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SKU: 9781285860169-TEST-BANK

Name:_____ Class:_____ Date:_____

Chapter 2

1. A diversification strategy can be risky when a firm is entering unfamiliar markets.
   a. True
   b. False

ANSWER:	True
RATIONALE:	A diversification strategy can be risky when a firm is entering unfamiliar markets. See 2-3: Strategic Alternatives
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	True / False
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.03
TOPICS:	A-head: Strategic Alternatives Bloom's: Remember BUSPROG: Analytic Diversification
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DATE MODIFIED:	5/26/2015 12:42 AM
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QUESTION GLOBAL ID:	GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMMB-CFTU-O3TA-COAD-1PJ3-COSU-OAUN-8YSS-NQMB-GOSU-KQMG-GCSU-RC5R-G7TG-CPBZ-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

2. A company's skills are functions—such as customer service and promotions—that the firm performs better than its competitors.
   a. True
   b. False

ANSWER:	True
RATIONALE:	Skills are functions—such as customer service and promotions—that the firm performs better than its competitors. Marketing managers should continually focus the firm's skills and assets on sustaining and creating competitive advantages. See 2-6: Competitive Advantage
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	True / False
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.06
TOPICS:	A-head: Competitive Advantage Bloom's: Remember BUSPROG: Analytic Sustainable Competitive Advantage
DATE CREATED:	5/1/2015 4:22 PM
DATE MODIFIED:	5/26/2015 12:42 AM
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QUESTION ID:	JFND-GO4G-G3BU-KP1G

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Chapter 2

QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMMR-CR4D-Q3TZ-GRAS-KCMR-CESU-1CT3-CESS-CPT1-GOSU-GA3T-CCSU-C3UG-CE3G-NPTU-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

3. A market segment is a group of individuals or organizations who share one or more characteristics.

a. True

b. False

ANSWER: True

RATIONALE: A market segment is a group of individuals or organizations who share one or more characteristics. See 2-8: Describing the Target Market

POINTS: 1

DIFFICULTY: Easy

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.08 - 2-8

TOPICS: A-head: Describing the Target Market
Bloom's: Remember
BUSPROG: Analytic
Target Markets

DATE CREATED: 5/1/2015 4:22 PM

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4. Organizations use product development strategies to serve customers in their existing markets.

a. True

b. False

ANSWER: True

RATIONALE: A product development strategy entails the creation of new products for present markets. See 2-3: Strategic Alternatives

POINTS: 1

DIFFICULTY: Easy

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.03

TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Product Development

DATE CREATED: 5/1/2015 4:22 PM

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DATE MODIFIED: 5/26/2015 12:42 AM
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5. A product/service differentiation competitive advantage refers to defining a business in terms of goods and services rather than in terms of the benefits customers seek.

a. True
b. False

ANSWER: False
RATIONALE: A product/service differentiation competitive advantage exists when a firm provides something that is unique and valuable to buyers beyond simply offering a lower price than that of the competition. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Remember
BUSPROG: Analytic
Product Differentiation
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DATE MODIFIED: 5/26/2015 12:42 AM
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QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMMB-CC4G-GAUG-GE3U-RPT3-CASU-O3JU-CRSU-OPTO-GOSU-K3TI-CWSU-RCJ1-G71U-RPUR-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

6. A company that sells paper stationery made of recycled materials, which no other paper manufacturing company in the market has the ability produce, has a competitive advantage.

a. True
b. False

ANSWER: True
RATIONALE: A sustainable competitive advantage is one that cannot be copied by the competition. The key to having a competitive advantage is the ability to sustain that advantage. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: True / False

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Chapter 2

HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.06
TOPICS:	A-head: Competitive Advantage Bloom's: Apply BUSPROG: Reflective Thinking Sustainable Competitive Advantage
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7. An ideal marketing penetration strategy would be to offer cash backs and discounts on products to customers.

a. True

b. False

ANSWER:	True
RATIONALE:	A firm using the market penetration alternative would try to increase market share among existing customers. An ideal marketing penetration strategy would be to offer cash backs and discounts on products to customers. See 2-3: Strategic Alternatives
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	True / False
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.03
TOPICS:	A-head: Strategic Alternatives Bloom's: Remember BUSPROG: Analytic Market Penetration
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DATE MODIFIED:	5/26/2015 12:42 AM
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8. Marketing managers rely on customer databases for effective implementation of the market penetration strategy.

a. True

b. False

ANSWER:	True
RATIONALE:	A firm using the market penetration alternative would try to increase market share among

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existing customers. Customer databases would help managers implement this strategy. See 2-3: Strategic Alternatives

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Market Penetration
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DATE MODIFIED: 5/26/2015 12:42 AM
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QUESTION ID: JFND-GO4G-G3BU-KPTT
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9. Individuals in the age group of 12 to 18 years, who extensively use the internet is an example of a market segment.
   a. True
   b. False

ANSWER: False
RATIONALE: A market segment is a group of individuals or organizations who share one or more characteristics. They therefore, may have relatively similar product needs. For example, parents of newborn babies need formula, diapers, and special foods. See 2-8: Describing the Target Market
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.08 - 2-8
TOPICS: A-head: Describing the Target Market
Bloom's: Apply
BUSPROG: Reflective Thinking
Target Markets
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DATE MODIFIED: 5/26/2015 12:42 AM
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10. Target markets can be selected by appealing to the entire market with one marketing mix.
    a. True
    b. False

ANSWER:	True
RATIONALE:	Target markets can be selected by appealing to the entire market with one marketing mix, concentrating on one segment, or appealing to multiple market segments using multiple marketing mixes. See 2-8: Describing the Target Market
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	True / False
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.08 - 2-8
TOPICS:	A-head: Describing the Target Market Bloom's: Remember BUSPROG: Analytic Target Markets
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DATE MODIFIED:	5/26/2015 12:42 AM
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11. A company's assets include patents, copyrights, and technology that are superior to those of the competition.
    a. True
    b. False

ANSWER:	True
RATIONALE:	Assets include patents, copyrights, locations, equipment, and technology that are superior to those of the competition. See 2-6: Competitive Advantage
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	True / False
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.06
TOPICS:	A-head: Competitive Advantage Bloom's: Remember BUSPROG: Analytic Sustainable Competitive Advantage
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QUESTION ID:	JFND-GO4G-G3BU-KPTS

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QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMJW-G7OU-EP5F-GWHU-EP5F-CWSU-Q3JW-CRSS-R3UB-GOSU-EAUF-COSU-RCJ3-CA5S-GCBS-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

12. Market segments can be differentiated by ethnicity and multicultural aspects.

a. True

b. False

ANSWER: False

RATIONALE: If segments are differentiated by ethnicity, multicultural aspects of the marketing mix should be examined. See 2-8: Describing the Target Market

POINTS: 1

DIFFICULTY: Easy

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.08 - 2-8

TOPICS: A-head: Describing the Target Market
Bloom's: Remember
BUSPROG: Analytic
Target Markets

DATE CREATED: 5/1/2015 4:22 PM

DATE MODIFIED: 5/26/2015 12:42 AM

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13. A market development strategy may involve creating new uses for old products to stimulate additional sales among existing customers, while also bringing in new buyers.

a. True

b. False

ANSWER: True

RATIONALE: Market development means attracting new customers to existing products. Ideally, new uses for old products stimulate additional sales among existing customers, while also bringing in new buyers. See 2-3: Strategic Alternatives

POINTS: 1

DIFFICULTY: Easy

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.03

TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic

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	Market Development
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DATE MODIFIED:	5/26/2015 12:42 AM
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14. Marketing objectives must be consistent with and indicate the priorities of the organization.
    a. True
    b. False

ANSWER:	True
RATIONALE:	Objectives must also be consistent with and indicate the priorities of the organization. See 2-7: Setting Marketing Plan Objectives
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	True / False
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.07 - 2-7
TOPICS:	A-head: Setting Marketing Plan Objectives Bloom's: Remember BUSPROG: Analytic Marketing Objectives
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DATE MODIFIED:	5/26/2015 12:42 AM
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15. Product development strategies require creation of new markets.
    a. True
    b. False

ANSWER:	False
RATIONALE:	A product development strategy entails the creation of new products for present markets. See 2-3: Strategic Alternatives
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	True / False
HAS VARIABLES:	False

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LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Product Development
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16. Diversification strategies involve increasing sales of existing products in existing markets.
a. True
b. False
ANSWER: False
RATIONALE: Diversification is a strategy of increasing sales by introducing new products into new markets. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Diversification
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DATE MODIFIED: 5/26/2015 12:42 AM
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17. Market segments cannot be differentiated by demographic characteristics.
a. True
b. False
ANSWER: False
RATIONALE: Any market segment that is targeted must be fully described. Demographics, psychographics, and buyer behavior should be assessed. See 2-8: Describing the Target Market
POINTS: 1

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Chapter 2

DIFFICULTY: Easy
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.08 - 2-8
TOPICS: A-head: Describing the Target Market
Bloom's: Remember
BUSPROG: Analytic
Target Markets
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DATE MODIFIED: 5/26/2015 12:42 AM
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18. An organization is most likely to opt for a market development strategy to boost sales of a new product.
    a. True
    b. False

ANSWER: False
RATIONALE: Market development means attracting new customers to existing products. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Market Development
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DATE MODIFIED: 5/26/2015 12:42 AM
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19. Manufacturers use product development strategies to create new products for new markets.
    a. True
    b. False

ANSWER: False

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Chapter 2

RATIONALE: Manufacturers use product development strategies to create new products for new markets. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Product Development
DATE CREATED: 5/1/2015 4:22 PM
DATE MODIFIED: 5/26/2015 12:42 AM
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20. A firm using the market penetration strategy would try to attract new customers to existing products.
    a. True
    b. False
ANSWER: False
RATIONALE: A firm using the market penetration alternative would try to increase market share among existing customers. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Market Penetration
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21. A sustainable competitive advantage is a function of the speed with which competitors can imitate a leading

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company's strategy and plans.

a. True

b. False

ANSWER: True

RATIONALE: A sustainable competitive advantage is a function of the speed with which competitors can imitate a leading company's strategy and plans. Imitation requires a competitor to identify the leader's competitive advantage, determine how it is achieved, and then learn how to duplicate it. See 2-6: Competitive Advantage

POINTS: 1

DIFFICULTY: Easy

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.06

TOPICS: A-head: Competitive Advantage
Bloom's: Remember
BUSPROG: Analytic
Sustainable Competitive Advantage

DATE CREATED: 5/1/2015 4:22 PM

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QUESTION ID: JFND-GO4G-G3BU-KP4D

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22. A marketing strategy involves the activities of selecting and describing one or more target markets.

a. True

b. False

ANSWER: True

RATIONALE: A marketing strategy involves the activities of selecting and describing one or more target markets, and developing and maintaining a marketing mix that will produce mutually satisfying exchanges with target markets. See 2-8: Describing the Target Market

POINTS: 1

DIFFICULTY: Easy

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.08 - 2-8

TOPICS: A-head: Describing the Target Market
Bloom's: Remember
BUSPROG: Analytic../chapter_%20(12)/PPFGTW8023SVLL2A3056.xml
Marketing Strategy

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23. Relish is a bakery that has introduced a range of low-fat pizzas for its present customers. This is an example of product development strategy.

a. True

b. False

ANSWER: True

RATIONALE: A product development strategy entails the creation of new products for present markets. See 2-3: Strategic Alternatives

POINTS: 1

DIFFICULTY: Easy

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.03

TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Product Development

DATE CREATED: 5/1/2015 4:22 PM

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QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMMB-GFUD-YCMD-CWHD-1QB1-CCSU-KA3A-8YSS-C3JO-GOSU-1PTT-GASU-QATA-CO4D-Y3BT-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

24. The growing emphasis on continuing education and executive development by colleges and universities is a market development strategy.

a. True

b. False

ANSWER: True

RATIONALE: Market development means attracting new customers to existing products. The growing emphasis on continuing education and executive development by colleges and universities is a market development strategy. See 2-3: Strategic Alternatives

POINTS: 1

DIFFICULTY: Easy

QUESTION TYPE: True / False

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.03

TOPICS: A-head: Strategic Alternatives

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	Bloom's: Remember BUSPROG: Analytic Market Development
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25. Imitating a rival's competitive advantage requires the company to first identify the rival's competitive advantage.
    a. True
    b. False

ANSWER:	True
RATIONALE:	Imitation requires a competitor to identify the leader's competitive advantage, determine how it is achieved, and then learn how to duplicate it. See 2-6: Competitive Advantage
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	True / False
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.06
TOPICS:	A-head: Competitive Advantage Bloom's: Remember BUSPROG: Analytic Sustainable Competitive Advantage
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26. The key to having a competitive advantage is the ability to imitate a competitor's strategy.
    a. True
    b. False

ANSWER:	False
RATIONALE:	The key to having a competitive advantage is the ability to sustain that advantage. A sustainable competitive advantage is one that cannot be copied by the competition. See 2-6: Competitive Advantage
POINTS:	1
DIFFICULTY:	Easy

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Chapter 2

QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Remember
BUSPROG: Analytic
Sustainable Competitive Advantage
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27. Marketing objectives serve as motivators by creating something for employees to strive for.
    a. True
    b. False

ANSWER: True
RATIONALE: Marketing objectives serve as motivators by creating something for employees to strive for.
See 2-7: Setting Marketing Plan Objectives
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.07 - 2-7
TOPICS: A-head: Setting Marketing Plan Objectives
Bloom's: Remember
BUSPROG: Analytic
Marketing Objectives
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28. A marketing strategy involves developing and maintaining a marketing mix.
    a. True
    b. False

ANSWER: True
RATIONALE: A marketing strategy involves the activities of selecting and describing one or more target

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markets, and developing and maintaining a marketing mix that will produce mutually satisfying exchanges with target markets. See 2-8: Describing the Target Market

POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: True / False
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.08 - 2-8
TOPICS: A-head: Describing the Target Market
Bloom's: Remember
BUSPROG: Analytic
Marketing Strategy
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29. Gemini Inc. has prepared a market plan for its air conditioners. The managers at Gemini have outlined several activities for their subordinates based on a marketing plan. The employees are required to finish these activities within specific time frames. The managers have also allocated a budget for each activity. In the context of marketing planning, which of the following concepts is illustrated in the scenario?

a. Divestment
b. Implementation
c. Diversification
d. Vertical integration

ANSWER: b
RATIONALE: The concept of implementation is illustrated in the scenario. Implementation is the process that turns a marketing plan into action assignments, and ensures that these assignments are executed in a way that accomplishes the plan’s objectives. Implementation activities may involve detailed job assignments, activity descriptions, time lines, budgets, and lots of communication. See 2-10: Following Up on the Marketing Plan
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.10
TOPICS: A-head: Following Up on the Marketing Plan
Bloom's: Apply
BUSPROG: Reflective Thinking
Implementation
DATE CREATED: 5/1/2015 4:22 PM
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Chapter 2

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30. NutriPro has many business divisions. One of its business divisions has a large customer base for its breakfast cereal in Oriel. NutriPro's other business division sells cookies in Lanslot. NutriPro has now introduced its cookies in Oriel. To ensure good sales, the company is also offering discounts. Which of the following strategies is illustrated in this scenario?

a. Restraint of trade
b. Self-dealing
c. Market penetration
d. Divestment

ANSWER: c
RATIONALE: NutriPro has implemented a market penetration strategy. A firm using the market penetration alternative would try to increase its market share among existing customers. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Apply
BUSPROG: Reflective Thinking
Market Penetration
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31. Which of the following questions considered by markets is closely associated with promotion?

a. How can we use social media to increase our products sales?
b. Should we increase the prices of our products?
c. What should the packaging of our products look like?
d. How can we improve our product quality?

ANSWER: a
RATIONALE: Promotion includes advertising, public relations, sales promotion, and personal selling. Promotion's role in the marketing mix is to bring about mutually satisfying exchanges with target markets by informing, educating, persuading, and reminding them of the benefits of an

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organization or a product. See 2-9: The Marketing Mix

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Promotion Strategies
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DATE MODIFIED: 5/26/2015 12:42 AM
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32. In the context of SWOT analysis, marketers can identify strengths and weaknesses by focusing on:
    a. employee capabilities.
    b. government policies.
    c. quality of products produced by competitors.
    d. foreign competitors.

ANSWER: a
RATIONALE: When examining internal strengths and weaknesses, the marketing manager should focus on organizational resources such as production costs, marketing skills, financial resources, company or brand image, employee capabilities, and available technology. See 2-5: Conducting a Situation Analysis
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.05
TOPICS: A-head: Conducting a Situation Analysis
Bloom's: Understand
BUSPROG: Analytic
SWOT Analysis
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GO4W-NQNBEE

33. The price component of a marketing mix is:
    a. a competitive weapon for companies.
    b. decided after the promotion strategies are finalized.
    c. the starting point of the marketing mix.
    d. the least flexible element of the marketing mix.

ANSWER:	a
RATIONALE:	Price is what a buyer must give up in order to obtain a product. Price is an important competitive weapon, and is very important to the organization because price multiplied by the number of units sold equals total revenue for the firm. See 2-9: The Marketing Mix
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.09
TOPICS:	A-head: The Marketing Mix Bloom's: Understand BUSPROG: Analytic Pricing Strategies
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34. In the context of marketing planning, implementation requires:
    a. micromanagement strategies.
    b. anti-competitive strategies.
    c. centralization of the firm.
    d. delegating authority to employees.

ANSWER:	d
RATIONALE:	Implementation activities may involve detailed job assignments, activity descriptions, time lines, budgets, and lots of communication. Implementation requires delegating authority and responsibility, determining a time frame for completing tasks, and allocating resources. See 2-10: Following Up on the Marketing Plan
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.10

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Chapter 2

TOPICS: A-head: Following Up on the Marketing Plan
Bloom's: Understand
BUSPROG: Analytic
Implementation
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35. Which of the following statements is true about the niche strategy?
    a. Only large companies can implement a niche strategy.
    b. Companies that adopt a niche strategy have only a small number of customers.
    c. Only the companies that do not have competitors can adopt a niche strategy.
    d. Companies that adopt a niche strategy can only gain a price advantage over competitors.

ANSWER: b
RATIONALE: For small companies with limited resources that potentially face giant competitors, niche targeting may be the only viable option. Many companies using a niche strategy serve only a limited geographic market. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Understand
BUSPROG: Analytic
Niche Strategy
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36. In the context of marketing planning, implementation involves:
    a. allocating resources.
    b. identifying market segments.
    c. defining the business mission.
    d. assessing internal capabilities.

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Chapter 2

ANSWER: a
RATIONALE: Implementation is the process that turns a marketing plan into action assignments, and ensures that these assignments are executed in a way that accomplishes the plan's objectives. Implementation requires delegating authority and responsibility, determining a time frame for completing tasks, and allocating resources. See 2-10: Following Up on the Marketing Plan
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.10
TOPICS: A-head: Following Up on the Marketing Plan
Bloom's: Understand
BUSPROG: Analytic
Implementation
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37. An effective marketing objective:
a. is qualitative rather than quantitative.
b. is compared to a benchmark.
c. is written independently of the mission statement.
d. is unattainable.

ANSWER: b
RATIONALE: A marketing objective is a statement of what is to be accomplished through marketing activities. Marketing objectives are effective when they are compared to a benchmark. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Understand
BUSPROG: Analytic
Marketing Objectives
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38. Which of the following questions considered by marketers is best aligned with distribution strategies?
    a. Which market segment should we target?
    b. How do we convince customers to buy our products?
    c. What products should we manufacture?
    d. Where do customers like to shop?

ANSWER: d

RATIONALE: The goal of the distribution strategy is to make sure products arrive in usable condition at designated places when needed. A part of this P—place—is physical distribution, which involves all the business activities concerned with storing and transporting raw materials or finished products. See 2-9: The Marketing Mix

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.09

TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Distribution Strategies

DATE CREATED: 5/1/2015 4:22 PM

DATE MODIFIED: 5/26/2015 12:42 AM

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QUESTION ID: JFND-GO4G-G3BU-KPBU

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39. Which of the following is closely associated with the diversification strategy?
    a. Entering new markets with little competition
    b. Increasing overhead production costs
    c. Decreasing the prices of existing products
    d. Selling modified products to the same customers

ANSWER: a

RATIONALE: Diversification is a strategy of increasing sales by introducing new products into new markets. It can be very profitable when a firm is entering markets with little or no competition. See 2-3: Strategic Alternatives

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Multiple Choice

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HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Understand
BUSPROG: Analytic
Diversification
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40. Which of the following statements is true about strategic business units (SBUs)?
    a. They do not have competitors of their own.
    b. They do not plan collaboratively with other SBUs.
    c. They do not have specific target markets.
    d. They do not perform manufacturing and marketing functions.

ANSWER: b
RATIONALE: When properly created, a strategic business unit has a distinct mission and a specific target market. Each SBU has its own rate of return on investment, growth potential, and associated risks, and requires its own strategies and funding. See 2-2: Strategic Business Units
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.02 - 2-2
TOPICS: A-head: Strategic Business Units
Bloom's: Understand
BUSPROG: Analytic
Strategic Business Units
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41. Strategic planning:
    a. should be an annual exercise.
    b. should not be influenced by managerial intuition.

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c. should be done independently by company shareholders.

d. should be based on creativity.

ANSWER: d

RATIONALE: Sound strategic planning is based on creativity. Managers should challenge assumptions about the firm and the environment and establish new strategies. See 2-11: Effective Strategic Planning

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.11

TOPICS: A-head: Effective Strategic Planning
Bloom's: Understand
BUSPROG: Analytic
Strategic Planning

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42. The distribution strategy in the marketing mix is concerned with:

a. transporting raw materials or finished products.

b. educating customers about product benefits.

c. providing after-purchase services to customers.

d. public relations activities.

ANSWER: a

RATIONALE: A part of this P—place—is physical distribution, which involves all the business activities concerned with storing and transporting raw materials or finished products. See 2-9: The Marketing Mix

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.09

TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Distribution Strategies

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43. Mitchell's is a popular brand of women's clothing. During market research, the company observed that a large number of its existing customers believes and promotes the use of sustainable goods. Based on findings of the research, the top management of the company decides to use eco-friendly raw materials in manufacturing their clothes. Which of the following strategies is Mitchell's using in this scenario?

a. Market development
b. Cost leadership
c. Product differentiation
d. Market penetration

ANSWER: c
RATIONALE: A product/service differentiation competitive advantage exists when a firm provides something that is unique and valuable to buyers beyond simply offering a lower price than that of the competition. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Apply
BUSPROG: Reflective Thinking
Product Differentiation
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44. Thompson Crayons Ltd. is a manufacturer of crayons and colored pencils in Rhodia. The company has started packaging their products in vibrant colored boxes, as opposed to brown boxes used in the past, in order to increase their sales. In this scenario, Thompson Crayons Ltd. is using a _____ strategy.

a. product differentiation
b. market development
c. diversification
d. market penetration

ANSWER: a

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RATIONALE:	A product/service differentiation competitive advantage exists when a firm provides something that is unique and valuable to buyers beyond simply offering a lower price than that of the competition. See 2-6: Competitive Advantage
POINTS:	1
DIFFICULTY:	Challenging
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.06
TOPICS:	A-head: Competitive Advantage Bloom's: Apply BUSPROG: Reflective Thinking Product Differentiation
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45. Which of the following statements is true about stars in the portfolio matrix?
    a. They have low growth potential and small market shares.
    b. They require minimal funding.
    c. They have low market shares in high-growth industries.
    d. They are fast growing market leaders.

ANSWER:	d
RATIONALE:	A star is a fast-growing market leader. Star SBUs usually have large profits, but need lots of cash to finance rapid growth. See 2-3: Strategic Alternatives
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.03
TOPICS:	A-head: Strategic Alternatives Bloom's: Understand BUSPROG: Analytic Strategic Alternatives
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GO4W-NQNBEE

46. Which of the following activities is carried out during implementation of a marketing plan?
    a. Defining the business mission
    b. Gathering information about customers
    c. Setting up strategic business units
    d. Creating and managing a task force

ANSWER: d
RATIONALE: Implementation requires delegating authority and responsibility, determining a time frame for completing tasks, and allocating resources. Sometimes a strategic plan also requires task force management. A task force is a tightly organized unit under the direction of a manager who, usually, has broad authority. See 2-10: Following Up on the Marketing Plan
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.10
TOPICS: A-head: Following Up on the Marketing Plan
Bloom's: Understand
BUSPROG: Analytic
Implementation
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47. A marketing plan should:
    a. be viewed as a series of sequential steps.
    b. be developed independently of the external business environment.
    c. define the business mission.
    d. exclude budgets and pricing.

ANSWER: c
RATIONALE: Regardless of the way a marketing plan is presented, some elements are common to all marketing plans. These include defining the business mission, performing a situation analysis, defining objectives, delineating a target market, and establishing components of the marketing mix. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03

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TOPICS: A-head: Strategic Alternatives
Bloom's: Understand
BUSPROG: Analytic
Marketing Plans
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48. Which of the following actions is closely associated with the niche strategy?
    a. Choosing a target market that is not crucial for the success of major competitors
    b. Manufacturing products in bulk and targeting the average customer
    c. Selling products that do not have extra frills
    d. Creating cross-departmental teams across all the strategic business units

ANSWER: a
RATIONALE: For small companies with limited resources that potentially face giant competitors, niche targeting may be the only viable option. A market segment that has good growth potential, but is not crucial to the success of major competitors is a good candidate for developing a niche strategy. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Understand
BUSPROG: Analytic
Niche Strategy
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49. Which of the following can be considered as a business opportunity in the context of SWOT analysis?
    a. Qualified employees
    b. Good production facilities
    c. Low turnover rates

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d. Favorable government regulations

ANSWER: d
RATIONALE: When examining external opportunities and threats, marketing managers must analyze aspects of the marketing environment. The six most often studied macroenvironmental forces are social, demographic, economic, technological, political and legal, and competitive. See 2-5: Conducting a Situation Analysis
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.05
TOPICS: A-head: Conducting a Situation Analysis
Bloom's: Understand
BUSPROG: Analytic
SWOT Analysis
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50. Which of the following considered by marketers is most closely related to distribution strategies?
a. How can we make our product packaging attractive?
b. Which market segment should we target?
c. How can we effectively store raw materials?
d. What should be our medium for advertising?

ANSWER: c
RATIONALE: The goal of the distribution strategy is to make sure products arrive in usable condition at designated places when needed. A part of this P—place—is physical distribution, which involves all the business activities concerned with storing and transporting raw materials or finished products. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Distribution Strategies
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51. Turner Electronics is a ten-year-old company. In the past decade, the company hasn't created any innovative products that have helped set it apart from the rest of its competitors. However, when any of its products need to be repaired or fine-tuned, it offers its customers top-notch product checks. As a result, the company has managed to retain its wide customer base. Which of the following strategies is Turner Electronics using in this scenario?

a. Product development
b. Diversification
c. Market penetration
d. Service differentiation

ANSWER: d
RATIONALE: A product/service differentiation competitive advantage exists when a firm provides something that is unique and valuable to buyers beyond simply offering a lower price than that of the competition. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Apply
BUSPROG: Reflective Thinking
Product Differentiation
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52. Which of the following examples illustrates a niche strategy?

a. Libra, a motor company, uses new production techniques to achieve economies of scale.
b. Alpha Electronics has decided to dissolve one of its strategic business units.
c. Venus Inc. has decided to target customers in Asia.
d. Relish, a confectionery store, sells its products only in one city.

ANSWER: d
RATIONALE: Relish is most likely to be using a niche strategy. Many companies that use a niche strategy serve only a limited geographic market. See 2-6: Competitive Advantage

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POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.06
TOPICS:	A-head: Competitive Advantage Bloom's: Apply BUSPROG: Reflective Thinking Niche Strategy
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53. In the context of a marketing mix, the product strategy involves:

a. warranty.

b. point of purchase.

c. price of the product.

d. personal selling..

ANSWER:	a
RATIONALE:	The product includes not only the physical unit, but also its package, warranty, after-sale service, brand name, company image, value, and many other factors. See 2-9: The Marketing Mix
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.09
TOPICS:	A-head: The Marketing Mix Bloom's: Understand BUSPROG: Analytic Product Strategy
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54. Which of the following practices can help businesses gain a cost competitive advantage?
    a. Innovating simplified production techniques
    b. Using expensive raw materials
    c. Customizing products with extra frills
    d. Manufacturing products in smaller quantities

ANSWER: a
RATIONALE: Production innovations such as new technology and simplified production techniques help lower the average cost of production. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Understand
BUSPROG: Analytic
Cost Leadership
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55. When properly created, a strategic business unit (SBU):
    a. has a specific target market.
    b. plans collaboratively with other SBUs of the company.
    c. has a maximum of hundred employees.
    d. shares the mission of its parent company.

ANSWER: a
RATIONALE: When properly created, a strategic business unit has a distinct mission and a specific target market. Each SBU has its own rate of return on investment, growth potential, and associated risks, and requires its own strategies and funding. See 2-2: Strategic Business Units
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.02 - 2-2
TOPICS: A-head: Strategic Business Units
Bloom's: Understand
BUSPROG: Analytic
Strategic Business Units

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56. Which of the following can help companies make strategic planning effective?
    a. Refraining from involving top management in the strategic planning process
    b. Making strategic an ongoing process rather than an annual exercise
    c. Eliminating managerial intuitions
    d. Avoiding cross-functional teams

ANSWER: a
RATIONALE: Strategic planning should not be an annual exercise in which, managers go through the motions and forget about strategic planning until the next year. It should be an ongoing process because the environment is continually changing and the firm's resources and capabilities are continually evolving. See 2-11: Effective Strategic Planning
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.11
TOPICS: A-head: Effective Strategic Planning
Bloom's: Understand
BUSPROG: Analytic
Strategic Planning
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57. Which of the following statements is true of strategic business units (SBUs) of an organization?
    a. They typically have strategies of their own.
    b. Their functions are limited to manufacturing.
    c. They typically serve the same target markets as the other SBUs of the organization.
    d. They do not have missions of their own.

ANSWER: a
RATIONALE: When properly created, a strategic business unit has a distinct mission and a specific target market. Each SBU has its own rate of return on investment, growth potential, and associated

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risks, and requires its own strategies and funding. See 2-2: Strategic Business Units

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.02 - 2-2
TOPICS: A-head: Strategic Business Units
Bloom's: Understand
BUSPROG: Analytic
Strategic Business Units
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58. A publisher of children's books defines its business as “printing books" instead of “meeting educational needs of students." This illustrates:

a. marketing synergy.
b. marketing myopia.
c. opportunism
d. self-dealing

ANSWER: c
RATIONALE: Regardless of the way a marketing plan is presented, some elements are common to all marketing plans. These include defining the business mission, performing a situation analysis, defining objectives, delineating a target market, and establishing components of the marketing mix. See 2-4: Defining the Business Mission
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.04 - 2-4
TOPICS: A-head: Defining the Business Mission
Bloom's: Apply
BUSPROG: Reflective Thinking
Mission Statements
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GCSU-Q3MB-8YSS-EAJO-GOSU-YPTA-GYSU-1C5G-GTTU-NPDR-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

59. The promotion component of the marketing mix involves:
    a. pricing strategies.
    b. personal selling.
    c. product packaging.
    d. manufacturing strategies.

ANSWER: b
RATIONALE: Promotion includes advertising, public relations, sales promotion, and personal selling. Promotion's role in the marketing mix is to bring about mutually satisfying exchanges with target markets by informing, educating, persuading, and reminding them of the benefits of an organization or a product. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Promotion Strategies
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60. The heart of the marketing mix is the:
    a. product offering and product strategy.
    b. place and distribution strategy.
    c. sales promotion and personal selling strategy.
    d. product packaging and pricing strategy.

ANSWER: a
RATIONALE: Of the four Ps, the marketing mix typically starts with the product. The heart of the marketing mix, the starting point, is the product offering and product strategy. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09

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Chapter 2

TOPICS:	A-head: The Marketing Mix Bloom's: Understand BUSPROG: Analytic Marketing Mix
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61. Varion Air offers its customers a complementary air ticket on the purchase of three business class tickets. Varion Air's strategy best represents the ____ element of its marketing mix.

a. distribution
b. place
c. promotion
d. product

ANSWER:	c
RATIONALE:	Varion Air's strategy best represents the promotion element of its marketing mix. Promotion includes advertising, public relations, sales promotion, and personal selling. The term marketing mix refers to a unique blend of product, place (distribution), promotion, and pricing strategies (often referred to as the four Ps) designed to produce mutually satisfying exchanges with a target market. See 2-9: The Marketing Mix
POINTS:	1
DIFFICULTY:	Challenging
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.09
TOPICS:	A-head: The Marketing Mix Bloom's: Apply BUSPROG: Reflective Thinking Marketing Mix
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62. Jove is a chocolate manufacturing company in Harrington City. While most of its competitors produce not more than three basic varieties of chocolates, Jove sells over 50 different varieties of flavored chocolates. This gives them an edge over other chocolate makers in Harrington City. Which of the following concepts is illustrated in the scenario?

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a. Divestment
b. Market penetration
c. Sustainable competitive advantage
d. Diversification

ANSWER: c
RATIONALE: It is important for companies to build their own competitive advantages. The sources of tomorrow's competitive advantages are the skills and assets of the organization. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Apply
BUSPROG: Reflective Thinking
Sustainable Competitive Advantage
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63. Companies can make strategic planning more effective by:
a. ensuring the participation of top management.
b. ensuring that decision making is centralized.
c. making strategic planning an annual exercise.
d. avoiding cross-functional teams.

ANSWER: a
RATIONALE: Perhaps, the most critical element in successful strategic planning is top management's support and participation. See 2-11: Effective Strategic Planning
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.11
TOPICS: A-head: Effective Strategic Planning
Bloom's: Understand
BUSPROG: Analytic
Strategic Planning
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64. Which of the following statement is true about the price component of a marketing mix?
a. It is the quickest element to change.
b. It is the least important of the four Ps.
c. It is the starting point of the marketing mix.
d. It is decided independently of the external environment of the business.

ANSWER: a
RATIONALE: Price is what a buyer must give up in order to obtain a product. It is often the most flexible of the four Ps—the quickest element to change. Marketers can raise or lower prices more frequently and easily than they can change other marketing mix variables. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Pricing Strategies
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65. Synergy Corp. is large seller of energy-efficient bulbs that uses extensive promotional strategies to stimulate sales. Synergy has noticed that a competitor is doing well and is steadily gaining a large market share. The marketers at Synergy want to counter the competitor immediately by increasing the sales of its bulbs. What quick step can Synergy take to stimulate the sales of its products?
a. Change the pricing strategy
b. Adopt new production techniques
c. Enter into new supplier contracts
d. Adopt a divesting strategy

ANSWER: a

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RATIONALE:	Synergy Corp. can vary its pricing strategy to immediately stimulate its sales. Price is an important competitive weapon, and is very important to the organization because price multiplied by the number of units sold equals total revenue for the firm. See 2-9: The Marketing Mix
POINTS:	1
DIFFICULTY:	Challenging
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.09
TOPICS:	A-head: The Marketing Mix Bloom's: Apply BUSPROG: Reflective Thinking Pricing Strategies
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66. A company can gain a cost competitive advantage by:
    a. reorganizing functional departments into cross-disciplinary teams.
    b. manufacturing highly customized products.
    c. providing extra options on products or services.
    d. manufacturing products in small quantities.

ANSWER:	a
RATIONALE:	Reengineering entails fundamental rethinking and redesign of business processes to achieve dramatic improvements in critical measures of performance. It often involves reorganizing functional departments such as sales, engineering, and production into cross-disciplinary teams. See 2-6: Competitive Advantage
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.06
TOPICS:	A-head: Competitive Advantage Bloom's: Understand BUSPROG: Analytic Cost Leadership
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67. A marketing mix typically involves:
    a. distribution strategies.
    b. divestiture strategies.
    c. restrictive covenants.
    d. federal regulations.

ANSWER: a

RATIONALE: The term marketing mix refers to a unique blend of product, place (distribution), promotion, and pricing strategies (often referred to as the four Ps) designed to produce mutually satisfying exchanges with a target market. See 2-9: The Marketing Mix

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.09

TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Marketing Mix

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68. Which of the following actions can enable companies to gain a cost competitive advantage?
    a. Removing frills from products
    b. Increasing marginal customers
    c. Eliminating reverse engineering efforts
    d. Developing additional exclusive functional departments

ANSWER: a

RATIONALE: Marketers can lower costs by removing frills and options from a product or service. Southwest Airlines—for example—offers low fares, but no seat assignments or meals. See 2-6: Competitive Advantage

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

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Chapter 2

LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Understand
BUSPROG: Analytic
Cost Leadership
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69. The product in the marketing mix:
a. includes point of purchase.
b. includes company image.
c. includes personal selling.
d. includes pricing..

ANSWER: b
RATIONALE: The product includes not only the physical unit but also its package, warranty, after-sale service, brand name, company image, value, and many other factors. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Product Strategy
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70. Which of the following is an example of a market segment?
a. A group of individuals who are diabetic
b. A group of retailers selling the same products
c. A group of companies manufacturing different products

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d. A group of individuals with different product requirements

ANSWER: a

RATIONALE: A market segment is a group of individuals or organizations who share one or more characteristics. They therefore, may have relatively similar product needs. For example, parents of newborn babies need formula, diapers, and special foods. See 2-8: The Marketing Mix

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.08 - 2-8

TOPICS: A-head: The Marketing Mix
Bloom's: Apply
BUSPROG: Reflective Thinking
Target Markets

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71. Which of the following statements is true of a niche strategy?

a. A niche strategy is most suitable for firms that have achieved economies of scale.

b. A niche strategy requires business firms to reduce after-purchase service options.

c. A niche strategy involves removing extra frills from products.

d. A niche strategy is ideal for small companies with limited resources.

ANSWER: d

RATIONALE: For small companies with limited resources that potentially face giant competitors, niche targeting may be the only viable option. A market segment that has good growth potential but is not crucial to the success of major competitors is a good candidate for developing a niche strategy. See 2-6: Competitive Advantage

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.06

TOPICS: A-head: Competitive Advantage
Bloom's: Understand
BUSPROG: Analytic
Niche Strategy

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Chapter 2

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72. In the context of marketing mix, promotion includes:
    a. public relations activities.
    b. pricing strategies.
    c. after-purchase service.
    d. storage and transportation of finished products.

ANSWER: a
RATIONALE: Promotion includes advertising, public relations, sales promotion, and personal selling. Promotion's role in the marketing mix is to bring about mutually satisfying exchanges with target markets by informing, educating, persuading, and reminding them of the benefits of an organization or a product. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Promotion Strategies
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73. The notion of competitive advantage means that:
    a. a successful firm will stake out a position unique in some manner from its rivals.
    b. the advantage can be enjoyed only for a short period.
    c. a company manufactures products which are similar to those of its competitors.
    d. an established firm focuses solely on developing a low-price competitive advantage.

ANSWER: a
RATIONALE: The notion of competitive advantage means that a successful firm will stake out a position unique in some manner from its rivals. Imitation by competitors indicates a lack of competitive advantage and almost ensures mediocre performance. See 2-6: Competitive Advantage

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Chapter 2

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Understand
BUSPROG: Analytic
Sustainable Competitive Advantage
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74. Which of the following is associated with the market development strategy?
    a. Limiting the production of products
    b. Increasing the prices of products
    c. Adding new features to products
    d. Limiting resources used for promotion

ANSWER: c
RATIONALE: Market development means attracting new customers to existing products. Ideally, new uses for old products stimulate additional sales among existing customers, while also bringing in new buyers. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Understand
BUSPROG: Analytic
Market Development
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Chapter 2

75. Cost competitive advantage can be achieved by:
a. avoiding reverse engineering efforts.
b. avoiding manufacturing products in bulk.
c. avoiding marginal customers.
d. avoiding government subsidies.

ANSWER: c
RATIONALE: Cost leadership can result from obtaining inexpensive raw materials, creating an efficient scale of plant operations, designing products for ease of manufacture, controlling overhead costs, and avoiding marginal customers. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Understand
BUSPROG: Analytic
Cost Leadership
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76. Nile Inc. is one of the leading shoe manufacturing companies in Baltoni. It manufactures canvas shoes that are quite similar to those produced by other brands. The management of the company has decided to adopt a product/service differentiation competitive strategy. What is Nile Inc. likely to do in this scenario?
a. Offer their products at discounted rates and make the cost of their products lower than those of their competitors.
b. Produce aerobic, tennis, and baseball shoes that have specialized features.
c. Advertise their products through more media outlets than it previously did.
d. Start selling products to markets outside Baltonia.

ANSWER: b
RATIONALE: A product/service differentiation competitive advantage exists when a firm provides something that is unique and valuable to buyers beyond simply offering a lower price than that of the competition. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage

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	Bloom's: Apply BUSPROG: Reflective Thinking Product Differentiation
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77. The product component of a marketing mix involves:
    a. point of purchase.
    b. distribution.
    c. advertising.
    d. brand name.

ANSWER:	d
RATIONALE:	The product includes not only the physical unit but also its package, warranty, after-sale service, brand name, company image, value, and many other factors. See 2-9: The Marketing Mix
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.09
TOPICS:	A-head: The Marketing Mix Bloom's: Understand BUSPROG: Analytic Product Strategy
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78. A marketing plan can be made more effective by:
    a. incorporating managerial intuition.
    b. incorporating marketing myopia.
    c. making it a series of sequential steps.
    d. keeping it brief and broad.

ANSWER:	a

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Chapter 2

RATIONALE:	The role of managerial intuition is also important in the creation and selection of marketing strategies. Managers must weigh any information against its accuracy and their own judgment when making a marketing decision. See 2-3: Strategic Alternatives
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.03
TOPICS:	A-head: Strategic Alternatives Bloom's: Understand BUSPROG: Analytic Marketing Plans
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79. A marketing plan is most likely to discuss:
    a. first-line operational strategies.
    b. distribution channels.
    c. supplier details.
    d. downsizing strategies.

ANSWER:	b
RATIONALE:	Marketing planning is the basis for all marketing strategies and decisions. Issues such as product lines, distribution channels, marketing communications, and pricing are all delineated in the marketing plan. See 2-3: Strategic Alternatives
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.03
TOPICS:	A-head: Strategic Alternatives Bloom's: Understand BUSPROG: Analytic Marketing plans
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GRSU-R3BI-8YSU-GQJW-GOSU-QAJA-CASU-KA31-CA4D-C3MG-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

80. Which of the following is true of a product/service differentiation competitive advantage?
    a. It tends to be more attractive to top managers because of its durability.
    b. It provides a shorter-lasting competitive advantage compared to cost competitive advantages.
    c. It focuses primarily on offering a low priced product or service than that of the competitor.
    d. It is subject to continual erosion, as opposed to cost competitive advantages.

ANSWER: a
RATIONALE: The durability of a product/service differentiation competitive strategy tends to make it more attractive to many top managers. This strategy exists when a firm provides something that is unique and valuable to buyers beyond simply offering a lower price than that of the competition. See 2-6: Competitive Advantage
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.06
TOPICS: A-head: Competitive Advantage
Bloom's: Understand
BUSPROG: Analytic
Product Differentiation
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81. Which of the following statements is true of strategic business units (SBUs)?
    a. Each SBU of a company typically has its own return on investment.
    b. All SBUs of a company share the same goals and use the same strategies.
    c. All SBUs of a company target the same market segment.
    d. SBUs do not perform manufacturing functions.

ANSWER: a
RATIONALE: When properly created, a strategic business unit has a distinct mission and a specific target market. Each SBU has its own rate of return on investment, growth potential, and associated risks, and requires its own strategies and funding. See 2-2: Strategic Business Units
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.02 - 2-2

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Chapter 2

TOPICS:	A-head: Strategic Business Units Bloom's: Understand BUSPROG: Analytic Strategic Business Units
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82. Delta Corp. is a large corporation that offers several product lines. On the company's Web site, the following content is highlighted: “The aim of our business is to achieve profitability by offering our customers high quality products that are manufactured in a cost effective manner. Our goals are to provide value to our customers, serve the community, and preserve the environment." This content is most likely to be Delta's:

a. article of incorporation

b. financial statement

c. bona fide occupational qualification

d. mission statement

ANSWER:	d
RATIONALE:	Delta Corp. has highlighted its mission statement on its company Web site. The foundation of any marketing plan is the firm's mission statement, which answers the question “What business are we in?" The way a firm defines its business mission profoundly affects the firm's long-run resource allocation, profitability, and survival. See 2-4: Defining the Business Mission
POINTS:	1
DIFFICULTY:	Challenging
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.04 - 2-4
TOPICS:	A-head: Defining the Business Mission Bloom's: Apply BUSPROG: Reflective Thinking Mission Statements
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83. In the context of SWOT analysis, a strength of an organization can be:

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a. favorable government policies.
b. lack of competitors.
c. superior production technology.
d. component lifestyles.

ANSWER: c
RATIONALE: When examining internal strengths and weaknesses, the marketing manager should focus on organizational resources such as production costs, marketing skills, financial resources, company or brand image, employee capabilities, and available technology. See 2-5: Conducting a Situation Analysis
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.05
TOPICS: A-head: Conducting a Situation Analysis
Bloom's: Understand
BUSPROG: Analytic
SWOT Analysis
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84. An effective business mission statement is:
a. based on an analysis of anticipated environmental conditions.
b. defined in terms of the products and services the company produces.
c. based on short-term thinking and marketing myopia.
d. developed independently of the external business environment.

ANSWER: a
RATIONALE: The way a firm defines its business mission profoundly affects the firm's long-run resource allocation, profitability, and survival. The mission statement is based on a careful analysis of benefits sought by present and potential customers, and an analysis of existing and anticipated environmental conditions. See 2-4: Defining the Business Mission
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.04 - 2-4
TOPICS: A-head: Defining the Business Mission
Bloom's: Understand
BUSPROG: Analytic

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	Mission Statements
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85. Which of the following is a distinct feature of a product/service differentiation competitive advantage?
    a. Using government subsidies
    b. Controlling overhead costs
    c. Establishing a brand name
    d. Obtaining inexpensive raw materials

ANSWER:	c
RATIONALE:	A product/service differentiation competitive advantage exists when a firm provides something that is unique and valuable to buyers beyond simply offering a lower price than that of the competition. Establishing a brand name is an example of a product/service differentiation competitive advantage. See 2-6: Competitive Advantage
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.06
TOPICS:	A-head: Competitive Advantage Bloom's: Remember BUSPROG: Analytic Product Differentiation
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86. The focus of a mission statement of an organization should be on:
    a. supply chain management.
    b. internal operational procedures.
    c. anti-competitive strategies.
    d. the market the business serves.

ANSWER:	d
RATIONALE:	A mission statement should focus on the market or markets the organization is attempting to

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	serve rather than on the good or service offered. Otherwise, a new technology may quickly make the good or service obsolete and the mission statement irrelevant to company functions. See 2-4: Defining the Business Mission
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.04 - 2-4
TOPICS:	A-head: Defining the Business Mission Bloom's: Understand BUSPROG: Analytic Mission Statements
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87. _____is a thorough, systematic, periodic evaluation of the objectives, strategies, structure, and performance of the marketing organization.

ANSWER:	Marketing audit
RATIONALE:	Perhaps the broadest control device available to marketing managers is the marketing audit—a thorough, systematic, periodic evaluation of the objectives, strategies, structure, and performance of the marketing organization. A marketing audit helps management allocate marketing resources efficiently. See 2-10: Following Up on the Marketing Plan
POINTS:	1
DIFFICULTY:	Challenging
QUESTION TYPE:	Completion
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.10
TOPICS:	A-head: Following Up on the Marketing Plan Bloom's: Remember BUSPROG: Analytic Marketing Planning
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Chapter 2

88. Revel Inc., a cell phone manufacturer, launched its new range of smartphones that could only be purchased on the company's official Web site and not at retail outlets. This limitation may be attributed to the_____element of Revel's marketing mix.

ANSWER: distribution

RATIONALE: Revel's strategy to sell its cell phones online is attributed to the distribution element of its marketing mix. The term marketing mix refers to a unique blend of product, place (distribution), promotion, and pricing strategies (often referred to as the four Ps) designed to produce mutually satisfying exchanges with a target market. See 2-9: The Marketing Mix

POINTS: 1

DIFFICULTY: Challenging

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.09

TOPICS: A-head: The Marketing Mix
Bloom's: Apply
BUSPROG: Reflective Thinking
Marketing Mix

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89. In the context of marketing planning,_____provides the mechanisms for evaluating marketing results in light of the plan's objectives, and for correcting actions that do not help the organization reach those objectives within budget guidelines.

ANSWER: control

RATIONALE: Once a plan is chosen and implemented, its effectiveness must be monitored. Control provides the mechanisms for evaluating marketing results in light of the plan's objectives, and for correcting actions that do not help the organization reach those objectives within budget guide-lines. See 2-10: Following Up on the Marketing Plan

POINTS: 1

DIFFICULTY: Challenging

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.10

TOPICS: A-head: Following Up on the Marketing Plan
Bloom's: Understand
BUSPROG: Analytic
Marketing Planning

DATE CREATED: 5/1/2015 4:22 PM

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Chapter 2

QUESTION ID: JFND-GO4G-G3BU-COTO

QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMMB-CW5G-KCJI-CWHS-NAUB-GESS-NP33-CESU-CA3A-GOSS-GQJ3-GHSU-NPTT-CE5S-KPDB-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

90. MaxNutri sells cookies and nutrition bars. The marketers at MaxNutri are trying to come up with a new and attractive packaging design for its cookies. In this scenario, MaxNutri is working on its_____strategy.

ANSWER: product

RATIONALE: MaxNutri is working on its product strategy. The product includes not only the physical unit but also its package, warranty, after-sale service, brand name, company image, value, and many other factors. See 2-9: The Marketing Mix

POINTS: 1

DIFFICULTY: Challenging

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.09

TOPICS: A-head: The Marketing Mix
Bloom's: Apply
BUSPROG: Reflective Thinking
Product Strategy

DATE CREATED: 5/1/2015 4:22 PM

DATE MODIFIED: 5/26/2015 12:42 AM

CUSTOM ID: CGI: KWXR9300NZEXU22Y3549

QUESTION ID: JFND-GO4G-G3BU-COTZ

QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMJT-GJ1S-NPBW-GH3D-Y3T1-CWSU-YAMN-CRSU-YP3U-GOSS-RPJO-COSU-Y3TI-GOHS-NC5B-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

91. Marketers at Libra Electronics are developing strategies to increase product sales. The marketers want to use a good blend of digital advertising and print advertising. This implies that the marketers at Libra Electronics are working on_____strategies.

ANSWER: promotion

RATIONALE: The marketers at Libra Electronics are working on promotion strategies. Promotion includes advertising, public relations, sales promotion, and personal selling. See 2-9: The Marketing Mix

POINTS: 1

DIFFICULTY: Challenging

QUESTION TYPE: Completion

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.09

TOPICS: A-head: The Marketing Mix
Bloom's: Apply
BUSPROG: Reflective Thinking
Promotion Strategies

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Chapter 2

DATE CREATED: 5/1/2015 4:22 PM
DATE MODIFIED: 5/26/2015 12:42 AM
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92. The basic goal of_____is to increase the short-term cash return without too much concern for the long-run impact.
ANSWER: harvesting
RATIONALE: Harvesting is appropriate for all SBUs except those classified as stars. The basic goal is to increase the short-term cash return without too much concern for the long-run impact. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Completion
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Strategic Alternatives
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DATE MODIFIED: 5/26/2015 12:42 AM
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93. In the context of the portfolio matrix, a_____has low growth potential and a small market share.
ANSWER: dog
RATIONALE: A dog has low growth potential and a small market share. Most dogs eventually leave the marketplace. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Completion
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic

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	Strategic Alternatives
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DATE MODIFIED:	5/26/2015 12:42 AM
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QUESTION ID:	JFND-GO4G-G3BU-COTW
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94. In the context of marketing planning,_____entails gauging the extent to which marketing objectives have been achieved during the specified time period.

ANSWER:	evaluation
RATIONALE:	After a marketing plan is implemented, it should be evaluated. Evaluation entails gauging the extent to which marketing objectives have been achieved during the specified time period. See 2-10: Following Up on the Marketing Plan
POINTS:	1
DIFFICULTY:	Challenging
QUESTION TYPE:	Completion
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.10
TOPICS:	A-head: Following Up on the Marketing Plan Bloom's: Understand BUSPROG: Analytic Marketing Planning
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95. A distinguishing feature of the product/service differentiation competitive advantage is_____.

ANSWER:	having a strong brand image
RATIONALE:	A product/service differentiation competitive advantage exists when a firm provides something that is unique and valuable to buyers beyond simply offering a lower price than that of the competition. A strong brand image is an example of a product/service differentiation competitive advantage. See 2-6: Competitive Advantage
POINTS:	1
DIFFICULTY:	Challenging
QUESTION TYPE:	Completion
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.06

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Chapter 2

TOPICS: A-head: Competitive Advantage
Bloom's: Remember
BUSPROG: Analytic
Product Differentiation
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96. Issues such as product lines, promotional communications, and pricing are all delineated in the_____.
ANSWER: marketing plan
RATIONALE: Issues such as product lines, distribution channels, marketing communications, and pricing are all delineated in the marketing plan. The marketing plan is a written document that acts as a guidebook of marketing activities for the marketing manager. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Completion
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Marketing Plans
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DATE MODIFIED: 5/26/2015 12:42 AM
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QUESTION ID: JFND-GO4G-G3BU-CQB3
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97. A marketing mix typically encompasses_____strategies.
ANSWER: pricing
RATIONALE: The term marketing mix refers to a unique blend of product, place (distribution), promotion, and pricing strategies (often referred to as the four Ps) designed to produce mutually satisfying exchanges with a target market. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Completion
HAS VARIABLES: False

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Chapter 2

LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Marketing Mix
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DATE MODIFIED: 5/26/2015 12:42 AM
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98. Beta Inc. manufactures electronic gadgets. The market researchers at Beta have discovered that a new competitor is gaining more customers by selling its products at lower prices. In the context of SWOT analysis, the marketers at Beta Inc. are most likely to consider this situation as a(n)_____.
ANSWER: threat
RATIONALE: The marketers at Beta Inc. are more likely to consider this situation as a threat. Threats are in the external environment of a businesses; increasing competition can be considered as one of the threats. See 2-5: Conducting a Situation Analysis
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Completion
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.05
TOPICS: A-head: Conducting a Situation Analysis
Bloom's: Apply
BUSPROG: Reflective Thinking
SWOT Analysis
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99. _____multiplied by the number of units sold equals total revenue for the firm.
ANSWER: Price
RATIONALE: Price is an important competitive weapon, and is very important to the organization because price multiplied by the number of units sold equals total revenue for the firm. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Challenging

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Chapter 2

QUESTION TYPE: Completion
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Pricing Strategies
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DATE MODIFIED: 5/26/2015 12:42 AM
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100. In the portfolio matrix, a_____is in a low-growth market, but the product has a dominant market share; it is an SBU that generates more money than it needs to maintain its market share.
ANSWER: cash cow
RATIONALE: A cash cow is an SBU that generates more cash than it needs to maintain its market share. It is in a low-growth market, but the product has a dominant market share. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Completion
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Strategic Alternatives
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DATE MODIFIED: 5/26/2015 12:42 AM
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101. Marketers at Omega Pharmaceuticals are identifying stores and outlets that will be most convenient for customers to buy its products. The company is also planning the logistics of how and when the products will be delivered to the outlets. Omega Pharmaceuticals is working on its_____strategy.
ANSWER: distribution
RATIONALE: Omega Pharmaceuticals is working on its distribution strategy. The goal of the distribution strategy is to make sure products arrive in usable condition at designated places when

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	needed. See 2-9: The Marketing Mix
POINTS:	1
DIFFICULTY:	Challenging
QUESTION TYPE:	Completion
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.09
TOPICS:	A-head: The Marketing Mix Bloom's: Apply BUSPROG: Reflective Thinking Distribution Strategies
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102. Discuss market segments.

ANSWER:	A market segment is a group of individuals or organizations who share one or more characteristics. They therefore, may have relatively similar product needs. For example, parents of newborn babies need formula, diapers, and special foods. Any market segment that is targeted must be fully described. Demographics, psychographics, and buyer behavior should be assessed.
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Essay
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.08 - 2-8
TOPICS:	A-head: Describing the Target Market Bloom's: Understand BUSPROG: Analytic Target Markets
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DATE MODIFIED:	5/26/2015 12:42 AM
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103. Discuss product strategies in the context of a marketing mix.

ANSWER:	Of the four Ps, a marketing mix typically starts with the product. The heart of a marketing mix, the starting point, is the product offering and product strategy. It is hard to design a

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place strategy, decide on a promotion campaign, or set a price without knowing the product to be marketed. The product includes not only the physical unit, but also its package, warranty, after-sale service, brand name, company image, value, and many other factors.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Essay
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Marketing Mix
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104. Discuss how strategic planning can be made effective.

ANSWER: Effective strategic planning requires continual attention, creativity, and management commitment. Strategic planning should not be an annual exercise in which, managers go through the motions and forget about strategic planning until the next year. It should be an ongoing process because the environment is continually changing and the firm's resources and capabilities are continually evolving. Sound strategic planning is based on creativity. Managers should challenge assumptions about the firm and the environment and establish new strategies.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Essay
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.11
TOPICS: A-head: Effective Strategic Planning
Bloom's: Understand
BUSPROG: Analytic
Strategic Planning
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105. Discuss the product development strategy.

ANSWER:	A product development strategy entails the creation of new products for present markets. In January 2014, Beats Electronics launched Beats Music— a subscription-based streaming music service that offers advanced personalization systems and forward-thinking family sharing plans. Beats hopes this service's novel features, sleek design, and celebrity endorsements will catapult it to the front of the music streaming pack, which is currently fronted by competitors such as Spotify and Rdio.
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Essay
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.03
TOPICS:	A-head: Strategic Alternatives Bloom's: Understand BUSPROG: Analytic Product Development
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DATE MODIFIED:	5/26/2015 12:42 AM
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QUESTION ID:	JFND-GO4G-G3BU-CQBO
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106. Discuss the process of market opportunity analysis.

ANSWER:	The target market strategy identifies the market segment or segments on which a firm should focus. This process begins with a market opportunity analysis (MOA)—the description and estimation of the size and sales potential of market segments that are of interest to the firm, and the assessment of key competitors in these market segments. After the firm describes the market segments, it may target one or more of them.
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Essay
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.08 - 2-8
TOPICS:	A-head: Describing the Target Market Bloom's: Understand BUSPROG: Analytic Target Markets
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GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMMR-GTUD-EATW-GY5U-NAUF-COSS-NPTA-CESU-CCUF-GOSU-CQMN-GWSS-NAUD-GP1U-KA5F-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

107. Discuss the factors that make marketing objectives effective.

ANSWER: A marketing objective is a statement of what is to be accomplished through marketing activities. To be useful, stated objectives should be:Realistic: Managers should develop objectives that have a chance of being met. For example, it may be unrealistic for start-up firms or new products to command dominant market share, given other competitors in the marketplace.Measurable: Managers need to be able to quantitatively measure whether or not an objective has been met. For example, it would be difficult to determine success for an objective that states, “To increase sales of cat food." If the company sells one percent more cat food, does that mean the objective was met? Instead, a specific number should be stated, “To increase sales of Purina brand cat food from $300 million to $345 million."Time specific: By what time should the objective be met? “To increase sales of Purina brand cat food between January 1, 2014, and December 31, 2014."Compared to a benchmark: If the objective is to increase sales by 15 percent, it is important to know the baseline against which the objective will be measured. Will it be current sales? Last year's sales? For example, “To increase sales of Purina brand cat food by 15 percent over 2012 sales of $300 million."

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Essay

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.08 - 2-8

TOPICS: A-head: Describing the Target Market
Bloom's: Understand
BUSPROG: Analytic
Marketing Objectives

DATE CREATED: 5/1/2015 4:22 PM

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QUESTION ID: JFND-GO4G-G3BU-CQBS

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108. Discuss the term marketing mix.

ANSWER: The term marketing mix refers to a unique blend of product, place (distribution), promotion, and pricing strategies (often referred to as the four Ps) designed to produce mutually satisfying exchanges with a target market. The marketing manager can control each component of the marketing mix, but the strategies for all four components must be blended to achieve optimal results.

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Essay

HAS VARIABLES: False

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Chapter 2

LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Marketing Mix
DATE CREATED: 5/1/2015 4:22 PM
DATE MODIFIED: 5/26/2015 12:42 AM
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QUESTION ID: JFND-GO4G-G3BU-CQBI
QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMJ1-CFTD-YP31-GEAS-NATT-8YSS-G3JW-CESU-E3B1-GOSU-1PMN-COSU-OAJW-CWHG-EQBW-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

109. Discuss the general strategies for selecting target markets.
ANSWER: Target markets can be selected by appealing to the entire market with one marketing mix, concentrating on one segment, or appealing to multiple market segments using multiple marketing mixes. Target markets could be eighteen- to twenty-five-year-old females who are interested in fashion (Vogue magazine), people concerned about sugar and calories in their soft drinks (Diet Pepsi), or parents who do not have time to potty train their children (Booty Camp classes where kids are potty trained). Any market segment that is targeted must be fully described. Demographics, psychographics, and buyer behavior should be assessed.
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Essay
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.08 - 2-8
TOPICS: A-head: Describing the Target Market
Bloom's: Understand
BUSPROG: Analytic
Marketing Strategy
DATE CREATED: 5/1/2015 4:22 PM
DATE MODIFIED: 5/26/2015 12:42 AM
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110. Discuss promotion strategies in the context of a marketing mix.
ANSWER: Promotion includes advertising, public relations, sales promotion, and personal selling. Promotion's role in the marketing mix is to bring about mutually satisfying exchanges with target markets by informing, educating, persuading, and reminding them of the benefits of an organization or a product. A good promotion strategy, like using a beloved cartoon character such as Sponge-Bob Square Pants to sell gummy snacks, can dramatically increase sales. Each element of this P—promotion—is coordinated and managed with the others to create a

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promotional blend or mix.

POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Essay
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Marketing Mix
DATE CREATED: 5/1/2015 4:22 PM
DATE MODIFIED: 5/26/2015 12:42 AM
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111. Discuss the diversification strategy.

ANSWER: Diversification is a strategy of increasing sales by introducing new products into new markets. For example, UGG, a popular footwear brand known for its casual boots, has introduced an upscale men's footwear collection. The shoes are inspired by rock'n'roll legends such as Jimi Hendrix and Jim Morrison, and are meant to appeal to new customers.
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Essay
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Understand
BUSPROG: Analytic
Diversification
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DATE MODIFIED: 5/26/2015 12:42 AM
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112. Discuss the marketing strategy.

ANSWER: Marketing strategy involves the activities of selecting and describing one or more target markets, and developing and maintaining a marketing mix that will produce mutually satisfying exchanges with target markets.

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POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Essay
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.08 - 2-8
TOPICS:	A-head: Describing the Target Market Bloom's: Understand BUSPROG: Analytic Marketing Strategy
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113. In the portfolio matrix, a _____ is in a low-growth market, but the product has a dominant market share; it is an SBU that generates more money than it needs to maintain its market share.

a. problem child
b. dog
c. star
d. cash cow

ANSWER:	d
RATIONALE:	A cash cow is an SBU that generates more cash than it needs to maintain its market share. It is in a low-growth market, but the product has a dominant market share. See 2-3: Strategic Alternatives
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.03
TOPICS:	A-head: Strategic Alternatives Bloom's: Remember BUSPROG: Analytic Strategic Alternatives
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114. In the context of the portfolio matrix, a _____ has low growth potential and a small market share.
a. question mark
b. problem child
c. star
d. dog

ANSWER: d
RATIONALE: A dog has low growth potential and a small market share. Most dogs eventually leave the marketplace. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Strategic Alternatives
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115. The basic goal of _____ is to increase the short-term cash return without too much concern for the long-run impact.
a. building
b. holding
c. harvesting
d. divesting

ANSWER: c
RATIONALE: Harvesting is appropriate for all SBUs except those classified as stars. The basic goal is to increase the short-term cash return without too much concern for the long-run impact. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Strategic Alternatives

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Chapter 2

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116. Issues such as product lines, promotional communications, and pricing are all delineated in the _____.

a. statement of qualification
b. article of incorporation
c. marketing plan
d. financial statement

ANSWER: c
RATIONALE: Issues such as product lines, distribution channels, marketing communications, and pricing are all delineated in the marketing plan. The marketing plan is a written document that acts as a guidebook of marketing activities for the marketing manager. See 2-3: Strategic Alternatives
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.03
TOPICS: A-head: Strategic Alternatives
Bloom's: Remember
BUSPROG: Analytic
Marketing Plans
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117. Beta Inc. manufactures electronic gadgets. The market researchers at Beta have discovered that a new competitor is gaining more customers by selling its products at lower prices. In the context of SWOT analysis, the marketers at Beta Inc. are most likely to consider this situation as a(n)_____.

a. threat
b. opportunity
c. strength
d. weakness

ANSWER: a

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RATIONALE:	The marketers at Beta Inc. are more likely to consider this situation as a threat. Threats are in the external environment of a businesses; increasing competition can be considered as one of the threats. See 2-5: Conducting a Situation Analysis
POINTS:	1
DIFFICULTY:	Moderate
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.05
TOPICS:	A-head: Conducting a Situation Analysis Bloom's: Apply BUSPROG: Reflective Thinking SWOT Analysis
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DATE MODIFIED:	5/26/2015 12:42 AM
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118. A distinguishing feature of the product/service differentiation competitive advantage is _____.

a. using inexpensive raw materials

b. having a strong brand image

c. having low overhead costs

d. creating generic products

ANSWER:	b
RATIONALE:	A product/service differentiation competitive advantage exists when a firm provides something that is unique and valuable to buyers beyond simply offering a lower price than that of the competition. A strong brand image is an example of a product/service differentiation competitive advantage. See 2-6: Competitive Advantage
POINTS:	1
DIFFICULTY:	Easy
QUESTION TYPE:	Multiple Choice
HAS VARIABLES:	False
LEARNING OBJECTIVES:	MKTG.LAMB.15.02.06
TOPICS:	A-head: Competitive Advantage Bloom's: Remember BUSPROG: Analytic Product Differentiation
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DATE MODIFIED:	5/26/2015 12:42 AM
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QUESTION ID:	JFND-GO4G-GR3W-EC3A
QUESTION GLOBAL ID:	GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-

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GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMJ1-CP1S-GQJI-CJOS-GC5D-8YSS-KAJZ-CRSU-KPTI-GOSS-KCUR-GYSS-RP33-CC3D-CP5R-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

119. A marketing mix typically encompasses _____ strategies.

a. pricing
b. divestment
c. anti-competitive
d. trade restraint

ANSWER: a
RATIONALE: The term marketing mix refers to a unique blend of product, place (distribution), promotion, and pricing strategies (often referred to as the four Ps) designed to produce mutually satisfying exchanges with a target market. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Marketing Mix
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120. MaxNutri sells cookies and nutrition bars. The marketers at MaxNutri are trying to come up with a new and attractive packaging design for its cookies. In this scenario, MaxNutri is working on its _____ strategy.

a. point of purchase
b. distribution
c. advertising
d. product.

ANSWER: d
RATIONALE: MaxNutri is working on its product strategy. The product includes not only the physical unit but also its package, warranty, after-sale service, brand name, company image, value, and many other factors. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False

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Chapter 2

LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Apply
BUSPROG: Reflective Thinking
Product Strategy
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DATE MODIFIED: 5/26/2015 12:42 AM
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QUESTION ID: JFND-GO4G-GR3W-ECBI
QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMJA-GFOU-O3JS-GO3D-QCDF-GOSS-ECBO-CRSU-QAT3-GOSS-KATT-GHSU-YQMR-GJTD-Y3UG-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

121. Revel Inc., a cell phone manufacturer, launched its new range of smartphones that could only be purchased on the company's official Web site and not at retail outlets. This limitation may be attributed to the _____ element of Revel's marketing mix.

a. evaluation
b. promotion
c. price
d. distribution

ANSWER: d
RATIONALE: Revel's strategy to sell its cell phones online is attributed to the distribution element of its marketing mix. The term marketing mix refers to a unique blend of product, place (distribution), promotion, and pricing strategies (often referred to as the four Ps) designed to produce mutually satisfying exchanges with a target market. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Apply
BUSPROG: Reflective Thinking
Marketing Mix
DATE CREATED: 5/26/2015 12:18 AM
DATE MODIFIED: 5/26/2015 12:42 AM
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QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMJI-CTUD-QQBZ-CE3U-NQDF-CASU-QAJW-CESU-C3TA-GOSU-1PT1-GESU-R3MN-GFUG-GCBW-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

122. Marketers at Omega Pharmaceuticals are identifying stores and outlets that will be most convenient for customers to buy its products. The company is also planning the logistics of how and when the products will be delivered to the outlets.

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Chapter 2

Omega Pharmaceuticals is working on its _____ strategy.

a. advertising
b. distribution
c. price
d. divesting

ANSWER: b
RATIONALE: Omega Pharmaceuticals is working on its distribution strategy. The goal of the distribution strategy is to make sure products arrive in usable condition at designated places when needed. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Apply
BUSPROG: Reflective Thinking
Distribution Strategies
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DATE MODIFIED: 5/26/2015 12:42 AM
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123. Marketers at Libra Electronics are developing strategies to increase product sales. The marketers want to use a good blend of digital advertising and print advertising. This implies that the marketers at Libra Electronics are working on _____ strategies.

a. divesting
b. product
c. place
d. promotion

ANSWER: d
RATIONALE: The marketers at Libra Electronics are working on promotion strategies. Promotion includes advertising, public relations, sales promotion, and personal selling. See 2-9: The Marketing Mix
POINTS: 1
DIFFICULTY: Challenging
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.09
TOPICS: A-head: The Marketing Mix
Bloom's: Apply

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BUSPROG: Reflective Thinking
Promotion Strategies

DATE CREATED: 5/26/2015 12:23 AM

DATE MODIFIED: 5/26/2015 12:42 AM

CUSTOM ID: MGRJW8ZXJ097MR3YK497

QUESTION ID: JFND-GO4G-GR3W-EPTU

QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMJ1-GF1S-EPJO-GPUG-N3UB-GWSS-CPTO-CRSU-KCDR-GOSS-NQBA-CASU-NPDR-CFTU-RCJT-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

124. _____ multiplied by the number of units sold equals total revenue for the firm.

a. Discount
b. Price
c. Overhead cost
d. Profit margin

ANSWER: b

RATIONALE: Price is an important competitive weapon, and is very important to the organization because price multiplied by the number of units sold equals total revenue for the firm. See 2-9: The Marketing Mix

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.09

TOPICS: A-head: The Marketing Mix
Bloom's: Understand
BUSPROG: Analytic
Pricing Strategies

DATE CREATED: 5/26/2015 12:29 AM

DATE MODIFIED: 5/26/2015 12:42 AM

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QUESTION ID: JFND-GO4G-GR3W-EP3U

QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMJW-G3TU-E3DG-GFTG-NCMB-COSU-RPTU-8RSS-ECTT-GOSU-NCUG-GRSU-1PDG-CR5U-KP5F-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

125. _____ is a thorough, systematic, periodic evaluation of the objectives, strategies, structure, and performance of the marketing organization.

a. Marketing mix
b. Article of incorporation
c. Statement of qualification
d. Marketing audit

ANSWER: d

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RATIONALE: Perhaps the broadest control device available to marketing managers is the marketing audit—a thorough, systematic, periodic evaluation of the objectives, strategies, structure, and performance of the marketing organization. A marketing audit helps management allocate marketing resources efficiently. See 2-10: Following Up on the Marketing Plan
POINTS: 1
DIFFICULTY: Easy
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.10
TOPICS: A-head: Following Up on the Marketing Plan
Bloom's: Remember
BUSPROG: Analytic
Marketing Planning
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DATE MODIFIED: 5/26/2015 12:42 AM
CUSTOM ID: ASUB92W5042NP342X886
QUESTION ID: JFND-GO4G-GR3W-EP3W
QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMMG-GH5G-R3TU-GHAD-OPJ3-GCSU-RC3Z-8YSU-1PTZ-GOSU-CQDD-8YSU-RPTS-G71U-C3DN-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

126. In the context of marketing planning, _____ entails gauging the extent to which marketing objectives have been achieved during the specified time period.

a. implementation
b. control
c. evaluation
d. environmental scanning

ANSWER: c
RATIONALE: After a marketing plan is implemented, it should be evaluated. Evaluation entails gauging the extent to which marketing objectives have been achieved during the specified time period. See 2-10: Following Up on the Marketing Plan
POINTS: 1
DIFFICULTY: Moderate
QUESTION TYPE: Multiple Choice
HAS VARIABLES: False
LEARNING OBJECTIVES: MKTG.LAMB.15.02.10
TOPICS: A-head: Following Up on the Marketing Plan
Bloom's: Understand
BUSPROG: Analytic
Marketing Planning
DATE CREATED: 5/26/2015 12:35 AM
DATE MODIFIED: 5/26/2015 12:42 AM
CUSTOM ID: QMNYMBJNHUQWFRF7Z410
QUESTION ID: JFND-GO4G-GR3W-EPBO

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Chapter 2

QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMJZ-CR4U-QP5G-CW4D-EPUF-GCSU-NCDB-8RSS-G3UD-GOSS-ECB1-COSU-G3T3-CWHU-CQMN-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

127. In the context of marketing planning, _____ provides the mechanisms for evaluating marketing results in light of the plan's objectives, and for correcting actions that do not help the organization reach those objectives within budget guidelines.

a. implementation
b. control
c. environmental scanning
d. marketing myopia

ANSWER: b

RATIONALE: Once a plan is chosen and implemented, its effectiveness must be monitored. Control provides the mechanisms for evaluating marketing results in light of the plan's objectives, and for correcting actions that do not help the organization reach those objectives within budget guide-lines. See 2-10: Following Up on the Marketing Plan

POINTS: 1

DIFFICULTY: Moderate

QUESTION TYPE: Multiple Choice

HAS VARIABLES: False

LEARNING OBJECTIVES: MKTG.LAMB.15.02.10

TOPICS: A-head: Following Up on the Marketing Plan
Bloom's: Understand
BUSPROG: Analytic
Marketing Planning

DATE CREATED: 5/26/2015 12:37 AM

DATE MODIFIED: 5/26/2015 12:42 AM

CUSTOM ID: KCNWZEXF2KHQGB9RQ463

QUESTION ID: JFND-GO4G-GR3W-EPKN

QUESTION GLOBAL ID: GCID-E7BW-1TBP-GIUD-YCBU-GY5G-RPJO-CTTN-4PBI-GPTN-4AUR-GY4N-4A3U-GOH1-4ATT-GY5U-G3BS-CTDI-GWN8-EPRW-EMJI-CRHU-OPJO-8R5S-KPTZ-CESS-RCUF-CESU-1CTZ-GOSU-QPT1-GESS-RCJI-8YHD-NP5D-E7JI-YT4D-JFNN-4OTI-GO4W-NQNBEE

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