Marketing Real People Real Choices 11th edition Solomon Test Bank

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Marketing: Real People, Real Choices, 11e **(Solomon)**
Chapter 1 Welcome to the World of Marketing: Create and Deliver Value

1) A _____ is the ultimate user of a good or service.
A) stakeholder
B) market
C) target market
D) marketer
E) consumer
Answer: E
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

2) _____ is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.
A) Demand satisfaction
B) Competitive advantage building
C) Marketing
D) Total quality management
E) Value chain management
Answer: C
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Written and oral communication

3) The _____ consists of the tools an organization uses to create a desired response among a set of predefined consumers.
A) sharing economy
B) market position
C) value proposition
D) marketplace
E) marketing mix
Answer: E
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

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4) Which of the following is NOT one of the four Ps of marketing?
A) price
B) profit
C) product
D) promotion
E) place
Answer: B
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Written and oral communication

5) Which of the following is a true statement about the four Ps of the marketing mix?
A) A decision about one of the Ps affects every other marketing-mix decision.
B) Price is always the most important of the four Ps.
C) Place is typically the least important of the four Ps.
D) The four Ps have little effect on a product's market position.
E) The four Ps are used to determine a product's target market.
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

6) Which of the following is part of the product element of the marketing mix?
A) a quality discount
B) a store coupon
C) a newspaper advertisement
D) the packaging
E) publicity releases
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

7) The customer's overall assessment of every interaction the customer has had with a business is known as _____.
A) the customer experience
B) customer engagement
C) e-commerce
D) the marketing mix
E) collaborative consumption
Answer: A
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

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8) _____ is the assignment of a product's value, or the amount the consumer must exchange to receive the offering.
A) Promotion
B) Price
C) Benefit
D) Need
E) Utility
Answer: B
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

9) The design and packaging of a good is included in which element of the marketing mix?
A) product
B) place
C) price
D) distribution
E) promotion
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Written and oral communication

10) Marketing communication is also referred to as _____.
A) production
B) selling orientation
C) societal marketing
D) exchange
E) promotion
Answer: E
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Written and oral communication

11) For an exchange to occur, _____.
A) at least two people or organizations must be willing to make a trade, and each must have something the other wants
B) there must be one winner and one loser
C) someone must make a financial profit
D) the item that is exchanged must be a tangible product
E) time utility must be created for the purchaser
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

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12) Which element of the marketing mix is most closely associated with a company's channel of distribution?
A) production
B) place
C) price
D) profit
E) promotion
Answer: B
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Reflective thinking

13) _____ are intangible products that we pay for and use but never own.
A) Consumer goods
B) Services
C) Industrial goods
D) E-commerce products
E) Value products
Answer: B
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

14) Items such as paper towels or sugar that are purchased for use by a family are considered _____.
A) consumer services
B) consumer goods
C) value propositions
D) utilities
E) industrial goods
Answer: B
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

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15) _____ marketing is the marketing of goods and services from one organization to another.
A) Distributive
B) Consumer
C) E-commerce
D) Business-to-business
E) Target
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

16) _____ are organizations with charitable, educational, community, and other public service goals that buy goods and services to support their functions and to attract and serve their members.
A) Consumer organizations
B) Public organizations
C) Private organizations
D) Not-for-profit organizations
E) For-profit organizations
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

17) Marketers first identify consumer needs and then provide products that satisfy those needs. This practice is referred to as _____.
A) the stakeholder orientation
B) the marketing concept
C) total quality management
D) collaborative consumption
E) the marketing mix
Answer: B
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

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18) When a gap exists between a consumer's actual state and some ideal or desired state, the consumer has a _____.
A) benefit
B) demand
C) need
D) value
E) utility
Answer: C
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

19) A _____ is a desire for a particular product a consumer uses to satisfy a need in a specific way that is culturally and socially influenced.
A) benefit
B) demand
C) value
D) utility
E) want
Answer: E
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

20) A _____ delivered by a product is the outcome that motivates a customer's buying behavior.
A) benefit
B) demand
C) value
D) need
E) want
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

21) A customer's desire for a product coupled with the buying power or resources to obtain that product is called _____.
A) benefit
B) demand
C) need
D) utility
E) service
Answer: B
Difficulty: Easy
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22) The usefulness or benefit that consumers receive from a product is _____.
A) utility
B) TQM
C) ROI
D) e-commerce
E) value
Answer: A
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

23) A glitzy shopping mall, a mail-order catalog, a television shopping network, and an e-commerce website are all examples of _____.
A) marketing concepts
B) value chains
C) monopolies
D) marketplaces
E) strategic business units
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

24) Consumers rent all types of goods that they aren't using, from barbecue grills to Halloween costumes, to other consumers who need them for a limited time on sites like Craigslist. This reflects _____.
A) the marketing mix
B) value chains
C) the attention economy
D) collaborative consumption
E) user-generated content
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

25) All of the following are forms of utility created by marketing processes EXCEPT _____.
A) form utility
B) place utility
C) time utility
D) possession utility
E) price utility
Answer: E
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

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26) When a dress manufacturer combines silk, thread, and a zipper to create a bridesmaid's gown, _____ utility occurs.
A) form
B) place
C) time
D) possession
E) price
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

27) Rent the Runway rents high-end designer dresses at one-tenth the retail cost, for four nights, shipping directly to the customer's doorstep. A prepaid envelope is provided for return shipping. This is an example of _____ utility.
A) form
B) place
C) time
D) possession
E) price
Answer: B
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

28) _____ utility is the benefit marketing provides by allowing the consumer to own, use, and enjoy a product.
A) Form
B) Place
C) Time
D) Possession
E) Price
Answer: D
Difficulty: Moderate
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29) Buyers, sellers, investors, and community residents are all considered _____ in a company.
A) stakeholders
B) shareholders
C) consumers
D) channel of distribution members
E) collaborative consumers
Answer: A
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

30) When Tony rented a loft apartment where he would live for the summer, he acted as a _____.
A) consumer
B) shareholder
C) producer
D) marketer
E) retailer
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

31) Chris just landed her dream job but realizes that her college wardrobe is not going to work for her new professional position. In this situation, Chris has a(n) _____.
A) benefit
B) exchange
C) value
D) need
E) utility
Answer: D
Difficulty: Moderate
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32) After saving a portion of several paychecks, Greg Williams now has the buying power to purchase the computer system he has wanted for the last six months. Greg's want has become a(n) _____.
A) need
B) necessity
C) demand
D) exchange
E) transaction
Answer: C
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

33) Ruth Terry is a realtor. In her ads, Terry offers the free use of a moving truck to every customer she helps either buy or sell a house. This free use of a moving truck is an example of _____.
A) a benefit
B) a demand
C) business-to-business marketing
D) a need
E) a marketplace
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Application of knowledge

34) Which of the following is the best example of a consumer good?
A) the riding lawn mower purchased by the landscaping company
B) the disposable diapers purchased by the new mother for her baby
C) the paint purchased by the contractor
D) the cookies purchased for the daycare center
E) the art supplies purchased for the elementary school art center
Answer: B
Difficulty: Moderate
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35) Which of the following is the best example of a service?
A) the medical examination Jonathon had yesterday
B) the sheet music purchased by the piano teacher
C) the software Monica purchased from the website
D) the cleaning supplies purchased for the veterinarian's office
E) the t-shirt you got for running in a 5K race
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Application of knowledge

36) Alex paid for a(n) _____ when he took his car to the carwash to be washed and waxed.
A) service
B) industrial product
C) consumer good
D) commercial good
E) business product
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

37) Which of the following is an example of a transaction that might occur in business-to-business marketing?
A) Maurice buys a new razor on his way home from work.
B) The amateur gardener buys a new wheelbarrow.
C) The retail outlet buys athletic shoes to sell in its store.
D) The professional chef bakes a birthday cake for her son.
E) Robyn's mother hires a math tutor to help Robyn pass algebra.
Answer: C
Difficulty: Moderate
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38) Asad purchases air conditioners to provide HVAC systems for office buildings. He sells _____.
A) distributive goods
B) consumer services
C) consumer goods
D) industrial goods
E) intangible goods
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

39) Which of the following is an example of a not-for-profit organization that would use marketing principles?
A) a fast-food restaurant
B) a manufacturer of bicycles
C) a software developer
D) a theme amusement park
E) the local city zoo
Answer: E
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

40) A sign manufacturer who uses plastic, metal, and neon tubing to create a motel sign has performed the marketing benefit of creating _____ utility.
A) form
B) place
C) possession
D) time
E) creation
Answer: A
Difficulty: Moderate
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41) Shane pulled her car into the gas station just as the fuel gauge dropped below empty. In this example, Shane benefited from the _____ utility offered by the gas station.
A) creation
B) place
C) value
D) marketing
E) quality
Answer: B
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

42) Seth's mother didn't want to build a climbing wall as a permanent feature in her backyard, but it was certainly convenient to rent one from the company that catered Seth's 12th birthday party. The catering company created both _____ utility when it rented her the climbing wall.
A) form and place
B) place and creation
C) possession and price
D) time and place
E) creation and possession
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

43) Kris traded Priya four hours of yardwork for a home-made dinner for four. This is an example of a(n) _____.
A) differential benefit
B) promotion
C) exchange
D) collaborative consumption
E) virtual trade
Answer: C
Difficulty: Moderate
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44) Zappos has focused on the customer's ease of navigating their website, the quality of the customer service calls, the expedited shipping, and providing free returns. Zappos is paying particular attention to the _____.
A) marketing mix
B) people marketing
C) collaborative consumption
D) not-for-profit marketing
E) customer experience
Answer: E
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Application of knowledge

45) Conveniently located vending machines around your college or university campus make it easy for you to buy a soda and a snack between classes. This is an example of the _____ element of the marketing mix.
A) production
B) place
C) price
D) profit
E) promotion
Answer: B
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

46) Susannah owns a one-bedroom apartment in Manhattan that she posts for short-term weekend and summer rentals on Airbnb when she plans to be out of town. This is an example of _____.
A) not-for-profit marketing
B) institutional marketing
C) collaborative consumption
D) people marketing
E) consumer-generated marketing
Answer: C
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

47) The principles of marketing apply only to goods and services.
Answer: FALSE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

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48) The term "marketing" is synonymous with the term "advertising."
Answer: FALSE
Difficulty: Moderate
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AACSB: Written and oral communication

49) Marketers define a need as the difference between a consumer's actual state and some ideal or desired state.
Answer: TRUE
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

50) Although having something to eat or drink may be a need, the desire for a specific brand name is referred to as a want.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

51) The marketing mix is commonly referred to as the four Ms.
Answer: FALSE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

52) Marketing doesn't just meet the needs of customers —it meets the needs of diverse stakeholders.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

53) For an exchange to occur, at least one party must agree on the value of the exchange and how it will be carried out.
Answer: FALSE
Difficulty: Easy
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54) Business-to-business marketing represents greater total sales than business-to-consumer marketing.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

55) E-commerce is the buying and selling of goods and services electronically.
Answer: TRUE
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

56) The price element of the marketing mix is the assignment of value.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

57) The promotion element of the marketing mix includes the design of the product.
Answer: FALSE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Written and oral communication

58) Place relates to a channel of distribution in the marketing mix.
Answer: TRUE
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing

59) The sharing economy has been referred to as collaborative consumption.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

60) Ria, a college sophomore, has a YouTube channel and posts short videos that typically have over 50,000 viewers each week. Ria could be described as a microcelebrity.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

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61) In terms of marketing, a celebrity is considered a product.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

62) Discuss how the principles of marketing can be applied to people.
Answer: The principles of marketing apply to people in the same way that they apply to products and services. People market, or "sell," themselves all of the time, whether they are applying for a job, hoping to gain a promotion, or participating in online dating. People package and promote themselves through the clothes and accessories they choose, the cars they drive, the music they listen to, the books they read, and much more.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Application of knowledge

63) How would an ice cream vendor create the four types of utility?
Answer: The ice cream vendor would create form utility by combining ingredients to make a milkshake or a sundae. Place utility would mean the ice cream is available where the customer wants it. Time utility would mean the ice cream is available when the customer wants it. Possession utility refers to the enjoyment consumers have eating the ice cream.
Difficulty: Difficult
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Application of knowledge

64) What does the phrase "exchange relationship" mean in relation to marketing?
Answer: An exchange occurs when something is obtained for something else in return. The buyer receives an object, service, or idea that satisfies a need, and the seller receives something she feels is of equivalent value. For an exchange to occur, at least two people or organizations must be willing to make a trade, and each must have something the other wants. Both parties must agree on the value of the exchange and how it will be carried out. Each party also must be free to accept or reject the other's terms for the exchange. An exchange is at the heart of every marketing act.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
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65) What is the difference between consumer goods and consumer services? Give an example of each.
Answer: Consumer goods are the tangible products that individual consumers purchase for personal or family use. Consumer services are intangible products that consumers pay for and use but never own. Examples will vary, but should reflect these definitions.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Application of knowledge

66) Identify the four Ps in the following description: Rosa Alvarez markets 23 different varieties of salsa in 8-ounce and 12-ounce bottles at supermarkets in the southwestern United States. The 8-ounce bottle sells for $5.95, and the larger size sells for $7.95. Periodically, she sets up a table in one of the marketplaces that carries her salsa brand and offers customers a sample. She recently received considerable publicity for being the "Hispanic Entrepreneur of the Year."
Answer: The four P's are product, price, place, and promotion.
Product: 23 different varieties of salsa in 8-ounce and 12-ounce bottles
Price: $5.95 for smaller size and $7.95 for larger size
Place: supermarkets in southwestern United States
Promotion: sampling and publicity
Difficulty: Difficult
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Application of knowledge

67) Provide a brief explanation of what marketing is.
Answer: Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

68) Select one actual company located in your community. Identify at least four different types of stakeholders in this company.
Answer: Each student will present different information in responding to this question. Stakeholders should include the company's customers, the company's employees, investors in the company, and residents of the community.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Application of knowledge

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69) Can a consumer of a product be a stakeholder in the company that markets the product? Briefly explain your answer.
Answer: Yes. A consumer is one type of stakeholder. A stakeholder can be a buyer, seller, or investor in a company; a community resident; or a citizen of the nation where the company's goods or services are made or sold. A consumer is the ultimate user of a good or service. Therefore, a consumer could be a stakeholder who is also the ultimate consumer using the product.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Application of knowledge

70) Briefly describe the collaborative consumption trend.
Answer: In a trend called collaborative consumption, consumers rent out their belongings—tools, cars, homes, etc.—when they are not using them. This appeals to many consumers, particularly younger consumers, who would prefer to rent products rather than purchase and own them.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Analytical thinking

71) What is a marketplace? Provide three examples of marketplaces.
Answer: A marketplace is any location or medium used to conduct an exchange. Answers providing examples will vary. These may include face-to-face retailers, a phone app, mail-order catalogs or websites.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
AACSB: Application of knowledge

72) Explain the concept of business-to-business marketing and give an example of a business-to-business transaction.
Answer: Business-to-business marketing is the marketing of goods and services from one organization to another. Examples will vary, but should reflect this definition.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed and the value of marketing
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73) In which kind of market would a production orientation be most successful?
A) a buyer's market in which supply exceeds demand
B) a market in which there are more sellers than buyers
C) a seller's market in which demand is greater than supply
D) a market that sells only intangible products
E) an e-commerce market
Answer: C
Difficulty: Difficult
LO: 1.2: Explain the evolution of the marketing concept

74) Companies that have a _____ orientation tend to be more successful at making one-time sales than at building repeat businesses.
A) consumer
B) marketing
C) selling
D) societal
E) relationship
Answer: C
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept

75) A _____ orientation emphasizes the most efficient ways to manufacture and distribute products.
A) customer
B) promotion
C) selling
D) production
E) quality
Answer: D
Difficulty: Easy
LO: 1.2: Explain the evolution of the marketing concept

76) The Zappos company-wide goal to "WOW" consumers is an example of which marketing orientation?
A) customer
B) selling
C) production
D) total quality management
E) triple-bottom line
Answer: A
Difficulty: Easy
LO: 1.2: Explain the evolution of the marketing concept

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77) Companies placing a priority on sustainability are likely to have a _____ orientation.
A) triple-bottom-line
B) production
C) selling
D) customer
E) TQM
Answer: A
Difficulty: Difficult
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Ethical understanding and reasoning

78) What are the three components of the triple-bottom-line orientation?
A) the financial bottom line, the social bottom line, and the environmental bottom line
B) the financial bottom line, the social bottom line, and the political bottom line
C) the financial bottom line, the cultural bottom line, and the business bottom line
D) the value bottom line, the service bottom line, and the business bottom line
E) the product bottom line, the service bottom line, and the relationship bottom line
Answer: A
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Ethical understanding and reasoning

79) _____ maintains that marketers must satisfy customers' needs in ways that also benefit society and are profitable to the firm.
A) Value propositioning
B) Collaborative consumption
C) The societal marketing concept
D) A sales orientation
E) Green marketing
Answer: C
Difficulty: Easy
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Ethical understanding and reasoning

80) The Acme Company is concerned with meeting the unmet needs of its present customers without compromising the ability of future generations to meet their needs. This company focuses on _____.
A) the selling orientation
B) the production orientation
C) total quality management
D) sustainability
E) return on investment
Answer: D
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Ethical understanding and reasoning

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81) Which of the following refers to marketing strategies that support environmental stewardship by establishing an environmentally founded differential benefit in the minds of consumers?
A) collaborative consumption
B) green marketing
C) triple-bottom-line orientation
D) societal marketing
E) corporate citizenship
Answer: B
Difficulty: Easy
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Ethical understanding and reasoning

82) The direct financial impact of a firm's expenditure on marketing activities is called the _____.
A) value chain
B) value proposition
C) differential benefit
D) return on marketing investment (ROMI)
E) utility function
Answer: D
Difficulty: Easy
LO: 1.2: Explain the evolution of the marketing concept

83) Which of the following grew in popularity shortly after WWII ended, prevailed in the 1950s but decreased because consumers did not like to be pushed?
A) mobile marketing
B) corporate citizenship
C) big data
D) a selling orientation
E) user-generated content
Answer: D
Difficulty: Difficult
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Reflective thinking

84) Interacting with consumers via portable technology such as smart phones, tablets, and wearable screens is referred to as _____.
A) mobile marketing
B) social marketing
C) societal marketing
D) user-generated marketing
E) branded marketing
Answer: A
Difficulty: Easy
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Integration of real-world business experiences

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85) Which orientation works best in a seller's market when demand is greater than supply?
A) customer
B) marketing
C) selling
D) production
E) new era
Answer: D
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Analytical thinking

86) Jolene's firm markets preplanning services for a mortician. She finds that most of her target market wants to avoid discussing future funeral needs, so she must somehow first get their attention. Jolene's firm most likely uses the _____.
A) production orientation
B) sustainability concept
C) selling orientation
D) customer orientation
E) societal marketing concept
Answer: C
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Analytical thinking

87) Bombas donates one pair of socks to people without homes for every pair purchased. Bombas has helped to solve the problem of socks being the most requested item for people without homes. Bombas is an example of which concept?
A) customer orientation
B) sustainability concept
C) societal marketing concept
D) production orientation
E) triple-bottom-line
Answer: C
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Analytical thinking

88) Today, it's most likely that companies selling unsought goods will use a selling orientation.
Answer: TRUE
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept

89) Green marketing and sustainability are interchangeable terms describing the same concept.
Answer: FALSE
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Ethical understanding and reasoning

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90) The customer orientation prioritizes the satisfaction of customers' needs and wants.
Answer: TRUE
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Ethical understanding and reasoning

91) The direct financial impact of a firm's expenditure of a resource is referred to as ROI.
Answer: TRUE
Difficulty: Easy
LO: 1.2: Explain the evolution of the marketing concept

92) Explain why and how a company would adopt a customer orientation.
Answer: A company might adopt a customer orientation to better identify and satisfy the needs and wants of customers. In the competitive marketplace of today, a company has to go beyond the selling and production orientations and consider the customer's desires. Following a customer orientation, marketers would conduct research to understand the needs of different customers and tailor products to the needs of these various groups.
Difficulty: Difficult
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Application of knowledge

93) Explain the concept of corporate citizenship and why it is important for companies today.
Answer: Corporate citizenship, also called corporate social responsibility, refers to a company's responsibility to the community in which it operates and to society in general. This concept of doing well by doing good is of growing importance, and is likely to continue to grow in importance, as more and more consumers reward companies who do "good" and punish those who are found to be irresponsible.
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Ethical understanding and reasoning

94) Explain why it is often difficult to measure the value of marketing activities.
Answer: Marketing objectives are sometimes stated in vague terms, such as "increase product awareness." This lack of specificity in objectives makes it difficult to measure the impact of marketing.
Difficulty: Difficult
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Application of knowledge

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95) Explain why branding is increasingly becoming a two-way communication between the brand and consumers.
Answer: With the rise of user-generated content, such as online reviews and use of social media to discuss brands, it will be critical for brands to create more personalized and far-reaching brand communications.
Difficulty: Moderate
LO: 1.2: Explain the evolution of the marketing concept
AACSB: Written and oral communication

96) When a consumer buys a pair of shoes, she considers the price and other benefits that each competing pair of shoes provides. Marketers communicate these benefits to the customer in the form of a _____.
A) product position
B) market segment
C) mass market
D) value proposition
E) target market
Answer: D
Difficulty: Easy
LO: 1.3: Understand value from the perspectives of customers, producers, and society

97) The ratio of benefits to costs is one way to think of _____.
A) sustainability
B) profits
C) value
D) competitive advantage
E) distinctive competency
Answer: C
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

98) A national lumber yard has estimated the amount a customer will spend year after year and then subtracted what it will cost to gain the customer and to retain the relationship for the period of years they expect the customer to continue to buy from them. The lumber yard is calculating _____.
A) customer lifetime value (CLV)
B) MROI
C) the differential advantage
D) ROI
E) brandfest
Answer: A
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

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99) A firm's capability that is superior to that of its competition is referred to as a(n) _____.
A) distinctive competency
B) added value
C) value proposition
D) value chain
E) social benefit
Answer: A
Difficulty: Easy
LO: 1.3: Understand value from the perspectives of customers, producers, and society

100) The second step in developing a competitive advantage is to turn a distinctive competency into a _____ that is important to customers.
A) target market
B) service
C) marketing mix
D) market position
E) differential benefit
Answer: E
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

101) A(n) _____ provides reasons for customers to pay a premium for a firm's products and exhibit a strong brand preference.
A) exchange
B) differential benefit
C) industrial good
D) value chain
E) customer lifetime value
Answer: B
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

102) A _____ can generally come from a cost advantage or a differential advantage.
A) competitive advantage
B) value proposition
C) value chain
D) production orientation
E) market segment
Answer: A
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

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103) A _____ is a series of activities involved in designing, producing, marketing, delivering, and supporting any product.
A) value proposition
B) production orientation
C) value chain
D) marketing concept
E) market position
Answer: C
Difficulty: Easy
LO: 1.3: Understand value from the perspectives of customers, producers, and society

104) In addition to marketing activities, the _____ includes business functions such as human resource management and technology development.
A) value chain
B) marketing mix
C) utility function
D) customer relationship management process
E) market position
Answer: A
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

105) The main activities of value chain members include all of the following EXCEPT _____.
A) bringing in materials to make the product
B) converting the materials into the final product
C) providing customers with comparative information about competitors' products
D) shipping out the final product
E) servicing the product after purchase
Answer: C
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

106) In the value chain, the _____ activity involves bringing in materials or component parts necessary to make the product.
A) inbound logistics
B) outbound logistics
C) operations
D) marketing
E) service
Answer: A
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

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107) The phenomenon of _____ includes consumers creating their own ads and buying and selling products on eBay.
A) the production orientation
B) the triple-bottom-line orientation
C) consumer-generated value
D) socially responsible marketing
E) the marketing concept
Answer: C
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Integration of real-world business experiences

108) Social networking is an integral part of which of the following?
A) the triple-bottom-line orientation
B) lifetime value of a customer
C) the value chain
D) Web 2.0
E) Web 1.0
Answer: D
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Integration of real-world business experiences

109) Web 2.0 _____.
A) categorizes entries according to a strict taxonomy
B) incorporates social networking and user interactivity via two-way communication between marketers and consumers
C) is based on the open source model
D) is based on the wisdom of crowds model
E) improves as the number of users decreases
Answer: B
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

110) According to the theory of the wisdom of crowds, under the right circumstances, _____.
A) a mass market approach is favorable to a target market approach
B) a target market approach is favorable to a mass market approach
C) groups are smarter than the smartest people in them
D) companies can make money by giving their products away for free
E) consumers can generate value
Answer: C
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

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111) _____ is a classification system that relies on users rather than preestablished systems to sort contents.
A) A social networking platform
B) The Cloud
C) The value chain
D) Folksonomy
E) The virtual marketplace
Answer: D
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Integration of real-world business experiences

112) Alcoholism and cigarette smoking are both examples of _____.
A) anticonsumption behaviors
B) "bait-and-switch" behaviors
C) consumer addictions
D) shrinkage
E) consumer behaviors
Answer: C
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Ethical understanding and reasoning

113) The deliberate defacement of products is referred to as _____.
A) bait-and-switch
B) anticonsumption
C) crowdsourcing
D) shrinkage
E) lifetime cost of a customer
Answer: B
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Ethical understanding and reasoning

114) Product tampering and spray-painting graffiti on buildings are both examples of _____.
A) folksonomy
B) exploitative consumption
C) addictive consumption
D) shrinkage
E) anticonsumption
Answer: E
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Ethical understanding and reasoning

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115) A new shampoo advertisement on television identifies all of the wonderful benefits the consumer will enjoy when using one company's shampoo as opposed to another company's shampoo. What is this company seeking to convey in this television commercial?
A) the product's time utility
B) the product's distinctive competency
C) the company's production orientation
D) the company's marketing segmentation process
E) the product's differential benefits
Answer: E
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Analytical thinking

116) Kao Corp., which makes Ban deodorant, invited teenage girls to create an ad that would encourage other girls to buy the product. This program is an example of _____.
A) the wisdom of crowds
B) the production concept
C) the selling orientation
D) folksonomy
E) consumer-generated content
Answer: E
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Analytical thinking

117) Terrible Tees is an online t-shirt company that invites consumers to enter their t-shirt designs in a monthly contest. All visitors to the site are invited to vote on their favorite design, and at the end of the month, the company produces and takes orders for the t-shirt design with the most votes. This is an example of _____.
A) the wisdom of crowds
B) the production concept
C) the selling orientation
D) a folksonomy
E) a brandfest
Answer: A
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Analytical thinking

118) To calculate lifetime value, a company would estimate the amount of money a person would spend with the company over a lifetime and then subtract what it will cost the company to maintain this relationship.
Answer: TRUE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

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119) A firm has a competitive advantage when it is able to outperform the competition, providing customers with a desired benefit not provided by the competition.
Answer: TRUE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

120) A haul video is an example of brandfest.
Answer: FALSE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

121) Crowdsourcing is a practice where firms outsource marketing activities to a community of users.
Answer: TRUE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

122) Under the right circumstances, large numbers of consumers can predict successful products, according to the theory of the wisdom of crowds.
Answer: TRUE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Integration of real-world business experiences

123) A value proposition includes just the benefits of the product itself.
Answer: FALSE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Analytical thinking

124) Why might a company try to determine the lifetime value of a customer? What must a company do to determine this information?
Answer: A company must look at how much a customer is really worth and how much profit it expects to make from a particular customer, including each and every purchase he will make from the company now and in the future. To calculate lifetime value, the company estimates the amount the person will spend and then subtracts what it will cost to maintain this relationship.
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

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125) What is a haul video and how is it used in marketing?
Answer: Haul videos are videos consumers post on YouTube that detail the latest stuff they bought. These have caused marketers to adjust their thinking about customers and to begin thinking of them as a community that is motivated to participate in both the production and the consumption of what companies sell. Customers are part of the brand communication process as they create their own videos, provide product reviews, and participate in blogs.
Difficulty: Difficult
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

126) Why might a company invest in brandfests, and how is this related to the concept of lifetime value of a customer?
Answer: A brandfest is an event, such as the Jeep Jamboree, sponsored by a company to thank customers for their loyalty and to build lasting partnerships with customers. Activities such as brandfests are aimed at increasing the lifetime value of each customer, or the profit the company expects to gain from each customer. This is in line with the notion that retaining current customers is less expensive than attracting new customers.
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Analytical thinking

127) Why should a firm be aware of its competitors' distinctive competencies?
Answer: A distinctive competency is a firm's capability that is superior to the competition. A company must be aware of its competitors' distinctive competencies in order to successfully compete in the marketplace, shaping its own distinctive competencies into differential benefits that customers desire more than they desire the benefits offered by competitors.
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

128) What are two competitive advantages a customer may benefit from when buying a bottle of soda from a local corner convenience store versus a chain supermarket?
Answer: Answers may vary, but include the following. The customer may be able to park his car close to the door of the convenience store and make the purchase in only a few minutes. The parking lot of the chain store may require the customer to walk a distance before entering the store. The volume of customers in the supermarket may cause the purchase to take longer than the purchase at the convenience store.
Difficulty: Difficult
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

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129) Explain how addictive consumption is a dimension of the "dark side" of marketing.
Answer: Consumer addiction is a physiological or psychological dependency on products or services. Many companies profit by providing addictive products or by selling solutions. Consumers can use any product or service to relieve some problem to the point that reliance on it becomes extreme.
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

130) Briefly explain how the value chain is related to competitive advantage.
Answer: Every link, or activity, in the value chain is an opportunity to either remove value from or add value to the product the consumer eventually buys. A successful company creates a competitive advantage by performing one or more of the value chain activities better than its competitors.
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

131) _____ is a decision process in which marketing managers determine the strategies that will help the firm meet its long-term objectives and then execute those strategies using the tools they have at their disposal.
A) Total quality management
B) Sustainability
C) Return on investment
D) Marketing
E) Crowdsourcing
Answer: D
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

132) Many experts believe _____ is the only way to stay in business for the long term.
A) disruptive marketing
B) crowdsourcing
C) green marketing
D) collaborative consumption
E) a sales orientation
Answer: A
Difficulty: Easy
LO: 1.4: Explain the basics of market planning

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133) The first phase of market planning is to _____.
A) identify a target market
B) calculate production costs
C) develop a value chain
D) determine a market position
E) analyze the marketing environment
Answer: E
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

134) _____ is the process of thinking strategically about the big picture and where the firm and its products fit within it.
A) Crowdsourcing
B) Total quality management
C) Market planning
D) Customer relationship management
E) Value proposition creation
Answer: C
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

135) A _____ consists of all possible customers in a market regardless of the differences in their specific needs and wants.
A) popular culture
B) value chain
C) marketing mix
D) marketing concept
E) mass market
Answer: E
Difficulty: Easy
LO: 1.4: Explain the basics of market planning

136) Which of these statements about mass marketing is true?
A) A mass marketing strategy is always preferable to a target marketing strategy.
B) The success of any organization's marketing efforts depends on its ability to engage in mass marketing.
C) Mass marketing can be cost effective.
D) Mass marketing allows marketers to develop products to satisfy the specific needs and wants of specific groups of customers.
E) Automakers typically use a mass marketing strategy.
Answer: C
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

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137) A _____ is a distinctive group of customers within a larger market who are similar to one another in some way and whose needs differ from other customers in the larger market.
A) market segment
B) popular culture
C) mass market
D) market mix
E) market position
Answer: A
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

138) A _____ is defined as a market segment on which an organization focuses its marketing plan and toward which it directs its marketing efforts.
A) social network
B) mass market
C) marketplace
D) value chain
E) target market
Answer: E
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

139) Marketers develop positioning strategies to _____.
A) limit the number of elements of the marketing mix used for one product
B) identify the location where the organization will sell its products
C) determine the specific means the organization uses to distribute its products
D) create a desired perception of the product in consumers' minds in comparison to competitors' brands
E) select metrics to determine the effectiveness of marketing planning
Answer: D
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

140) When a firm analyzes the marketing environment, it is LEAST likely to look at which of the following?
A) the firm's current strengths
B) the firm's current weaknesses
C) the actions of competitors
D) the state of the economy
E) the firm's ideas for developing a new product
Answer: E
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

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141) _____ is a process whereby marketers step "outside the box" to displace something well established.
A) Disruptive marketing
B) Crowdsourcing
C) Mass marketing
D) Social networking
E) Societal marketing
Answer: A
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

142) A catalog retailer has identified African-American professionals between the ages of thirty-five and forty-five as the group of customers within the larger market that is a potential market for its products. The retailer plans to direct its marketing efforts toward this group of consumers. The retailer has identified a _____.
A) target market
B) marketing mix
C) product mix
D) mass market
E) social network
Answer: A
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Analytical thinking

143) An organic farmer has identified three distinct groups who might be interested in his products: vegetarians, people who are concerned about chemicals in their foods, and people who consider themselves innovators and trendsetters. These three groups are examples of _____.
A) marketing mixes
B) market segments
C) product mixes
D) mass markets
E) market positions
Answer: B
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Analytical thinking

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144) There are several different sports watches for cyclists. When compared to its competitors, the Bike Nashbar watch is the least expensive. The Acumen Basic is the only one designed for older cyclists who prefer a larger display. Sports Instrument is the most comfortable of all the available watches. This describes the _____ of the three sports watches.
A) marketing mixes
B) mass marketing strategies
C) positioning
D) consumer orientations
E) selling orientations
Answer: C
Difficulty: Difficult
LO: 1.4: Explain the basics of market planning
AACSB: Analytical thinking

145) Disruptive marketing means maintaining the status quo in how customers think of your company and the industry.
Answer: FALSE
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

146) A mass market is all possible customers in a market, regardless of their specific needs.
Answer: TRUE
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Application of knowledge

147) The terms "market segment" and "target market" represent the same concept.
Answer: FALSE
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

148) By selecting a mass market, a firm risks losing potential customers to competitors who instead try to meet the needs of specific target markets.
Answer: TRUE
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Application of knowledge

149) Write two questions that a firm would be likely to consider during the market planning stage.
Answer: Answers will vary, but should reflect an understanding of the "big picture" nature of market planning. Examples: What product benefits will our customers want in the near future? What sets our firm apart from competitors? How will legal and regulatory issues affect our business?
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Application of knowledge

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150) What is a market segment? Explain how an automaker might appeal to different market segments.
Answer: A market segment is a distinct group of customers within a larger market who are similar to one another in some way and whose needs differ from other customers in the larger market. An automaker offers different car models—sedans, sports cars, SUVs, station wagons, minivans, etc.—to appeal to different segments of the car-buying market.
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Application of knowledge

151) What is disruptive marketing? Provide an example.
Answer: Disruptive marketing is a process whereby marketers, by understanding customer needs and identifying what is missing, step "outside the box" to displace something well established, such as filling a need with a totally new product. Examples will vary, but should include the elements of the definition.
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Application of knowledge

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