfying customer needs
E) advertising
Answer: D
Diff: 2
LO: 1-1: Define marketing and outline the steps in the marketing process.
AACSB: Application of knowledge

4) According to management guru Peter Drucker, "The aim of marketing is to make _____ unnecessary."
A) advertising
B) customer service
C) selling
D) new products
E) telling
Answer: C
Diff: 2
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5) According to the five-step model of the marketing process, the first step in marketing is _____.
A) capturing value from customers to create profits and customer equity
B) constructing an integrated marketing program that delivers superior value
C) engaging customers, building profitable relationships, and creating customer delight
D) understanding the marketplace and customer needs and wants
E) designing a customer-driven marketing strategy
Answer: D
Diff: 2
LO: 1-1: Define marketing and outline the steps in the marketing process.
AACSB: Analytical thinking

6) According to the five-step model of the marketing process, designing a customer value-driven marketing strategy is the _____ step.
A) the first step
B) the second step
C) the third step
D) the fourth step
E) the fifth step
Answer: B
Diff: 2
LO: 1-1: Define marketing and outline the steps in the marketing process.
AACSB: Analytical thinking

7) In _____ of the marketing process, companies reap the rewards of creating superior customer value.
A) the first step
B) the second step
C) the third step
D) the fourth step
E) the fifth step
Answer: E
Diff: 1
LO: 1-1: Define marketing and outline the steps in the marketing process.
AACSB: Analytical thinking

8) For marketing to be effective, it must _____.
A) create a buying experience
B) help people connect with the people in their lives
C) create customer value
D) develop a culture of warmth and belonging
E) deliver high quality products
Answer: C
Diff: 3
LO: 1-1: Define marketing and outline the steps in the marketing process.
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9) Marketers today find great success just blasting out one-way messages.
Answer: FALSE
Diff: 1
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AACSB: Analytical thinking

10) A good definition of marketing is "telling and selling."
Answer: FALSE
Diff: 1
LO: 1-1: Define marketing and outline the steps in the marketing process.
AACSB: Analytical thinking

11) Marketing is primarily concerned with engaging customers and secondarily with managing profitable customer relationships.
Answer: FALSE
Diff: 2
LO: 1-1: Define marketing and outline the steps in the marketing process.
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12) Broadly defined, marketing is a social and managerial process by which individuals and organizations obtain what they need and want through creating and exchanging value with others.
Answer: TRUE
Diff: 1
LO: 1-1: Define marketing and outline the steps in the marketing process.
AACSB: Analytical thinking

13) The final step in the marketing process is capturing customer value in the form of profits and customer equity.
Answer: TRUE
Diff: 1
LO: 1-1: Define marketing and outline the steps in the marketing process.
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14) What is marketing? Briefly describe the marketing process.
Answer: Marketing can be defined as the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return. The marketing process consists of five steps. In the first four steps, companies work to understand consumers, create customer value, and build strong customer relationships. In the final step, companies reap the rewards of creating superior customer value. By creating value for consumers, they in turn capture value from consumers in the form of sales, profits, and long-term customer equity.
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15) Explain why marketing is not simply "making a sale."
Answer: Marketing is essentially satisfying customer needs. If marketers engage consumers effectively, understands their needs, develops products that provide superior customer value, and price, distribute, and promote them well, these products will sell easily. In fact, according to management guru Peter Drucker, "The aim of marketing is to make selling unnecessary."
Diff: 3
LO: 1-1: Define marketing and outline the steps in the marketing process.
AACSB: Analytical thinking

16) Needs are defined as _____.
A) states of felt deprivation
B) objects of desire shaped by culture
C) states of perceived excess
D) desires backed by buying power
E) personal and individualized wants
Answer: A
Diff: 2
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
AACSB: Analytical thinking

17) _____ are the form human needs take as they are shaped by culture and individual personality.
A) Wants
B) Necessities
C) Services
D) Benefits
E) Risks
Answer: A
Diff: 1
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
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18) When backed by buying power, _____ become _____.
A) wants; needs
B) needs; wants
C) wants; demands
D) demands; needs
E) demands; wants
Answer: C
Diff: 2
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19) Consumers needs and wants are fulfilled through _____.
A) marketing
B) market offerings
C) demands
D) marketing myopia
E) customer satisfaction
Answer: B
Diff: 1
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
AACSB: Analytical thinking

20) Abel now has the buying power to purchase the computer that he wanted to buy six months ago. Abel's want has most likely become a _____.
A) need
B) value
C) demand
D) market offering
E) desire
Answer: C
Diff: 3
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21) Market offerings _____.
A) cannot combine products and services
B) are limited to physical products
C) can include activities that are essentially intangible
D) must result in ownership of something
E) should not include solutions
Answer: C
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22) To market the cause of suicide prevention, rapper Logic worked with the National Suicide Prevent Lifeline (NSPL) to create a video embedded with his song "1-800-273-8255," the NSPL phone number. This is an example of a marketing offering for a(n) _____.
A) product
B) person
C) idea
D) place
E) exchange
Answer: C
Diff: 2
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23) Walt Disney World Resort doesn't just offer amusement park rides, it uses its famed Disney magic to create carefully orchestrated _____.
A) service offerings
B) benefits
C) wants
D) values
E) experiences
Answer: E
Diff: 2
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24) _____ is the act of obtaining a desired object from someone by offering something in return.
A) Targeting
B) Segmentation
C) Differentiation
D) Exchange
E) Positioning
Answer: D
Diff: 1
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25) When a marketer has shortsighted focus on their products, making them lose sight of underlying consumer problems, this is called _____.
A) a market offering
B) marketing myopia
C) the marketing concept
D) an exchange
E) CRM
Answer: B
Diff: 1
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
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Use the information below to answer the following questions.

Amazon founder Jeff Bezos vaulted to the position of wealthiest person in the world in a relatively short period of time by building his small online book selling platform into an online retail giant. Jeff Bezos views Amazon's role as that of "creating genuine value for customers." Bezos is motivated by the fact that Amazon customers will be loyal until another firm offers better products and/or service. Amazon has also been extremely innovative in the order and delivery process which makes the shopping experience a breeze for consumers. In the past three years Amazon's revenues have almost doubled to $575 billion dollars, an average of about $1.1 million in sales each minute of the day.

26) Much of Amazon's success can be attributed to _____.
A) rapid delivery
B) selling only the highest quality products
C) identifying customer needs
D) creating value for customers
E) a vast product selection
Answer: D
Diff: 3
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27) Based on Amazon's approach, what question would the company most likely ask itself to make a decision?
A) Which products are most desired?
B) Which approach is most newsworthy?
C) What's best for the customer?
D) What is the next big thing?
E) How much faster can we deliver?
Answer: C
Diff: 2
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
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28) If Jeff Bezos and Amazon originally focused solely on his online product offerings, he would be guilty of _____.
A) marketing myopia
B) focusing on needs over wants
C) paying too much attention to the customer
D) competitive analysis
E) niche marketing
Answer: A
Diff: 2
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
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29) Amazon's primary focus is on its product offerings.
Answer: FALSE
Diff: 2
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
AACSB: Analytical thinking

30) Jeff Bezos attributes Amazon's success to the focus on creating value for customers.
Answer: TRUE
Diff: 2
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
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31) Only sellers carry out marketing.
Answer: FALSE
Diff: 2
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32) Consumers do marketing when they search for products, interact with companies to obtain information, and make their purchases
Answer: TRUE
Diff: 1
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33) Market offerings include entities such as people, places, information, and ideas.
Answer: TRUE
Diff: 2
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
AACSB: Analytical thinking

34) A greater focus on underlying customer needs than on existing customer wants leads to marketing myopia.
Answer: FALSE
Diff: 2
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
AACSB: Application of knowledge

35) A market is a segment of potential consumers who share a common need or want.
Answer: TRUE
Diff: 1
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
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36) A market is a physical space where exchange occurs.
Answer: FALSE
Diff: 2
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37) Using suitable examples, briefly compare and contrast the concepts of needs, wants, and demands. Discuss how these concepts relate to marketing practices.
Answer: Human needs are states of felt deprivation. Needs are part of the human make-up; they are not created by external forces. Humans have a basic physical need for food, clothing, warmth, and safety, a basic social need for belonging and affection, and a basic individual need for knowledge and self-expression. Unlike needs, wants are not innate. Instead, wants are needs shaped by culture, society, and individual personality. For example, an American needs food, wants a Big Mac and soft drink, and demands lunch at McDonald's. Wants become demands when they are backed by consumers' buying power. Marketers conduct extensive research to understand customers' needs, wants, and demands. They then attempt to fulfill customers' needs, wants, and demands through their market offerings.
Diff: 3
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
AACSB: Analytical thinking

38) Explain market offerings and marketing myopia.
Answer: Consumers' needs and wants are fulfilled through market offerings—some combination of products, services, information, or experiences offered to a market to satisfy a need or a want. Market offerings are not limited to physical products. They also include services—activities or benefits offered for sale that are essentially intangible and do not result in the ownership of anything. Examples include banking, airline, hotel, retailing, and home repair services. More broadly, market offerings also include other entities, such as persons, places, organizations, information, and ideas. Many sellers make the mistake of paying more attention to the specific products they offer than to the benefits and experiences produced by these products. These sellers suffer from marketing myopia. They are so taken with their products that they focus only on existing wants and lose sight of underlying customer needs. They forget that a product is only a tool to solve a consumer problem. A manufacturer of quarter-inch drill bits may think that the customer needs a drill bit but what the customer really needs is a quarter-inch hole. These sellers will have trouble if a new product comes along that serves the customer's need better or less expensively. The customer will have the same need but will want the new product.
Diff: 2
LO: 1-2: Explain the importance of understanding the marketplace and customers and identify the five core marketplace concepts.
AACSB: Application of knowledge

39) Which of these questions must be answered to develop a winning marketing strategy?
A) How do we deliver products to customers?
B) What products should we focus on selling?
C) What is our target market?
D) Which online platform should we use to market our products?
E) How many marketing representatives will we need to hire?
Answer: C
Diff: 2
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40) Savvy marketing managers know _____.
A) the best strategy is to try to serve as many customers as possible
B) that market segmentation involves positioning the product for maximum exposure
C) it is better to have more products available for sale
D) that it is impossible to serve all potential customers in every way
E) hiring more sales reps always leads to higher sales volume
Answer: D
Diff: 3
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41) A brand's value proposition_____.
A) answers the question "Which brand is least expensive?"
B) means deciding which customers to target
C) is the set of benefits it promises to deliver to consumers to satisfy their needs
D) involves which pricing strategy the company plans to use
E) divides the market into segments of customers
Answer: C
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

42) Which of these questions is answered by a firm's value proposition?
A) What products should I deliver?
B) Which markets do I serve?
C) Why should I buy your brand rather than a competitor's?
D) How will I inform my target audience about my products?
E) Should I use more digital marketing tools or traditional tools?
Answer: C
Diff: 2
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43) Deciding on a firm's _____ means choosing the philosophy that guides its marketing strategies.
A) marketing orientation
B) segmentation
C) targeting
D) value proposition
E) pricing strategy
Answer: A
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

44) Dividing a market into several sections of customers is known as _____.
A) mass customization
B) market positioning
C) market segmentation
D) value engineering
E) undifferentiated marketing
Answer: C
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

45) Dollar General profitably appeals to families with more modest means. The retailer's approach is most likely referred to as _____.
A) mass distribution
B) cost leadership
C) consumer-generated marketing
D) target marketing
E) undifferentiated marketing
Answer: D
Diff: 3
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46) A brand's _____ is the set of benefits that it promises to deliver to consumers to satisfy their needs.
A) dominant effect
B) fringe benefit
C) perquisite
D) value proposition
E) dividend yield
Answer: D
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

47) JetBlue's promise that "Just Alright Doesn't Fly Here" and their commitment to deliver "award-winning service from award-winningly nice humans" is their _____.
A) value proposition
B) segmentation strategy
C) market offering
D) selling concept
E) production concept
Answer: A
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

48) PC manufacturer, Lenovo, focuses on low labor costs and mass distribution to ensure the continuous availability of its products at reasonable prices. Lenovo most likely follows the _____.
A) customer-driving marketing concept
B) marketing concept
C) societal marketing concept
D) production concept
E) selling concept
Answer: D
Diff: 3
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
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49) The _____ is typically practiced with unsought goods.
A) product
B) selling
C) production
D) marketing
E) societal
Answer: B
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

50) Which of the following is a difference between the marketing concept and the selling concept?
A) The marketing concept focuses on customer needs, whereas the selling concept focuses on existing products.
B) The marketing concept focuses on customer conquest, whereas the selling concept focuses on targeting the right customers.
C) The marketing concept takes an inside-out perspective, whereas the selling concept takes an outside-in perspective.
D) The marketing concept is product-centered, whereas the selling concept is production-centered.
E) The marketing concept focuses on short-term sales, whereas the selling concept strives to build long-term customer relationships.
Answer: A
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

51) The _____ concept holds that achieving organizational goals depends on knowing the needs and wants of target markets and delivering the desired satisfactions better than competitors do.
A) marketing
B) product
C) production
D) selling
E) societal marketing
Answer: A
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
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52) Customer value-driven marketing is most effective when _____.
A) a clear need exists among customers, but the need is difficult to identify
B) customers do not know what they want but are easily persuaded
C) customers seek new products and technological innovations
D) clear needs exist, and customers know what they want
E) customers have wants but cannot afford them
Answer: D
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Reflective thinking

53) Understanding customer needs even better than customers themselves do and creating products and services that meet both existing and latent needs, now and in the future is _____ marketing.
A) production-oriented
B) customer-driving
C) profit-driven
D) functional
E) societal
Answer: B
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

54) The ABC, a leading provider of personal computer systems, began manufacturing tablet devices after predicting a future consumer need for portability. Which of the following was most likely implemented by the ABC company?
A) The selling concept
B) Customer-driving marketing
C) The product concept
D) Sustainable marketing
E) The production concept
Answer: B
Diff: 3
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
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55) The societal marketing concept holds that _____.
A) consumers will not buy enough of a firm's products unless the firm undertakes a large-scale selling and promotion effort
B) a company's marketing decisions should focus on creating economic value in a way that also creates value for the surrounding environment
C) the society will only favor products that are available and highly affordable
D) achieving organizational goals depends on knowing the needs and wants of target markets and delivering the desired satisfactions better than competitors do
E) consumers will favor products that offer the most in quality, performance, and innovative features
Answer: B
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

56) The _____ marketing concept questions whether the pure marketing concept overlooks possible conflicts between consumer-short-run wants and consumer long-run welfare.
A) production
B) product
C) selling
D) societal
E) marketing
Answer: D
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

57) Which of the following concepts calls for sustainable marketing?
A) The societal marketing concept
B) The marketing concept
C) The selling concept
D) The production concept
E) The product concept
Answer: A
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking; Ethical understanding and reasoning

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58) _____ marketing is defined as socially and environmentally responsible marketing that meets the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs.
A) Customer-driven
B) Mass
C) Sustainable
D) Customer-driving
E) Ambush
Answer: C
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking; Ethical understanding and reasoning

59) Which is NOT one of the four Ps of marketing?
A) Product
B) Price
C) People
D) Place
E) Promotion
Answer: C
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking; Ethical understanding and reasoning

60) Which of the four Ps of marketing engages target consumers, communicates about the offering, and persuades consumers of the offer's merits?
A) Product
B) Price
C) People
D) Place
E) Promotion
Answer: E
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking; Ethical understanding and reasoning

61) One of the main considerations underlying societal marketing is the concept of shared value.
Answer: TRUE
Diff: 1
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62) The 4 Ps of marketing are product, place, people, and promotion.
Answer: FALSE
Diff: 1
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AACSB: Analytical thinking

63) The product concept is a customer-centered, sense-and-respond philosophy.
Answer: FALSE
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

64) A company's value proposition must give it a distinct advantage in its target market.
Answer: TRUE
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Application of knowledge

65) The selling concept holds that consumers will favor products that offer the most in quality, performance, and innovative features.
Answer: FALSE
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

66) Organizations that follow the production concept most likely practice socially and environmentally responsible marketing.
Answer: FALSE
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

67) The interests of customers, the organization, and society are rarely in conflict.
Answer: FALSE
Diff: 1
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
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68) Why do companies generally divide a market into segments of customers?
Answer: A company decides whom it will serve by dividing the market into segments of customers and selecting which segments it will go after. Some people think of marketing management as finding as many customers as possible and increasing demand. But marketing managers know that they cannot serve all customers in every way. By trying to serve all customers, they may not serve any customer well. Hence, companies usually want to select only customers that they can serve well and profitably. Ultimately, marketing managers must decide which customers they want to target and on the level, timing, and nature of their demand.
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Application of knowledge

69) Compare and contrast the product and production concepts.
Answer: The production concept holds that consumers will favor products that are available and highly affordable. Therefore, it dictates that management should focus on improving production and distribution efficiency. This concept is one of the oldest orientations that guides sellers. The production concept is still a useful philosophy in some situations. For example, both personal computer maker Lenovo and home appliance maker Haier dominate the highly competitive, price-sensitive Chinese market through low labor costs, high production efficiency, and mass distribution. However, although useful in some situations, the production concept can lead to marketing myopia. Companies adopting this orientation run a major risk of focusing too narrowly on their own operations and losing sight of the real objective—satisfying customer needs and building customer relationships. The product concept holds that consumers will favor products that offer the most in quality, performance, and innovative features. Under this concept, marketing strategy focuses on making continuous product improvements. Product quality and improvement are important parts of most marketing strategies. However, focusing only on products can also lead to marketing myopia. For example, manufacturers of mousetraps might believe that if they can build a better mousetrap, their profits will soar, but they are often rudely shocked. Buyers may be looking for a better solution to a mouse problem but not necessarily for a better mousetrap. The better solution might be a chemical spray, an exterminating service, a house cat, or something else that suits their needs even better than a mousetrap. Furthermore, a better mousetrap will not sell unless the manufacturer designs, packages, and prices it attractively, places it in convenient distribution channels, brings it to the attention of people who need it, and convinces buyers that it is a better product.
Diff: 3
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

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70) Compare the selling and marketing concepts, and list the key components of each concept.
Answer: The selling concept reflects an inside-out perspective, while the marketing concept takes an outside-in perspective. The selling concept is typically practiced when an organization markets products or services that buyers do not normally think of purchasing, such as insurance or blood donation. Aggressive selling focuses on creating sales transaction rather than on building long-term relationships with customers, with the aim of selling what a company makes rather than making what the customer wants. The marketing concept, on the other hand, is based on identifying the needs and wants of target markets and then satisfying those needs and wants better than competitors do. Under the marketing concept, customer focus and value are the paths to sales and profits. Instead of a product-centered make-and-sell philosophy, the marketing concept is a customer-centered sense-and-respond philosophy. The job is not to find the right customers for a product but to find the right products for customers.
Diff: 3
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Analytical thinking

71) Briefly explain the societal marketing concept.
Answer: The societal marketing concept questions whether the pure marketing concept overlooks possible conflicts between consumer short-run wants and consumer long-run welfare. Is a firm that satisfies the immediate needs and wants of target markets always doing what's best for its consumers in the long run? The societal marketing concept holds that marketing strategy should deliver value to customers in a way that maintains or improves both the consumer's and society's well-being. It calls for sustainable marketing, socially and environmentally responsible marketing that meets the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs. Companies like GE, Dow, Google, IBM, and Nestle are concerned not just with short-term economic gains, but with the well-being of their customers, the depletion of natural resources vital to their businesses, the viability of key suppliers, and the economic well-being of the communities in which they produce and sell.
Diff: 2
LO: 1-3: Identify the key elements of a customer value-driven marketing strategy and discuss the marketing management orientations that guide marketing strategy.
AACSB: Ethical understanding and reasoning

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72) Eliza Warren is a marketing manager for an existing product line that generates $42 million in sales volume. She has been charged with increasing sales by 20% next year. What is the minimum sales amount she will need to generate to hit this target?
A) $84.0 million
B) $54.6 million
C) $52.5 million
D) $50.4 million
E) $42.2 million
Answer: D
Diff: 1
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

73) Stew Leonard believes every sulking customer in his store costs him $50,000. What is his total loss if he loses 8% of 24,500 customers this year?
A) $980,000
B) $9,800,000
C) $98,000,000
D) $980,000,000
E) $1,225,000,000
Answer: C
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

74) What is the value of a firm's customer equity if they have 20,000 customers that will be loyal customers for the next 25 years and they spend an average of $850 per year?
A) $425,000,000
B) $500,000
C) $17,000,000
D) $12,500,000
E) $21,250
Answer: A
Diff: 3
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

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75) What is the customer lifetime value of a person who buys $975 in product every year and is expected to be a loyal customer for at least 15 years?
A) $65
B) $990
C) $9,750
D) $14,625
E) $19,500
Answer: D
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

76) The overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction is referred to as _____.
A) perceived-value management
B) societal marketing
C) customer relationship management
D) partner relationship management
E) enterprise resource planning
Answer: C
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

77) _____ deals with all aspects of acquiring, engaging, and growing customers.
A) AEG
B) CPV
C) CRM
D) PRM
E) AI
Answer: C
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

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78) The customer's evaluation of the difference between the benefits delivered by and the costs of obtaining and using a market offering, relative to those of competing offerings is called _____.
A) the value proposition
B) customer relationship management
C) customer satisfaction
D) customer-perceived value
E) customer brand advocacy
Answer: D
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Reflective thinking

79) If a product's performance _____ expectations, the customer is _____.
A) exceeds; dissatisfied
B) falls short of; delighted
C) matches; unsatisfied
D) exceeds; highly satisfied
E) matches; dissatisfied
Answer: D
Diff: 3
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

80) Which of the following is an example of consumer-generated marketing?
A) Cristal, a jewelry store, uses its page on Facebook to provide information about its upcoming products to its customers.
B) Figa, a leading provider of athletic shoes, helps its customers customize their shoes on its website and choose personalized settings.
C) Fun & Run, a local amusement park, promotes its services by allowing consumers to upload videos and write reviews about the park.
D) Barton's, a local pet supply store, rewards frequent buyers with vouchers and exclusive offers.
E) Energix, a manufacturer of soft drinks, attracts customers through televised advertisements.
Answer: C
Diff: 3
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
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81) For the past nine years, PepsiCo's Doritos brand has held a "Crash the Super Bowl" contest in which it invites 30-second ads from consumers and runs the best ones during the game. This is an example of _____.
A) consumer-generated marketing
B) frequency marketing
C) customer-club marketing
D) sustainable marketing
E) multi-level marketing
Answer: A
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

82) _____ refers to working closely with people inside and outside the company to jointly bring more value to customers.
A) Demand management
B) Customer-generated marketing
C) Integrated communication
D) Partner relationship management
E) Channel value proposition
Answer: D
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

83) Stew Leonard's has created what has been called the "Disneyland of Dairy Stores," complete with costumed characters, scheduled entertainment, and a petting zoo. It's built 30 additions onto the original store, which now serves more than 300,000 customers each week. This legion of loyal shoppers is largely a result of the store's passionate approach to customer service. Instead of focusing on individual transactions, Stew and his staff are putting a priority on _____.
A) decreasing customer-perceived value
B) managing partner relationships
C) attracting "butterflies"
D) converting "strangers" into "butterflies"
E) capturing customer lifetime value
Answer: E
Diff: 3
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

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84) _____ refers to the portion of the customer's purchase that a company gets in its product categories.
A) Value proposition
B) Share of customer
C) Brand equity
D) Customer lifetime value
E) Customer equity
Answer: B
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

85) If a customer shops at a business 12 times a year, spends about $150 per visit, and lives in the area for 20 years, how much lifetime revenue will the business realize from this customer?
A) $3,000
B) $1,800
C) $36,000
D) $240
E) $48,000
Answer: C
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

86) What is customer equity?
A) Total combined lifetime value of all the company's current customers
B) Total combined lifetime value of all the company's current and potential customers
C) Total combined lifetime value of all the company's potential customers
D) Total combined lifetime value of the company's median customer
E) Total combined lifetime value of all the company's lost customers
Answer: B
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Application of knowledge

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87) In which of the following customer relationship groups do organizations generally avoid investing?
A) Barnacles
B) Strangers
C) Butterflies
D) True believers
E) True friends
Answer: B
Diff: 1
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Application of knowledge

88) A stock market investor who trades shares often and in large amounts but who enjoys hunting out the best deals without building a regular relationship with any single brokerage company is best represented by which relationship group?
A) True friends
B) Butterflies
C) Strangers
D) Barnacles
E) True believers
Answer: B
Diff: 1
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

89) _____ are perhaps the most problematic customers.
A) True friends
B) Barnacles
C) Strangers
D) True believers
E) Butterflies
Answer: B
Diff: 1
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
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90) There is a strong fit between the needs of _____and the company's offerings. The firm wants to make continuous relationship investments to delight these customers and engage, nurture, retain, and grow them.
A) barnacles
B) strangers
C) true friends
D) laggards
E) butterflies
Answer: C
Diff: 1
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

91) Amazon Prime strives to convert casual shoppers into loyal customers. An Amazon Prime customer can be classified as a _____.
A) barnacle
B) true friend
C) stranger
D) laggard
E) butterfly
Answer: B
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

92) Carla, a team leader in charge of customer relationship management, is planning strategies to improve the profitability of her firm's least profitable but loyal customers. She is also examining methods for "firing" customers in this group who cannot be made profitable. To which of the following customer relationship groups do these customers belong?
A) Butterflies
B) True friends
C) Strangers
D) Barnacles
E) Innovators
Answer: D
Diff: 3
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

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93) Research also shows that it's _____ times cheaper to keep an existing customer than acquire a new one.
A) two
B) three
C) five
D) eight
E) ten
Answer: C
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Application of knowledge

94) Customers always judge values and costs of offering accurately and objectively.
Answer: FALSE
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Application of knowledge

95) Customer's satisfaction depends on the product's perceived performance relative to a buyer's expectations.
Answer: TRUE
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Application of knowledge

96) Companies will delight customers by overpromising and underdelivering.
Answer: FALSE
Diff: 1
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Application of knowledge

97) Efforts to convert butterflies into loyal customers are usually successful.
Answer: FALSE
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Application of knowledge

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98) Customer brand advocacy involves satisfied customers initiating favorable interactions with others about a brand.
Answer: TRUE
Diff: 1
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Application of knowledge

99) Today, companies focus mostly on mass marketing brands at arm's length to broad segments of customers.
Answer: FALSE
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Application of knowledge

100) Although pursuing customer satisfaction and loyalty is generally a good approach, some types of customers require different engagement and relationship management strategies.
Answer: TRUE
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

101) Through consumer-generated marketing, consumers themselves are playing a bigger role in shaping their own brand experiences and those of others.
Answer: TRUE
Diff: 1
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Application of knowledge

102) In the final step of a marketing process, a company reaps the rewards of its strong customer relationships by capturing value from customers.
Answer: TRUE
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
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103) Define customer-perceived value.
Answer: Customer-perceived value is defined as the customer's evaluation of the difference between all the benefits and all the costs of a market offering relative to those of competing offers. Importantly, customers often do not judge values and costs accurately or objectively. They act on perceived value. A customer buys from the firm that offers the highest customer-perceived value.
Diff: 1
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

104) The aim of customer relationship management is to create not just customer satisfaction, but customer delight as well. Explain.
Answer: Customer satisfaction cannot be taken for granted. Since brand loyalty is dependent upon strong customer satisfaction, companies strive to retain, satisfy, and even delight current customers. Firms create customer delight by promising only what they can deliver and then delivering more than what they promise. They also create emotional relationships with key customers. Delighted customers make repeated purchases and become customers for life. More importantly, they also essentially become an unpaid sales force for the firm as "customer evangelists" who tell other potential customers about their positive experiences with a product.
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

105) Discuss the idea that greater customer empowerment means that companies must shift from marketing by intrusion to marketing by attraction.
Answer: Companies create market offerings and messages that engage customers rather than interrupt them. Hence, marketers now combine their mass-media marketing with a rich mix of online, mobile, and social media marketing that promotes brand-customer engagement, brand conversations, and brand advocacy among customers. "Rather than have their brand content peppered around something that people want to engage with, only to have people be annoyed by the brand for interrupting that engagement," says an analyst, "marketers want their brands to be producing the thing that people want to engage with now." For example, companies post their latest ads and videos on social media sites, hoping they'll go viral. They use a host of digital channels to start conversations with and between customers, address customer issues, research customer reactions, and drive traffic to relevant articles, web and mobile marketing sites, videos, and other brand content. They launch blogs, mobile apps, brand microsites, and consumer review systems to engage customers on a more personal, interactive level. Skilled use of digital media can get customers involved with a brand, talking about it, and advocating it to others.
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

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106) Compare and contrast customer-managed relationships and consumer-generated marketing.
Answer: Today's consumers have more information about brands than ever before, and they have a wealth of platforms for airing and sharing their brand views with other consumers. Thus, the marketing world is now embracing not only customer relationship management, but also customer-managed relationships. Greater consumer control means that companies can no longer rely on marketing by intrusion. Instead, marketers must practice marketing by attraction—creating market offerings and messages that involve consumers rather than interrupt them. Hence, most marketers now augment their mass-media marketing efforts with a rich mix of direct marketing approaches that promote brand-consumer interaction. For example, many brands are creating dialogues with consumers via their own or existing online social networks. A growing part of the new customer dialogue is consumer-generated marketing, by which consumers themselves are playing a bigger role in shaping their own brand experiences and those of others. This might happen through uninvited consumer-to-consumer exchanges in blogs, video-sharing sites, and other digital forums. Increasingly, companies are also inviting consumers to play a more active role in shaping products and brand messages. One drawback of this process is that harnessing consumer-generated content can be time-consuming and expensive.
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

107) Define customer equity, and explain why it is important to a company.
Answer: Customer equity is the sum of the lifetime values of all the current and potential customers of a company. Customer equity is dependent upon customer loyalty from a firm's profitable customers. Because customer equity is a reflection of a company's future, companies must manage it carefully, viewing customers as assets that need to be maximized. It is important that companies not only acquire customers but also keep and grow them. When companies create profitable customers, they earn a greater share of their purchases, and capture their customer lifetime value.
Diff: 1
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

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108) Discuss potential challenges with customer-generated content.
Answer: Despite its potential for success, harnessing customer-generated content can be time-consuming and costly, and companies may find it difficult to mine even a little gold from all the content submitted. Moreover, customer participation and cocreation can backfire. For example, Australian airline Qantas's social media team once asked customers to share their #QantasLuxury "dream luxury inflight experience." It seemed like a good idea, but it was launched just one day after the airline had grounded its fleet and locked out staff for 48 hours over a union pay dispute. Needless to say, staff and customers went into full bashtag mode on X (formerly Twitter).
Diff: 2
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

109) Describe and compare the four types of customers classified by their potential profitability to an organization. Identify how an organization should manage each type of customer.
Answer: The four types of customers are strangers, butterflies, true friends, and barnacles.
1. "Strangers" have low potential profitability and loyalty. A company's offerings do not fit well with a stranger's wants and demands. Companies should not invest in building a relationship with this type of customers.
2. Another type of customer in which a company should not invest is the "barnacle." Barnacles are highly loyal but not very profitable because there is a limited fit between their needs and the company's offerings. The company might be able to improve barnacles' profitability by selling them more, raising their fees, or reducing service to them. However, if they cannot be made profitable, they should be "fired."
3. Like strangers, "butterflies" are not loyal. However, they are potentially profitable because there is a good fit between the company's offerings and their needs. Like real butterflies, this type of customer will come and go without becoming a permanent, loyal consumer of a company's products. Companies should create satisfying and profitable transactions with them, and then cease investing in them until the next time around.
4. The final type of customers is "true friends." They are both profitable and loyal. There is a strong fit between their needs and the company's offerings, so the company should make continuous relationship investments in an effort to go beyond satisfying and to delight these customers. A company should try to delight true friends so that they will tell others about their good experiences with the company.
Diff: 3
LO: 1-4: Discuss customer relationship management and identify strategies for creating value for customers and capturing value from customers in return.
AACSB: Analytical thinking

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110) The use of social media, mobile ads and apps, online video, blogs and other digital platforms to connect with and engage consumers via their digital devices is known as _____.
A) real-time marketing
B) online engagement
C) digital and social media marketing
D) sustainability marketing
E) the Internet of Things
Answer: C
Diff: 2
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Analytical thinking

111) Which of these is an example of real-time marketing?
A) Procter & Gamble using coupons in the Sunday paper
B) Elon Musk tweeting about cryptocurrency
C) Best Buy making it easy to return unwanted items
D) Taco Bell using navigation apps with directions to nearby stores
E) Starbucks collecting customer data on their website
Answer: D
Diff: 3
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Analytical thinking

112) _____ is/are the fastest-growing digital marketing platform.
A) Mobile marketing
B) Online video
C) Blogs
D) Social media
E) Customer ratings and reviews
Answer: A
Diff: 1
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Analytical thinking

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113) Some firms, such as Ben & Jerry's and Unilever, focus on setting themselves apart by being civic minded and socially responsible. These firms are practicing _____.
A) caring capitalism
B) socialism
C) digital marketing
D) financial sustainability
E) global marketing
Answer: A
Diff: 2
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Analytical thinking

114) What is the potential number of consumers that can be reached via real-time marketing if 80% of 330 million Americans own smartphones and 66% of these consumers keep their phone with them at all times?
A) 174,240,000
B) 264,000,000
C) 217,800,000
D) 330,000,000
E) 287,330,000
Answer: A
Diff: 1
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Analytical thinking

115) Today's consumers seek _____ in which their brand engagement and buying span brick-and- mortar, online, mobile, social media, and other channels and platforms.
A) real-time marketing
B) CRM
C) omnichannel brand experiences
D) PRM
E) caring capitalism
Answer: C
Diff: 2
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Analytical thinking

116) Not-for-profit organizations are still reluctant to use marketing strategies to raise funds and awareness.
Answer: FALSE
Diff: 2
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Application of knowledge

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117) Online purchases are made on their smartphones by over 90 percent of U.S. shoppers.
Answer: TRUE
Diff: 1
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Application of knowledge

118) Social media provides an ideal platform for online marketing.
Answer: TRUE
Diff: 1
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Application of knowledge

119) Social media gives marketers immediate access to billions of potential customers.
Answer: TRUE
Diff: 1
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Application of knowledge

120) Marketing in the age of disruptions, such as the COVID-19 pandemic, uses the same tactics and strategies as traditional marketing.
Answer: FALSE
Diff: 1
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Application of knowledge

121) Digital and social media marketing involves using digital marketing tools such as websites, social media, mobile ads and apps, online video, email, blogs, and other digital platforms to engage consumers.
Answer: TRUE
Diff: 2
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Analytical thinking

122) Today, almost every company, large or small, is touched in some way by global competition.
Answer: TRUE
Diff: 1
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Application of knowledge

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123) List and discuss the most important step in the marketing process.
Answer: The most important step in the marketing process involves engaging target customers and building value-laden, profitable relationships with them. Throughout the process, marketers practice customer relationship management to create customer satisfaction and delight. They engage customers in the process of creating brand conversations, experiences, and community. In creating customer value and relationships, however, the company cannot go it alone. It must work closely with marketing partners both inside the company and throughout its marketing system. Thus, beyond practicing good customer relationship management and customer-engagement marketing, firms must also practice good partner relationship management.
Diff: 2
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Application of knowledge

124) How are marketers responding to consumers' expectations for marketing to be socially and environmentally responsible?
Answer: Marketers are reexamining their social responsibilities and their relationship with the very earth that sustains us. Some companies resist these pressures, budging only when forced by legislation or organized consumer outcries. But most companies now view sustainable marketing as an opportunity to do well by doing good. They seek ways to profit by serving immediate needs and the best long-run interests of their customers and communities. Some companies, such as Patagonia, Warby Parker, Ben & Jerry's, and others, practice caring capitalism, setting themselves apart by being civic minded and responsible. They build social and environmental responsibility into their company value and mission statements.
Diff: 2
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Written and oral communication

125) Discuss some of the benefits of real-time marketing.
Answer: Real-time marketing, if done correctly, can solidify a brand's positioning and create brand personality. It can connect a brand with what's happening and important in consumers' lives and keep the conversation going. "Real-time marketing used to be just the content," says the strategist. "But now the content is the spark for conversation and helps brands build a relationship with followers."
Diff: 2
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Written and oral communication

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126) Explain how the Internet has transformed the way in which we do business today.
Answer: The Internet links individuals and businesses of all types to each other. The Internet allows firms access to exciting new market spaces. The consumer love affair with digital and mobile technology makes it fertile ground for marketers trying to engage customers. Digital and social media marketing involves using digital marketing tools such as websites, social media, mobile ads and apps, online video, e-mail, blogs, and other digital platforms that engage consumers anywhere, anytime via their computers, smartphones, tablets, Internet-ready TVs, and other digital devices. At the most basic level, marketers set up company and brand websites that provide information and promote the company's products. Many of these sites also serve as online brand communities, where customers can congregate and exchange brand-related interests and information. The social media provide exciting opportunities to extend customer engagement and get people talking about a brand. Most U.S. companies now use social media as part of their marketing mixes. Mobile marketing is perhaps the fastest-growing digital marketing platform. Smartphones are ever-present, always on, finely targeted, and highly personal. This makes them ideal for engaging customers anytime, anywhere as they move through the buying process. For example, Starbucks customers can use their mobile devices for everything from finding the nearest Starbucks and learning about new products to placing and paying for orders.
Diff: 3
LO: 1-5: Describe the major trends and forces that are changing the marketing landscape in this age of relationships.
AACSB: Analytical thinking

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