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Correct answers located at the end of the chapter.

TRUE/FALSE - Write 'T' if the statement is true and 'F' if the statement is false.

1) Marketing is basically selling and advertising.
   - ◎ true
   - ◎ false

2) Making goods or performing services is called production.
   - ◎ true
   - ◎ false

3) Estimating what price consumers are willing to pay for a product and assessing whether the firm can make a profit selling at that price is an example of a production activity.
   - ◎ true
   - ◎ false

4) Marketing can provide needed direction for production and help make sure that the right goods and services find their way to interested consumers.
   - ◎ true
   - ◎ false

5) Marketing plays an essential role in creating customer satisfaction.
   - ◎ true
   - ◎ false

6) If a firm produces the right goods or services, marketing has little role to play in creating customer satisfaction.
   - ◎ true
   - ◎ false

7) In advanced economies, marketing costs about half of each consumer dollar.
   - ◎ true
   - ◎ false

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8) Marketing encourages the development and spread of new ideas, goods, and services.
   - ◎ true
   - ◎ false

9) Marketing is both a set of activities performed by organizations and a social process.
   - ◎ true
   - ◎ false

10) Marketing is the performance of activities that seek to accomplish an organization's objectives by anticipating customer or client needs and directing a flow of need-satisfying goods and services from producer to customer or client.
   - ◎ true
   - ◎ false

11) The micro view of marketing is mainly concerned with the activities performed by organizations.
   - ◎ true
   - ◎ false

12) Marketing only applies to for-profit organizations.
   - ◎ true
   - ◎ false

13) Marketing activities should begin with potential customer needs and wants, not with the production process.
   - ◎ true
   - ◎ false

14) Production, not marketing, should determine what products are to be made.
   - ◎ true
   - ◎ false

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15) Marketing does not occur unless two or more parties want to exchange something for something else.
- ◎ true
- ◎ false

16) In a pure subsistence economy—in which each family unit produces everything it consumes—no marketing is involved.
- ◎ true
- ◎ false

17) Marketing is concerned with individual transactions rather than with building ongoing relationships with customers because that is the job of the public relations department.
- ◎ true
- ◎ false

18) Macro-marketing emphasizes how the whole marketing system works.
- ◎ true
- ◎ false

19) Macro-marketing is a social process that directs an economy's flow of goods and services from producers to consumers in a way that effectively matches supply and demand and accomplishes the objectives of society.
- ◎ true
- ◎ false

20) Macro-marketing is concerned with examining the relationship of the entire production and distribution system.
- ◎ true
- ◎ false

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21) An effective macro-marketing system matches heterogeneous supply with heterogeneous demand.
- ◎ true
- ◎ false

22) Pilar is a marketing manager in a sporting goods company. She is concerned with cost-effective packaging that attracts customers and can be easily recycled. Pilar's concerns are examples of macro-marketing.
- ◎ true
- ◎ false

23) Effective marketing in an advanced economy is difficult because producers and consumers are often separated in several ways.
- ◎ true
- ◎ false

24) The universal functions of marketing include transporting and storing.
- ◎ true
- ◎ false

25) The "universal functions of marketing" consist only of buying, selling, transporting, and storing.
- ◎ true
- ◎ false

26) The universal functions of marketing are performed in the same way in all nations and economic systems.
- ◎ true
- ◎ false

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27) Marketing functions are performed by producers, consumers, and a variety of marketing specialists.
- ◎ true
- ◎ false

28) Intermediaries specialize in trade and production.
- ◎ true
- ◎ false

29) Intermediaries provide free services but cost companies money in the long run.
- ◎ true
- ◎ false

30) While intermediaries facilitate exchange, their cost makes the whole macro-marketing system less efficient.
- ◎ true
- ◎ false

31) Marketing collaborators are firms that provide the marketing functions of buying and selling.
- ◎ true
- ◎ false

32) Responsibility for performing the marketing functions can be shifted and shared in a variety of ways, but most functions cannot be eliminated.
- ◎ true
- ◎ false

33) Every society needs an economic system.
- ◎ true
- ◎ false

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34) An economic system is the way an economy organizes to use scarce resources to produce goods and services and distribute them for consumption among various people and groups in the society.
- ◎ true
- ◎ false

35) There is little variety in countries with command economies, so consumers have few choices.
- ◎ true
- ◎ false

36) In a command economy, the individual decisions of many producers and consumers make the macro-level decisions for the whole economy.
- ◎ true
- ◎ false

37) In a market-directed economy, government officials decide what and how much is to be produced and distributed by whom, when, to whom, and why.
- ◎ true
- ◎ false

38) In a market-directed economy, price is a rough measure of how society values particular goods and services.
- ◎ true
- ◎ false

39) Market-directed economies tend to provide consumers with greater freedom of choice than command economies.
- ◎ true
- ◎ false

40) In a market-directed economy, profit is guaranteed.
- ◎ true
- ◎ false

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41) The increase in the use of social media gives consumers less power in the market.
- ◎ true
- ◎ false

42) Most Western economies are completely market-directed.
- ◎ true
- ◎ false

43) The simple trade era was a time when families traded or sold their "surplus" output to local distributors who resold these goods to other consumers or distant distributors.
- ◎ true
- ◎ false

44) During the production era a company focuses on selling because of increased competition.
- ◎ true
- ◎ false

45) From the Industrial Revolution until the 1920s, most companies were in the sales era.
- ◎ true
- ◎ false

46) During the sales era, the firm tries to improve short-run marketing policy planning to tie together its activities.
- ◎ true
- ◎ false

47) The marketing department era is a time when all marketing activities are brought under the control of one department.
- ◎ true
- ◎ false

Essentials of Marketing 2026 Release 1st edition Cannon Test Bank

48) During the “marketing company era,” the total company effort is guided by the idea that customers exist to buy the firm’s output.

◎ true
◎ false

49) A company has moved into the “marketing company era” when, in addition to short-run marketing planning, the total company effort is guided by the marketing concept.

◎ true
◎ false

50) The marketing concept means that an organization aims all its efforts at satisfying its customers—regardless of profitability.

◎ true
◎ false

51) A firm that makes products that are easy to produce and then tries to sell them has a production orientation.

◎ true
◎ false

52) A marketing-oriented firm would try to produce what customers want, while a production-oriented firm would try to get customers to buy what the firm has produced.

◎ true
◎ false

53) The three basic ideas in the marketing concept are:

1. putting most of the company resources into marketing,
2. a competitive orientation, and
3. an emphasis on profit.

◎ true
◎ false

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54) When a firm makes a total company effort to satisfy its customers, and profit—not just sales—is an objective of the firm, the company is practicing the "marketing concept."
- ◎ true
- ◎ false

55) The only way to effectively carry out the marketing concept is to have profit be the objective.
- ◎ true
- ◎ false

56) Adopting the marketing concept rarely requires any change in a firm's attitudes, organization structure, or management methods and procedures.
- ◎ true
- ◎ false

57) Adopting the marketing concept requires that a business firm eliminate all functional departments.
- ◎ true
- ◎ false

58) Marketing metrics are the numeric data that marketing managers use to calculate how well a strategy performs.
- ◎ true
- ◎ false

59) Companies that consider the triple bottom line measure economic, social, and political outcomes.
- ◎ true
- ◎ false

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60) Producers of industrial commodities like steel and glass have been hesitant to abandon a production orientation and accept the marketing concept.

- ◎ true
- ◎ false

61) Producers who operate in a competitive environment are more likely to adopt the marketing concept.

- ◎ true
- ◎ false

62) A manager who follows the production orientation views customer satisfaction as the path to profits.

- ◎ true
- ◎ false

63) Customer value is the difference between the benefits a customer sees from a market offering and the costs of obtaining those benefits.

- ◎ true
- ◎ false

64) Customer value is another term for customer satisfaction.

- ◎ true
- ◎ false

65) A good or service that doesn't meet a customer's needs results in low customer value.

- ◎ true
- ◎ false

66) Setting a low price for a firm's offering is a sure way of creating high customer value.

- ◎ true
- ◎ false

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67) When it comes to customer value, it is the customer's view that matters, not the view of the marketing manager.
- ◎ true
- ◎ false

68) Offering superior customer value is especially important when competition is intense.
- ◎ true
- ◎ false

69) Firms that embrace the marketing concept seek ways to build a profitable long-term relationship with each customer.
- ◎ true
- ◎ false

70) It is more costly for firms to try to attract new customers than it is to build a strong relationship with existing customers.
- ◎ true
- ◎ false

71) When trying to build relationships with customers, salespeople must be particularly well-trained because they are usually the only employees whose actions influence customers directly.
- ◎ true
- ◎ false

72) As with any business, a nonprofit organization must take in as much money as it spends or it won't survive.
- ◎ true
- ◎ false

73) A nonprofit organization measures profit in the same way as a for-profit organization.
- ◎ true
- ◎ false

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74) Sometimes the micro–macro dilemma arises because what is “good” for some producers and consumers may not be “good” for society as a whole.

◎ true
◎ false

75) Fast fashion is an example of the micro–macro dilemma.

◎ true
◎ false

76) The micro–macro dilemma occurs when a firm focuses its efforts on satisfying some consumers to achieve its objectives, possibly causing negative societal outcomes.

◎ true
◎ false

77) A firm’s obligation to improve its positive effects on society and reduce its negative effects is called fiscal responsibility.

◎ true
◎ false

78) Organizations that adopt the marketing concept should be concerned about marketing ethics as well as broader issues of social responsibility.

◎ true
◎ false

79) Marketing ethics are the moral standards that guide marketing decisions and actions.

◎ true
◎ false

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80) Moral standards often vary from one person to another, from one society to another, and among different groups within a society, so there is likely to be disagreement about what opinion is correct when it comes to marketing ethics.

◎ true
◎ false

81) A manager shouldn't be criticized for making an unethical marketing decision unless the ethical breach was intentional.

◎ true
◎ false

82) The American Marketing Association has adopted a statement of ethics that sets specific ethical standards for many aspects of the management job in marketing.

◎ true
◎ false

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

83) What does marketing mean?

A) much more than selling and advertising
B) selling
C) producing and selling
D) advertising
E) selling and advertising

84) Nora's Knickknacks maintains a Facebook page on which it encourages customers to list things they are looking to buy. This way, Nora's can seek out the products that customers really want. Nora's focuses on

A) production quality.
B) advertising.
C) quality control.
D) digital sales.
E) customer satisfaction.

Essentials of Marketing 2026 Release 1st edition Cannon Test Bank

85) Which activity is *least* likely to be part of marketing?
A) advertising the grand opening of a new furniture store
B) researching which furniture designs are popular with consumers
C) determining how many pieces of furniture can be sold at different price points
D) building a facility to make furniture
E) selling furniture to customers in a furniture showroom

86) Why is marketing important to you?
A) So you get a good grade in this class.
B) You will deal with marketing the rest of your life.
C) It will be relevant if you go to work for a for-profit company, but not a nonprofit.
D) It doesn't cost you anything.
E) It offers few career opportunities, so you need to be particular.

87) A marketing manager planning to launch a successful new product should begin by
A) obtaining financing for the venture.
B) designing products that interest them.
C) identifying a product or service customers need.
D) choosing a business partner.
E) establishing a legal corporation.

88) The production of a new tractor model includes which activity?
A) determining how to get the new model to likely tractor purchasers
B) making the new tractors
C) estimating how many competing companies will be making tractors
D) estimating the prices potential customers are willing to pay for the tractors
E) deciding how to communicate to potential customers about the new tractors

89) Determining whether to sell bikes directly to consumers or through retailers is an activity a firm should do as part of
A) production.
B) a command economy.
C) marketing.
D) making goods or performing services.
E) a production orientation.

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90) For LG, a firm that makes home appliances, estimating how many competitors will make home appliances and what kinds they will make is
A) one of the universal functions of innovation.
B) a production activity.
C) an example of the micro–macro dilemma.
D) best left to intermediaries.
E) a part of marketing the product.

91) Marketing plays a role in economic growth and development, in part because it
A) pays better than jobs in finance and accounting.
B) suppresses competition.
C) is only done in capitalist societies.
D) encourages research and innovation.
E) increases prices.

92) Miray's job as a marketer is to work with producers, wholesalers, and retailers to satisfy her customers' needs. What aspect of marketing does Miray address?
A) Marketing is a social process.
B) Marketing is another term for sales.
C) Distribution is the key to marketing.
D) She deals with the micro-view of marketing.
E) Marketing has little to do with the actual customer.

93) Segundo believes the role of his nutritional supplement shop is to produce quality service and sell quality products. Segundo demonstrates the_____ view of marketing.
A) compartmentalized
B) integrated
C) micro
D) macro
E) narrow

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94) Which statement about marketing is accurate?
A) It means “selling” or “advertising”.
B) It provides direction for production.
C) It involves actually making goods or performing services.
D) It does not impact consumers’ standard of living.
E) It is the development and spread of new ideas, goods, and services.

95) Customer_____ is the extent to which a firm fulfills a customer’s needs, desires, and expectations.
A) value
B) satisfaction
C) service
D) support
E) opportunity

96) In an advanced economy, marketing costs account for about_____ cents of every consumer dollar.
A) 75
B) 20
C) 30
D) 40
E) 50

97) Which statement about marketing is true?
A) It affects almost every aspect of our daily lives.
B) It offers few exciting or rewarding career opportunities.
C) It limits our choices of goods and services every day.
D) It focuses an organization on being the first to market a new product.
E) It should not be used to better appeal to future employers if you are in accounting.

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98) Which statement is the *least* likely reason to study marketing?
A) Marketing affects almost every aspect of daily life.
B) Marketing will be important to your job.
C) Marketing involves actually making the goods that people need.
D) Marketing affects innovation and consumers' standard of living.
E) Marketing plays a big part in economic growth and development.

99) Marketing encourages research and_____—the development and spread of new ideas, goods, and services.
A) analysis
B) assessment
C) evaluation
D) innovation
E) introspection

100) The development and spread of new ideas, goods, and services for the marketplace is called
A) marketing.
B) the micro–macro dilemma.
C) collaboration.
D) innovation.
E) production.

101) Marketing can be viewed as
A) a set of activities performed by individual organizations.
B) relevant to for-profit organizations only.
C) just selling and advertising.
D) beginning with the production process.
E) an optional activity for most small businesses.

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102) Which statement is accurate about marketing?
A) Advertising and selling are not really part of marketing.
B) Marketing is nothing more than a set of business activities performed by individual firms.
C) Marketing techniques have no application for nonprofit organizations.
D) Marketing is a social process and a set of activities performed by organizations.
E) A good product usually sells itself.

103) Looking at marketing as a set of managerial activities means focusing on
A) macro-marketing.
B) for-profit marketing.
C) micro-marketing.
D) nonprofit marketing.
E) personalized marketing.

104) How does marketing attempt to accomplish a company's objectives?
A) by anticipating customers' needs and trying to satisfy them
B) by beginning with the production process
C) by putting competitors out of business
D) as a social process involving all producers, intermediaries, and consumers
E) by making the whole economic system fair and effective

105) Which statement about marketing is true?
A) It is concerned with whether the whole economic system is fair and effective.
B) It applies only to profit organizations.
C) It consists only of personal selling and advertising.
D) It is a social process only.
E) It tries to anticipate and satisfy customer needs and accomplish an organization's objectives.

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106) Which statement describes micro-marketing?
A) It applies to large corporations but not to a new venture started by one person.
B) It is an important social process.
C) It emphasizes how the whole marketing system works.
D) It is a set of activities performed by organizations to satisfy their customers.
E) It directs an economy's flow of goods and services from producers to consumers.

107) Which statement *best* describes the modern view of marketing?
A) The job of marketing is to get people to buy whatever the company is producing.
B) Marketing should take over production, accounting, and financial services within a firm.
C) Marketing is concerned with generating a single exchange between a firm and a customer.
D) Marketing begins with anticipating potential customer needs and wants.
E) Production, not marketing, should determine what goods and services are to be developed.

108) What is the best example of micro marketing?
A) Singapore unveils a new five-year production plan.
B) Japan and Mexico agree on a new trade agreement.
C) The American Humane Society seeks more pet adoptions through advertising.
D) Satellite Internet makes it possible for firms to reach customers in remote regions.
E) National Wire Accessories must decide which carrier to use to deliver its products in an environmentally safe manner.

109) Which statement *best* reflects a micro view of marketing?
A) "A tax increase will give consumers less spending money."
B) "With interest rates increasing, many young people are struggling to afford a new home."
C) "In the United States, consumers have a wider choice of products than in any other country."
D) "Next year the government will spend 15 percent less on healthcare services."
E) "Summer camps should increase online advertising to attract more campers."

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110) The aim of marketing is to
A) help create a pure subsistence economy.
B) eliminate the need for exchanges.
C) persuade customers to buy the firm's product.
D) identify customers' needs and meet those needs so well that the product almost "sells itself."
E) facilitate a single transaction.

111) Effective marketing should begin with
A) an effort to persuade unwilling customers to buy the firm's products.
B) potential customer needs and wants.
C) a decision about what the firm can produce efficiently.
D) evaluation of the effect of the firm's decisions on the macro-marketing system.
E) the marketing manager making important production, accounting, and financial decisions for the firm.

112) Marketing should
A) begin with the production process.
B) make decisions about product design and packaging, prices, or fees.
C) not need to coordinate with production, accounting, and financial activities.
D) provide input, but let production determine what goods and services are to be developed.
E) focus on getting customers to make a final purchase.

113) Which of the following choices is necessary for marketing to take place?
A) intermediaries
B) collaborators
C) two or more parties exchanging something for something else
D) a high standard of living
E) a product that is better than the competition

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114) Marketing happens only if
A) a pure subsistence economy is in place.
B) collaborators are present to simplify exchange.
C) intermediaries are present to facilitate exchange.
D) two or more parties each have something they want to exchange for something else.
E) an economy is market-directed rather than command.

115) Marketing is irrelevant in a_____ economy.
A) consumer-oriented
B) command
C) pure subsistence
D) market-directed
E) production-oriented

116) Palma lives with his family in a small village in the Philippines. Each family in the village grows their own food and makes their own clothing, furniture, and other needed items. This represents a_____ economy.
A) command
B) high standard of living
C) pure subsistence
D) community barter
E) micro

117) In a pure subsistence economy,
A) each family unit is self-sufficient.
B) exchanges are very important.
C) the standard of living is relatively high.
D) there is a great need for intermediaries.
E) the government controls production.

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118) A good example of_____ is the family units in an Amazonian village making all the products they consume.
A) a pure subsistence economy
B) a market-directed economy
C) a micro-marketing system
D) a command economy
E) a monopoly

119) Which statement about marketing is *false*?
A) Marketing is most important in a pure subsistence economy.
B) Marketing should provide direction for production, accounting, and financial activities.
C) Marketing builds long-lasting relationships that benefit the selling firm.
D) Marketing doesn't occur unless two or more parties are willing to exchange something for something else.
E) Marketing anticipates customer needs.

120) Looking at marketing as a social process means focusing on
A) macro-marketing.
B) for-profit marketing.
C) micro-marketing.
D) nonprofit marketing.
E) personalized marketing.

121) Societies need a macro-marketing system to
A) help match supply and demand.
B) create a gap between producers and consumers.
C) accomplish an organization's objectives only.
D) identify collaborators.
E) reduce the need for intermediaries.

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122) Which scenario would *not* involve macro-marketing?
A) Producers prefer to manufacture goods in large quantities, but consumers buy in small quantities.
B) Consumers require a wide assortment of food items, but individual producers can offer only a narrow assortment of food products.
C) Producers set prices to cover costs and make a profit, but consumers choose goods based on their ability to pay.
D) Cedar Point Amusement Park would like to attract customers all year long, but its marketing strategy is currently limited to discount season pass offers during winter months while the park is closed.
E) Producers tend to locate where it is economical to produce, but consumers are located in many scattered places.

123) Macro-marketing
A) emphasizes how the whole marketing system works.
B) considers how marketing affects society, but not how society affects marketing.
C) is not concerned with supply and demand.
D) is mainly concerned with the activities of individual organizations.
E) primarily concerns itself with the production process.

124) _____directs an economy's flow of goods and services from producers to consumers in a way that effectively matches supply and demand and accomplishes the society's objectives.
A) Macro-marketing
B) The transporting function
C) Micro-marketing
D) Standardization and grading
E) Social responsibility

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125) Which statement about macro-marketing is accurate?
A) It emphasizes building a long-term relationship that benefits both the firm and the customer.
B) It considers the marketing activities of corporations rather than individuals.
C) It emphasizes how the whole marketing system works.
D) It is concerned only with systems that are relevant to advanced economies.
E) It addresses problems that emerge from homogeneous consumer demand.

126) Which article from a business magazine is most likely to be reporting on a macro-marketing topic?
A) "Local Guide Service Offers Unusual Excursions"
B) "Brazil Increases Output of Consumer Goods"
C) "Wendy's Opens More Franchises in Qatar "
D) "Humana Health Offers New Telehealth Services"
E) "Donations to Earthquake Victims' Fund Increase after Celebrity Visit"

127) Which article from a business publication is most likely to be reporting on a macro-marketing topic?
A) "Mercedes Goes After Luxury Sport Utility Buyers"
B) "Adidas Jumps as Footwear Competition Heats Up"
C) "Physical Therapy Chain Aims at Student Athletes"
D) "Hardee's Fried Chicken Takes on KFC"
E) "Fishing Popularity Leads to More Kayak Shops"

128) Which article title is *most likely* to be about a macro-marketing topic?
A) "Apple Has a New Advertising Strategy"
B) "Kenya Has Rapidly Increasing Number of Wholesalers"
C) "Electronics Company Makes Military GPS Technology Available to Everyone"
D) "Lowe's Adds New Products to Compete with Home Depot"
E) "Lilly Pharmaceuticals Embraces Environmentally Safe Plastic Containers"

Essentials of Marketing 2026 Release 1st edition Cannon Test Bank

129) Which article from a business magazine is *most likely* to be about a macro-marketing topic?

A) "Chinese Women Demand More Luxury Goods"
B) "Girl Scouts Organize Nationwide Cookie Sale"
C) "L'eggs Sells Direct in Brazil and Argentina"
D) "Frito-Lay Offers New Low-Fat Products"
E) "Coke Losing Beverage Sales in India to local brands"

130) In advanced economies,

A) both supply and demand tend to be homogeneous.
B) producers and consumers often have different aims.
C) most firms specialize in producing and selling small amounts of a huge assortment of goods and services.
D) exchange is aided by issues of quantity and assortment.
E) producers dictate what consumers will buy.

131) The universal functions of marketing include buying, selling, transporting, storing, standardization and grading, financing, risk taking, and

A) weighing.
B) facilitating.
C) market information.
D) merchandise information.
E) government regulation.

132) Since individual firms cannot perform all marketing functions,_____ often play a role in the exchange process.

A) intermediaries
B) consumers
C) nonprofits
D) marketing managers
E) government regulators

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133) In a small publishing company, one person is responsible for making sure the company has enough funds to produce, transport, promote, sell, and buy products. Which universal function of marketing does this person perform?
A) transporting
B) standardization and grading
C) market information
D) risk taking
E) financing

134) The universal functions of marketing are *least* likely to include
A) financing and risk taking.
B) standardization and grading.
C) producing.
D) transporting and storing.
E) buying and selling.

135) Which statement accurately describes the universal functions of marketing?
A) They must be performed in all macro-marketing systems.
B) They are performed the same way in all economies.
C) They are performed by the same parties in all economies.
D) They are needed to help foster various economic systems.
E) They must be performed in micro-marketing systems.

136) The universal functions of marketing
A) can be eliminated in advanced macro-marketing systems.
B) are performed differently and by different parties in different economies.
C) are never performed by consumers.
D) create various points of disagreement between producers and consumers.
E) are universal, meaning they are performed in the same way by everyone.

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137) After seeing an ad on YouTube, Ada realized she might need to buy a different type of lawnmower. Which marketing function or functions did Ada perform?

A) financing
B) transporting and storing
C) risk taking
D) buying
E) consuming market information

138) A large construction company is planning a national promotion to introduce a new style of prefabricated home. Which universal function of marketing is it performing?

A) risk taking
B) financing
C) buying
D) selling
E) standardization

139) Which of the universal functions of marketing deals most directly with advertising a product in magazines?

A) transporting
B) selling
C) financing
D) risk taking
E) market information

140) Research firm Dig Search sells reports about competitors, products, and other related areas to various clients in the mining industry. Dig Search performs which universal marketing function?

A) risk taking
B) market information
C) standardization and grading
D) social responsibility
E) financing

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141) The standardization and grading function of marketing involves
A) looking for and evaluating goods and services.
B) providing necessary cash and credit.
C) promoting the product.
D) sorting products according to size and quality.
E) transporting the product to consumers.

142) A light bulb manufacturer wants to make buying and selling easier by sorting its products by size, base shape, brightness, and color. This illustrates which universal marketing function?
A) advertising
B) storing
C) standardization and grading
D) risk taking
E) transporting

143) The buying function of marketing involves
A) risk taking and an element of chance.
B) promoting the product or service.
C) looking for and evaluating goods.
D) the use of personal selling.
E) sorting products according to size.

144) The universal functions of marketing
A) are not all needed in market-directed economies.
B) are not all needed in command economies.
C) can be performed by producers, consumers, and a variety of marketing specialists.
D) are performed in the same way in all economic systems.

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145) What does a marketer demonstrate when they bear the uncertainties that are part of the marketing process?
A) advertising
B) storing
C) standardization and grading
D) risk taking
E) transporting

146) Amazon owns warehouses across the country that hold goods that have been shipped from other companies for Amazon to sell. This represents the_____ function of marketing.
A) advertising
B) storing
C) standardization and grading
D) risk taking
E) financing

147) Saori is a window manufacturer's representative. She visits schools and municipal office buildings and talks to them about the manufacturer's windows. Saori is involved in the_____ function of marketing.
A) advertising
B) storing
C) standardization and grading
D) risk taking
E) selling

148) An intermediary
A) is a wholesaler—not a retailer.
B) usually increases the number of transactions required.
C) tends to make the exchange process more difficult and costly.
D) specializes in trade rather than production.
E) is paid to work with competitors.

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149) Firms that specialize in providing marketing functions other than buying or selling are known as
A) suppliers.
B) intermediaries.
C) consultants.
D) agents.
E) collaborators.

150) Avril's company works with firms on their websites and social media. It specializes in digital marketing. Avril's company would be considered a(n)
A) supplier.
B) intermediary.
C) consultant.
D) agent.
E) collaborator.

151) Which firm is *least likely* to be classified as a marketing collaborator?
A) Mayflower Transport Company
B) Internet Advertising, Incorporated
C) Wachovia Bank
D) Market Survey Research, Incorporated
E) Quality Coatings and Paint Company

152) Which firm is *least likely* to be classified as a marketing collaborator?
A) United Parcel Service (UPS)
B) Public Warehouse
C) Broadband Communications Company
D) Meadow View Aluminum Company
E) Product Safety Testing Laboratories, Incorporated

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153) Which statement about marketing intermediaries and collaborators is accurate?
A) They typically perform marketing functions less effectively than producers or consumers can perform them.
B) Their services make the whole macro-marketing system more efficient and effective.
C) Their services provide consumers with less time for consumption.
D) The marketing functions they serve come at a higher cost because of specialization.
E) They are used more often in production than in marketing.

154) Retailers and wholesalers are considered to be
A) collaborators.
B) producers.
C) service providers.
D) intermediaries.
E) manufacturers.

155) After Wally's Wreaths manufactures its decorations, it sends them to retailers who subsequently sell them to consumers. The retailers are considered
A) transporters.
B) storers.
C) intermediaries.
D) public depositories.
E) collaborators.

156) When the Guillermos were planning their trip, they elected to use a travel agency rather than go directly to the airlines and hotel companies. In this case, the travel agency is a(n)
A) transporter.
B) storer.
C) intermediary.
D) risk taker.
E) collaborator.

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157) Which statement about the universal functions of marketing is true?
A) They may not be required in all macro-marketing systems.
B) Not every level of production requires all of the marketing functions.
C) Responsibility for performing them cannot be shifted or shared.
D) All goods and services require all the functions at every level of their production.
E) The government cannot perform one of them.

158) In macro-marketing,
A) most universal marketing functions cannot be completely eliminated.
B) the objectives of the individual firm are the most important.
C) functions should not be shifted or shared.
D) intermediaries are unnecessary.
E) activities of individual organizations are emphasized.

159) Concerning the universal functions of marketing, it is true that
A) the functions must be performed in all macro-marketing systems.
B) the functions can be performed by producers or intermediaries—but not by consumers.
C) from a micro viewpoint, every firm must perform all the functions.
D) responsibility for performing them can be shifted and shared—and some functions can be eliminated to reduce costs.
E) they come into play only in a capitalist system.

160) _____refers to the way an economy organizes to use scarce resources to produce goods and services and distribute them for consumption by various people and groups in society.
A) Resource utilization
B) Socio-economic policy
C) The way a firm measures value
D) A command system
E) An economic system

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161) An economic system in which government officials determine production levels is known as a_____ economy.
A) pure subsistence
B) national
C) market-directed
D) production-oriented
E) command

162) In a command economy,
A) producers have a great deal of choice about what and how much to produce.
B) prices usually fluctuate according to supply and demand.
C) marketing activities such as market research are encouraged.
D) economies have little product variety, so consumers have few choices.
E) consumers decide what is to be produced and by whom.

163) In a command economy,
A) production is directed by the government.
B) the individual decisions of the many producers and consumers come together to make macro-level decisions.
C) consumers make a society's production decisions.
D) consumers decide what is to be produced and by whom through their dollar "votes."
E) the market adjusts itself.

164) The various economic systems around the world are
A) equally effective at providing for the needs of citizens.
B) always shaped by the free decisions of producers and consumers.
C) known collectively as the command economy.
D) heavily influenced by a society's political institutions.
E) based on the ideal of a pure subsistence economy.

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165) In a_____ economy, the individual decisions of the many producers and consumers make the macro-level decisions for the whole economy.
A) mixed
B) command
C) market-directed
D) production-oriented
E) controlled

166) In a market-directed economy,
A) profit, survival, and growth are all guaranteed for producers.
B) consumers have little freedom of choice.
C) consumers decide what is to be produced and by whom through their dollar "votes."
D) prices usually do not change according to supply and demand.
E) only the needs of the majority are served.

167) _____in the marketplace are a rough measure of how society values particular goods and services.
A) Inventories
B) Prices
C) The cost of labor and materials
D) The number of producers
E) The number of competitors

168) Price is a rough measure of
A) company profits.
B) the value of goods and services.
C) market supply.
D) company costs.
E) economic inflation.

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169) Which statement about economic systems is true?
A) Consumers usually have more freedom of choice in a market-directed economy.
B) Command economies are most effective for countries with large and complicated varieties of goods and services.
C) Branding is less common in a market-directed economy than in a command economy.
D) The United States is a good example of a command economy.
E) In both command economies and market-driven economies, consumers drive production decisions,

170) Which of the following is *least likely* to be true about a market-directed economy?
A) Consumers enjoy maximum freedom of choice.
B) Producers enjoy maximum freedom of choice.
C) The interaction between consumers and producers is great.
D) Government is responsible for setting up all marketing activities.
E) The price of a consumer product serves as a measure of its value.

171) Belinda must help pay for roads and schools where she lives, but she can decide whether to buy most other products. Belinda most likely lives in a_____ economy.
A) command
B) market-directed
C) product-oriented
D) socialist
E) government-controlled

172) Which activity is *least likely* to be a government role in a market-directed economy?
A) setting rules to protect individual rights and freedom
B) supervising the economy
C) providing things such as mass transportation and highways and public health services
D) controlling interest rates and the supply of money
E) determining prices, thereby allocating resources and distributing income

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173) In a market-directed economy, which of the following is the role of consumers rather than the government?
A) protecting property and enforcing contracts
B) regulating radio and television broadcasting
C) setting import and export rules
D) determining what and how much is to be produced
E) controlling interest rates and the supply of money

174) Which statement about a market-directed economic system is true?
A) Consumers are free to choose from a range of options that meets their needs.
B) Profit, growth, and survival are guaranteed.
C) Government has no role.
D) There is very little interaction between producers and consumers.
E) Consumers have little freedom of choice.

175) The rise of digital and social media in the market
A) gives customers more power.
B) takes power away from customers.
C) renders sellers powerless to respond to customer complaints.
D) makes it impossible for customers to get redress.
E) increases prices.

176) The ability of customers to post positive or negative information on the Internet that prospective customers might see
A) incentivizes companies to play by the socially accepted rules of the game.
B) encourages companies to lessen their presence on the Internet.
C) gives companies more power over customers.
D) weakens the power of customers because problems aren't resolved in person.
E) is a loss for everyone, because nobody knows who to believe.

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177) The United States and most other Western economies are mainly, but not completely, market directed. In these economies,
A) the government enforces “rules of the game.”
B) the government does not play a role in the economy.
C) public interest groups supervise the entire system.
D) customers have gained control in the market through the use of technology.
E) consumers are not forced to buy any goods or services.

178) Consumers may easily find product satisfaction information through consumer reviews on the Internet. What is a result of this?
A) It allows firms to make exaggerated claims about their products.
B) It allows government agencies to control interest rates and the supply of money.
C) It allows firms to monopolize markets.
D) It lets firms evaluate macro-marketing strategies in terms of society’s objectives.
E) It incentivizes firms to play by the socially accepted “rules of the game.”

179) Which of these is *least likely* to perform checks on the market-directed macro-marketing system?
A) the government forecasting what is needed to avoid shortages
B) customers voting with their dollars based on prices charged
C) customers voicing satisfaction and dissatisfaction
D) public interest groups sharing information
E) the government setting the “rules of the game”

180) AARP is an organization that works to improve the lives of people over the age of 50 in the areas of health care, consumer protections, and economic security. As such, it provides a check on a market-driven economy. This is an example of a
A) government agency.
B) community service provider.
C) corporation.
D) public interest group.
E) public relations firm.

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181) Which era of marketing was characterized by families who sold their surpluses to local distributors?

A) the simple trade era
B) the production era
C) the sales era
D) the marketing department era
E) the marketing company era

182) The text considers five "eras" of marketing evolution. These five eras in their logical order are

A) simple trade, production, sales, marketing company, and marketing department.
B) subsistence, production, sales, entrepreneurial, and marketing company.
C) simple trade, production, sales, marketing department, and international trading.
D) simple trade, production, sales, entrepreneurial, and marketing company.
E) simple trade, production, sales, marketing department, and marketing company.

183) From the Industrial Revolution until the 1920s, most companies were in the_____ era.

A) marketing department
B) production
C) simple trade
D) marketing company
E) sales

184) Which statement is *most* characteristic of the production era?

A) "If we sell harder, we will sell more."
B) "We need to cater to the diverse needs of consumers."
C) "If we can make it, it will sell."
D) "The more options we offer consumers, the better."
E) "Advertising is the key to our success."

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185) Which statement is the *best* example of management thinking during the production era?
A) "We need to make whatever products are easy to produce."
B) "We need to find out what the customer wants."
C) "The more salespeople we have, the more we can sell."
D) "We need to make a better product than our competitors."
E) "If we produce a good product, customers will find us and buy it."

186) At one point, good PC software for producing digital videos was not available, but it was much in demand by businesses. The first companies to produce a specific type of program had good sales even though they did little promotion and their programs were not "user-friendly." It seemed that many of these "innovators" operated as if they were in the_____ era.
A) simple trade
B) marketing department
C) sales
D) marketing company
E) production

187) Because of increased competition during the_____ era, firms put new effort into winning customers.
A) simple trade
B) sales
C) production
D) marketing company
E) marketing department

188) The president of a company that produces outdoor furniture is concerned about the large number of competitors with extra capacity. As she put it, "Our success is in the hands of our sales manager—she makes all of our marketing decisions and is creative enough to figure out how to sell more chairs." It seems that this company is run as if it were in the_____ era.
A) production
B) marketing company
C) simple trade
D) sales
E) marketing department

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189) Administrators at a cruise line noted that they were 600 passengers short of their client projection as the start of the cruise season approached. The president of the company, fearing a revenue shortage, told the director of reservations, "You need to use whatever means necessary to get enough passengers to meet the projection before cruises start. Run ads in the newspaper, call local travel agents, recruit from our pool of previous clients—whatever it takes." The company president is operating as though they were in the_____ era.

A) simple trade
B) production
C) sales
D) marketing department
E) marketing company

190) Which statement regarding the "sales era" is true?

A) The emphasis was on producing.
B) A central business problem was the decision of where to put the company's effort.
C) More production capability was available than ever before.
D) It followed the marketing department era.
E) It brought all marketing activities together under one department.

191) During the sales era,

A) families traded or sold their surplus output to local distributors.
B) characteristic management thinking was, "If we can make it, it will sell."
C) all marketing activities were brought under the control of one department.
D) increased competition made firms focus on winning customers.
E) marketing people did both short-run and long-run marketing planning.

192) Toshio was just named sales manager for Water Flow Products, with responsibilities for all marketing planning. Water Flow's president tells Toshio that his job is to "outsell the competition." Water Flow is operating in the_____ era.

A) market-oriented
B) production
C) sales
D) marketing company
E) marketing department

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193) As a firm moves from the sales era to the marketing department era, it is likely to
A) have marketing people who develop long-range plans—sometimes five or more years ahead.
B) begin to integrate all the firm's marketing activities.
C) place less emphasis on earning a profit and more emphasis on what customers will buy.
D) adopt a narrower view of marketing.
E) be more concerned with its ability to produce enough to meet demand.

194) Evelyn was just named Mystery Venture's marketing manager—with responsibilities for short-run policy planning of the firm's advertising, sales, marketing research, purchasing, and distribution efforts. Mystery Venture is *most likely* operating in the_____ era.
A) market-oriented
B) production
C) marketing department
D) marketing company
E) sales

195) The main difference between the "marketing department era" and the "marketing company era" is
A) more emphasis on selling and advertising in the marketing department era.
B) whether the president of the firm has a background in marketing.
C) more emphasis on short-run planning in the marketing company era.
D) whether the whole company is guided by the marketing concept.
E) more emphasis on profit in the marketing company era.

196) When marketing people do long-range planning and the whole company is guided by the "marketing concept," the company has entered the_____ era.
A) production
B) customer satisfaction
C) marketing company
D) consumerism
E) marketing department

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197) The president of a real estate development company says that the new marketing manager has changed things a lot—making long-range plans about where the firm should focus its effort, and coordinating the decisions about what services to offer and how they should be promoted and priced. It seems that this company is just moving into the_____ era.

A) marketing company
B) sales
C) production
D) marketing department
E) simple trade

198) East Bluff Corporation just named Nia to a marketing management position. One of the reasons she accepted a position with this company was its reputation for market-oriented long-range planning. East Bluff Corp. is probably operating in the_____ era.

A) planning
B) marketing company
C) marketing research
D) marketing department
E) None of these answers are correct.

199) The owner of a small manufacturing company does long-range planning, and the whole company is guided by the marketing concept. The firm appears to be operating in the_____ era.

A) production
B) customer satisfaction
C) marketing company
D) consumerism
E) marketing department

200) The marketing concept is a strategic way of approaching business that contrasts *most* sharply with

A) the marketing orientation.
B) the production orientation.
C) the profit orientation.
D) macro-marketing.
E) a customer relationship orientation.

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201) Compared with other approaches to business, the marketing concept is distinct in that it
A) focuses on profits.
B) produces new products and services.
C) creates a broad assortment of products.
D) produces quality products.
E) focuses on satisfying customers' needs.

202) The triple bottom line is a measure of a firm's success based on multiple criteria, commonly referred to as measures of
A) brands, buyers, and bucks.
B) product, price, and promotion.
C) people, planet, and profit.
D) partnership, planning, and positioning.
E) segmentation, targeting, and positioning.

203) When a firm considers a triple bottom line as a measure of long-term success, this means that it measures outcomes in
A) economic success, social impact, and political change.
B) firm profitability, customer satisfaction, and behavioral change.
C) economic success, social impact, and environmental impact.
D) company effort, customer satisfaction, and relative market share.
E) customer satisfaction, environmental impact, and production efficiency.

204) An organization practicing_____ aims all its efforts at satisfying its customers—at a profit.
A) the sales concept
B) a production orientation
C) in the marketing department era
D) profit maximization economics
E) the marketing concept

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205) A production-oriented firm typically
A) views customer credit as a customer service.
B) sets inventory requirements with customer needs in mind.
C) tries to sell the products it can make easily.
D) focuses advertising on need-satisfying product benefits.
E) operates as an integrated unit.

206) Managers who think of customers as existing to buy the firm's output rather than of firms existing to serve customers and—more broadly—the needs of society have a_____ orientation.
A) marketing
B) production
C) selling
D) dynamic
E) customer

207) At Urban Force manufacturing company, salespeople blame the production people for making inferior products, and the production people complain that the salespeople are not getting enough orders. Urban Force seems to have a_____ orientation.
A) bottom line
B) production
C) customer
D) sales
E) marketing

208) A consumer products company has been experiencing declining profits. The accounting department blames the marketing staff for "out of control" sales costs. The salespeople blame the warehouse for being slow to fill orders, and the warehouse manager says that the production department can't meet its schedule. This company seems to have
A) implemented the marketing concept.
B) a customer orientation.
C) a marketing orientation.
D) a sales orientation.
E) a production orientation.

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209) Accepting the “marketing concept” means that a firm should have a_____ orientation.
A) marketing
B) research
C) production
D) sales
E) planning

210) A firm with a marketing orientation
A) has little need for salespeople.
B) sells what it can make easily.
C) tries to determine customers’ needs before developing its product.
D) focuses advertising on product features.
E) produces a narrow variety of products.

211) The three basic ideas in the “marketing concept” are
A) customer satisfaction, resource efficiency, and sales maximization.
B) customer satisfaction, total company effort, and sales growth.
C) resource efficiency, sales growth, and profit maximization.
D) customer satisfaction, marketing manager as chief executive, and profit.
E) customer satisfaction, total company effort, and profit.

212) What is one of the three basic ideas in the “marketing concept”?
A) resource efficiency
B) a total company effort
C) to obtain customer loyalty
D) to maximize sales
E) the president having a marketing background

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213) An important step in applying the marketing concept is
A) changing the firm's organizational structure.
B) changing the firm's management methods and procedures.
C) appointing someone with a marketing management background to be the firm's president.
D) hiring a marketing consultant.
E) making a commitment to customer satisfaction.

214) The marketing concept says that a business firm should aim all its efforts at
A) doing more advertising and selling than competitors.
B) selling what the company produces efficiently.
C) satisfying customers regardless of profitability.
D) making a profit selling to satisfied customers.
E) producing products at the lowest cost.

215) The "marketing concept" says that a business firm should
A) aim all its efforts at meeting society's needs, regardless of profitability.
B) aim all its efforts at satisfying its customers—at a profit.
C) sell those products it can make at the lowest cost.
D) place a heavy emphasis on developing new products.
E) treat advertising and selling as its priority.

216) A producer with a marketing orientation is MOST likely to
A) distribute the product according to customer needs.
B) distribute the product in as many retail outlets as possible.
C) provide overnight express shipping at an extra cost.
D) use e-commerce as a key element in distribution.
E) distribute directly from the producer to the consumer.

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217) Complete acceptance of the "marketing concept" would require
A) making sure that all departments focus their efforts on satisfying customer needs.
B) having all production, finance, accounting, and personnel managers report directly to the marketing manager.
C) placing less emphasis on profit as the objective of the firm.
D) trying to satisfy the needs of each and every customer.
E) focusing on product, not process.

218) In a firm operating as a total system to implement the marketing concept,
A) the whole company is customer-oriented.
B) there are no departments.
C) product planning is under the control of the production or engineering departments.
D) the marketing manager directs and controls all company activities.
E) incentives are awarded for innovative marketing efforts.

219) In a firm that has a total company effort in implementing the marketing concept,
A) there are "fences" around individual departments.
B) not all departments impact customer satisfaction.
C) the firm lacks a central focus.
D) departments—even very specialized ones—are guided by what customers want.
E) the firm is more production-oriented than marketing-oriented.

220) The numeric data that is used by marketing managers to evaluate performance against a set target or goal is referred to as
A) market information.
B) production statistics.
C) the triple bottom line.
D) marketing metrics.
E) standardization and grading.

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221) Which reason *best* describes why a firm would use marketing metrics?
A) to understand customer satisfaction
B) to determine how well a marketing strategy is performing
C) to ascertain the effectiveness of different departments within the firm
D) to set marketing targets and goals
E) to decide what products are easiest to produce

222) The owner of a food truck implemented a new location strategy so that it would be better positioned near a crowded office park during the lunch hour. How should they evaluate the new location strategy?
A) They should use marketing metrics to compare performance between the old location and the new location.
B) They should use customer satisfaction surveys to evaluate performance between the two locations.
C) They need only compare the revenue numbers between the new and old locations.
D) They should analyze the effectiveness of the universal functions of marketing.
E) They should compare the triple bottom line of both locations.

223) What is a basic idea of the marketing concept?
A) A production orientation must guide the whole system.
B) An organization should build "fences" around its own departments.
C) Customer satisfaction is the path to profit.
D) A firm should "give customers what it produces best."
E) A firm is obliged to have a positive effect on society.

224) Thai Triumph restaurant's owners worry about the environment, using paper products made from recycled paper and recycling everything possible. They also gives their employees every Sunday off to be with family, and the restaurant sponsors many local sports teams. It does this while also making sure it is profitable. Thai Triumph demonstrates
A) sustainable focus.
B) a production orientation.
C) the triple bottom line.
D) a strong profit motive.
E) a marketing department approach.

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225) A company's mission goes beyond making a profit, but strives to create value for its stakeholders. This company practices a_____ orientation.

A) purpose
B) production
C) sustainable
D) bottom line
E) marketing

226) Electric utilities and cable companies have_____ competition.

A) no
B) limited
C) extensive
D) simple
E) complex

227) What is the best example of the marketing concept in action?

A) A product manager tells her sales force, "The inventory in the warehouse must be sold if we are to make a profit, so redouble your sales efforts."
B) A manufacturer of industrial chemicals adapts its formulas and goes after the big consumer cleaning market.
C) A cleaning supplies firm learns that many consumers are having trouble hiring maids, so it develops a plan to offer customers complete house cleaning services at an affordable cost.
D) An Internet retailer finds that shoppers are abandoning their shopping carts before checking out, so it promotes its $10 discount on each customer's first purchase.
E) A student group wants to hold an awards banquet, so it buys Krispy Kreme donuts and sells them to friends who want to help the club achieve its objectives.

228) A public utility that has adopted the marketing concept would be most likely to

A) set up a special service to help consumers reduce expensive peak-hours energy consumption.
B) lower prices until almost all consumers felt that prices were fair.
C) advertise its "public service role" to improve its image with the public.
D) use email to send customers a personal apology when blackouts occur.
E) raise prices during peak hours to increase profits.

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229) A local symphony group that has adopted the marketing concept would be most likely to
A) lower ticket prices until all its concerts sell out.
B) advertise so consumers know about the quality of the musicians who play in its concerts.
C) find out what kind of music local residents want to hear.
D) use only its best musicians to handle solo performances.
E) hire well known guests to draw more customers.

230) A local theater group that has adopted the marketing concept would be *most likely* to
A) promote the sale of subscriptions, so that patrons can buy tickets at a reduced price for several plays at one time.
B) use publicity to announce upcoming plays.
C) do a survey to find out what new shows patrons would like to see.
D) sell tickets via the Internet.
E) put on performances only on the weekends to reduce actor's pay.

231) Wowza Limousines uses marketing research to determine customer needs and assess how well the company meets them. This suggests that Wowza managers exhibit
A) a marketing orientation.
B) social responsibility.
C) information sorting.
D) the innovation concept.
E) a production orientation.

232) Which practice would suggest that Wong Electronics practices a marketing orientation?
A) It sets inventory levels with customer requirements and costs in mind.
B) It sells products that it can easily make for its customers.
C) It focuses its advertising efforts on product features and how products are made.
D) It views customer service as an activity required to reduce consumer complaints.
E) It ends its relationship with customers when a sale is made.

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233) A firm with a marketing orientation is *most likely* to
A) view advertising as an unnecessary expense.
B) recognize that effective advertising is the key to sales.
C) advertise how a product meets customers' needs.
D) focus its advertising on product features.
E) eliminate advertising as a strategy.

234) Which of the following is *least likely* to be found in a company with a marketing orientation?
A) The company sells whatever it can make.
B) The company sees customer credit as a service.
C) All employees are concerned with the customer.
D) The company uses marketing research to see if it is satisfying its customers.
E) The company focuses on locating new opportunities.

235) In a firm with a production orientation,
A) customer needs determine company plans.
B) relationships with customers extend beyond a single sale.
C) costs that do not give value to customers are eliminated.
D) marketing research is used for determining customers' reactions.
E) advertising is focused at the need-satisfying benefits of goods and services.

236) _____refers to the difference between the benefits a customer sees from a market offering and the costs of obtaining those benefits.
A) Operating cost
B) Profit margin
C) Customer value
D) Net value
E) Satisfaction

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237) How is customer value influenced by a marketing manager's decisions?
A) Decisions about product have the greatest impact.
B) Decisions about place have the least impact.
C) Decisions about promotion have the greatest impact.
D) Decisions about price have the least impact.
E) Decisions about all elements of the marketing mix have similar impact.

238) Customer value is best measured by
A) customer monetary costs plus firm profits.
B) customer benefits minus costs.
C) customer costs plus customer benefits.
D) customer effort to receive a benefit minus the time delay to receive the benefit.
E) firm benefits minus customer costs.

239) In evaluating customer value, what is *most* important?
A) the customer's view of costs and benefits
B) the price of the market offering
C) a firm's understanding of customer costs and benefits
D) high profit margins
E) the market offering with the least cost to customers

240) A functional benefit that a customer may receive from a market offering would
A) offer top-quality aesthetics.
B) save the customer time.
C) lower the customer's anxiety.
D) give the customer hope.
E) provide a sense of belonging.

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241) Olga opened a coffee shop that offered free books and book discussion groups for customers. It was popular with older, single women who lived alone. Which type of benefit was the coffee shop offering with the book group?

A) functional
B) emotional
C) life-changing
D) world-changing
E) monetary

242) What is the *best* example of a life-changing customer benefit?

A) A coffee shop redesigns its drive-through window service to cut back on customer wait times.
B) An office supply store institutes a loyalty card program in which customers can use earned points for discounts on future purchases.
C) A restaurant redecorates to make its space more comfortable.
D) A grocery store decides to lower the prices on all produce.
E) A gym institutes a buddy program in which a staff member checks in weekly with new enrollees to offer encouragement and advice.

243) Which statement about price and customer value is accurate?

A) Customer value is achieved only from a low price.
B) Customer value is uninfluenced by price.
C) A low price trumps all other customer benefits.
D) A high price is acceptable when it obtains desired benefits.
E) A customer will never accept a higher price market offering.

244) To build relationships with customer value, firms are *least likely* to

A) ensure that everyone in a firm works together to provide customer value before and after each purchase.
B) brief their advertising people to develop ads that try to convince a customer to buy once.
C) attract customers in the first place—and keep them satisfied after they buy.
D) try to adopt the marketing concept.
E) try to eliminate costs that do not give value to customers.

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245) Customer value
A) is greater if costs exceed benefits.
B) becomes less important as competition increases.
C) is the same thing as low price.
D) affects a customer's relationship with a firm before and after a sale.
E) is an outdated concept.

246) Esteban always buys his new trucks from the local dealership, even if they are slightly more expensive than other dealers because the location of the service department is convenient to him. For Esteban, the benefits outweigh the costs. This illustrates the concept of
A) bias.
B) emotional buying.
C) price sensitivity.
D) value.
E) loyalty.

247) What is different about the way business firms and nonprofit organizations operate?
A) Unlike a business firm, a nonprofit organization needs resources and support to survive and achieve its objectives.
B) Unlike a business firm, a nonprofit organization must take in as much money as it spends or it won't survive.
C) A nonprofit organization does not measure "profit" in the same way as a business firm does.
D) Nonprofit organizations face competition for customers; business firms do not.
E) Unlike a business firm, a nonprofit organization gets support directly from those who receive the benefits.

248) In nonprofit organizations, the marketing concept
A) is not relevant.
B) has different measures of success.
C) is usually easy to adopt because of how nonprofits organize for marketing.
D) can be implemented without considering customer needs.
E) operates with a production orientation.

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249) Given the nature of their work, which organization is *least likely* to have a marketing orientation?
A) Girl Scouts of America
B) Dallas–Fort Worth Symphony
C) American Cancer Society
D) University of Wisconsin
E) Boltz Manufacturing Company

250) Which statement describes the micro–macro dilemma?
A) What is good for some producers and consumers may not be good for society as a whole.
B) Marketing people are unsure about individual activities versus social processes.
C) In a multiproduct company, which product is to be emphasized over another is unclear.
D) Most people don't want much freedom of choice in buying products.
E) Intermediaries facilitate exchange, but they add to the cost of goods.

251) According to the concept of social responsibility, a firm has a duty to
A) communicate regularly with the public.
B) satisfy consumer needs at any cost.
C) place profit above all other considerations.
D) place customer satisfaction above all other considerations.
E) work in a way that is good for society as a whole.

252) Trying to balance the interests of farmers and wildlife conservationists is an example of
A) the role of a central market.
B) subsistence marketing.
C) political action.
D) micro-macro dilemma.
E) the exchange process in marketing.

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253) The fact that many Americans want the convenience of driving gas-guzzling trucks and sport utility vehicles that also contribute disproportionately to pollution and global warming is an example of

A) the micro–macro dilemma.
B) variance in customer value.
C) marketing ethics.
D) the responsibilities of the marketer.
E) the marketing concept.

254) The city of Boulder is encouraging its residents to drink tap water instead of filling landfills with plastic water bottles, even though some consumers prefer the convenience of plastic water bottles. This is an example of

A) customer value.
B) dissonance.
C) the storing function.
D) innovation.
E) the micro–macro dilemma.

255) Which statement is the *best* example of the micro–macro dilemma?

A) Many consumers buy imported cars, even though they say they would prefer to buy American cars.
B) High performance cars are fun to drive but may be dangerous to others.
C) Imported cars may cost buyers more to buy now but may have better resale value later.
D) A fuel-efficient car may cost more to buy but less to operate.
E) The economy may be growing, but many people still are not able to buy a new car.

256) Which statement is the *best* example of the micro–macro dilemma?

A) Pepsi Blue sales went up, but total sales of all soft drinks went down.
B) A small group of loyal consumers really like generic colas best, but most consumers don't like them at all.
C) The deposit on returnable soft drink bottles is about equal to the cost of the bottle.
D) Paper cups for soft drinks are convenient, but they often end up as litter along the highway.
E) Snapple beverages are more popular in Texas than in the rest of the United States.

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257) Which scenario is an example of the micro–macro dilemma?
A) A homeowner purchases a ladder but falls off it because they didn't set up the ladder according to the safety instructions posted on it.
B) A person gets a speeding ticket because they were talking on their cell phone while driving and didn't notice a speed limit sign.
C) A person drives without fastening their seat belt even though a warning light and chime remind them to "buckle up."
D) A person is injured while using a power lawn mower because of a small stone that is hurled from the discharge chute.
E) A restaurant owner uses plastic containers to keep "take-out" food warm for customers, but the containers cannot be reused or recycled.

258) _____refers to a firm's obligation to improve its positive effects on society and reduce its negative effects.
A) The nonprofit orientation
B) The micro–macro dilemma
C) Marketing ethics
D) Legal obligations
E) Social responsibility

259) Which statement is true regarding social responsibility in marketing?
A) Being socially responsible usually leads to a negative response from customers.
B) Being socially responsible can conflict with a firm's profit objective.
C) Companies tend to avoid developing written codes of ethics because standards for professional behavior are ambiguous by nature.
D) Firms tend to advance their own short-term interests at the expense of customers.

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260) A manager made a speech in which he described his organization as having "really embraced the marketing concept over ten years ago." A critic in the audience argued that the manager didn't understand the "socially conscious" view of the marketing concept. Given the critic's argument, the marketing manager most likely works for

A) a fruit processor.
B) the public library.
C) a firm that recycles aluminum cans.
D) a nonprofit.
E) a motorcycle producer.

261) Moral standards that guide marketing decisions and actions are called

A) civil laws.
B) macro dilemmas.
C) micro dilemmas.
D) marketing ethics.
E) laws.

262) In the American Marketing Association's Statement of Ethics, which ethical value stresses a firm's attempts to balance the needs of its buyers with the interests of sellers?

A) honesty
B) fairness
C) responsibility
D) citizenship
E) openness

263) In the American Marketing Association's Statement of Ethics, which ethical value stresses a firm's attempts to recognize the basic human dignity of its customers?

A) citizenship
B) respect
C) honesty
D) openness
E) responsibility

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264) Firms develop_____ to promote fair and honest dealings with all stakeholders inside and outside of the organization.

A) marketing plans
B) marketing departments
C) codes of ethics
D) intermediaries
E) a marketing orientation

265) What is a common criticism of marketing in the United States and other developed societies?

A) Marketing invades customer privacy.
B) Marketing focuses only on the necessities.
C) Marketing needs to be more widespread to reach more people.
D) Marketing uses AI to create generalized advertising instead of focusing on individual customers.
E) Marketing fails to influence children at an early age.

266) Marketing that seeks to make the world a better place

A) can still be profitable.
B) is just a ploy to get people to buy stuff they don't need.
C) is a charitable endeavor.
D) does not address the world's real problems.
E) is totally ineffective.

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267) Rasheed works in a factory where management is largely focused on making quarterly profit gains. Ling works for a consulting firm that uses customer satisfaction and profit as its two primary marketing metrics. Franco works at a shop whose advertising focuses on the fascinating process used for making its candy. Bernice works at an office on a customer service team whose primary purpose is to deal with complaints. Samir works in a medical company that uses triple bottom line marketing metrics. Which person works for an entity with a purpose orientation?

A) Rasheed
B) Ling
C) Samir
D) Franco
E) Bernice

268) Earth Breeze Incorporated makes a good profit from its solar-powered fans and air conditioners. The company researches customer needs and creates plans to meet those needs, often eliminating costs that do not enhance customer value. The company's advertising focuses on informing customers about its mission to help people stay cool without using fossil fuels and to deliver cooling devices to people in impoverished regions where household electrical service is unavailable or unreliable. Which action most clearly demonstrates that Earth Breeze has a purpose orientation?

A) Its advertising informs customers about its mission.
B) It makes a profit from its customers.
C) It eliminates costs that do not enhance customer value.
D) It researches customer needs.
E) It generates plans to address customer needs.

269) Which action demonstrates a company with a purpose orientation?

A) satisfying customer needs beyond the core product offering
B) creating value through efficiency
C) innovating by focusing on new opportunities
D) ensuring all employees are concerned with the customer
E) selling what it can make

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270) When does a purchase represent a world-changing benefit?

A) It saves customers time.
B) It entertains customers.
C) It gives customers emotional comfort.
D) It motivates customers.
E) It impacts society.

271) Which scenario represents a world-changing benefit?

A) Kiara saves time by ordering online and having her order ready for pickup when she arrives at the store.
B) Sammy uses a fitness product that helps him lose excess weight and improve his health.
C) Prisha purchases furniture manufactured using sustainable energy and raw materials.
D) Hector receives a complimentary membership at the golf course as a reward for purchasing 10 rounds of golf.
E) Jaleel enjoys his car more after having a sunroof and new LED lights installed.

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Answer Key

Test name: Chapter 01

1) FALSE
2) TRUE
3) FALSE
4) TRUE
5) TRUE
6) FALSE
7) TRUE
8) TRUE
9) TRUE
10) TRUE
11) TRUE
12) FALSE
13) TRUE
14) FALSE
15) TRUE
16) TRUE
17) FALSE
18) TRUE
19) TRUE
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21) TRUE
22) TRUE
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38) TRUE
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76) TRUE
77) FALSE

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78) TRUE
79) TRUE
80) TRUE
81) FALSE
82) TRUE
83) A
84) E
85) D
86) B
87) C
88) B
89) C
90) E
91) D
92) A
93) C
94) B
95) B
96) E
97) A
98) C
99) D
100) D
101) A
102) D
103) C
104) A
105) E
106) D
107) D
108) C
109) E
110) D
111) B
112) B
113) C
114) D
115) C
116) C
117) A

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118) A
119) A
120) A
121) A
122) D
123) A
124) A
125) C
126) B
127) E
128) B
129) A
130) B
131) C
132) A
133) E
134) C
135) A
136) B
137) E
138) D
139) B
140) B
141) D
142) C
143) C
144) C
145) D
146) B
147) E
148) D
149) E
150) E
151) E
152) D
153) B
154) D
155) C
156) C
157) B

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158) A
159) A
160) E
161) E
162) D
163) A
164) D
165) C
166) C
167) B
168) B
169) A
170) D
171) B
172) E
173) D
174) A
175) A
176) A
177) A
178) E
179) A
180) D
181) A
182) E
183) B
184) C
185) E
186) E
187) B
188) D
189) C
190) C
191) D
192) C
193) B
194) C
195) D
196) C
197) A

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198) B
199) C
200) B
201) E
202) C
203) C
204) E
205) C
206) B
207) B
208) E
209) A
210) C
211) E
212) B
213) E
214) D
215) B
216) A
217) A
218) A
219) D
220) D
221) B
222) A
223) C
224) C
225) A
226) B
227) C
228) A
229) C
230) C
231) A
232) A
233) C
234) A
235) D
236) C
237) E

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238) B
239) A
240) B
241) B
242) E
243) D
244) B
245) D
246) D
247) C
248) B
249) E
250) A
251) E
252) D
253) A
254) E
255) B
256) D
257) E
258) E
259) B
260) E
261) D
262) B
263) B
264) C
265) A
266) A
267) C
268) A
269) A
270) E
271) C

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