Marketing 15th edition Kerin Test Bank

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Marketing 15th Edition by Kerin CH01

ANSWERS ARE LOCATED IN THE SECOND PART OF THIS DOCUMENT

MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.

1) Chobani introduced a Greek-style yogurt in response to

A) an increased interest in Mediterranean culture.
B) modern dairy-farming techniques.
C) a reduced interest in health food.
D) changing tastes of American consumers.
E) the marketability of kid-friendly foods.

2) From its inception, where did Chobani want to place its yogurt?

A) in organic foods section of major grocery store chains
B) in warehouse club stores like Sam's Club or Costco
C) in the dairy case of major grocery store chains
D) in mass merchandise stores like Target
E) in independent organic cooperatives, farmer's markets, and major organic grocery stores like Whole Foods or Sprouts

3) Which of the following marketing mix strategies has Chobani used to sell its yogurt?

A) priced the Chobani yogurt line below Dannon′s to increase market share
B) sponsored U.S. Olympic and Paralympic teams
C) offered sweeter products to increase sales over competitor Yoplait
D) introduced a new line of flavored coffee creamers
E) stopped airing television ads in order to promote an active lifestyle

4) Which statement about marketing is most accurate?

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A) Unless you take a marketing class, you will never truly know anything about marketing.
B) Marketing is nothing more than common sense.
C) Marketing requires an innate sense of creativity; you either have it or you don't.
D) You can call yourself a marketing expert only if you have sold something for a profit.
E) You have significant marketing expertise since you make marketing-related decisions every day.

5) Elon Musk was involved in the inception of all of the following companies *except* which?

A) SpaceX
B) PayPal
C) Tesla
D) Facebook
E) Neuralink

6) Marketing refers to the

A) research and development of new products that existing customers want to purchase.
B) expansion of companies into other countries.
C) process of identifying the best local plants to serve particular geographic markets.
D) activity involved in getting a product or service from the manufacturer to the ultimate consumers and organizational buyers.
E) activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

7) 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 is referred to as

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A) manufacturing.
B) advertising.
C) marketing.
D) selling.
E) promotion.

8) All of the following are true about marketing *except* which?

A) Marketing is a broader activity than advertising.
B) Marketing stresses the importance of delivering genuine benefits in the offerings of goods, services, and ideas sold to customers.
C) Successful marketing usually results in one "winner" and one or more "losers."
D) When an organization engages in marketing, it should also create value for its partners and society.
E) Marketing is a broader activity than personal selling.

9) What do an organization's stockholders, its suppliers, its employees, its customers, and society at large all share what have in common with regard to an organization?

A) All should benefit from the marketing of an organization's offering.
B) Everyone has a say in the ultimate design of a product.
C) Everyone is legally culpable if something goes wrong with a product.
D) All have to make some type of direct financial investment in the organization so it can profitably sell its products.
E) All use the products and/or services marketed by the organization.

10) Mizuno designs and sells high-quality baseball gloves. Who likely benefits from the firm's marketing activities for its gloves?

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A) a baseball or softball player who purchases a new Mizuno glove
B) the Dick's Sporting Goods salesperson who sells a customer a Mizuno glove
C) the supplier who provided the leather to Mizuno
D) the shareholders of Mizuno, the company that designs and manufactures the gloves
E) All stakeholders, even society at large

11) To serve both buyers and sellers, marketing seeks to _____ and satisfy the needs and wants of prospective customers.

A) change
B) circumvent
C) deny
D) discover
E) measure

12) To serve both buyers and sellers, marketing seeks to discover and _____ the needs and wants of prospective customers.

A) change
B) satisfy
C) circumvent
D) align
E) preserve

13) Whether an individual is considering a purchase for personal or household use, or an organization is buying for its own use or for resale, the individual or organization would be considered

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A) a prospective customer.
B) a dual-purpose marketing decision maker.
C) a potential distributor.
D) an informed buyer.
E) an end user.

14) A student wants to buy a smartphone so she can share pictures with her friends. An insurance claims adjuster wants to buy a smartphone to document accidents (take pictures, write a report, etc.). If they both purchase the same model smartphone, such as an Apple iPhone, which statement is most accurate?

A) The adjuster is a prospective customer because the smartphone will be used for work; the student is only a secondary user since the purpose of the smartphone is just for entertainment.
B) Both the adjuster and the student are prospective customers because, in their own way, they both benefit from the smartphone.
C) Neither the adjuster nor the student is a prospective customer since the company will pay for the adjuster's smartphone and the student's parents will pay for hers.
D) The student is the prospective customer since there are more students buying smartphones for personal use than there are insurance adjusters buying smartphones for business use.
E) Only a person who has bought a smartphone previously is a prospective customer because only previous owners of smartphones benefit from buying new ones.

15) The PAL-V Liberty is a two-seat, gas-powered gyrocopter with a flying range of about 250 miles at maximum weight. In car mode, the three-wheeled vehicle can hit 100 mph. Its maker is seeking safety certification in Europe, and 90 initial production models are now for sale starting at $399,000. The most likely prospective customers for this flying car would include

A) students who attend college at least 500 miles away from home.
B) retired seniors receiving Social Security.
C) executives for whom time is extremely important.
D) teens who like to try new things.
E) families in need of a second vehicle.

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16) In marketing, the idea of exchange refers to the

A) negotiation phase between the manufacturer and the seller.
B) financial remuneration (monetary payment) for a product or service.
C) trade of things of value between buyer and seller so that each is better off after the trade.
D) bartering of products and services between nongovernmental organizations or individuals.
E) practice of swapping products and services for other products and services rather than for money.

17) The trade of things of value between buyer and seller so that each is better off after the trade is referred to as

A) financial remuneration.
B) exchange.
C) countertrade.
D) barter.
E) marketing.

18) The American Red Cross creates advertisements to encourage people to donate blood. After viewing one, Amanda Cho decided to donate a pint of blood. After she did, Amanda Cho felt happy that she had performed a good deed. Did an exchange occur in a marketing sense?

A) Yes, because the blood was donated to the Red Cross based on an advertisement, a marketing activity.
B) Yes, because the donated blood was exchanged for a feeling of satisfaction.
C) No, because the Red Cross is a nonprofit organization.
D) No, because no money changed hands.
E) No, because the Red Cross, a service organization, did not provide Amanda Cho with a product.

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19) A local college of business offers an outstanding graduate business school education program. Maria pays the tuition to attend and earns her MBA with a concentration in marketing management. Upon graduating, she is offered a high-paying, fulfilling position. Was this a marketing exchange?

A) No, because the university earned a profit from Maria's tuition.
B) No, because money was exchanged in the form of tuition and Maria's income will come from her employer, not the graduate school.
C) No, because the school did not provide Maria with a tangible product, only the potential of an education.
D) Yes, because the university promised Maria she would graduate on time, and she did.
E) Yes, because paying tuition was exchanged for knowledge that directly led to Maria's high-paying, fulfilling new job.

20) A typical marketing department both shapes and _____ its relationship with internal and external groups.

A) is shaped by
B) organizes
C) directs
D) determines
E) dominates

21) _____ responsible for establishing the organization's mission and objectives.

A) Marketers are
B) Suppliers are
C) Customers are
D) Senior management is
E) Shareholders are

22) One challenge faced by organizations is the need to focus on consumer needs while also _____ the interests of countless other people, groups, and forces that interact to shape the nature of its actions.

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A) resisting
B) balancing
C) developing
D) guaranteeing
E) minimizing

23) Which statement about marketing activities is most accurate?

A) Marketing is affected by society but rarely, if ever, affects society as a whole.
B) The marketing department both shapes and is shaped by its relationship with internal and external groups.
C) Marketing activities are the sole responsibility of the marketing department; other departments are involved only if there is an emergency (such as a product recall).
D) Environmental forces do not affect marketing activities as long as a firm closely monitors its environment through rigorous market research.
E) Marketing is essentially developing the right product and convincing potential customers that they "need" it, not just "want" it.

24) All of the following are departments within a typical organization *except* which?

A) finance
B) manufacturing
C) information systems
D) human resources
E) shareholders

25) The _____ department of an organization is responsible for facilitating relationships, partnerships, and alliances with the organization's customers, shareholders, suppliers, and other organizations.

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A) purchasing
B) marketing
C) human resources
D) accounting
E) information systems

26) The marketing department of an organization is responsible for facilitating

A) relationships, partnerships, and alliances with the organization's customers, shareholders, suppliers, and other organizations.
B) healthy competition with other product manufacturers.
C) financial contracts with banks and other lending institutions.
D) alliances with firms with noncompetitive products that target similar markets.
E) the coordination between the various departments within the entire firm.

27) Which statement about marketing departments is most accurate?

A) The marketing department typically works as an independent unit, mostly interacting with other parts of the business only to direct product promotion.
B) The marketing department should suggest where a firm should invest its money based on its knowledge of the market and environmental forces.
C) The marketing department is only responsible for two of the four Ps.
D) The marketing department is only responsible for market research, supervision of product development, and product promotion.
E) The marketing department must work closely with other departments and employees to help provide products that satisfy customers.

28) All of the following are environmental forces that affect an organization *except* which?

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A) economic
B) managerial
C) social
D) regulatory
E) technological

29) Which of the following is *not* an environmental force?

A) economic
B) regulatory
C) social
D) commercial
E) technological

30) Which statement about marketing activities is most accurate?

A) Marketing is affected by society but rarely, if ever, affects society as a whole.
B) The marketing department works closely with other departments and employees to implement marketing activities.
C) Marketing activities are the sole responsibility of the marketing department; other departments are involved only if there is an emergency (such as a product recall).
D) Environmental forces do not affect marketing activities as long as a firm closely monitors its environment through rigorous market research.
E) Marketing directs the activities of all other departments in a business.

31) All of the following are factors required for marketing to occur *except* which?

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A) a desire and ability on the part of two or more parties (individuals or organizations) to be satisfied
B) something to exchange between two or more parties (individuals or organizations)
C) two or more parties (individuals or organizations) with the same wants
D) two or more parties (individuals or organizations) with unsatisfied needs
E) a way for the parties (individuals or organizations) to communicate

32) Which factor is required for marketing to occur?

A) a healthy competitive environment
B) an affordable and actionable advertising campaign
C) a sense of social responsibility
D) an ability to see hidden potential within an environmental force
E) something to exchange

33) Which conditions are necessary for marketing to occur?

A) a changing environment, a method of assessing needs, a way to communicate, and an exchange location
B) parties with cash or credit, a product, a reasonable price, and a place to make an exchange
C) a quality product, a fair price, a clever method of promotion, and a place where a customer can buy the product
D) two or more parties with unsatisfied needs, a desire and an ability to satisfy them, a way to communicate, and something to exchange
E) an ability to see a trend within an environmental force, a product, and an affordable and actionable advertising campaign

34) For marketing to occur, there must be two or more parties involved. Dr. Pepper Snapple Group distributes Country Time lemonade in cans through supermarkets at a price comparable to that of soft drinks. The most likely "second" party needed for marketing to occur would be

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A) people who are nostalgic about childhood lemonade stands they had during hot summers.
B) people with a desire for a cool beverage other than soda or water.
C) product demonstrators who offer samples of Country Time lemonade to shoppers at local supermarkets.
D) a local distributor of alcoholic beverages.
E) a nutritionist promoting the health benefits of adequate hydration.

35) A business student is preparing for the Graduate Management Admission Test (GMAT) so he can get into a good graduate business school. He knows that any money he spends on a tutor will be worthwhile if he can improve his scores. He's heard that there is a great tutor in his local community but has no idea who she is. Marketing does not occur in this situation because

A) two or more parties have satisfied needs.
B) there is no desire on the part of either party to satisfy its needs.
C) both parties are not aware that a need for tutoring exists.
D) there is no way for each party to communicate with one another.
E) there has been no assessment of consumer wants and needs.

36) A student would like to buy a crossover SUV from a local dealer, but she thinks the payments will be too high. Marketing does not occur in this situation because

A) two or more parties have unsatisfied needs.
B) there is no desire on the part of either party to satisfy its needs.
C) one of the involved parties does not have the ability to satisfy its needs.
D) there is no way for each party to communicate with one another.
E) there has been no assessment of consumer wants and needs.

37) Lou has a medical condition that interferes with restful sleep. Though he has been to the doctor frequently about the issue, no treatments or medications are available that would be helpful to him. Here, no marketing occurs because

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A) the doctor does not have unsatisfied needs.
B) the doctor cannot offer a viable product for exchange.
C) marketing is illegal in the pharmaceutical industry.
D) the doctor and patient are unable to communicate.
E) Lou is unable to afford his medications.

38) A local candidate running for office would very much like to have your vote. She promises that she will "make the country better." Because all candidates for public office say this, you doubt you'll see real results and decide not to vote for her. Marketing will not occur in this situation because

A) marketing doesn't apply to the voting process.
B) the desire and ability to satisfy needs is missing.
C) there is no direct way for the parties to communicate.
D) something to exchange is missing.
E) there is only one party involved in this situation.

39) The Arizona Biltmore in Phoenix is a resort hotel located less than a mile from the Biltmore Fashion Park, a large upscale shopping mall. The hotel wants to promote its proximity to the shopping center as well as its many other amenities to convention-goers from other states. Which marketing action would most likely help the Arizona Biltmore communicate with potential convention attendees?

A) Place an ad in the in-flight magazines of all the major airlines targeting business/first-class fliers.
B) Send a mass mailing to all local businesses.
C) Set up information kiosks at several locations within the Biltmore Fashion Park.
D) Offer free made-to-order breakfasts for guests staying at the hotel on business.
E) Offer special discount rates to guests coming from the East Coast.

40) A farmhand would like to buy a moped scooter to commute to his job at a nearby ranch. He doesn't know how to find a dealer though, and he doesn't have Internet access. Which reason explains why marketing fails to occur here?

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A) There are no parties with unsatisfied needs.
B) A desire to satisfy a need is missing.
C) No assessments of consumer wants and needs have been made.
D) There is no way for the parties involved to communicate.
E) The ability to satisfy a need is missing.

41) Suppose you want a snack after taking this exam. Domino's is located across the street from your College of Business classroom. Unfortunately, you forgot your wallet in the haste of getting to class on time to take the test. Therefore, you have no means to pay for the pizza. What explains why marketing fails to occur between you and Domino's?

A) There is only one party with unsatisfied needs.
B) The ability to satisfy a need is missing.
C) A desire to satisfy a need is missing.
D) No assessments of consumer wants and needs have been made.
E) There is no way for the parties involved to communicate.

42) Randall receives a coupon on his iPhone advising him about the location of a Taco Bell store. This is an example of which requirement for marketing to occur?

A) demonstrating an unmet need
B) discovering a consumer need
C) a foundation for brand loyalty
D) a way for parties to communicate
E) practicing ethics and sustainability

43) Conducting marketing research is an excellent way to address the first objective in marketing, which is to discover consumers'

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A) diversity of opinion, to create persuasive advertising messages.
B) income, to determine the most lucrative price point for a product.
C) lifetime value of an offering to the organization.
D) characteristics that would be useful to identify market segments.
E) needs, to create products that could satisfy them.

44) Marketers often discover consumer needs by

A) implementing a marketing program.
B) conducting effective marketing research.
C) balancing the marketing mix elements—the four Ps of the marketing program.
D) advertising to diverse groups of prospective buyers.
E) copying the products and services of competitors.

45) Crowdsourcing has been an important method of identifying consumer needs for which of these products?

A) Amazon Echo
B) Pepsi True
C) LEGO Voltron Robot
D) Google Glass
E) ZipCar

46) Studies of new product launches indicate that about _____ percent of the products fail.

A) 33
B) 40
C) 67
D) 75
E) 90

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47) To avoid new-product failure, new-product expert Robert M. McMath suggests

A) implementing a regional rather than a nationwide rollout of a new product.
B) building a hierarchical organizational structure so that more people have a chance to spot product problems.
C) focusing on customer benefits and learning from the past.
D) increasing the marketing budget, since "success comes to those who can outspend the competition."
E) releasing several different versions of a new product at the same time to see which one is most successful.

48) If you followed the suggestions of Robert M. McMath, which of the following provides the best advice for a marketer for Colgate, when launching a new version of the toothpaste?

A) Anticipate the future five years out in terms of product form, ingredients, and packaging—to invent the "toothpaste of tomorrow!"
B) Give the product a mysterious name that is unrelated to the product's benefits but instead provokes consumer curiosity.
C) Initiate a Facebook campaign against beverages sweetened with high fructose corn syrup, which can contribute to tooth decay.
D) Create unusual packaging that has special shelving requirements.
E) Study past toothpaste product failures and learn from them.

49) A factor that might doom a product in the marketplace is referred to as

A) an albatross.
B) a land mine.
C) a pitfall.
D) a showstopper.
E) a wild card.

50) In product development, showstoppers refer to

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A) creative or innovative members of a marketing team.
B) unexpected alternative uses for a product that result in a sudden increase in sales.
C) factors that might doom a product in the marketplace.
D) a sudden loss of financial backing even though the item is in production.
E) a situation when a competitor's product suddenly beats a firm's new product to the marketplace.

51) Concerns about privacy might have been a reason for lackluster sales of which of these products?

A) Amazon Prime
B) Google Glass
C) Apple Newton MessagePad
D) YoYo car subscriptions
E) AirBnB rentals

52) With new Nutrition Fact label requirements taking effect in 2020, Coca-Cola is testing Coca-Cola Stevia which will be sweetened only with the natural ingredient stevia. A potential showstopper for this product is likely to be

A) a lack of advertising on television.
B) previous products with stevia sweetener had a bitter aftertaste.
C) a lower profit margin due to the added costs of expensive ingredients.
D) cannibalization of the company's existing sodas.
E) pressure from the cane sugar and corn industries.

53) A _____ occurs when a person feels deprived of basic necessities such as food, clothing, and shelter.

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A) desire
B) need
C) utility
D) want
E) craving

54) A want is _____ that is shaped by a person's knowledge, culture, and personality.

A) a desire
B) a need
C) a utility
D) a demand
E) an option

55) A need that has been shaped by a person's knowledge, culture, and personality results in a

A) standard.
B) want.
C) utility.
D) demand.
E) preference.

56) Steve wants to eat a Cool Mint Chocolate Clif Bar because, based on his past experience, he knows it will satisfy his hunger

A) preference.
B) need.
C) utility.
D) perception.
E) expression.

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57) A need refers to a

A) sense of personal inadequacy based upon observations by others around you.
B) sense of urgency, which causes a person to take action.
C) feeling that is shaped by a person's knowledge, culture, or personality.
D) feeling of vague lacking, but not fully understanding what may be required.
E) feeling of deprivation of basic necessities such as food, clothing, and shelter.

58) All of the following are examples of products or services that satisfy a consumer need *except* which?

A) a pair of socks
B) an apple
C) a student dormitory
D) a sales tax
E) a jacket

59) Which statement best distinguishes between consumer needs and wants?

A) Needs are far more influential than wants with respect to marketing decision making.
B) Wants affect marketing decisions primarily for planned purchases while needs affect marketing decisions primarily for impulse purchases.
C) Wants occur when a person feels deprived of luxury items while needs are solely possessions required to maintain relationships.
D) Needs and wants are psychologically the same, but needs are those that a consumer can be guaranteed to satisfy.
E) Needs occur when a person feels deprived of basic necessities such as food, clothing, and shelter while wants are determined by a person's knowledge, culture, or personality.

60) A want refers to a

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A) sense of personal inadequacy based upon observations by others around you.
B) powerful desire that causes a person to take action.
C) need that is shaped by a person's knowledge, culture, or personality.
D) feeling of being deprived of something, but not fully understanding what it may be.
E) feeling of deprivation of basic necessities such as food, clothing, and shelter.

61) A television advertisement shows several teenagers searching through the pantry for something to satisfy their hunger. The pantry offers the teenagers many alternatives—cereal, chips, cookies, and some Cool Mint Chocolate Clif Bars. The ad, which shows the teens happily selecting the Clif Bars, appeals to the consumers' _____ for sustenance to satisfy their hunger and attempts to shape their _____ for the advertised product.

A) needs; wants
B) requirements; needs
C) wants; preferences
D) demands; needs
E) preferences; enthusiasm

62) In a marketing context, a market refers to

A) people with a similar want for a particular product or service.
B) people with both the desire and ability to buy a specific offering.
C) the central location for all buying and selling of products and services.
D) an open space or covered building where vendors convene to sell their offerings.
E) the free operation of supply and demand.

63) People with both the desire and ability to buy a specific offering are referred to as

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A) shoppers.
B) a customer base.
C) a market.
D) qualified prospects.
E) candidates.

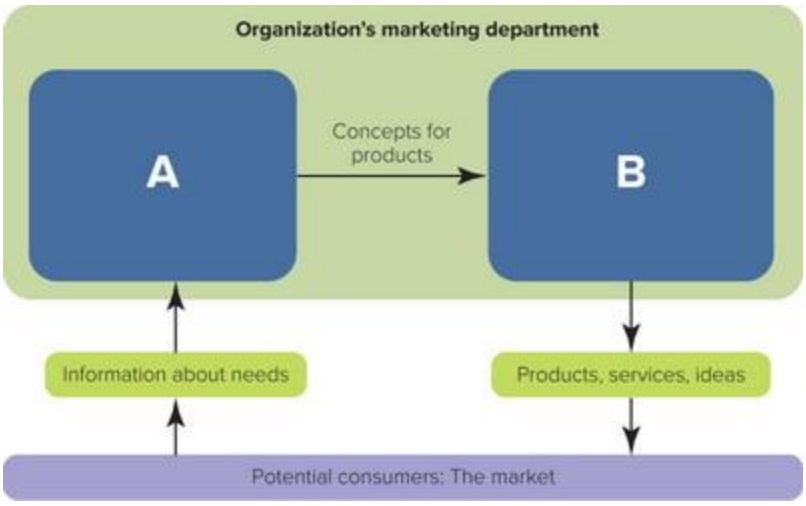
64) All markets ultimately are composed of

A) people.
B) brands.
C) products.
D) organizations.
E) locations.

65) The best description of the market for cosmetic dentistry, where costs can be as much as $15,000 for teeth straightening and whitening, is

A) toddlers with crooked baby teeth, when crooked teeth run in the family.
B) all former smokers who have been smoke-free for at least one year.
C) anyone who has the time, the money, and the desire to undergo the procedures.
D) anyone who has dental insurance.
E) adults who want to make a good first impression for an event.

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66)

Figure 1-3

In Figure 1-3, "A" represents _____ and "B" represents

A) decisions by management; purchases by customers
B) employees efforts; stakeholder rewards
C) sales department; manufacturing department
D) suppliers; distributors
E) discovering consumer needs; satisfying consumer needs

67) Discovering consumer needs leads directly to

A) purchases by customers.
B) stakeholder rewards.
C) sales and manufacturing department outcomes.
D) supplier and distributor outcomes.
E) concepts for new products.

68) Satisfying consumer needs is accomplished by

A) designing successfully implementing a marketing program.
B) conducting marketing research.
C) discovering consumer needs.
D) developing a distribution strategy.
E) identifying target markets.

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69) Product, price, promotion, and place are all components of

A) the firm's required ongoing activities.
B) the marketing mix.
C) factors used to examine competitors' products.
D) the cluster of benefits that an organization develops to satisfy consumers' needs.
E) people with both the desire and the ability to buy a specific offering.

70) A target market is defined as

A) customers who have already purchased a firm's product at least once, have been satisfied, and are likely to be repeat purchasers.
B) both existing and potential customers who have used a competitor's product, are dissatisfied, and who now seek a different product or service to satisfy their needs.
C) a specific group of current consumers toward which an organization directs its advertising.
D) existing or potential consumers who are seeking a product for which there are no current substitutes.
E) one or more specific groups of potential consumers toward which an organization directs its marketing program.

71) One or more specific groups of potential consumers toward which an organization directs its marketing program is referred to as a _____ market.

A) mass
B) base
C) potential
D) target
E) promotional

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72) Kraft produces Lunchables, a prepackaged meal usually consisting of several crackers, small slices of meat, and small slices of cheese. Other items in the product line contain small bottles of Chiquita Strawberry Banana Fruit smoothie, Capri-Sun juice, or Kool-Aid. The box is bright yellow and the quantity of food contained within it is small. The target market for Kraft Lunchables is most likely

A) parents with school-age children who pack a simple healthy lunch for them.
B) businesspeople looking for a satisfying breakfast at the office.
C) business travelers on the run.
D) teenagers who have missed a meal for after-school activities.
E) baby boomers who are trying to lose weight.

73) Which people would most likely be the best target market for tickets to the home games of the Indianapolis Colts professional football team?

A) all people with an interest in professional football
B) all people in the Midwest who have an interest in sports
C) all men who played on a varsity football team in high school
D) all people in the Indianapolis and surrounding areas interested in football
E) all people in Indiana who watch football on TV

74) Which group would be the *least* likely target market for a company producing canned food in single-serving sizes?

A) single adults
B) school kitchens
C) campers
D) senior citizens
E) vending machine owners

75) TUMI brand briefcases are very expensive, high-end briefcases that are generally sold in specialty luggage shops. Which group of people would be the most likely target market for TUMI briefcases?

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A) police officers
B) executives
C) construction workers
D) massage therapists
E) students

76) The United States Army was both praised and criticized for its use of a popular video game, America's Army, which was designed to reach potential recruits. The game's creator, Colonel Casey Wardynski, wanted to provide a sense of the training and teamwork one could find in the Army's military environment. The game was designed for "boys 14 years or older," which represent the Army's

A) mass market.
B) actual recruits.
C) restricted market.
D) target market.
E) untapped market.

77) A local university offers business courses for a target market of people who currently work and want to take refresher courses for certification in their business field (marketing, accounting, etc.). What would be the most effective way to communicate with the target market, bearing in mind that communication must be both effective and economical?

A) Put announcements on campus bulletin boards.
B) Distribute promotional materials during classes.
C) Advertise on national television.
D) Advertise on local hip-hop radio shows.
E) Advertise on LinkedIn, a social media network for professionals.

78) The marketing manager's controllable factors—product, price, promotion, and place—that can be used to solve a marketing problem are referred to as

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A) the marketing concept.
B) the marketing mix.
C) the marketing program.
D) environmental forces.
E) the marketing toolbox.

79) The marketing mix refers to

A) the selection of product benefits and attributes that are to be added to or subtracted from a given product to create variations within a product line.
B) the specific ratio within a budget that divides resources between advertising, sales promotion, and personal selling.
C) the marketing manager's controllable factors—product, price, promotion, and place—that can be used to solve a marketing problem.
D) the allocation of resources within a firm toward individual marketing programs.
E) the environmental forces—social, economic, technological, competitive, and regulatory—that impact the marketing decisions for a particular product at any given time.

80) What would a marketer use as a synonym for the marketing mix?

A) the four Ps of marketing
B) environmental forces
C) macromarketing forces
D) marketing management factors
E) micromarketing factors

81) The four Ps of the marketing mix are

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A) priorities, personnel, placement, and profits.
B) prediction, production, price, and promotion.
C) product, price, production, and place.
D) product, price, promotion, and place.
E) prediction, production, packaging, and persuasion.

82) All of the following constitute the four Ps of the marketing mix *except* which?

A) promotion
B) profitability
C) price
D) place
E) product

83) The four Ps are commonly known as

A) the environmental or uncontrollable forces.
B) the environmental or controllable factors.
C) the marketing mix or controllable factors.
D) the marketing mix or uncontrollable forces.
E) environmental factors, both controllable and uncontrollable.

84) The marketing mix elements are called _____ because they are the responsibility of the marketing department in an organization.

A) administrative forces
B) profitability keys
C) stakeholder value generators
D) target market segments
E) controllable factors

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85) Jakubowski Farms Gourmet Bread Base is the brand name for a mix designed for use in bread making machines. The mixes are sold in 2-pound canisters for $14.99 plus shipping. People learn about the product through word of mouth and bread machine demonstrations the company's founder gives to groups in Wisconsin, where she lives. The products are only available through the mail. This is a description of the company's

A) action plan.
B) market segmentation strategy.
C) mission statement.
D) marketing mix.
E) target market.

86) The element of the marketing mix that describes a good, service, or idea to satisfy consumers' needs is known as

A) the product.
B) the industry.
C) promotion.
D) the place or distribution.
E) a market segment.

87) The owners of Old School Brand Authentic Antique Foods researched Civil War records to come up with recipes used for the old-fashioned cookies the company produces and markets. The cookies represent which part of the company's marketing mix?

A) process
B) price
C) product
D) place
E) people

88) The element of the marketing mix that describes what is exchanged for a product is known as

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A) a product.
B) the price.
C) promotion.
D) the place or distribution.
E) profit.

89) Which element of the marketing mix is affected when the Mandarin Oriental hotel in New York increases its weekend rates to $795 per night?

A) product
B) price
C) promotion
D) place
E) production

90) The element of the marketing mix demonstrated when an art gallery suggests a $2 donation at the door is

A) philanthropy.
B) place.
C) product.
D) promotion.
E) price.

91) To attend a winter concert presented by the community chorus, every attendee was asked to donate one unwrapped toy at the concert hall door. The donation is most closely related to the _____ element of the marketing mix.

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A) product
B) philanthropy
C) price
D) place
E) promotion

92) The element of the marketing mix that describes a means of communication between the seller and buyer is known as

A) a product.
B) promotion.
C) the price.
D) the place or distribution.
E) advertising.

93) The owners of Old School Brand Authentic Antique Foods researched Civil War records to come up with recipes for the heritage products they market. An offer to be featured in an upcoming edition of *Taste of Home* magazine would be considered part of the _____ element of the marketing mix.

A) product
B) price
C) production
D) promotion
E) place

94) The _____ element of the marketing mix is demonstrated when a company runs a commercial on Hulu.

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A) product
B) price
C) promotion
D) place
E) process

95) When a company uses advertising on Instagram, is this tactic is part of the _____ element of the marketing mix.

A) product
B) price
C) promotion
D) place
E) process

96) The element of the marketing mix that describes a means of getting the product to the consumer is known as

A) a product.
B) the price.
C) promotion.
D) the place.
E) the process.

97) The _____ element of the marketing mix is demonstrated when Amazon delivers packages to a customer's front porch via the U.S. Postal Service.

A) place
B) product
C) price
D) promotion
E) procurement

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98) The ability to buy an energy drink from a vending machine demonstrates which element of the marketing mix?

A) product
B) price
C) promotion
D) place
E) process

99) The uncontrollable forces in a marketing decision involving social, economic, technological, competitive, and regulatory forces are referred to as

A) the Five Fs of marketing.
B) environmental forces.
C) business conditions.
D) a marketing ecosystem.
E) the business sphere.

100) Which of the following is *not* an environmental force?

A) technological
B) regulatory
C) administrative
D) competitive
E) economic

101) In marketing, environmental forces refer to

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A) the internal strengths of a company that enable the firm to remain competitive.
B) the marketing manager's uncontrollable factors—product, price, promotion, and place—that can be used to solve marketing problems.
C) the unpredictable or uncontrollable availability of natural resources that can enhance or restrain a company's growth.
D) the marketing manager's uncontrollable forces in a marketing decision involving social, economic, technological, competitive, and regulatory forces.
E) the marketing manager's controllable forces in a marketing decision involving social, economic, technological, competitive, and regulatory forces.

102) The five major environmental forces affecting marketing decisions are

A) climate change, natural resources, pollution, natural disasters, and global conflict.
B) social, technological, economic, competitive, and regulatory.
C) corporate ownership, internal management, supplier partnerships, strategic alliances, and customer relationships.
D) product, price, promotion, place, and people.
E) ethics, sustainability, cultural awareness, diversity, and values.

103) Which statement about environmental forces is most accurate?

A) Environmental forces are almost always controllable if the marketing department correctly scans them.
B) An organization that incorporates the marketing concept can exert just as much influence on environmental forces as they can exert on that organization.
C) Environmental forces consistently result in negative outcomes for an organization.
D) Some environmental forces can actually enhance a firm's marketing opportunities.
E) Environmental forces can almost always be predicted.

104) Which statement describes an environmental force?

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A) Several states have legislation that requires people transporting children to use age- and height-appropriate car seats.
B) A direct sales cosmetic company has more than 200,000 independent dealers who market its entire product line.
C) A car battery comes with a lifetime guarantee.
D) An automobile dealer offers a $500 rebate during the month of July.
E) A major bottler offers a 10-cent refund on returnable bottles.

105) The unique combination of benefits received by targeted buyers that includes quality, convenience, on-time delivery, and before- and after-sale service at a specific price is called

A) customer value.
B) target marketing.
C) benefit proposition.
D) value-based marketing.
E) a customer value proposition.

106) Customer value refers to

A) the need of a customer to receive the highest-quality product at the lowest possible price.
B) the least expensive product that will provide customers with most of the basic benefits.
C) a statement that, before product development begins, identifies a well-defined target market; specific customers' needs, wants, and preferences; and what the product will be and do to satisfy consumers.
D) the unique combination of benefits received by targeted buyers that includes quality, convenience, on-time delivery, and both before-sale and after-sale service at a specific price.
E) the cluster of benefits that an organization promises customers to satisfy their needs.

107) Which statement about customer value is most accurate?

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A) Target customers assess customer, regardless of the price.
B) Loyal customers are less profitable to firms in the long run since they expect lower prices over time in order to remain loyal.
C) Research suggests that firms can be most successful by being all things to all consumers.
D) It is impossible to place a dollar value on a loyal, satisfied customer.
E) By providing unique value for targeted buyers, firms can build long-term relationships with them.

108) According to the text, Target has been successful by offering consumers the best

A) experience.
B) products/services.
C) customer service.
D) availability.
E) price.

109) According to the text, Starbucks provides its customers with the best

A) branding.
B) products.
C) price.
D) customer service.
E) availability.

110) If a bank is known for delivering customer value through its focus on taking great care of customers, it is most likely focusing on providing its customers with the best

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A) assortment.
B) products.
C) price.
D) customer service.
E) availability.

111) Those who have flown on Singapore Air have experienced firsthand the great food that is served during the flight, the friendliness of the flight attendants, and the comfortable seating. Singapore Air creates customer value by providing its customers with

A) the best airport experience.
B) the most convenient flight schedules.
C) the best price for the distance traveled.
D) the best in-flight service.
E) the greatest sense of personal safety.

112) Relationship marketing refers to

A) the selection and the assignment of a firm's personnel for a specific product or product line to a group of current or prospective customers.
B) the belief that it is easier and less expensive to find new customers than to retain old ones.
C) the linking of the organization to its individual customers, employees, suppliers, and other partners for their mutual long-term benefits.
D) the process of identifying prospective buyers, understanding them intimately, and developing favorable long-term perceptions of the organization and its offerings so that buyers will choose them in the marketplace.
E) exclusive legally binding contractual agreements between retailers and customers in order to create enhanced value for each party.

113) The linking of the organization to its individual customers, employees, suppliers, and other partners for their mutual long-term benefit is referred to as

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A) relationship marketing.
B) exclusive dealing.
C) loyalty marketing.
D) customer relationship management.
E) symbiotic marketing.

114) Which statement about relationship marketing is most accurate?

A) Relationship marketing has a short-term focus: increasing profits for the firm.
B) Relationship marketing prevents the need to offer unique value to customers.
C) Relationship marketing provides benefits for both customers and the organization.
D) Very few companies today are engaged in relationship marketing.
E) The Internet almost always has a negative impact on a firm's personal relationships with customers.

115) In the performing arts world, Tessitura uses box office technology to track every patron transaction, including ticket purchases, fund-raising, volunteering, and gift shop purchases, in one database. The information can help symphonies, operas, and theaters develop customer profiles to tailor sales messages to specific individuals. Tessitura will allow arts groups to engage in

A) market aggregation.
B) relationship marketing.
C) societal marketing.
D) market mining.
E) mainstream marketing.

116) Publix Supermarkets and The Little Clinic signed an exclusive agreement, placing small walk-in health clinics inside selected stores. Publix customers can have simple medical needs addressed in a convenient and familiar environment seven days a week and pick up their prescriptions from the pharmacy without leaving the store. This is an example of

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A) supplier management.
B) customer valuation.
C) societal marketing.
D) market aggregation.
E) relationship marketing.

117) A business traveler joined the Starwood Preferred Guest Program in order to earn points each time he stayed overnight in a Westin or Sheraton hotel. Once he has accumulated enough points, he can trade in his points for a free night's stay. As a member of this program, the traveler receives periodic updates on new hotels and learns of ways to earn additional points. The marketing term that best describes this scenario is

A) relationship marketing.
B) customer satisfaction promotion.
C) customer segmentation.
D) customer valuation.
E) supplier-consumer partnership.

118) A marketing program refers to

A) a plan that integrates the marketing mix to provide a good, service, or idea to prospective buyers.
B) the selection of product benefits and attributes that are added to or subtracted from a given product to create variations within a product line.
C) the marketing manager's controllable factors—product, price, promotion, and place—that can be used to solve a marketing problem.
D) the specific ratio within a marketing budget that divides resources between advertising, promotions, and personal selling.
E) the allocation of resources within a firm toward individual marketing mix elements.

119) A _____ is a plan that integrates the marketing mix to provide a good, service, or idea to prospective buyers.

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A) marketing strategy
B) marketing program
C) macromarketing tactic
D) micromarketing tactic
E) customer relationship profile

120) After an assessment of needs, a marketing manager must translate ideas from consumers into concepts for products that a firm may develop. The concepts must then be converted into a tangible

A) mission statement.
B) macromarketing agenda.
C) micromarketing agenda.
D) marketing program.
E) marketing concept.

121) Market segments refer to

A) the relatively heterogeneous groups of prospective buyers that result from the market segmentation process.
B) all buyers of a product or service who have previously purchased a particular firm's products or services and who intend to repeat that purchase sometime in the future.
C) the smallest number of buyers that have similar needs but do not react similarly in a buying situation.
D) the relatively homogenous groups of prospective buyers that have common needs and will respond similarly to a marketing action.
E) all potential buyers of a product or service who intend to purchase a firm's products or services but who have not yet done so.

122) In marketing, each _____ consists of people who are relatively similar to each other in terms of their consumption behavior.

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A) market segment
B) demographic cluster
C) organizational buyer group
D) ultimate consumer group
E) qualified prospect group

123) An inventor for 3M, David Windorski, and a team of four college students, questioned students about how they study. The students told the research team

A) that Scotch tape had outgrown its usefulness to students.
B) to make new products that were more environmentally friendly.
C) that the average backpack was already too heavy.
D) that it would be reasonable to put Post-it Flags together with a highlighter.
E) to determine the ratio of sales of 3M products to those of competitors' study aid products.

124) The purpose of the introduction of 3M Post-it Flag Highlighters was to

A) stay ahead of trends and focus its marketing program on only one segment.
B) stay ahead of trends and focus its marketing program on expanding distribution.
C) increase production economies of scale by reducing manufacturing and marketing costs for Post-it Flags and Post-it Notes.
D) preempt a competitive move by Sanford's Sharpie to introduce a similar product.
E) help college students with their studying.

125) Which statement about 3M's marketing program for Post-it Flag Highlighters and Post-it Flag Pens is most accurate?

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A) In his first attempt, David Windorski, a 3M inventor, designed the Post-it Flag Highlighter in exactly the right way to appeal to its target market.
B) Paralegals were initially the intended target market for the Post-it Flag Highlighter.
C) David Windorski, a 3M inventor, developed the Post-it Flag Pen for the office worker segment.
D) The Post-it Flag Highlighter was not successful and was deleted from the Post-it Flag product line.
E) In development of the Post-it Flag Highlighter, David Windorski examined similar products of 3M's major competitors and simply made changes that would provide the "wow" factor.

126) The pricing strategy for 3M's Post-it Flag Highlighters was to

A) match its principal competitors' highlighters' prices.
B) charge a price that would be reasonable to the target customer segment and provide a profit to distributors and itself.
C) set an initially low price with the intent of bringing down the price even further later if sales were less than anticipated.
D) place the product in discount office supply retailers to make it easier to purchase.
E) use the same pricing strategy as its 3M's Post-it Flag and Post-it Note offerings.

127) The 3M Post-it Flag Highlighter and Pen marketing programs discussed in the text were designed for what primary objective?

A) the initial launch of two new 3M products
B) specific promotions to be used for long-range strategies
C) segmenting the market into 12 specific target market segments
D) marketing 3M products to foreign markets
E) positioning the products relative to major competitors

128) The place strategy in 3M's marketing program made it convenient for _____ to buy Post-it Flag Highlighters and Post-it Flag Pens.

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A) external salespeople only
B) college students only
C) office workers only
D) college students and office workers
E) teachers only

129) Based on the marketing program 3M developed for its Post-it Flag Highlighters and Post-it Flag Pens, one can conclude that

A) the market segments for Post-it Flag Highlighters and Post-it Flag Pens are identical.
B) the market segments for Post-it Flag Highlighters and Post-it Flag Pens are not realistic.
C) the Post-it Flag Highlighters and Post-it Flag Pens are priced unreasonably for the target markets.
D) the prices for 3M's Post-it Flag Highlighters and Post-it Flag Pens are set to maximize 3M's profits, not its distributors' profits.
E) the promotion strategy is designed to increase awareness among potential users.

130) With respect to the history of American business, the _____ era covered the early years of the United States up until the 1920s.

A) sales
B) marketing concept
C) customer relationship
D) market orientation
E) production

131) If you wanted a new pair of shoes during the Civil War, you traced the outline of your foot on a piece of paper and gave it to a shoemaker. There was no distinction between the right and left foot because you wanted your shoes as quickly as possible, and the shoemaker knew that you would buy them even if they just "sort of" fit. This is an example of a transaction that would have occurred during the _____ era in U.S. business history.

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A) marketing concept
B) sales
C) production
D) social entrepreneurship
E) market orientation

132) With respect to the history of American business, the _____ era covered the years from the 1920s to the 1960s.

A) production
B) sales
C) marketing concept
D) customer relationship
E) market orientation

133) The period of American business history when firms could produce more goods than they could sell and the focus was on hiring more salespeople to seek out new customers is referred to as the _____ era.

A) sales
B) marketing concept
C) production
D) goods
E) market orientation

134) Shortly after World War II, John Jackson developed and began selling a machine lubricant that was superior to anything currently on the market. While demand kept up with production at first, several strong competitors added new products and he soon had to hire a sales force to sell excess product to manufacturing companies in the area. This is an example of marketing behavior that would occur during the _____ era of U.S. business history.

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A) marketing concept
B) production
C) goods
D) sales
E) social entrepreneurship

135) In the movie *Tin Men*, two rival salesmen engaged in a variety of dishonest and unethical practices in order to sell aluminum siding to homeowners in 1963. Their job was difficult, in part, because the supply of aluminum siding surpassed the demand for the product and competition was intense. This situation is indicative of the _____ era of U.S. business history.

A) goods
B) sales
C) production
D) market orientation
E) societal marketing

136) Imagine a confectionary company has introduced a new nutty candy bar during the 1930s (the sales era in U.S. business history). Which statement would you *most likely* expect management to make if sales of this new candy bar were much lower than expected?

A) "We'd better do some market testing to determine why people are dissatisfied."
B) "Perhaps we should make candy bars with raisins."
C) "Let's put more aggressive salespeople in the field."
D) "Let's lower the price and change the name."
E) "Don't worry about it; we're the largest candy manufacturer in the area. Sooner or later they'll get hungry enough that they'll come to us."

137) In U.S. business history, the marketing concept era was introduced in

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A) the mid-19 th century.
B) the 1920s.
C) the 1950s.
D) the mid-1980s.
E) the early 21st century.

138) The _____ concept means that an organization strives to satisfy consumer needs while achieving its goals.

A) marketing
B) sales
C) production
D) societal benefit
E) customer relationship

139) Which statement about the marketing concept is most accurate?

A) The marketing concept can trace its roots to early Greek culture.
B) The goal of the marketing concept is that both companies and consumers can satisfy their needs.
C) In using the marketing concept, companies focus on sales and advertising.
D) The marketing concept is most effective when production is limited and the product will sell itself.
E) All U.S. firms are now operating with a marketing concept philosophy.

140) The idea that an organization should strive to satisfy the needs of consumers while also trying to achieve the organization's goals reflects the

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A) concept of synergy.
B) marketing concept.
C) principle of customer relationship management.
D) societal marketing concept.
E) consumerism concept.

141) The marketing concept refers to

A) the activity for creating, communicating, delivering, and exchanging offerings that benefit its customers, the organization, its stakeholders, and society at large.
B) the belief that an organization should continuously collect information about customers' needs, share this information across departments, and use it to create customer value.
C) the view that organizations should satisfy the needs of consumers in a way that provides for society's well-being.
D) the process of identifying prospective buyers, understanding them intimately, and developing favorable long-term perceptions of the organization and its offerings so that buyers will choose them in the marketplace.
E) the idea that an organization should strive to satisfy the needs of consumers while also trying to achieve the organization's goals.

142) Which term best describes the marketing concept?

A) consumer-oriented
B) production-oriented
C) sales-oriented
D) society-oriented
E) competition-oriented

143) In 1952, General Electric's annual report stated, "The concept introduces...marketing...at the beginning rather than the end of the production cycle and integrates marketing into each phase of the business." This is a brief statement of what has come to be known as the

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A) sustainability perspective.
B) age of consumerism.
C) sales concept.
D) marketing concept.
E) customer relationship management concept.

144) Firms such as Southwest Airlines, Marriott, and Facebook have achieved great success by putting a huge effort into implementing the marketing concept, giving their firms a _____ orientation.

A) production
B) sales
C) customer relationship
D) service
E) market

145) Some companies have very restrictive return policies, often only accepting returns for store credit or even not accepting them at all. Though these policies have a positive effect on sales figures, some customers end up frustrated because they have legitimate reasons they wish to return merchandise. Very restrictive return policies are likely a violation of

A) the marketing concept.
B) the customer profile concept.
C) consumerism.
D) social entrepreneurship.
E) cause marketing.

146) On what does an organization with a market orientation focus?

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A) on continuously collecting information about the environment, keeping abreast of competitors' actions, and using this information to create product innovation
B) on prospective buyers, understanding them intimately, and developing favorable long-term perceptions of the organization and its offerings so that they will choose it in the marketplace.
C) on satisfying the needs of consumers while also trying to achieve its goals.
D) on satisfying the needs of consumers in a way that provides for society's well-being.
E) on continuously collecting information about customers' needs, sharing this information across departments, and using it to create customer value.

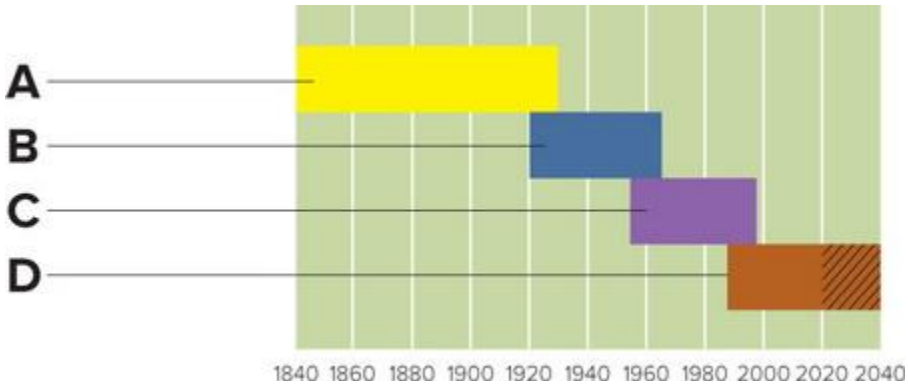
147) An organization that focuses its efforts on continuously collecting information about customers' needs, sharing this information across departments, and using it to create customer value is said to have a

A) product orientation.
B) macroeconomic orientation.
C) market orientation.
D) flexible orientation.
E) societal marketing orientation.

148) With respect to the history of American business, today's firms operate in the _____ era as they must continuously seek to satisfy the high expectations of customers.

A) production
B) sales
C) marketing concept
D) customer relationship
E) societal marketing

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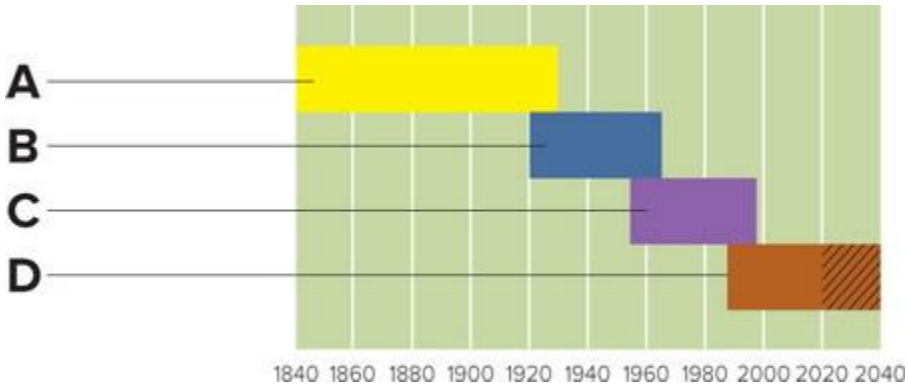


149)

Figure 1-5

In Figure 1-5 above, "A" represents which era in U.S. business history?

A) sales era
B) consumerism era
C) marketing concept era
D) customer relationship era
E) production era



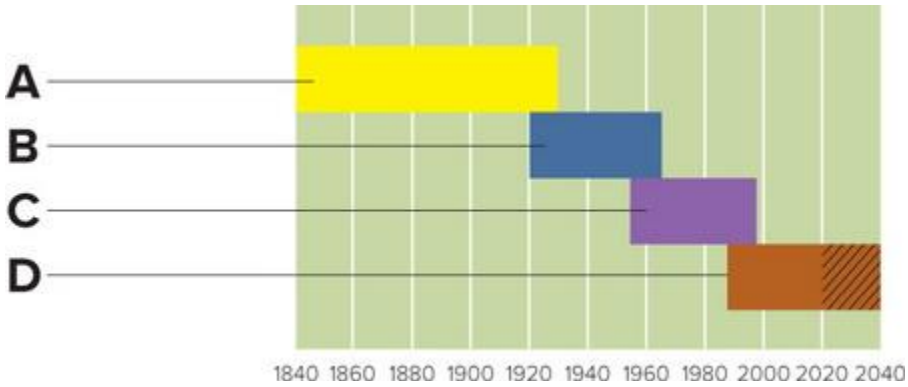
150)

Figure 1-5

In Figure 1-5 above, "B" represents which era in U.S. business history?

A) sales era
B) production era
C) consumerism era
D) marketing concept era
E) customer relationship era

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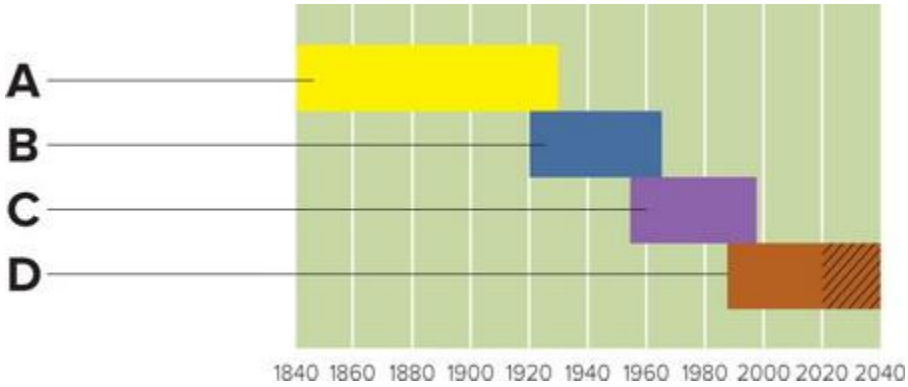


151)

Figure 1-5

In Figure 1-5 above, "C" represents which era in U.S. business history?

A) sales era
B) production era
C) consumerism era
D) marketing concept era
E) customer relationship era



152)

Figure 1-5

In Figure 1-5 above, "D" represents which era in U.S. business history?

A) sales era
B) production era
C) consumerism era
D) marketing concept era
E) customer relationship era

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153) Customer relationship management refers to the

A) view that organizations should satisfy the needs of consumers in a way that provides for society's well-being.
B) process of identifying prospective buyers, understanding them intimately, and developing favorable long-term perceptions of the organization and its offerings so buyers will choose them in the marketplace.
C) idea that an organization should strive to satisfy the needs of consumers while also trying to achieve the organization's goals.
D) links an organization has to its individual customers, employees, suppliers, and other partners for their mutual long-term benefit.
E) cluster of benefits that an organization promises customers to satisfy their needs.

154) The United Way of Greater Toronto (UWGT), like many charities, was sitting on a gold mine of donor data. Unfortunately, UWGT was not certain how to use that information to its greatest advantage. UWGT could blanket past donors with generic mailings, but it could not offer donors information that would convince them to donate to UWGT over other charities. Which tool would be most useful for the nonprofit organization to use?

A) a flexible marketing system
B) a database warehouse
C) customer relationship management
D) competitive intelligence
E) a profit-oriented marketing program

155) The internal response that customers have to all aspects of an organization and its offerings is referred to as

A) customer experience.
B) relationship marketing.
C) internal customer audit.
D) internal marketing.
E) customer relationship management.

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156) Customer experience refers to

A) the practice of building ties to customers based on a salesperson's attention and commitment to customer needs over time.
B) the links an organization has to its customers for their mutual long-term benefits.
C) the process of identifying prospective buyers, understanding them intimately, and developing favorable long-term perceptions of the organization and its offerings so that buyers will choose them in the marketplace.
D) the internal response that customers have to all aspects of an organization and its offerings.
E) the activities in which a firm participates to create a positive buying experience for customers.

157) Trader Joe's is consistently ranked as one of America's favorite supermarket chains for its outstanding _____, including personal attention from employees in the store.

A) customer value proposition
B) relationship marketing
C) customer experience
D) internal marketing
E) customer profiling

158) All of the following are aspects of Trader Joe's customer experience *except* which?

A) It has a large and expensive research and development facility.
B) It offers unusual food products not available from other retailers.
C) Its commitment to customer experience has resulted in its rank as a favorite supermarket.
D) It sets low prices by offering its own brands, not national ones.
E) It encourages employee "engagement" to help customers.

159) Today, the standards of marketing practice have shifted from the interests of producers to the interests of

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A) nonprofit organizations.
B) government.
C) retailers.
D) stockholders.
E) consumers.

160) Social responsibility is the

A) view that organizations should satisfy the needs of consumers in a way that provides for society's well-being.
B) fundamental, passionate, and enduring principles of an organization that guide its conduct over time.
C) idea that an organization should strive to satisfy the needs of consumers while also trying to achieve the organization's goals.
D) idea that individuals and organizations are accountable to a larger society.
E) recognition of the need for organizations to improve the state of people, the planet, and profit simultaneously if they are to achieve sustainable, long-term growth.

161) The idea that individuals and organizations are accountable to a larger society is known as

A) the societal marketing concept.
B) social responsibility.
C) consumerism.
D) sustainable development.
E) capitalism.

162) Oil manufacturers know that some consumers change the oil in their cars themselves and dump the used oil down sewer drains that ultimately flow into local rivers. Which is the most appropriate response, assuming the oil company is concerned with social responsibility?

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A) Consumers pay for the oil and can dispose of it however they choose.
B) The oil company will add a premium to the price so the costs of any oil cleanup is borne by the customers.
C) The oil company will develop a PR campaign to avoid bad press.
D) The polluted water affects society at large so the oil company will take action to prevent such disposal.
E) This is an issue local communities should address with their residents.

163) Which concept most likely explains why pharmaceutical giant Pfizer offered low-income senior citizens many of its most widely used prescriptions for $15 each per month?

A) the profit motive since aging baby boomers are a large, profitable market
B) the social responsibility concept
C) the necessity of matching competitors' actions
D) new regulatory Medicare mandates as a result of the Affordable Care Act
E) the mandate by its industry's code of ethics

164) What is the societal marketing concept?

A) The moral principles and values that govern the actions and decisions of an organization.
B) The idea that organizations are part of a larger society and are accountable to that society for their actions.
C) An active attempt to understand customer needs and satisfy them while satisfying the firm's goals.
D) An approach that involves conducting business in a way that protects the natural environment while making economic progress.
E) The view that an organization should satisfy the needs of consumers in a way that provides for society's well-being.

165) The view that holds an organization should satisfy the needs of consumers in a way that also provides for society's well-being is known as

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A) the societal marketing concept.
B) the marketing concept.
C) consumerism.
D) social responsibility.
E) capitalism.

166) Innovators at 3M developed Scotchbrite Greener Clean scrub sponges made from agave leaves. Customers appreciate this superior product (they don't rust or scratch) and like the fact that their purchase is environmentally responsible, making this an example of

A) the societal marketing concept.
B) the marketing concept.
C) consumerism.
D) target markets.
E) capitalism.

167) What kinds of organizations should engage in marketing?

A) only those that can afford to advertise
B) only very large and established for-profit organizations
C) only Fortune 5,000 companies
D) every kind of organization
E) only organizations with a profit motive

168) Which of these engages in marketing? Choose the best answer.

A) the Chicago Cubs
B) the San Francisco Opera
C) the City of Denver
D) the President of the United States
E) Every organization or individual can engage in marketing to some extent.

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169) Which statement best describes a good?

A) Goods are physical objects.
B) Goods are the only currency that can be used in an exchange.
C) Goods are intangible concepts and thoughts about ideas or causes.
D) Goods are the benefits organizations receive for selling products and services.
E) Goods can be either tangible or intangible.

170) Which statement best describes a service?

A) Services are physical objects.
B) Services are intangible items.
C) Services are thoughts about concepts, actions, or causes.
D) Services are the benefits organizations receive in exchange for selling products.
E) Services comprise the subset of tangible features of products.

171) Organizations such as Uber, Citibank, and St. Jude Children's Research Hospital each provide customers with a product that is typically called

A) a utility.
B) a performance.
C) a service.
D) a value.
E) an idea.

172) A skydiving experience cannot be touched like a physical object, but is still considered a product. To a marketer, this is an example of

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A) a utility.
B) a production.
C) a value.
D) a service.
E) an idea.

173) In marketing, thoughts about concepts, actions, or causes are referred to as

A) utilities.
B) experiences.
C) values.
D) ideas.
E) services.

174) What is the best definition of a product?

A) an item that consists of the benefits or customer value received by its sellers
B) the cluster of benefits that an organization promises customers to satisfy their needs
C) a good, service, or idea consisting of a bundle of tangible and intangible attributes that satisfy consumers' needs and is received in exchange for money or something else of value
D) an item that the consumer purchases frequently, conveniently, and with a minimum of shopping effort
E) the set of intangible activities or benefits that an organization provides to satisfy consumers' needs in exchange for money or something else of value

175) A good, service, or idea consisting of a bundle of tangible and intangible attributes that satisfies consumers' needs and is received in exchange for money or something else of value is known as

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A) a utility.
B) an item.
C) a sale.
D) a marketing program.
E) a product.

176) Which answer reflects (in this order) a good, a service, and an idea that can be marketed?

A) a candy bar, a wastepaper basket, and a vending machine
B) a CD, a concert, and a souvenir T-shirt
C) a political candidate, democracy, and freedom
D) an iPhone, an iPad, and an Apple Watch
E) a toothbrush, laser teeth whitening, and dental hygiene

177) Russia′s world-class, 1,000-room State Hermitage Museum wanted to find a way to market itself to potential first-time visitors. So it developed a free app to guide visitors through the museum and provide information about events and exhibits. The Hermitage is _____ that uses an app to market itself worldwide.

A) a good
B) an idea
C) a service
D) an assembly
E) a charity

178) All of the following are examples of ideas that can be marketed *except* which?

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A) state governments in Arizona and Florida marketing the notion of taking a warm, sunny winter vacation in their states

B) Apple using a TV ad to explain the features of an iPad mini (camera, screen resolution, user interface, etc.)

C) the Nature Conservancy marketing the cause of protecting the environment

D) conservative politicians who attempt to persuade voters of the need to slash government spending to reduce a large national deficit

E) charities like the Red Cross marketing the idea that it's worthwhile for you to donate your time or money to its relief efforts

179) Ultimate consumers are

A) the people who use the products and services purchased for a household.

B) people who have already purchased a firm's product at least once, have been satisfied, and are likely to make repeat purchases.

C) people or organizations that have used a competitor's product and who have been dissatisfied, and who are still seeking a product or service to satisfy their needs.

D) those manufacturers, wholesalers, retailers, and government agencies that buy goods and services for their own use or for resale.

E) one or more specific groups of potential customers toward whom an organization directs its marketing program.

180) The people who use the products and services purchased for a household are called

A) organizational buyers.
B) household prospects.
C) ultimate consumers.
D) a target market.
E) sellers.

181) Hudson News Distribution owners Lisa and James Cohen recently launched a quarterly art and interior design magazine, *Galerie,* to be distributed exclusively in their retail stores. Who is the ultimate consumer for this magazine?

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A) the person who buys the magazine to read at home
B) the person who stocks the magazine rack at Hudson News
C) any person who owns Hudson News stock
D) the salesperson at Hudson News
E) All those who benefit from the magazine, from the owners and writers, to the seller, to the reader at home, are ultimate consumers.

182) Which person is an example of an ultimate consumer?

A) a newspaper reporter who books a plane ticket to Washington, D.C., to cover the presidential inauguration
B) a schoolteacher who got her hair cut at a salon prior to classes starting in the fall
C) an office receptionist who renews the subscriptions for magazines that are found in the office waiting room
D) a retailer who buys banners for an upcoming store sale
E) a landscaping firm employee who buys a new wheelbarrow to haul mulch

183) Entities such as manufacturers, retailers, and government agencies that buy goods and services for their own use or for resale are referred to as

A) intermediate buyers.
B) selling agents.
C) organizational buyers.
D) manufacturing agents.
E) brokers.

184) Organizational buyers are described as

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A) only companies that purchase raw materials and natural resources for manufacturing.
B) employees who purchase household items for their personal use.
C) any individual or group making a purchase worth over $100,000.
D) manufacturers, retailers, or government agencies that buy products for their own use or for resale.
E) any organization that uses products purchased or meant for a household.

185) Which person is the best example of an organizational buyer?

A) a college student buying paper towels in bulk for herself and her roommates
B) a store owner buying hand-woven tablecloths to sell in her store
C) a computer programmer buying the latest game for her Xbox
D) a botanist buying a rare rose bush for her home garden
E) a parent buying a softball glove for a daughter

186) Effective marketing benefits society because it

A) reduces competition, making the playing field more even.
B) improves the quality of products and services regardless of the cost.
C) allows companies to charge whatever price they want, regardless of product quality.
D) makes countries more competitive in world markets while simultaneously reducing competition in their home markets.
E) enhances competition, which improves the quality of products and services and lowers prices.

187) In marketing, utility refers to

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A) the number of alternative uses or benefits that can be provided by a single product or service.
B) the adaptability of a marketing program to adjust to changes in the marketing environment.
C) the benefits or customer value received by users of the product.
D) the fixed costs associated with the production of a single unit of a product within a product line.
E) the variable costs associated with the production of a single unit of a product within a product line.

188) The benefits or customer value received by users of a product is called

A) utility.
B) synergy.
C) consumerism.
D) cost-benefit ratio.
E) customer lifetime value.

189) The four utilities marketing creates are

A) product, price, promotion, and place.
B) form, function, value, and image.
C) monopoly, monopolistic competition, pure competition, and oligopoly.
D) form, place, time, and possession.
E) information, persuasion, affection, recommendation.

190) The value to consumers that comes from the production of a product or service constitutes _____ utility.

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A) time
B) place
C) possession
D) market
E) form

191) Which example best demonstrates form utility?

A) a smartphone with a multitouch user interface for easy navigation
B) stamp vending machines that are located in drugstores
C) a service station that has a 24-hour ice machine available for use when the station is closed
D) a mobile phone company that offers six-month financing, same as cash
E) a gourmet candy store that offers a home delivery service

192) FreshCase packaging is the first-ever vacuum package for red meat that maintains the meat's appetizing color, reducing both food and plastic waste. This is an example of creating _____ utility in the case-ready meat category.

A) time
B) place
C) form
D) possession
E) market

193) Innovations in the textile industry have led to fabrics that help regulate body temperature, reduce wind resistance, and control muscle vibration, all of which help improve athletic performance. This shows how manufacturing can create _____ utility.

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A) time
B) form
C) place
D) possession
E) market

194) BioFuel Energy, a Minnesota ethanol producer can turn corn into ethanol, creating _____ utility.

A) time
B) place
C) possession
D) market
E) form

195) The value to consumers that comes from having the offering available where consumers need it constitutes _____ utility.

A) time
B) place
C) possession
D) market
E) form

196) Which statements is an example of place utility?

A) airlines that allow you to print your own boarding pass at home
B) a service station that adds a diesel fuel pump to its three unleaded gasoline pumps
C) a mobile phone company that offers six-month financing, same as cash
D) cold cut packages that can be zipped close for reuse
E) a smartphone with a multitouch user interface for easy navigation

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197) The value to consumers that comes from having the offering available when they need it constitutes _____ utility.

A) place
B) possession
C) market
D) time
E) form

198) American Express cardholders have access to early presales for Ariana Grande concert tickets in many cities. What utility does American Express offer in this instance?

A) time utility
B) place utility
C) possession utility
D) market utility
E) form utility

199) Dick's Sporting Goods carries baseballs year-round. The same is true for footballs and tennis equipment. With this strategy, Dick's Sporting Goods offers _____ utility for these products.

A) time
B) place
C) possession
D) market
E) form

200) Which of these is an example of time utility?

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A) an iPhone with a "multitouch" user interface for easy navigation
B) Goodwill's 24-hour drop-off box for clothing donations
C) a dry cleaner located inside a supermarket
D) a mobile phone company that offers six-month financing, same as cash
E) a new herbal supplement that offers a 30-day free trial

201) Redbox places vending machines at local convenience and grocery stores that allow customers to rent and return popular movies and video games 24 hours a day. This creates both _____ and _____ utilities.

A) form; place
B) form; time
C) place; time
D) time; possession
E) form; possession

202) The value to consumers that comes from making an item easy to purchase through the provision of credit cards and financial arrangements constitutes _____ utility.

A) time
B) place
C) market
D) possession
E) form

203) Which product is an example of possession utility?

A) a smartphone with a large selection of new apps
B) the local dairy that offers to deliver bottles of milk to a customer's doorstep
C) disposable diapers that come equipped with resealable tabs
D) a gourmet food store that carries a line of ready-made salads
E) a mobile phone company that offers six-month financing, same as cash

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204) Robert was running low on cash when he went to buy his marketing textbook on the first day of class. Luckily, the bookstore accepted his VISA card, so the bookstore created _____ utility for Robert.

A) form
B) time
C) price
D) possession
E) place

205) The founder of Chobani, winner of the Ernst & Young World Entrepreneur of the Year award, is

A) Mark Zuckerberg.
B) "Trader" Joe Demapolis.
C) Hamdi Ulukaya.
D) Robert M. McMath.
E) David Windorski.

206) One difference between "Greek" yogurt and "American" yogurt is that the latter

A) has a gritty texture.
B) has a thin consistency.
C) is not sweet enough for health-conscience palettes.
D) is only sold in health or natural food stores.
E) has high protein content.

207) All of the following are points of difference for Chobani yogurt *except* which?

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A) It uses a shorter, wider cup that is more visible on retailers' shelves.
B) It is preservative-free.
C) It is higher in protein than regular yogurt.
D) It uses a proprietary animal-based thickener.
E) It uses a straining process that removes excess liquid whey.

208) All of the following are current or prospective distribution channels for Chobani yogurt *except* which?

A) convenience stores
B) drugstores
C) mass merchandisers
D) schools
E) vending machines

209) Chobani used all of the following tactics to promote its Greek yogurt *except* which?

A) sponsored the Food Network's "Rachael vs. Guy: Kids Kick-Off" TV show with its Chobani Kids Pouches
B) created a website to provide consumers with recipes that use Chobani yogurt
C) sponsored U.S. Olympic Teams
D) used social networks Facebook, Twitter, Pinterest, and Instagram
E) relied on word of mouth in its early years

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

210) Why are you, as a student, already somewhat of a marketing expert before taking this course? Provide a specific example from your own personal experience and relate it to something you just "formally" learned about marketing.

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211) What is the definition of marketing? How does this differ from your previous notion of marketing before beginning this course?

212) What are the two key objectives of marketing? Define "exchange" and explain how it supports these objectives.

213) Some people may assume that for a marketer, the only thing of value for which he or she would "exchange" would be monetary (check, credit/debit, currency, and/or coin transactions). But what else can be exchanged? Provide an example of a nonmonetary transaction that still fits the criteria of exchange.

214) In addition to consumers, what other people, groups, and environmental forces interact to influence an organization's marketing activities?

215) What four factors are required for marketing to occur?

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216) In China, many people are removing their money from the state banks and lending it out themselves. The interest rate earned in a state bank account is about one-half the rate of inflation. On the other hand, lending money to friends, relatives, and even unrelated entrepreneurs can often earn the investor a rate at least double the inflation rate. The gray market, an underground network of investors and private businesses, moves the cash from lenders to businesses. Did marketing occur here? Explain your answer.

217) Add your own personal experience and creativity to what you have learned about marketing. What are some ways you might assess the needs of either (1) students who have too many textbooks to carry to and from class or (2) executives who are too busy to keep up with the latest information in their field?

218) Define needs and wants. Can marketing shape a person's wants? Explain your answer.

219) What are the three components of a person's ability to buy an offering?

220) Explain the difference between a market and a target market. Provide a specific example of each.

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221) Describe two different target markets for two different products or services you, your friends, or your family have recently purchased or used.

222) An inventor designs a scissors that has interchangeable blades that allow the user to switch from straight cuts to decorative cuts. Identify two possible target markets and explain your answer.

223) Marketing managers use a combination of four tools in order to develop a complete marketing program to reach consumers. Briefly define these four tools.

224) Imagine you have the sole marketing rights to a new herbal shampoo that stops hair loss and actually causes new hair growth. You plan to sell your product on an Internet website, which you will advertise on late-night television. You are also hoping to obtain free publicity to place stories in men's fashion magazines. You are planning to sell online a 15-ounce bottle for $24.99 plus $7.99 shipping and handling. Using the information provided, identify each element of your marketing mix.

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225) List the five environmental forces in a marketing decision that generally are outside the control of marketing managers. Explain how these factors impact an organization's marketing.

226) Why do some marketers feel that environmental forces are *not* entirely outside their influence?

227) Do college students have a choice in which classes they take to earn a degree? Use what you have learned about the controllable and uncontrollable aspects of marketing in terms of how they might relate to course selection decision making. Incorporate marketing terms in your response.

228) The Apple iPhone is rated by *Consumer Reports* as being one of the best smartphones in the industry. Define customer value. In what ways do you think the Apple iPhone provides value for its customers?

229) Assume you are a salesperson for a direct marketing firm that does in-home jewelry parties. If most of your hosts or hostesses hold only one party a year, what strategies could you use to build strong customer relationships? If you are creating your own business for this example, make sure to describe your product(s) in your introductory sentence.

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230) During October, kiosk or "pop-up" stores appear in many malls for the holiday season. Typically, these kiosks sell gift boxes of cheese, jewelry, and other items people think are appropriate seasonal gifts. In January, these retailers vanish. Is it possible for such a retailer to use relationship marketing? Explain your answer.

231) Twitter is a social networking service, enabling its users to send and read other users' messages or conversations called tweets, which are short, text-based posts, or tweets, displayed on the user's profile page. Connected to each tweet is a rich details pane that provides additional information, deeper context, and embedded media. Companies are using Twitter as a tool in their relationship marketing programs. In what ways can Twitter be used to benefit both the customer and the organization?

232) Explain the marketing program that 3M used to reach the student target market for the Post-it Flag Highlighter and the rationale used for each element of the marketing mix.

233) Explain the marketing program 3M used to reach the office worker segment with its Post-it Flag Pen.

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234) Define the marketing concept.

235) Goods, services, and ideas all can be marketed. Define goods, services, and ideas and give at least one example of each.

236) What are the primary differences between an ultimate consumer and an organizational buyer? Select one product and explain the differences in either its use or purchase, depending on whether it was purchased by an ultimate consumer or an organizational buyer.

237) In our free-enterprise society, which three specific groups benefit from effective marketing?

238) Explain what is meant by the concept of marketing utility. Identify and describe the four utilities created by marketing.

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239) At the BMW website, BMW.com, you can design your own BMW with the exact features you desire. If you choose to use this method to purchase a car, what type of utility(ies) has(have) been created?

240) Describe the marketing mix actions mentioned in the text that Chobani has taken since its founding.

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Marketing 15th Edition by Kerin CH01

Answer Key

Test name: CH01

1) D
Chobani introduced a Greek yogurt, a product that is higher in protein, lower in sugar, and thicker and creamier than typical American yogurt. The timing fit perfectly with the changing tastes of American consumers.

2) C
Chobani pushed for distribution in major grocery chains rather than smaller niche stores, and encouraged placement of the product in the main dairy cases of the stores, not in the specialty or health food sections. Management believed that Americans would really like Greek yogurt if they tried it, and that they would try it if they had heard about it and could find it easily in their grocery store.

3) B
Chobani has sponsored Olympic and Paralympic teams. The other items listed are not mentioned in the text.

4) E
You perform many marketing activities and make marketing-related decisions every day. Your experience in shopping gives you some expertise in marketing. As a consumer, you've been involved in thousands of marketing decisions, but mostly on the buying and not the selling side.

5) D

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Elon Musk has been involved in a variety of innovative business ventures, including PayPal, SpaceX, Tesla, Solar City, OpenAI, Neuralink, and The Boring Company. He was not a part of Facebook's inception.

6) E
Key term definition—marketing.

7) C
Key term definition—marketing.

8) C
Marketing is defined as the activity for creating, communicating, delivering, and exchanging offerings that benefit its customers, the organization, its stakeholders, and society at large. Marketing is a far broader activity than simply advertising or personal selling. It stresses the importance of delivering genuine benefits in the offerings of goods, services, and ideas marketed to customers. Also, notice that an organization's marketing activities should create value for its partners and for society.

9) A
Marketing is defined as the activity for creating, communicating, delivering, and exchanging offerings that benefit its customers, the organization, its stakeholders, and society at large. It stresses the importance of delivering genuine benefits in the offerings of goods, services, and ideas marketed to customers. Also, an organization's marketing activities should create value for its partners and for society.

10) E

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Marketing is defined as the activity for creating, communicating, delivering, and exchanging offerings that benefit its customers, the organization, its stakeholders, and society at large. It stresses the importance of delivering genuine benefits in the offerings of goods, services, and ideas marketed to customers. Also, notice that an organization's marketing activities should create value for its partners and for society.

11) D
To serve both buyers and sellers, marketing seeks (1) to discover the needs and wants of prospective customers and (2) to satisfy them.

12) B
To serve both buyers and sellers, marketing seeks (1) to discover the needs and wants of prospective customers and (2) to satisfy them.

13) A
Prospective customers include both individuals, buying for themselves and their households, and organizations that buy for their own use (such as manufacturers) or for resale (such as wholesalers and retailers).

14) B
Prospective customers include both individuals, buying for themselves and their households, and organizations that buy for their own use (such as manufacturers) or for resale (such as wholesalers and retailers). A prospective customer includes anyone who could benefit from owning a product, whether previously owning one or not.

15) C

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A prospective customer includes anyone who would benefit from owning a product. However, the most likely prospective customer in this case would be an executive for whom time is extremely important. Both the benefits of the PAL-V and the willingness and ability to pay for it are needed for prospective customers to become actual customers.

16) C
Key term definition—exchange.

17) B
Key term definition—exchange.

18) B
Exchange is the trade of things of value between buyer and seller so that each benefits. An exchange occurred when Amanda Cho exchanged her donated blood for a feeling of satisfaction, which she valued. The Red Cross received the donated blood to serve the needs of society in times of accident or disaster.

19) E
Exchange is the trade of things of value between buyer and seller so that each benefits. In this instance, Maria is the customer and the college is the marketer. An exchange occurred when Maria paid her tuition to the college and received the education required to earn a degree that resulted in the job offer.

20) A

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Figure 1-2 shows the key people, groups, and forces inside and outside the organization that influence its marketing activities. The marketing department is engaged in facilitating relationships, partnerships, and alliances with the organization's customers, shareholders/owners (or often representatives of groups served by a nonprofit organization), suppliers, and other organizations. The marketing department interacts with these internal and external groups in a dynamic relationship (note the two-way arrows).

21) D
An organization's mission and objectives determine what business it is in and what goals it seeks. Within the organization, management is responsible for establishing these goals. The marketing department works closely with a network of other departments and employees to help provide the customer-satisfying products required for the organization to survive and prosper.

22) B
Refer to Figure 1-2. The organization must strike a balance among the sometimes differing interests of stakeholder groups. For example, it is not possible to simultaneously provide the lowest-priced and highest-quality products to customers and pay the highest prices to suppliers, the highest wages to employees, and the maximum dividends to shareholders.

23) B
A marketing department relates to many people, organizations, and forces. Note that the marketing department both shapes and is shaped by its relationship with these internal and external groups (see Figure 1-2). The marketing department works closely with a network of other departments and employees to help provide the customer-satisfying products required for the organization to survive and prosper.

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24) E
Figure 1-2 shows the key people, groups, and forces outside the organization that influence its marketing activities. The marketing department is one of several departments in a typical organization. Other departments include human resources, information systems, finance, manufacturing, and research and development (R&D). Shareholders exist outside the organization.

25) B
The marketing department is responsible for facilitating relationships, partnerships, and alliances with the organization's customers, shareholders, suppliers, and other organizations. See Figure 1-2.

26) A
The marketing department is responsible for facilitating relationships, partnerships, and alliances with the organization's customers, shareholders, suppliers, and other organizations. See Figure 1-2.

27) E
The marketing department works closely with a network of other departments, like R&D and manufacturing, to help provide the customer-satisfying products required for the organization to survive and prosper.

28) B
Environmental forces involving social, economic, technological, competitive, and regulatory considerations also shape an organization's marketing actions. See Figure 1-2.

29) D
Environmental forces involving social, economic, technological, competitive, and regulatory considerations also shape an organization's marketing activities.

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30) B
Although an organization's marketing activity focuses on assessing and satisfying consumer needs, countless other people, groups, and forces interact to shape the nature of its activities. The marketing department works closely with a network of other departments and employees to help provide the customer-satisfying products required for the organization to survive and prosper. See Figure 1-2.

31) C
Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange.

32) E
Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange.

33) D
Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange.

34) B

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Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange. In this example, consumers may want/need a new beverage alternative and Dr. Pepper Snapple Group wishes to sell them one—Country Time lemonade.

35) D
Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange. In this example, the student has been unable to communicate with the tutor he'd like to use.

36) C
Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange. In this example, the student has the desire but not the ability—she lacks the funds—to buy the crossover SUV.

37) B
Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange. In this example, the most likely factor preventing Lou from engaging in a marketing transaction is that the doctor does not have an effective product to offer him in exchange for his money.

38) D

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Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange. In this example, your vote is the "something of value" that is exchanged. Here, you will not engage in the "exchange" process with this candidate because you doubt you will receive something of value in return.

39) A
Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange. The Arizona Biltmore needs to concentrate on "communication."

40) D
Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange. The farmhand is unable to communicate with those that would be willing to sell him a scooter, particularly those who use Internet-based "want ads" such as Craigslist.

41) B
Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange. Because you have forgotten your wallet, there is no ability on your part to satisfy your need because you have no money (currency or credit card) to fulfill your part of the exchange process.

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42) D
Four factors are required for marketing to occur: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their part to be satisfied; (3) a way for the parties to communicate; and (4) something to exchange. When Randall receives a coupon on his phone or drives by the Taco Bell store location, the communication barrier is overcome.

43) E
The importance of discovering and satisfying consumer needs in order to develop and offer successful products is critical to understanding marketing.

44) B
The first objective in marketing is discovering the needs of prospective customers. Marketers often use customer surveys, concept tests, and other forms of marketing research to better understand customer ideas.

45) C
Many firms also use "crowdsourcing" websites or "innovation tournaments" to solicit and evaluate ideas from customers. At LEGO Group, for example, ideas that are submitted to LEGO Ideas (ideas.logo.com) and receive 10,000 votes from site visitors are considered for possible addition to the product line. LEGO Group products that were discovered through the website (www.ideas.lego.com) include its Voltron robot, its women of NASA set, its Big Bang Theory model, and a set based on the Minecraft video game.

46) B

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While marketers are improving the ways they can generate new-product ideas, experts estimate that it takes 3,000 raw ideas to generate one commercial success. Market intelligence agency Mintel estimates that 38,000 new products are introduced worldwide each month. In addition, studies of new-product launches indicate that about 40 percent of the products fail.

47) C
Robert M. McMath, who has studied more than 110,000 new-product launches, has two key suggestions for marketers: (1) focus on what the customer benefit is, and (2) learn from the past.

48) E
Robert M. McMath, who has studied more than 110,000 new-product launches, has two key suggestions for marketers: (1) focus on what the customer benefit is, and (2) learn from the past.

49) D
Showstoppers are factors that might doom a product in the marketplace.

50) C
Showstoppers are factors that might doom a product in the marketplace.

51) B
Google Glass was introduced in 2014 as smart glasses. While the product was popular among technology enthusiasts it did not attract a mass market. Show stoppers included its $1500 price tag, a general perception that it looked "nerdy," and concerns that wearing the device might violate privacy rights.

52) B

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New products are being developed as the U.S. Food & Drug Administration's new Nutrition Facts label requirements (effective 2020) will provide more information about added sugars. Coca-Cola is testing Coca-Cola Stevia which will be sweetened only with the natural ingredient stevia, rather than the aspartame used in Coke Zero Sugar. A potential showstopper: In the past consumers reported that products with stevia sweetener had a bitter aftertaste.

53) B
Key term definition—need.

54) B
Key term definition—want.

55) B
Key term definition—want.

56) B
A need occurs when a person feels deprived of basic necessities such as food, clothing, and shelter. A want is a need that is shaped by a person's knowledge, culture, and personality. So if Steve feels hungry, he has developed a basic need and desire to eat something. Let's say he then wants to eat a Cool Mint Chocolate Clif Bar because, based on his past experience, he knows it will satisfy his hunger need.

57) E
Key term definition—need.

58) D
Needs occur when a person feels deprived of basic necessities such as clothes, food, or shelter. Only a sales tax offers no satisfaction of a basic need.

59) E

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Needs occur when a person feels deprived of basic necessities such as food, clothing, and shelter. A want is a felt need that is shaped by a person's knowledge, culture, or personality.

60) C
Key term definition—want.

61) A
A need occurs when a person feels deprived of basic necessities (i.e., food, water, clothing, and shelter). A want is a need that is shaped by a person's knowledge, culture, or personality. Hunger represents the consumer's need, while consuming Cool Mint Chocolate Clif Bars is a way to satisfy one's hunger based on wants.

62) B
Key term definition—market.

63) C
Key term definition—market.

64) A
Key term definition—market.

65) C
Potential customers make up a market, which consists of people with both the desire and the ability to buy a specific product. In this case, it is anyone who has the time, the money, and the desire to undergo cosmetic dentistry procedures.

66) E
A principal activity of a firm's marketing department is to scrutinize its consumers through effective research to understand what they need and want and the forces that shape those needs and wants. It then seeks to satisfy those needs by successfully implementing a marketing program possessing the right combination of the marketing mix—the four Ps. See Figure 1-3.

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67) E
A principal activity of a firm's marketing department is to scrutinize its consumers through effective research to understand what they need and want and the forces that shape those needs and wants. It then seeks to satisfy those needs by successfully implementing a marketing program possessing the right combination of the marketing mix—the four Ps. See Figure 1-3.

68) A
A principal activity of a firm's marketing department is to scrutinize its consumers through effective research to understand what they need and want and the forces that shape those needs and wants. It then seeks to satisfy those needs by successfully implementing a marketing program possessing the right combination of the marketing mix—the four Ps. See Figure 1-3.

69) B
Key term definition—marketing mix.

70) E
Key term definition—target market.

71) D
Key term definition—target market.

72) A
Although anyone can enjoy Lunchables, a target market is a specific group of potential consumers toward which an organization directs its marketing program. In this case, Lunchables' smaller portions and bright packaging are targeted toward parents with school-age children.

73) D

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Football fans nearby are the Indianapolis Colts' target market—people with both the desire and ability to easily attend home games in Indianapolis.

74) B
Of the possible markets listed above, single-serving cans meet a special need for singles, campers, senior citizens, and vending machines. School kitchens traditionally serve large quantities of food; the time it would take to open single-serving cans for hundreds of children makes the product impractical and therefore would not satisfy the actual needs.

75) B
Any of these people could use a briefcase. However, as a group, executives would include the greatest number with the greatest need for and ability to purchase a TUMI briefcase.

76) D
A target market consists of one or more specific groups of potential consumers toward which an organization directs its marketing program. In this case, although 14-year-old boys cannot serve in the military, a positive attitude or association with the game and its content now can lead to potential recruits in the future—the Army's target market.

77) E
LinkedIn is the most effective and economical of the alternatives to communicate with this target market.

78) B
Key term definition—marketing mix.

79) C
Key term definition—marketing mix.

80) A

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Key term definition—marketing mix.

81) D
The four Ps are the marketing manager's controllable factors—product, price, promotion, and place—that can be used to solve a marketing problem.

82) B
The four Ps are the marketing manager's controllable factors—product, price, promotion, and place—that can be used to solve a marketing problem.

83) C
The four Ps are the marketing manager's controllable factors—product, price, promotion, and place—that can be used to solve a marketing problem.

84) E
Key term definition—controllable factors.

85) D
The bread mix is the product. The price is $14.99 plus shipping. The promotion is word of mouth and public demonstrations. The place is through the mail. These four elements are the marketing mix—product, price, promotion, and place.

86) A
Key term definition—product.

87) C
A product is a good, service, or idea to satisfy consumers' needs, so a cookie is an example of a product.

88) B

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Key term definition—price.

89) B
The price is what is exchanged for the product; in this case, a rate change increases the price of the product.

90) E
Price is what is exchanged for the product; in this case, access to an art gallery.

91) C
Price is what is exchanged for the product; in this case, access to the concert. The toy donation was exchanged for the privilege of listening to the music.

92) B
Key term definition—promotion.

93) D
Promotion is a means of communication between the seller and buyer. *Taste of Home* magazine would be likely to communicate to the target market for old-fashioned food products.

94) C
Promotion is a means of communication between the seller and buyer, such as advertising during streaming programs.

95) C
Promotion is a means of communication between the seller and buyer, such as Instagram advertising.

96) D
Key term definition—place.

97) A

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Place refers to the means of getting the product to the consumer. Here, carriers distribute the packages by "placing" them on the customer's front porch.

98) D
Place refers to the means of getting the product to the consumer.

99) B
Key term definition—environmental forces.

100) C
Key term definition—environmental forces.

101) D
Key term definition—environmental forces.

102) B
Key term definition—environmental forces.

103) D
The five environmental forces may serve as accelerators or brakes on marketing, sometimes expanding an organization's marketing opportunities and at other times restricting them.

104) A
Legislation for car seats describes a regulatory environmental action. The other alternatives are marketing program decisions.

105) A
Key term definition—customer value.

106) D
Key term definition—customer value.

107) E

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Customer value is the unique combination of benefits received by targeted buyers that includes quality, price, convenience, on-time delivery, and both before-sale and after-sale service at a specified price. Firms gain loyal customers by providing unique value, the essence of successful marketing.

108) E
Outstanding customer value is delivered through the implementation of one of three value strategies—best price, best product, or best service. Target has been successful by offering consumers the best price.

109) B
Outstanding customer value is delivered through the implementation of one of three value strategies—best price, best product, or best service. Starbucks provides its customers with the best products.

110) D
Outstanding customer value is delivered through the implementation of one of three value strategies—best price, best product, or best service. The bank delivers customer value by providing its customers with the best customer service.

111) D
Outstanding customer value is delivered through the implementation of one of three value strategies—best price, best product, or best service. Price and flight schedule are not considered here.

112) C
Key term definition—relationship marketing.

113) A
Key term definition—relationship marketing.

114) C

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Relationship marketing involves a personal, ongoing relationship between the organization and its individual customers that begins before and continues after the sale. It links the organization to its individual customers, employees, suppliers, and other partners for their mutual long-term benefit. Many companies use it, and the Internet can be used to gain customer insights that nurture better relationships.

115) B
Relationship marketing links the organization to its individual customers, employees, suppliers, and other partners for their mutual long-term benefits.

116) E
Relationship marketing links the organization to its individual customers, employees, suppliers, and other partners for their mutual long-term benefits.

117) A
Relationship marketing links the organization to its individual customers, employees, suppliers, and other partners for their mutual long-term benefits.

118) A
Key term definition-marketing program.

119) B
Key term definition—marketing program.

120) D

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Effective relationship marketing strategies help marketing managers discover what prospective customers need. They must translate this information into some concepts for products the firm might develop. These concepts must then be converted into a tangible marketing program.

121) D
Key term definition—market segments.

122) A
Market segments are the relatively homogenous groups of prospective buyers that (1) have common needs and (2) will respond similarly to a marketing action. Thus, members of the segment are relatively similar to each other in terms of their consumption behavior.

123) D
Windorski had to first discover students' studying needs. To answer this question, Windorski worked with a team of four college students. Their task was to observe and question students about their study behavior, such as how they used their textbooks, took notes, wrote term papers, and reviewed for exams. Often, they watched students highlight a passage and then mark the page with a Post-it Note or the smaller Post-it Flag. Windorski realized there was an opportunity to merge the functions of two products into one to help students study.

124) E
The purpose of the introduction of the Post-it Flag Highlighter was to help college students with their studying.

125) C
David Windorski developed the Post-it Flag Pen for the office worker segment.

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126) B
3M charged a price to distributors that it hoped would give a reasonable bookstore price to students and an acceptable profit to distributors and 3M. In this case, the price of $3.99 to $4.99 for a single Post-it Flag Highlighter or $5.99 to $7.99 for a three-pack are the specified prices at which targeted buyers and distributors receive their respective value and profits. See Figure 1-4.

127) A
The marketing programs for the initial introduction of two new 3M Post-it brand products (Post-it Flag Highlighters and Post-it Flag Pens) targeted two distinctly different customer segments: college students and office workers. See Figure 1-4.

128) D
The Post-it Flag Highlighter and the Post-it Flag Pens were distributed in locations to make it easy for the target markets (college students and office workers) to buy, such as college bookstores and office retailers, respectively. See Figure 1-4.

129) E
3M's promotional strategy is to increase awareness among potential users. See Figure 1-4.

130) E
Key term definition—production era. See Figure 1-5.

131) C
In the production era, goods were scarce and buyers were willing to accept virtually any goods that were available and make do with them.

132) B
Key term definition—sales era. See Figure 1-5.

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133) A
In the sales era from the 1920s to the 1960s, manufacturers found they could produce more goods than buyers could consume. Competition grew. The usual solution was to hire more salespeople to find new buyers. See Figure 1-5.

134) D
In the sales era from the 1920s to the 1960s, manufacturers found they could produce more goods than buyers could consume. Competition grew. The usual solution was to hire more salespeople to find new buyers. See Figure 1-5.

135) B
In the sales era from the 1920s to the 1960s, manufacturers found they could produce more goods than buyers could consume. Competition grew. The usual solution was to hire more salespeople to find new buyers. See Figure 1-5.

136) C
In the sales era from the 1920s to the 1960s, manufacturers found they could produce more goods than buyers could consume. Competition grew. The usual solution was to hire more salespeople to find new buyers. See Figure 1-5.

137) C
Marketing became the motivating force among many American firms in the 1950s, which led to the marketing concept—the idea that an organization should (1) strive to satisfy the needs of consumers while also (2) trying to achieve the organization's goals.

138) A

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Starting in the late 1950s, marketing became the motivating force among many American firms. The marketing concept is the idea that an organization should strive to satisfy the needs of consumers while also trying to achieve the organization's goals.

139) B
Starting in the late 1950s, marketing became the motivating force among many American firms. The marketing concept is the idea that an organization should strive to satisfy the needs of consumers while also trying to achieve the organization's goals.

140) B
Key term definition—marketing concept.

141) E
Key term definition—marketing concept.

142) A
The marketing concept is the idea that an organization should strive to satisfy the needs of consumers while also trying to achieve the organization's goals.

143) D
The statement of a firm's commitment to satisfying consumer wants and needs that probably launched the marketing concept appeared in General Electric's 1952 annual report.

144) E
Firms such as Southwest Airlines, Marriott, and Facebook have achieved great success by putting huge effort into implementing the marketing concept, resulting in a market orientation that results in delivering customer value based upon current customer needs.

145) A

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The marketing concept is the idea that an organization should (1) strive to satisfy the wants of consumers (2) while also trying to achieve the organization's goals. In this example, the organization would like to have high sales, yet it is unable to satisfy customers that have problems with their merchandise.

146) E
Key term definition—market orientation.

147) C
Key term definition—market orientation.

148) D
Key term definition—customer relationship era. See Figure 1-5.

149) E
The production era covers the early years of the United States from the 1860s until the 1920s. See Figure 1-5.

150) A
The sales era covers the period from the 1920s to the 1960s. See Figure 1-5.

151) D
The marketing concept era covers the period from the late 1950s to the late 1990s. See Figure 1-5.

152) E
The customer relationship era started in the 1980s and continues to the present day. See Figure 1-5.

153) B
Key term definition—customer relationship management (CRM).

154) C

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Customer relationship management (CRM) is the process of identifying prospective buyers, understanding them intimately, and developing favorable long-term perceptions of the organization (UWGT) and its offerings so that buyers (donors) will choose them in the marketplace.

155) A
Key term definition—customer experience.

156) D
Key term definition—customer experience.

157) C
The commitment to providing an exceptional customer experience is what gives Trader Joe's its high rankings. It is also the reason why Trader Joe's doesn't authorize or sell its products online.

158) A
Though it does have its own private label in-store, the text does not cover R&D for Trader Joe's, and this would not directly impact a customer's experience with the company.

159) E
Today, the standards of marketing practice have shifted from the interests of producers to the interests of consumers.

160) D
Social responsibility is the idea that individuals and organizations are accountable to a larger society for their actions.

161) B
Social responsibility is the idea that individuals and organizations are accountable to a larger society for their actions.

162) D

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The used oil will contaminate the river, so society will bear a portion of the cost of your behavior and the oil company's inaction to prevent it. This example illustrates the issue of social responsibility, the idea that organizations and individuals are accountable to a larger society.

163) B
Social responsibility is the idea that individuals and organizations are accountable to a larger society for their actions.

164) E
Key term definition—societal marketing concept.

165) A
Key term definition—societal marketing concept.

166) A
With its innovative product, 3M offers a product that exemplifies the societal marketing concept, the view that holds an organization should satisfy the needs of consumers in a way that also provides for society's well-being.

167) D
Every organization markets. Business firms involved in manufacturing, retailing, providing services, and nonprofit organizations engage in marketing. Places, special events or causes, and political candidates also use marketing.

168) E
Every organization and individual markets. Business firms involved in manufacturing, retailing, providing services, and nonprofit organizations engage in marketing. Places, special events or causes, and political candidates also use marketing.

169) A

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Key term definition—goods.

170) B
Key term definition—services.

171) C
Organizations such as Uber, Citibank, and St. Jude Children's Research Hospital provide customers with intangible products that are typically called a service.

172) D
These adventure experiences are intangible items classified as services.

173) D
Key term definition—ideas.

174) C
Key term definition—product.

175) E
Key term definition—product.

176) E
Goods, services, and ideas are marketed. Goods are physical objects, such as a toothbrush, that satisfy consumer needs. Services are intangible items, such as laser teeth whitening. Ideas are intangibles, such as the idea of dental hygiene, involving thoughts about actions or causes.

177) C
A service is an intangible item, consisting of airline trips, financial advice, or art museums like the Hermitage.

178) B

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Ideas are most often marketed by nonprofit organizations, governments, or individuals, such as politicians. Apple's TV ad focuses on a tangible good—the iPad mini—and its features, not abstract ideas such as tourism, protecting the environment, government spending, or causes that may benefit society.

179) A
Key term definition—ultimate consumers.

180) C
Key term definition—ultimate consumers.

181) A
An ultimate consumer is the person who uses the product or services purchased for the household.

182) B
An ultimate consumer is the person who uses the goods or services purchased by himself or herself.

183) C
Key term definition—organizational buyers.

184) D
Key term definition—organizational buyers.

185) B
Organizational buyers are manufacturers, retailers, or government agencies buying for their own use or for resale.

186) E

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Effective marketing benefits society. It enhances competition, which improves both the quality of products and services and lowers their prices. This makes countries more competitive in world markets and provides jobs and a higher standard of living for their citizens.

187) C
Key term definition—utility.

188) A
Key term definition—utility.

189) D
Four different utilities include form, place, time, and possession.

190) E
Key term definition—form utility.

191) A
The value to consumers that comes from the production of a good or service constitutes form utility. The multitouch user interface adds an extra benefit to the phone, making the product more valuable to the consumer.

192) C
The value to consumers that comes from the production of a product or service constitutes form utility. The production of the vacuum package constitutes form utility.

193) B
The value to consumers that comes from the production of a product or service constitutes form utility. The production of the fabrics for athletic performance constitutes form utility.

194) E

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The value to consumers that comes from the production or alteration of a product or service constitutes form utility. The production of the ethanol constitutes form utility.

195) B
Key term definition—place utility.

196) A
Place utility is the value to consumers of having a product or service available where needed. Printing the boarding pass at home simplifies a traveler's life by making the pass available where needed.

197) D
Key term definition—time utility.

198) A
Time utility is the value to consumers of having a product or service available when needed. American Express is giving cardholders access to early presales for Ariana Grande concert tickets, thus providing value to consumers by making tickets available before they go on sale to the general public.

199) A
Time utility is the value to consumers of having a product or service available when needed. Dick's Sporting Goods offers time utility because you can purchase sporting equipment even when the sport is out of season.

200) B
Time utility is the value to consumers of having a product or service available when needed. The Goodwill drop-off box allows consumers to drop off clothing regardless of the time of day.

201) C

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Place utility is the value to consumers of having a product or service available where needed, whereas time utility is the value to consumers of having a product or service available when needed. Redbox vending machines create both time and place utilities.

202) D
Key term definition—possession utility.

203) E
Possession utility is the value to the consumer of making an item easy to purchase so consumers can use it. The mobile phone company offers six-month financing, same as cash terms to consumers, thus increasing ease of purchase.

204) D
Possession utility is the value to the consumer of making an item easy to purchase so consumers can use it. The bookstore accepts major credit cards, thus increasing ease of purchase.

205) C
Hamdi Ulukaya is founder and chief executive officer of Chobani, Inc.

206) B
In the opinion of Hamdi Ulukaya, the founder of Chobani, "American" yogurt is "too thin, too sweet, too fake."

207) D
Chobani is free of ingredients such as milk protein concentrate and animal-based thickeners, which some manufacturers add to make Greek-style yogurt.

208) E

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Chobani sees its Greek yogurt widely distributed in both conventional and mass supermarkets, warehouse club stores, and natural food stores. On the horizon is growing distribution in convenience and drug stores, as well as schools.

209) A
While it may be a good tactic, Chobani did not sponsor the Food Network's "Rachael vs. Guy: Kids Kick-Off" TV show with its Chobani Kids Pouches, which is targeted at kids.

210) Students are, in a sense, marketing experts because they engage in many marketing activities every day. Experience in shopping for products gives students great insights into the world of marketing. As consumers, students have been involved in thousands of marketing decisions, but mostly on the buying and not the selling side. For example, right before class a student may have bought lunch in the school cafeteria as a buyer in a marketing activity.

211) The American Marketing Association defines marketing as 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. This definition shows marketing to be a far broader activity than simply advertising or personal selling. It stresses the importance of delivering genuine benefits in the offerings of products, services, and ideas marketed to customers. Also, note that the organization doing the marketing, the stakeholders affected (such as customers, employees, suppliers, and shareholders), and society should all benefit.

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212) To serve both buyers and sellers, marketing seeks (1) to discover the needs and wants of prospective customers and (2) to satisfy them. The key to achieving these two objectives is the idea of exchange, which is the trade of things of value between buyer and seller so that each is better off after the trade. If an exchange takes place, then marketers will have been successful in achieving these two objectives, since each party must be better off after the trade.

213) Exchange is the trade of things of value between buyer and seller so that each is better off after the trade. This could include exchange of votes for political leadership, donations of time in exchange for feelings of generosity, etc. It would also include barter, the practice of exchanging products and services for other products and services rather than for money in both domestic and global markets.

214) Foremost is the organization itself, whose mission and objectives determine what business it is in and what goals it seeks. Within the organization, management is responsible for establishing these goals. The marketing department works closely with a network of other departments and employees to help provide the customer-satisfying products required for the organization to survive and prosper. The marketing department is responsible for facilitating relationships, partnerships, and alliances with the organization's customers, its shareholders (or often representatives of groups served by a nonprofit organization), its suppliers, and other organizations. Environmental forces such as social, economic, technological, competitive, and regulatory forces also shape an organization's marketing activities. Finally, an organization's marketing decisions are affected by and, in turn, often have an important impact on society as a whole. The organization must strike an acceptable balance among all these influences. See Figure 1-2.

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215) For marketing to occur, four factors are required: (1) two or more parties (individuals or organizations) with unsatisfied needs; (2) a desire and ability on their parts to satisfy these needs; (3) a way for the parties to communicate; and (4) something to exchange.

216) To answer this question, students will need to know the four factors that are required for marketing to occur. (1) There must be two or more parties with unsatisfied needs. The lenders want to receive a higher interest rate on their funds and the businesses need short-term loans. (2) There must be a desire and an ability to satisfy those needs. The lenders want to receive a higher interest rate on their funds and the businesses need short-term loans. The money is available since the lenders removed it from the state banks. (3) There must be a way for the parties to communicate. Word of mouth from the gray market, an underground network, allows communication between the lenders and businesses. (4) There must be something to exchange. Cash was exchanged in the form of loans, repaid with interest. Students should be able to see that marketing did indeed occur.

217) A quality answer will include multiple techniques. Even though this is not the "market research" chapter, there are textbook examples of observation, questioning, involvement of stakeholders in the research process, discussions, etc., used to discover needs. The emphasis should be placed on gathering as much information as possible prior to development of the product itself.

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218) A need occurs when a person feels deprived of basic necessities such as food, clothing, and shelter. A want is a need that is shaped by a person's knowledge, culture, and personality. However, psychologists and economists still debate the exact meanings of *need* and *want*. Effective marketing, in the form of creating an awareness of good products at convenient locations, can clearly shape a person's wants. Certainly, marketing tries to influence what we buy. A principal activity of a firm's marketing department is to scrutinize its consumers to understand what they need and want and the trends and factors that shape them. However, a key issue is the amount of freedom given to prospective customers to make their own buying decisions.

219) The three components of a person's ability to buy an offering are authority, time, and money.

220) Potential consumers make up a market, which consists of people with both the desire and the ability to buy a specific product. All markets ultimately are people. A target market is one or more specific groups of potential consumers toward which an organization directs its marketing program. An example of a market is the tablet device market, of which the iPad is a market leader. An example of a target market for tablet devices would be college students who want their textbooks in digital, not printed format, for the convenience (no more heavy books) and lower cost (due to the digital delivery of the content).

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221) A target market is a specific group of potential consumers toward which an organization directs its marketing program. In response to this question, students might define the target market for a local baseball team as people who live in the area, perhaps skewed toward males, and 25 to 84 years of age. Another interesting answer is to examine how one product, such as a Toyota 4Runner, can have two different target markets. One target market might be adventurous outdoor mountain bikers who use the vehicles to transport their equipment to the mountains to bike. The other target market might be " soccer parents" with children and equipment to transport to the local soccer field for practice.

222) A target market is a specific group of potential consumers toward whom an organization directs its marketing program. While anyone might benefit from using the product, a quality answer should link the benefits of the product (interchangeable straight and decorative blades) to the specific needs of a specific group. For example, scrapbook makers could use the straight blade when trimming pictures and use decorative blades when cutting background pages for their albums. The same scissors might be targeted for schoolteachers to create decorative flyers to post on bulletin boards regarding upcoming events for their students.

223) To reach consumers, marketing managers use four tools, often called, "the four Ps." These include: (1) product—a good, service, or idea to satisfy the consumers' needs; (2) price—what is exchanged for the product; (3) promotion—a means of communication between the seller and buyer; and (4) place (or distribution)—a means of getting the product to the consumer.

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224) The shampoo is the product element. The Internet website is the place element. The ads on late-night television and the publicity are the promotion element. The price element is the $24.99 price plus the $7.99 for shipping and handling.

225) The five environmental forces mainly beyond most executives' control include social, economic, technological, competitive, and regulatory forces. These five forces may serve as accelerators or brakes on marketing, sometimes expanding an organization's marketing opportunities while at other times restricting them.

226) Traditionally, many marketing executives have treated these environmental factors as rigid, absolute constraints that are entirely outside their influence. However, recent studies and marketing successes have shown that a forward-looking, action-oriented firm can often affect some environmental factors, for example, by achieving technological or competitive breakthroughs.

227) Most colleges and universities offer some courses that are required—the core courses in the major as well as social sciences—while others are elective. These are the product, or service, element of the educational offering. The price element would be the tuition paid, less any scholarships. The promotion element would consist of the communication between the educational institution and students, such as e-mails, ads in high school career counseling offices, course catalogs, etc. The place element would consist of the on-campus location, off-campus location, and/or the online website that delivers courses that fulfill the core and elective requirements for the majors students select. A quality answer for this question should be based on how well the student is able to give specific examples.

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228) Customer value is the unique combination of benefits received by targeted buyers that includes quality, convenience, on-time delivery, and both before-sale and after-sale service at a specific price. Many successful firms have chosen to deliver outstanding customer value with one of three value strategies: best price, best product, or best service. Apple uses the best product and best service strategies for its iPhone, which *Consumer Reports* rates as one of the best smartphones on the market. Smartphone users may cite the iPhone's display, ease of use of its multitouch user interface, voice quality, messaging, camera, and connectivity as key product-related benefits that contribute to its customer value.

229) A quality answer should have a strong emphasis on regular, sustained communication with customers and jewelry representatives, whether it is through personal contact by phone, notes, e-mails, etc. Answers that are creative and supply product-specific examples should be encouraged.

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230) Generally, students will say "no" based on the definition of relationship marketing. The text defines relationship marketing as linking the organization to its individual customers, employees, suppliers, and other partners for their mutual long-term benefits. In an ideal setting, relationship marketing involves a personal, ongoing relationship between the organization and an individual customer. However, this is based on the idea that the kiosks are not there long enough to establish a long-term relationship. Very insightful students may see an opportunity for these retailers (who return year after year) to develop long-term multiyear relationships. Databases would allow direct mail notifications each fall that the prized gifts are again available. Also, kiosk marketers could send customers e-mails throughout the winter, spring, and summer about specials, new products, and other offers to stimulate year-round purchases via a dedicated website.

231) One aspect of Twitter is that it allows organizations to get customer feedback in real time. It provides the organization with information about followers in a larger and more open forum. It also provides access to ideas that might result in new or improved products that would benefit the customer. It could also allow companies to communicate with its customers in a frequent, informal, and friendly way to support the relationship.

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232) Answers should address all four Ps. (1) The product strategy included offering the Post-it Flag Highlighter to help college students with their studying. 3M listened carefully to the needs and wants of potential customer segments to use 3M technology to introduce a useful, innovative product. (2) The price strategy sought a retail price of about $3.99–$4.99 for a single Post-it Flag Highlighter or $5.99–$7.99 for a three-pack. The idea was to set prices that provide genuine value to the customer segment that was targeted. (3) The promotion strategy was to run limited promotion with a TV ad and some ads in college newspapers and then rely on student word-of-mouth messages to inform other students of the product. This would increase awareness of potential users in the student segment who had never heard of this new, innovative 3M product. (4) The place strategy was to distribute the Post-it Flag Highlighter through college and university bookstores, office supply stores, and mass merchandisers. This made it easy for prospective buyers to buy at convenient retail outlets. See Figure 1-4.

233) A marketing program integrates the marketing mix elements to provide a good, service, or idea to prospective buyers. (1) 3M's product strategy to reach the office worker segment is to offer the Post-it Flag Pen to help office workers in their day-to-day work activities. The company listened carefully to the needs and wants of potential customer segments to use 3M technology to introduce a useful, innovative product. (2) 3M's price strategy is to seek a retail price of about $3.99–$4.99 for a single Post-it Flag Pen; wholesale prices are less. This price provides genuine value to the office worker segment. (3) The promotion strategy is to run limited promotion among distributors to get them to stock the product. (4) The place strategy is to distribute Post-it Flag Pens through office wholesalers and retailers as well as mass merchandisers. See Figure 1-4.

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234) The marketing concept is the idea that an organization should (1) strive to satisfy the needs of consumers (2) while also trying to achieve the organization's goals.

235) Goods are physical objects, such as toothpaste, cameras, or computers, that satisfy consumer needs. Services are intangible items, such as airline trips, financial advice, or art museums. Ideas are intangibles involving thoughts about actions or causes, such as donating to a charity or voting for a political candidate.

236) Students' examples will differ, but each example should be descriptive of the definition. Ultimate consumers are the people who use the products and services purchased for a household. For example, a high-definition television could be purchased by any member of a family and used by all for personal enjoyment. Organizational buyers are those manufacturers, wholesalers, retailers, and government agencies that buy products and services for their own use or for resale. A hospital might buy the same television model (most likely in larger quantities) for use in patients' rooms to add value by enhancing their hospital stays.

237) The three specific groups that benefit from effective marketing are: (1) consumers who buy (they can obtain the best product at the lowest price, leading to consumer satisfaction); (2) organizations that sell (receive profits, etc., if they provide need-satisfying products with effective marketing programs); and (3) society as a whole (providing jobs and a higher standard of living for its citizens).

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238) Marketing creates utility, the benefits or customer value received by users of the product. This utility is the result of the marketing exchange process and the way society benefits from marketing. The four utilities include form, place, time, and possession. The production of goods or services constitutes form utility. Place utility means having a good or service available where needed, whereas time utility is the value to consumers of having a good or service available when needed. Possession utility is the value to consumers of making an item easy to purchase, such as with a convenient credit card, so consumers can use it.

239) Form utility comes from the production or alteration of a product or service that provides value to consumers. Form utility is created when you can design and build your own personal BMW at the BMW's website, BMW.com. In addition, BMW provides possession utility, which is the value of making an item easy to purchase through the provision of credit cards or financial arrangements for payment. Here, BMW also provides possession utility by allowing customers to buy a car online. Eventually, they will have to go to a local dealer to pick up their cars, an example of place utility. Finally, BMW provides time utility because building a BMW car online saves consumers from taking time to visit dealerships to see if their preferred car is on the lot. The BMW website also provides information to make the external information search process more efficient.

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240) Product actions: The Chobani product strategy stresses its authentic straining process that removes excess liquid whey. This results in a thicker, creamier yogurt that yields 13 to 18 grams of protein per single-serve cup, depending on the flavor. Chobani is free of ingredients like milk protein concentrate and animal-based thickeners, which some manufacturers add to make "Greek-style" yogurts. Packaging is comprised of a shorter, wider cup that was more visible on retailer's shelves with shrink-on plastic sleeves that adhere to the cup and offer eye-popping colors. It has continued with aggressive product innovation, including Non-Dairy Chobani, Chobani Gimmies, and Chobani Flip.

Price actions: Prices were set high enough to recover Chobani's costs and give reasonable margins to retailers but not so high that future rivals could undercut its price. Today, prices remain at about $1.29 for a single-serve cup.

Promotion actions: In its early years Chobani had no money for traditional advertising, so it relied on word-of-mouth recommendation from enthusiastic customers. It used a CHOmobile tour: a mobile vehicle sampling Chobani at events across the country, encouraging consumers to taste Greek yogurt for the first time. As Chobani grew, it began to launch new promotional activities tied to (1) traditional advertising, (2) social media, and (3) direct communication with customers.

Place (distribution) actions: Distribution is through the conventional yogurt aisle of traditional supermarkets—not on specialty shelves or in health food stores. Today Chobani sees its Greek yogurt widely distributed in both conventional and mass supermarkets, club stores, and natural food stores.

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