Marketing 20th edition Pride Test Bank

SKU: 9781337910590-TEST-BANK

TRUE/FALSE

1 : The strategic planning process begins with a detailed analysis of the organization's strengths and weaknesses and the identification of opportunities and threats within the marketing environment.
A : true
B : false

Correct Answer : B

2 : ?A marketing strategy is a written document that specifies the activities to be performed to implement and control a firm's marketing activities.
A : true
B : false

Correct Answer : B

3 : ?Marketing strategies should be established before marketing objectives are decided.
A : true
B : false

Correct Answer : B

4 : ?A core competency is something a firm does extremely well-sometimes so well that it gives the company an advantage over its competition.
A : true
B : false

Correct Answer : A

5 : ?A competitive advantage is created when a company matches its core competency to the opportunities it has discovered in the market.
A : true
B : false

Correct Answer : A

6 : ?The analysis of strengths and weaknesses focuses on internal factors that give the organization certain advantages and disadvantages in meeting the needs of its target markets.
A : true
B : false

Correct Answer : A

7 : ?A long-term view, or vision, of what the organization wants to become is called a mission proclamation.
A : true
B : false

Correct Answer : B

8 : ?A firm's organizational mission should be derived from its goals.
A : true

B : false

Correct Answer : B

9 : ?An organization's goals focus on the ends or results that the firm seeks.
A : true
B : false

Correct Answer : A

10 : ?Marketing objectives should be stated in such a way that the degree of accomplishment can be measured accurately.
A : true
B : false

Correct Answer : A

11 : ?Marketing objectives state what is to be accomplished through marketing activities.
A : true
B : false

Correct Answer : A

12 : ?A marketing objective need not be consistent with the firm's overall objectives.
A : true
B : false

Correct Answer : B

13 : ?Corporate strategy determines the means for utilizing resources in the functional areas of business to reach the organization's goals.
A : true
B : false

Correct Answer : A

14 : ?Corporate strategic planners focus on dimensions such as competition, diversification, differentiation, environmental focus, and interrelationships among SBUs.
A : true
B : false

Correct Answer : A

15 : ?A strategic business unit is not self-supporting in terms of sales, markets, production, and other resources.
A : true
B : false

Correct Answer : B

16 : ?A market is a group of individuals and/or organizations that have needs for products in a product class and have the ability, willingness, and authority to purchase these products.
A : true

B : false

Correct Answer : A

17 : ?The Boston Consulting Group approach is based on a philosophy that a product's market growth rate and its market share relative to competition should be helpful in determining its marketing strategy.
A : true
B : false

Correct Answer : A

18 : ?The Boston Consulting Group's model serves as a diagnostic tool to spotlight strategic business units that have an opportunity to grow rather than as a guide for making strategy prescriptions.
A : true
B : false

Correct Answer : A

19 : ?Marketing managers can classify a firm's products into four basic types: stars, cash cows, dogs, and question marks.
A : true
B : false

Correct Answer : A

20 : ?Stars are profitable products that usually generate more cash than is required to maintain share.
A : true
B : false

Correct Answer : B

21 : ?Cash cows are market leaders that are growing fast, with substantial reported profits.
A : true
B : false

Correct Answer : B

22 : ?Question marks exist at a cost disadvantage and exhibit few opportunities for growth at a reasonable cost.
A : true
B : false

Correct Answer : B

23 : ?The long-term health of the firm depends solely on having products that generate cash and provide acceptable reported profits.
A : true
B : false

Correct Answer : B

24 : ?The decisions made in creating a marketing mix are only as good as the organization's understanding of the target market.
A : true
B : false

Correct Answer : A

25 : ?Each of the marketing mix elements must work together with the others.
A : true
B : false

Correct Answer : A

26 : A sustainable competitive advantage is one that cannot be copied by a firm's competitors.
A : true
B : false

Correct Answer : A

27 : The strategic planning process begins with a detailed analysis of the organization's strengths and weaknesses and the identification of opportunities and threats within the marketing environment.
A : true
B : false

Correct Answer : B

28 : ?Marketing planning and implementation are inextricably linked in successful businesses.
A : true
B : false

Correct Answer : A

29 : Pinpointing which activities can be performed simultaneously will reduce the total amount of time needed to put a given marketing strategy into practice.
A : true
B : false

Correct Answer : A

30 : Marketing objectives directly or indirectly set forth performance standards, usually in terms of sales, costs, or communication dimensions, such as brand awareness or product feature recall.
A : true
B : false

Correct Answer : A

31 : ?The primary way to reduce the discrepancy between planned and actual performance is to rewrite the performance standard.
A : true
B : false

Correct Answer : B

32 : Centralized decision making may prove effective in firms that must respond quickly to fluctuations in customer demand.
A : true
B : false

Correct Answer : B

33 : Product development is a strategy of increasing sales by improving present products or developing new products for current markets.
A : true
B : false

Correct Answer : A

34 : In the strategic planning process, marketers conduct their SWOT analyses before developing corporate and business-unit strategies.
A : true
B : false

Correct Answer : B

35 : An organization's goals focus on the end results the organization seeks.
A : true
B : false

Correct Answer : A

36 : When the right combination of circumstances and timing permits an organization to take action to reach a particular target market, a core competency exists.
A : true
B : false

Correct Answer : B

37 : Selecting an appropriate target market may be the most important decision a company makes in the strategic planning process.
A : true
B : false

Correct Answer : A

38 : Marketing cost analysis uses sales figures to evaluate a firm's current performance.
A : true
B : false

Correct Answer : B

39 : Financial controls information will most likely be found in the performance evaluation section of the marketing plan.
A : true
B : false

Correct Answer : A

40 : The marketing plan provides a framework to stimulate thinking and provide strategic direction.
A : true
B : false

Correct Answer : A

41 : When conducting a SWOT analysis, Walmart's massive distribution network should be classified as an opportunity.
A : true
B : false

Correct Answer : B

42 : Strategic marketing management is the process of effectively and efficiently planning, implementing, and evaluating the performance of marketing activities and strategies.
A : true
B : false

Correct Answer : A

43 : Training is an unnecessary element of communicating with marketing employees.
A : true
B : false

Correct Answer : B

44 : Companies that truly adopt the marketing concept develop an organizational culture that is based on a centralized set of beliefs that places the organization’s needs at the center of decisions about strategy and operations.
A : true
B : false

Correct Answer : B

45 : Changes in the strategies of one company can affect the market shares of one or all companies in that industry.
A : true
B : false

Correct Answer : A

MULTIPLE CHOICE

46 : When managers at Initek Inc. are developing their firm’s strategic plan, they should use a market orientation as a guide to ensure that ____ is an integral part of the process.
A : customer satisfaction
B : employee satisfaction
C : the best use of their marketing resources
D : the marketing mix
E : the marketing function

Correct Answer : A

47 : Managers at the Tycho Manufacturing are engaged in a complex process of revising their organization's mission and goals and developing corporate strategy, marketing objectives, marketing strategy, and, eventually, a marketing plan. This process is called
A : business-unit planning.
B : strategic planning.
C : marketing strategy.
D : corporate strategy.
E : strategic business planning.

Correct Answer : B

48 : Kroger is involved in identifying and analyzing a target market. The firm then develops a marketing mix to satisfy individuals in that market to gain long-term competitive advantages. Based on this example, Kroger is creating a
A : corporate strategy.
B : target design.
C : mix strategy.
D : marketing strategy.
E : marketing tactic.

Correct Answer : D

49 : Which of the following is a characteristic of a marketing objective?
A : It is consistent with both business-unit and corporate strategy.
B : It is a verbal agreement, not in writing.
C : It is not written in measurable terms.
D : It does not specify a time frame for its accomplishment.
E : It clearly identifies how marketing strategy will be implemented.

Correct Answer : A

50 : The marketing plan is
A : a plan of all aspects of an organizations business strategy.
B : written about the same for each SBU.
C : a written document detailing activities to be performed to implement and control marketing actions.
D : designed to specify not only marketing, but all other functional areas of business activities as well.
E : updated only periodically.

Correct Answer : C

51 : eScooters Inc. is preparing a written document specifying the activities to be performed to implement and control its marketing activities. This document is called the
A : profit plan.
B : marketing program.
C : strategic market program.
D : strategic business plan.
E : marketing plan.

Correct Answer : E

52 : Apple has been successful by anticipating what consumers would want in new technological advances, convenience, and ease of use. The introduction of the iPad was an example of a _____ for Apple, something that an organization does extremely well and may give a company an advantage over its competition.
A : benchmark
B : sustainable competitive advantage
C : core competency
D : strategic vision
E : marketing opportunity

Correct Answer : C

53 : ?A market opportunity results from
A : ?the right combination of circumstances and timing that permits an organization to take action to reach a particular target market.
B : ?monitoring the firms capabilities.
C : ?an increase in market share and profits.
D : ?an assessment of environmental forces.
E : ?technological determinism.

Correct Answer : A

54 : ?When the right combination of circumstances occurs at the right time to allow an organization to take action toward a target market, the firm is faced with a
A : ?market objective.
B : ?market requirement.
C : ?strategic market plan.
D : ?market opportunity.
E : ?corporate objective.

Correct Answer : D

55 : After determining that consumers had concerns about certain ingredients that may cause health issues, Patrizzi's Pizza began offering a gluten-free pizza product. The creation of this new product was the result of
A : a competitive advantage.
B : a well-defined mission statement.
C : good strategic planning.
D : a market opportunity.
E : opportunistic behavior.

Correct Answer : D

56 : ?A strategic window is
A : ?the right combination of circumstances and timing that permit an organization to take action to reach a particular target market.
B : ?what determines the factors that are most important in making a market attractive or strong.
C : ?customers requirements or desired benefits.
D : ?a temporary period of optimum fit between the key requirements of a market and the particular capabilities of a firm competing in that market.
E : ?the process that seeks information about events and relationships in a companys outside environment.

Correct Answer : D

57 : ?A ____ is created when a company matches its core competency to opportunities it has

discovered in the marketplace.
A : ?market opportunity
B : ?market requirement
C : ?competitive advantage
D : ?strategic window
E : ?competitive opportunity

Correct Answer : C

58 : Walmart's pricing, service, and continuing investment in improving its website with additional product offerings give it a(n) ____ over many other retailers.
A : organizational opportunity advantage
B : strategic window
C : market requirement
D : market opportunity
E : competitive advantage

Correct Answer : E

59 : ?An analysis of ____ examines internal factors that give the organization certain advantages and disadvantages in meeting the needs of its target markets.
A : ?opportunities and threats
B : ?market opportunities
C : ?strengths and weaknesses
D : ?activities and responsibilities
E : ?organizational resources

Correct Answer : C

60 : Sony's strong name recognition and solid customer demand for its televisions and game systems are two elements of the firm's
A : strengths.
B : opportunities.
C : weaknesses.
D : threats.
E : strategies.

Correct Answer : A

61 : ?Favorable conditions in the marketplace environment that could produce business rewards for the organization if acted upon properly are called
A : ?strengths.
B : ?market strategies.
C : ?market niches.
D : ?threats.
E : ?opportunities.

Correct Answer : E

62 : ?Successful business organizations should take actions to convert internal weaknesses into ____ and external threats into ____.
A : ?opportunities; core competencies
B : ?core competencies; strengths

C : ?opportunities; strengths
D : ?strengths; core competencies
E : ?strengths; opportunities

Correct Answer : E

63 : ?An organization's business goals should be derived from its
A : ?mission statement.
B : ?strategic plan.
C : ?strategic business plan.
D : ?marketing plan.
E : ?marketing strategy.

Correct Answer : A

64 : The reputation and well-known brand name of Mercedes-Benz automobiles represents a ____ for Mercedes-Benz.
A : competitive advantage
B : core competency
C : market opportunity
D : strategic window
E : pricing strategy

Correct Answer : B

65 : ?Which of the following statements is incorrect?
A : ?Of the three levels of planning, corporate strategy is the broadest.
B : ?Business-unit strategy should be consistent with the corporate strategy.
C : ?Marketing strategy should be consistent with both the business-unit and corporate strategies.
D : ?Strategic planning begins at the marketing level and proceeds through business-unit and corporate levels.
E : ?Strategic planning begins at the corporate level and proceeds through business-unit and marketing levels.

Correct Answer : D

66 : ?_____ strategy determines the means for utilizing resources in the functional areas of marketing, production, finance, research and development, and human resources to achieve the organization's goals.
A : ?Corporate
B : ?Business-unit
C : ?Marketing
D : ?Mission statement
E : ?Marketing mix

Correct Answer : A

67 : Within a business organization, a profit center that is self-supporting in terms of sales, markets, production, and other resources is known as a?
A : ?profit entity.
B : ?strategic business unit.
C : ?marketing program.
D : ?small business.
E : ?diversified corporation.

Correct Answer : B

68 : C.J. Foods, a pet food maker, purchased Lortscher Animal Nutrition, Inc. (LANI), a miller and ingredient supplier, and now operates this division as a separate profit center within the firm. In this example, LANI is a(n) ____ unit of C.J. Foods.
A : strategic business
B : marketing
C : dependent
D : independent
E : corporate

Correct Answer : A

69 : ?A group that has the willingness, ability, and authority to buy a product is a
A : ?market.
B : ?consumer.
C : ?strategic business unit.
D : ?business customer.
E : ?strategic window.

Correct Answer : A

70 : ?According to the text, a market is defined as
A : ?a place to buy products.
B : ?the buyers of the products that a company develops, promotes, prices, and distributes.
C : ?the specific group of customers on whom an organization focuses its marketing efforts.
D : ?a group of individuals and/or organizations that have needs for products in a product class and have the ability, willingness, and authority to purchase those products.
E : ?the percentage of a group of customers that actually buys a specific product from a specific company.

Correct Answer : D

71 : Takeshi, a 17-year-old high school student, wants to buy a pack of Marlboro Lights. He has the money to purchase them, but he is still not considered to be a market for the product due to his lack of ____ to buy.
A : ability
B : willingness
C : authority
D : need
E : buying power

Correct Answer : C

72 : ?The Boston Consulting Group's matrix is based on the
A : ?idea that a firms market share and market attractiveness are the important factors for a marketing strategy.
B : ?assumption that a firms actions have a profitable impact on marketing strategy.
C : ?business position and market attractiveness of the firm.
D : ?philosophy that a products market growth rate and its market share are important determinants of its marketing strategy.
E : ?idea that a products market growth rate and market attractiveness determine the marketing strategy.

Correct Answer : D

73 : According to the Boston Consulting Group, marketers may classify their products as all of the following

except
A : dogs.
B : cash pig.
C : question marks.
D : stars.
E : cash cows.

Correct Answer : B

74 : Based on the work by the Boston Consulting Group, products with a dominant share of the market and good prospects for growth are
A : dogs.
B : cash cows.
C : stars.
D : question marks.
E : cats.

Correct Answer : C

75 : The director of marketing for Duck Brand tells the rest of the management team, "When it comes to our duct tape unit, our strategy will be to use funds generated here to support our venture in the industrial bonding market." This strategy indicates that the duct tape unit falls into which one of the following classifications?
A : Problem child
B : Star
C : Cash cow
D : Dog
E : Question mark

Correct Answer : C

76 : The percentage of a market which actually buys a specific product from a specific company is referred to as that product's
A : strategic segment.
B : target market.
C : market share.
D : market cut.
E : market position.

Correct Answer : C

77 : Which of the following is the most specific and detailed type of business strategy?
A : Business-unit
B : Marketing
C : Corporate
D : Customer service
E : Tactical

Correct Answer : B

78 : The Escapade Academy is developing its marketing mix for the coming year. Its managers know that they must first select ____ which may be the most important decision they make in the planning process.
A : the promotional strategy
B : a distribution method

C : the pricing strategy
D : a target market
E : the desired profit margin

Correct Answer : D

79 : ?Business decisions made in creating a marketing mix
A : ?are made before a target market is identified.
B : ?are unchangeable once they are agreed upon by management.
C : ?are only as good as the organizations understanding of the needs of the target market.
D : ?usually take place when a strategic window is open.
E : ?must always be consistent with the firms opportunities.

Correct Answer : C

80 : ?All marketing mix decisions must have two characteristics: ____ and ____.
A : ?consistency; flexibility
B : ?consistency; rigidity
C : ?formality; flexibility
D : ?variability; flexibility
E : ?formality; rigidity

Correct Answer : A

81 : Gucci, a marketer of high-fashion products, achieved a company turnaround by ensuring that its brand had the same image and proper display around the world. It also lowered prices on some items, like handbags, to be more competitive. This illustrates a company working to develop a marketing mix that is both ____ and ____.
A : consistent; flexible
B : formal; flexible
C : variable; flexible
D : consistent; rigid
E : consistent; formal

Correct Answer : A

82 : Because of its history of innovation and well-known brand name, Sony has a ____ advantage over Vizio.
A : nonsustainable competitive
B : sustainable marketing
C : sustainable control
D : sustainable implementation
E : sustainable competitive

Correct Answer : E

83 : A marketing plan
A : is characteristic of production-oriented firms and other mass producers.
B : provides a framework for implementing and evaluating marketing activities.
C : always increases the marketing managers operating costs.
D : produces plans that are short term in orientation.
E : restricts the marketing managers future options.

Correct Answer : B

84 : Pantene's new shampoo, AO1, is faltering badly in the market. Pantene’s marketing personnel are unsure who is responsible for various marketing tasks, when these tasks are to be completed, or what resources have been allocated. Suave Marketing Director Mei Lee said that the problem is that AO1 has the most poorly written ____ she has ever seen.
A : marketing plan
B : competitive plan
C : implementation plan
D : media schedule
E : product specification sheet

Correct Answer : A

85 : The owners of the newly created Colorado Steakhouse Corp. have conducted a SWOT analysis of its competition and sees a marketing opportunity for its new Colorado Steakhouse restaurant. They have developed its marketing plan to include the type of products it will sell, the location for the restaurant, and the pricing strategy it will use. Their plan includes a marketing objective to make a profit of 5% the first year of operation. So far, the owners of the restaurant have eliminated a key piece of the marketing plan, which is
A : developing a qualitative measure for their objective.
B : how they will address the competitions prices.
C : coming up with a quantitative measure for their objective.
D : specifying their target market.
E : assessing their weaknesses.

Correct Answer : D

86 : Which of the following is NOT a component of a marketing plan?
A : Environmental analysis
B : Marketing strategies
C : Product specifications
D : Executive summary
E : Marketing implementation

Correct Answer : C

87 : ?A marketing plan document usually begins with a(n)
A : ?executive summary.
B : ?introduction to the companys marketing objectives.
C : ?summary of current performance as compared with past performance.
D : ?situation analysis.
E : ?opportunity and threat analysis.

Correct Answer : A

88 : ?The process of putting marketing strategies into action is called
A : ?marketing implementation.
B : ?marketing control.
C : ?marketing action.
D : ?marketing auditing.
E : ?the marketing action plan.

Correct Answer : A

89 : Aroon’s employer is currently developing a new marketing strategy. The top managers have developed the

marketing strategy and have given it to Aroon so that she can now develop an implementation plan. Aroon's company will most likely end up with which type of strategy?
A : Decentralized
B : Centralized
C : Rigid
D : Intended
E : Realized

Correct Answer : B

90 : Which employees are ideally positioned to understand customers' needs and wants and thus a vital component in the chain of communications?
A : Top executives
B : Marketing managers
C : Operations managers
D : Manufacturing employees
E : Customer-contact employees

Correct Answer : E

91 : Which of the following is NOT one of the steps in establishing an implementation timetable?
A : Assigning responsibility for completing each activity to employees, teams, or managers
B : Combining activities to be performed simultaneously with those that must be performed in sequence
C : Identifying the activities to be performed
D : Organizing activities in the proper order
E : Determining the time required to complete each activity

Correct Answer : B

92 : Mama Maggie's Bakery is a family-owned business with more than $1 million in annual revenues and six locations. At Miss Maiden's, decisions are sometimes slow in coming and top-level managers delegate very little authority to lower-level employees. Mama Maggie's is a(n) ____ organization.
A : centralized
B : decentralized
C : empowered
D : marketing-oriented
E : sustainable

Correct Answer : A

93 : ?The first step in the strategic performance evaluation is to
A : ?take corrective action.
B : ?reduce the difference between actual and desired standards.
C : ?evaluate actual performance.
D : ?compare actual performance and standards.
E : ?establish performance standards.

Correct Answer : E

94 : An expected level of performance against which actual performance can be compared is a
A : standard performance.
B : standard of excellence.
C : step in sales analysis.

D : performance standard.
E : performance objective.

Correct Answer : D

95 : One way that Kia evaluates its product and service level is by how well it ranks on the J. D. Power & Associates Sales Satisfaction Survey. In doing so, Kia is
A : controlling marketing activities.
B : taking corrective action.
C : empowering its employees.
D : evaluating actual performance.
E : setting performance standards.

Correct Answer : D

96 : Scenario 2.1Use the following to answer the questions.Southwest Airlines has a history of being able to retain its employees due to the atmosphere and culture of the company. Employees have been known to dress up in costume on an airplane, engage in "games" with the passengers, and generally provide a fun atmosphere for traveling. While other airlines have low rates of customer satisfaction, Southwest tends to maintain a high rating with its customers. Recently, airlines have started to charge for checked luggage and to fill every flight to its maximum, adding to the negative experience of airline travel. Southwest keeps its costs low through several methods, one being that they do not serve meals on flights, or provide pre-boarding passes. The typical flight is two hours or less and occurs between several selected cities rather than flying to practically anywhere in the country. Southwest is known for its low fares, its dependability, and its on-time flights.?Refer to Scenario 2.1. The fact that Southwest Airlines has a history of being able to retain its employees is a(n) ____ in its SWOT analysis. This low turnover creates more knowledgeable and satisfied employees, a potential _____.
A : ?weakness; opportunity
B : ?strength; competitive advantage
C : ?threat; market opportunity
D : ?opportunity; competitive advantage
E : ?strength; market opportunity

Correct Answer : B

97 : Scenario 2.1Use the following to answer the questions.Southwest Airlines has a history of being able to retain its employees due to the atmosphere and culture of the company. Employees have been known to dress up in costume on an airplane, engage in "games" with the passengers, and generally provide a fun atmosphere for traveling. While other airlines have low rates of customer satisfaction, Southwest tends to maintain a high rating with its customers. Recently, airlines have started to charge for checked luggage and to fill every flight to its maximum, adding to the negative experience of airline travel. Southwest keeps its costs low through several methods, one being that they do not serve meals on flights, or provide pre-boarding passes. The typical flight is two hours or less and occurs between several selected cities rather than flying to practically anywhere in the country. Southwest is known for its low fares, its dependability, and its on-time flights.Refer to Scenario 2.1. Southwest's low fares, dependability, and its on-time flights represent its
A : competitive advantage.
B : marketing opportunity.
C : marketing plan.
D : marketing objectives.
E : strategic window.

Correct Answer : A

98 : ?Scenario 2.2Use the following to answer the questions.?EXperience Limited is a company which offers tours and vacations that include participation in an extreme sport, such as hang-gliding, bungee jumping, skydiving,

and motocross. Adrian Moss, EXperience Limited s owner, has just finished developing the strategic plan, including marketing objective of growing his customer base by 15% during the coming year. He believes that the best way of reaching that objective is to promote to the college-aged student. In the past, the majority of his sales have been to males under the age of 29, participating in hang-gliding and bungee jumping at various tourist locations. He wants to expand his skydiving and motocross tours, but isn t sure whether or not the expansion will be profitable. He currently has a database containing all the customers who have gone on a hang-gliding or bungee jumping vacation with his company.Refer to Scenario 2.2. According to the BCG matrix, the hang-gliding and bungee jumping tours have been a ____ for EXperience Limited, while the skydiving and motocross tours represent a ____.

A : star; dog
B : cash cow; question mark
C : cash cow; star
D : star; cash cow
E : star; question mark

Correct Answer : B

99 : ?Scenario 2.2Use the following to answer the questions.?EXperience Limited is a company which offers tours and vacations that include participation in an extreme sport, such as hang-gliding, bungee jumping, skydiving, and motocross. Adrian Moss, EXperience Limited s owner, has just finished developing the strategic plan, including marketing objective of growing his customer base by 15% during the coming year. He believes that the best way of reaching that objective is to promote to the college-aged student. In the past, the majority of his sales have been to males under the age of 29, participating in hang-gliding and bungee jumping at various tourist locations. He wants to expand his skydiving and motocross tours, but isn t sure whether or not the expansion will be profitable. He currently has a database containing all the customers who have gone on a hang-gliding or bungee jumping vacation with his company.Refer to Scenario 2.2. The fact that college enrollments have been increasing at a fast rate the past few years is an example of ____ and creates a ____ for EXperience Limited.

A : an environmental factor; strategic door
B : an environmental factor; marketing opportunity
C : a company strength; marketing opportunity
D : a company strength; competitive advantage
E : a marketing opportunity; competitive advantage

Correct Answer : B

100 : ?Scenario 2.2Use the following to answer the questions.?EXperience Limited is a company which offers tours and vacations that include participation in an extreme sport, such as hang-gliding, bungee jumping, skydiving, and motocross. Adrian Moss, EXperience Limited s owner, has just finished developing the strategic plan, including marketing objective of growing his customer base by 15% during the coming year. He believes that the best way of reaching that objective is to promote to the college-aged student. In the past, the majority of his sales have been to males under the age of 29, participating in hang-gliding and bungee jumping at various tourist locations. He wants to expand his skydiving and motocross tours, but isn t sure whether or not the expansion will be profitable. He currently has a database containing all the customers who have gone on a hang-gliding or bungee jumping vacation with his company.?Refer to Scenario 2.2. The college-aged student represents EXperience Limited's ____, and the tours its operates represent the ____ element of the marketing mix.

A : ?target market; distribution
B : ?customer relationships; distribution
C : ?cash cow; product
D : ?cash cow; distribution
E : ?target market; product

Correct Answer : E

101 : You asked your stockbroker to consider buying some shares of Facebook, Inc. for your investment account. But, first you want to review the summary points in the SWOT analysis the stockbroker’s firm did on the

Marketing 20th edition Pride Test Bank

company. The following summary points were listed in the SWOT analysis: 1. Facebook has a reputation as a market leader and it has a formidable brand loyalty amongst its users.2. Because of its position in the industry, it risks incurring high costs associated with creating and marketing new products that are designed to perpetuate its industry leadership. These summary points suggest
A : that Facebook's products are cash cows.
B : that Facebook has a first-mover advantage.
C : that Facebook's products are question marks.
D : that Facebook has a questionable marketing strategy.
E : that Facebook has a late-mover advantage.

Correct Answer : B

102 : Your quarterly strategic planning meeting will be held next month. You will schedule all the brainstorming and discussion activities for the meeting in a sequence and structure consistent with the structure of the traditional strategic planning process.?Which of the following sequence of activities should you schedule in order to be most consistent with the structure of the traditional strategic planning process?
A : 1: Develop functional area goals and objectives; 2: Complete a SWOT analysis for the company; 3: Develop business unit strategies; 4: Develop the company's mission and goals.
B : 1: Develop the company's mission and goals; 2: Develop business unit strategies; 3: Complete a SWOT analysis for the company; 4: Develop functional area goals and objectives.
C : 1: Complete an economic environment analysis; 2: Develop the company's mission and goals; 3: Develop business unit strategies; 4: Complete a SWOT analysis for each business unit; 5: Develop functional area goals and objectives.
D : 1: Complete a SWOT analysis for the company; 2: develop the company's mission and goals; 3: Develop business unit strategies; 4: Develop functional area goals and objectives.
E : 1: Develop the company's mission and goals; 2: Develop business unit strategies; 3: Complete an economic environment analysis; 4: Develop functional area goals and objectives.

Correct Answer : B

103 : ?You are leading the breakout session on developing the marketing strategy at your company's strategic planning conference. You have prepared discussion guidelines and rules of engagement to keep all attendees in the session focused on the task at hand.?Your guidelines for developing the company's marketing strategy
A : ?suggest that the marketing objectives be written in general terms so that the strategy and be change along the way if necessary.
B : ?suggest that the target market should be identified before the marketing objectives are established.
C : ?suggest that the target market should be selected to fit the marketing mix.
D : ?suggest that the marketing objectives should be consistent with both the business-unit and the corporate strategies.
E : ?suggest that marketing should not worry about the strategy's impact on company profits because the finance department will handle that aspect.

Correct Answer : D

104 : ?Marketers understand that the best marketing strategy in the world is doomed to fail if it is not properly implemented. With that in mind, an effective implementation strategy
A : ?begins with identifying the activities to be performed, and ends with assigning responsibility for each activity to one or more team members.
B : ?begins with identifying team members, and ends with assigning activities to each team member.
C : ?has an open-ended timetable to allow for unexpected delays.
D : ?organizes all activities in sequential order even if they can be performed simultaneously.
E : ?organizes tasks in order according to their level of complexity.

Correct Answer : A

105 : The following passage is an often-expressed critique of one of the two types of decision-making structures:?Another disadvantage of this structure is that the organization may become fragmented. Business units may lose their sense of team spirit and cooperation. Some business units may put their own interests ahead of those of the company as a whole. Innovative ideas that once spread through the company quickly may now remain within individual business units.?Which one of the following decision-making structures is this critique referring to?
A : ?Centralized organizational structure
B : ?Remote organizational structure
C : ?Functional organizational structure
D : ?Process organizational structure
E : ?Decentralized organizational structure

Correct Answer : E

106 : You are the senior financial analyst supporting the marketing department in your company, and head of marketing has asked you to come up with one performance metric that can be used to evaluate how effective each advertising campaign is in terms of contribution to the firm's profits. It should be a metric that can be easily used to compare different advertising campaigns against each other.In response, you propose using:
A : A metric that takes the total new sales dollars generated by a campaign and divides it by the total office expense of the campaign.
B : A metric that takes the total new sales dollars generated by a campaign and divides it by the total fixed cost of the campaign.
C : A metric that takes the total new sales dollars generated by a campaign and divides it by the total variable cost of the campaign.
D : A metric that takes the total new sales dollars generated by a campaign and divides it by the total supplies expense for the campaign.
E : A metric that takes the total new sales dollars generated by a campaign and divides it by the total cost of the campaign.

Correct Answer : E

107 : The _____ section of the marketing plan states what the company wants to accomplish through marketing activities, using a(n) _____ of where the firm stands in the market.
A : marketing objectives; performance evaluation
B : marketing strategies; implementation timetable
C : SWOT analysis; marketing concept
D : marketing objectives; SWOT analysis
E : environmental analysis; SWOT analysis

Correct Answer : D

108 : You want to include a detailed marketing organizational chart in the company marketing plan.?Which of the following sections of the marketing plan will you include this chart in?
A : ?SWOT Analysis
B : ?Performance Evaluation
C : ?Marketing Implementation
D : ?Marketing Objectives
E : ?Environmental Analysis

Correct Answer : C

109 : You are writing an Environmental Analysis for the marketing plan for your company. You were given the following master list of environmental factors that should be addressed in the plan: 1. Foreign exchange rates2. Trade policy3. Population growth rates4. Tax policy5. Environmental regulations6. Production automation trends7. Health and medical trends You are responsible for the subsection dealing with political and regulatory factors that will impact your company's marketing strategies.?Which of the factors from the master list of environmental factors will you include in your subsection?

A : Foreign exchange rates; Trade policy; Population growth rates

B : Trade policy; Tax policy; Environmental regulations

C : Tax policy; Environmental regulations; Health and medical trends

D : Trade policy; Health and medical trends; Tax policy

E : Environmental regulations; Foreign exchange rates; Tax policy

Correct Answer : B

110 : B?te is a Florida-based stand-up paddleboard maker that markets its products directly to consumers via its website. B?te's mission is to spread the sport of stand up paddle surfing from oceans to lakes and rivers around the world. Stand up paddle surfing or boarding is a relatively new sport but is growing due to the relatively low price of the boards, ease in transportation and storage of the boards as well as the sport providing a fun way to exercise and allow users to enjoy the outdoors. Which of the following would be the "best" target market for B?te paddle board products?

A : Active adults aged 24 to 40 who enjoy outdoor recreational activities

B : High school students aged 15 to 18 who are looking for alternatives to traditional sports activities

C : Sporting goods retailers such as Dicks Sports who are seeking new products to sell in their retail stores

D : Professional surfers who compete in surfing competitions across the globe

E : Men aged 50 to 64

Correct Answer : A

111 : The Forever 21 chain of retail stores has a reputation as one of the "coolest" brands according to Piper Jaffray. Their stores feature the latest trends, must-have styles, and the hottest deals for shoppers. The retail stores are typically found in shopping malls across the country and are comfortable places to shop—featuring interesting displays, pop music, and bright lights. Forever 21's selection of denim is the most popular product appealing to both genders and has helped them achieve double-digit growth. Which of the following would most likely be the "best" target market for Forever 21?

A : Men and women aged 35 to 49

B : Children aged 12 or under

C : Men and women aged 18 to 24

D : Active seniors—men and women aged 65 or older

E : Men and women aged 50 to 64

Correct Answer : C

112 : Road King Cycles Inc. is a manufacturer of bicycles and sells its bikes to retail outlets that serve the consumer market. Road King bicycles are priced at $900 and over and are typically sold to consumers who are recreational riders or those aspiring to compete in amateur cycling or triathlon events. Road King has enjoyed a steady stream of revenue from its line of road bicycles which are more traditional, multispeed bicycles for those who enjoy long rides on city or rural roads. Sales of road bikes are relatively stable and Road King does little to market the bikes to consumers because it has a dominant share of the market. However, hybrid bikes represent a growing segment as younger consumers prefer the upright riding position of the bikes and they can be utilized for either road or mountain biking. Road King is introducing a hybrid line of bikes and supporting it with extensive advertising in specialty magazines as well as social media marketing. Road King believes the category of hybrid bikes is growing but its market position is not as strong as other manufacturers, such as Cannondale. Using the Boston Consulting Group's Growth Share Matrix, road bicycles would be categorized as _____ while hybrid

bikes would fall into the _____ category.
A : cash cows; question marks
B : stars; question marks
C : cash cows; stars
D : dogs; stars
E : cash cows; dogs

Correct Answer : A

113 : Valeria Suarez is responsible for the traditional media marketing activities for her company and currently utilizes billboards, radio advertising, newspaper advertising, and cable TV advertising to communicate with customers, reinforce customer relationships, and drive revenues and profitability. Valeria's company has invested in a proprietary technology scheduling program that allows her to plan the various media investments, messages, and timing over the year to match the various media content to specific marketing objectives, according to the days or months of the year that are most appropriate for the company. Therefore, the proprietary scheduling program assists Valeria's with which of the following marketing implementation activities?
A : Establishing a timetable for implementation
B : Coordinating marketing activities
C : Communicating within the marketing unit
D : Motivating marketing personnel
E : Establishing performance standards

Correct Answer : A

114 : Darryl Grimes is director of career services at a major Midwestern university and works with corporations that are seeking to recruit recent college graduates. Darryl is interested in attracting Marathon Orthotics, Inc. to recruit entry-level marketing and sales representatives. Darryl has received very favorable word-of-mouth communication from alumni about Marathon Orthotics, and employees are extremely satisfied with the company's culture and feel empowered to make decisions. In addition, they report that they are given a high degree of flexibility and autonomy, which enables them to quickly respond and adapt rapidly to changing customer needs. It's likely that Marathon Orthotics has implemented a _____ organizational structure.
A : controlled
B : centralized
C : decentralized
D : paternal
E : matrix

Correct Answer : C

115 : Simonton Window Company is a closely held family-owned company that sells windows to businesses and homeowners. The business-to-business market is designed to serve a variety of businesses by replacing inefficient windows with vinyl double-pane windows. In addition, they can customize windows to match any size that a business or homeowner might desire. Simonton Window employs approximately 35 individuals who report directly to the company president and owner, Dan Simonton. Dan learned about managing and leading the company from his father, who was a strict but friendly man. Dan has developed a reputation as a shrewd businessperson who believes that his way is the right way. He sets all company policies and standards, and expects all employees to follow the rules and standards he has implemented. Employees enjoy the work environment at Simonton Window Company but are sometimes frustrated because they're not able to quickly respond to customer requests or changes in their needs and are not empowered to make decisions. It's likely that Simonton Window Company has implemented a _____ organizational structure.
A : centralized
B : decentralized
C : controlled
D : paternal

E : organic

Correct Answer : A

116 : In many cases, companies that enter a market after innovative products have been introduced can achieve long-term competitive advantages by continuing to develop a better mousetrap. For example, MicroPro was the first company to introduce a word processing program, but SSI cornered a large market share when it introduced the Word Perfect program. Today, however, Microsoft's Word is the dominant word-processing software program and has continued to endure due to the popularity of the Microsoft Office Suite of products. MicroPro's WordStar possessed a _____ advantage while Microsoft enjoyed a _____ advantage.
A : first-mover; late-mover
B : late-mover; first-mover
C : sustainable; unsustainable
D : economic; technological
E : sustainable; late-mover

Correct Answer : A

117 : Yoshi Ramen restaurant opened in 2017 and struggled to build a customer base for lunch, dinner, or event catering options. When the owners were planning the restaurant, they had projected they would sell 60 to 80 bowls daily with an average lunch price of $8.00 They believed that dinner sales could generate between 100 and 120 bowls per day at $12 per customer. However, the actual daily lunch and dinner totals were much less and the owners were barely breaking even and wondered if they should close the business. However, Yoshi Ramen began an aggressive promotion effort, offered lunch and dinner specials and promoted the restaurant as a family-friendly place where everyone could enjoy fresh, ramen dishes. As a result of their marketing efforts, the restaurant is selling out of its product almost daily and has built a takeaway business as well. They are selling 100 lunches daily with an average price of $10 and approximately 200 dinner plates at $15. The owners are pleased with the revenue stream they're generating from the restaurant and considering opening a second location or adding space to accommodate more customers at the existing location. Using the data regarding number of bowls sold and the average order amount generated, what kind of analysis can the owners of the restaurant perform to assist them in understanding their business opportunities?
A : Engagement analysis
B : Sales analysis
C : Advertising analysis
D : Profit analysis
E : Marginal cost analysis

Correct Answer : B

118 : Jessica Cage is the supply chain manager for a large plastics manufacturing company. She is responsible for procuring a wide variety of raw materials to be utilized in the manufacturing process of the firm's plastic products. As part of an annual quality control and expense analysis, Jessica is reviewing the prices charged by the raw materials suppliers and also seeking bids from competing suppliers to determine whether any savings could be realized. Jessica is rewarded by the company with bonuses when she is able to reduce expenses associated with the raw materials as this could lead to higher profit margins on the products they manufacture. Jessica knows that saving a few cents can make a dramatic difference because the firm manufactures thousands of products at its state-of-the-art facility in Indiana. What type of analysis do you believe Jessica Cage can perform utilizing the data related to the prices charged by their current and prospective raw materials suppliers?
A : Cost analysis
B : Sales analysis
C : Advertising analysis
D : Engagement analysis
E : Breakeven analysis

Correct Answer : A

119 : Arjen Pradesh recently graduated from an East Coast university and has joined a small start-up based in New York City. One of his first assignments is to work collaboratively with other members of the marketing team to draft the marketing plan for the next fiscal year. Arjen is highly skilled in conducting secondary research and, as an alumnus of his university, he continues to have complimentary access to the university's library resources. He's now realizing how important data analysis is to firms and is glad he took a marketing research course. Arjen is utilizing the library resources to uncover information about a variety of external factors that could provide opportunities or threats and is exploring such factors as competitive, economic, political, legal, regulatory, technological, and sociocultural. Which section of the marketing plan would be most appropriate for the information that Ethan is obtaining through secondary market research?
A : Marketing strategy
B : Executive summary
C : Marketing objectives
D : SWOT analysis
E : Environmental analysis

Correct Answer : E

120 : The strategic planning process begins with
A : development of an organizational mission statement.
B : development of marketing strategy.
C : analysis of the marketing environment.
D : analysis of target markets.
E : development of a marketing plan.

Correct Answer : A

121 : Which of the following is a strategy of increasing sales of current products in new markets?
A : Diversification
B : Product development
C : Market share
D : Market penetration
E : Market development

Correct Answer : E

122 : Apple introduced the HomePod, a smart speaker/home automation device. For Apple, HomePod represents a strategy of
A : question mark.
B : diversification.
C : product development.
D : market penetration.
E : market development.

Correct Answer : B

123 : A first-mover advantage is
A : the ability of later market entrants to achieve long-term competitive advantages by not being the first to offer a certain product in a marketplace.
B : the ability of an innovative company to achieve long-term competitive advantages by being the first to offer a certain product in the marketplace.
C : the result of a company matching a core competency to opportunities it has discovered in the marketplace.

D : a combination of circumstances and timing that permits an organization to take action to reach a particular target market.
E : the selection of a target market and the creation of a marketing mix that will satisfy the needs of that target market.

Correct Answer : B

124 : The ability of later market entrants to achieve long-term competitive advantages by not being the first to offer a certain product in a marketplace is called
A : first-mover advantage.
B : early-mover advantage.
C : first-mover disadvantage.
D : strategic window.
E : late-mover advantage.

Correct Answer : E

125 : Honda executives have set an objective for the firm's new HR-V to boost Honda's market share by 10%. What is the main problem with this objective?
A : It is not clear and simple.
B : It does not specify a time period.
C : It is not measurable.
D : It is consistent with the firm's overall objectives.
E : It is not consistent with the firm's overall objectives.

Correct Answer : B

126 : _____ communication allows marketing managers to understand the problems and requirements of lower-level employees.
A : Coordination
B : Downward
C : Upward
D : Centralized
E : Decentralized

Correct Answer : C

127 : To be effective, employee rewards should also be tied to
A : human resources.
B : decisions.
C : organizational activities.
D : organizational goals.
E : other employees' actions.

Correct Answer : D

128 : Sales analysis is a common method of evaluation because
A : buying behavior data are readily available and can reflect the target market's reactions to a marketing mix.
B : cost data are readily available and can reflect the target market's reactions to a marketing mix.
C : sales data are readily available and can reflect the target market's reactions to a marketing mix.
D : sales data are readily available and can reflect shareholders' reactions to a marketing mix.
E : it reflects market share.

Correct Answer : C

129 : Okoye Gurira is breaking down and classifying costs of her small business to determine which are associated with specific marketing efforts and then comparing these costs with results. Okoye is engaging in
A : sales analysis.
B : marketing cost analysis.
C : market share analysis.
D : production cost analysis.
E : profit and loss analysis.

Correct Answer : B

130 : Marketing planning and _____ are closely linked in successful companies.
A : communication
B : market share
C : human resources
D : implementation
E : production

Correct Answer : D

131 : Which of the following includes a detailed assessment of the competitive, economic, political, legal, regulatory, technological, and sociocultural factors that could affect marketing activities?
A : Executive summary
B : Environmental analysis
C : SWOT analysis
D : Marketing implementation
E : Performance evaluation

Correct Answer : B

132 : Herbal Organics used actor and former NFL player Sweet Dave Brown to act as its spokesperson as the "Herbal Organics Man." It filmed humorous videos of the actor that went viral online. Herbal Organics saw sales of its deodorants increase substantially from the previous year. What type of competitive growth strategy did Herbal Organics use?
A : Product penetration
B : Market development
C : Diversification
D : Market penetration
E : Product development

Correct Answer : D

133 : Competitive growth strategies are based on
A : a units market share and market growth.
B : the type of marketing mix chosen.
C : the Boston Consulting Groups matrix.
D : analyses of each product or business unit.
E : new types of target markets.

Correct Answer : D

134 : GEM Corporation saw an opportunity in the electric car industry. The company had studied major electric

car brands such as the Toyota Prius and the Nissan Leaf. It believed it could avoid many of the challenges these companies had encountered with a new technology that would reduce costs. GEM also knew from watching competitors that it would have to work hard to convince skeptics that the electric car was a viable and dependable method to get around. By avoiding these mistakes and using its technology, GEM quickly gained market share once it began launching its vehicles. What type of advantage did GEM have?
A : first-mover advantage
B : core advantage
C : late-mover advantage
D : strategic advantage
E : market share advantage

Correct Answer : C

135 : You work in the marketing department of shoe firm Hermes Inc. Over the past month you have been working with management to revise the company's mission statement and set specific marketing goals for the upcoming year. Today you are meeting with your marketing team and discussing the next step in the strategic planning process. What is this next step?
A : Formulating corporate and business-unit strategies
B : Analyzing the organizations strengths and weaknesses and identifying its threats and opportunities
C : Determining performance standards to analyze the successful implementation of goals
D : Evaluating the performance of the marketing strategy
E : Writing up a marketing plan

Correct Answer : A

136 : Cameron Dunphee runs the marketing department of a large electronics firm. This firm operates in an extremely competitive business environment. Cameron wants to ensure that he is involved in all the daily decisions and that there is a clear chain of communication between himself and his marketing employees. He believes that his extensive marketing experience makes him the best person for making all the major marketing decisions. Cameron believes all employees should act together as a cohesive unit and know their roles. Under Cameron Dunphee, the marketing department most likely has a _____ structure
A : decentralized
B : informal
C : demoralizing
D : opportunistic
E : centralized

Correct Answer : E

137 : Analyzing demographic information, customer needs, preferences, and behaviors with respect to product design, pricing, distribution, and promotion is which of the following parts of strategic planning?
A : Assessing organizational resources and opportunities
B : Managing marketing implementation
C : Establishing mission and goals
D : Developing a written document known as the marketing plan
E : Developing marketing objectives and marketing strategies

Correct Answer : E

138 : The Buddhas Brew Kombucha has become highly efficient in developing and manufacturing new kombucha products for the market. It far surpasses its competitors in these areas. Recently, major medical journals have started describing how kombucha can be highly advantageous for consumer health. This is likely to give Buddhas Brew Kombucha a _____ because it is able to match its skills with opportunities in the marketplace.
A : core competency

B : competitive advantage
C : new marketing objective
D : market opportunity
E : strategic advantage

Correct Answer : B

139 : A marketing objective should be expressed in clear, simple terms; be _____; specify a time frame for completion; and ensure the marketing objective is _____ with both business-unit and corporate strategies.
A : precise; centralized
B : encompassing; consistent
C : measurable; consistent
D : legalistic; aligned
E : detailed; decentralized

Correct Answer : C

140 : Coca-Cola executives realized that more consumers are concerned with health. It has since expanded into the bottled water and bottled juice markets. This is an example of a firm identifying and capitalizing on a
A : market opportunity.
B : core competency.
C : competitive advantage.
D : strength.
E : marketing strategy.

Correct Answer : A

141 : Jo's Coffee Shop wants to increase customer satisfaction. Currently, only 75% of customers indicate they are satisfied with the services offered. In the next six months, it plans on implementing a number of changes to improve its services. Jo's Coffee plans to implement a survey at the end of the six-month period to determine whether customer satisfaction has improved. Jo's wants 90% of its customers to indicate they are satisfied with its service. This is an example of a _____.
A : core competency
B : strategic window
C : marketing plan
D : marketing objective
E : marketing control

Correct Answer : D

142 : Which of the following describes the relationships among the three planning levels, from broadest to narrowest?
A : Marketing strategy; corporate strategy; business-unit strategy
B : Corporate strategy; marketing strategy; business-unit strategy
C : Business-unit strategy; corporate strategy; business-unit strategy
D : Corporate strategy; business-unit strategy; marketing strategy
E : Marketing strategy; business-unit strategy; corporate strategy

Correct Answer : D

143 : Tom's of Maine's natural toothpaste is highly popular but is unlikely to experience much more market growth. As a result, Tom's of Maine is examining other forms of toothpaste with high potential for growth.

However, because its natural toothpaste remains so profitable, it can use these profits to invest in newer toothpastes. Trident's natural toothpaste is an example of a
A : cash cow.
B : star.
C : dog.
D : question mark.
E : strategic window.

Correct Answer : A

144 : Which of the following is true about the development of a marketing plan?
A : It is the largest strategic business plan in the organization.
B : It is the final step in strategic planning.
C : It is only useful for the company as a whole.
D : It should be an adaptive response to day-to-day issues and unanticipated situations.
E : It should be unique to the organization for which it was created.

Correct Answer : E

145 : What is the final step in establishing an implementation timetable?
A : Assigning responsibility for completing each activity
B : Organizing activities in their proper order
C : Determining time required for completion
D : Identifying the activities to be performed
E : Separating activities to be performed in sequence from those performed simultaneously

Correct Answer : A

146 : What is one way to analyze costs when conducting marketing cost analysis?
A : Use fixed costs to determine how to use marketing funds more effectively
B : Contrast marketing costs to sales transactions
C : Compare a companys costs with industry averages
D : Divide sales transactions by fixed costs
E : Compare its market share with the market share of competitors

Correct Answer : C

147 : Performance standards are derived from _____ that were set while developing the marketing strategy.
A : past measures of actual performance
B : core competencies
C : marketing objectives
D : marketing costs
E : market opportunities

Correct Answer : C

148 : Communicating with the marketing unit, motivating marketing personnel, and coordinating marketing activities are part of the _____ component of strategic planning.
A : Formulating marketing strategies
B : Assessing organizational resources
C : Marketing evaluation
D : Developing the marketing plan

E : Marketing implementation

Correct Answer : E

149 : According to the Boston Consulting Group, which of the following has a small share of a growing market and usually requires a large amount of cash to build market share?
A : Question marks
B : Dogs
C : Cash cows
D : Stars
E : First movers

Correct Answer : A

150 : The marketing department establishes its objectives and develops strategies to achieve them after the firm has
A : developed its mission statement.
B : written the marketing plan.
C : developed corporate and strategic business unit strategies.
D : performed a detailed analysis of its strengths and weaknesses.
E : analyzed the marketing environment.

Correct Answer : D

151 : Southwest Airlines' planes are easily recognizable even when in the air due to their vibrant color scheme, striped tail, distinctive font, and striped heart. Southwest carries this color scheme and heart symbol throughout much of its communication—airport signs, print and television advertising, even its smartphone app. This use of color, font, and symbols to convey Southwest Airlines' personality is an example of a(n)
A : ethics statement.
B : marketing plan.
C : mission statement.
D : corporate logo.
E : corporate identity.

Correct Answer : E

152 : Cyberdyne Industries' clever promotion campaign, which included YouTube videos of its artificial intelligence software in action as well as clever tweets and Instagram posts, helped boost the firm's product sales. This would suggest that Cyberdyne is using which of the following competitive strategies?
A : Diversification
B : Divestiture
C : Product development
D : Market development
E : Market penetration

Correct Answer : E

153 : ACME was not the first to bring a selfie stick to market, but it is now introducing a selfie stick that can also be used as a cane, an umbrella, and a knife for self-defense. Which of the following is ACME benefiting from as a late mover?
A : Taking advantage of patents and trademarks from the first movers
B : Being able to earn a reputation as a pioneer and market leader
C : Being able to improve on the product design and marketing strategy

D : Getting customers who purchased the first movers' product to switch to ACME's product
E : Dealing with uncertainty related to sales growth and product demand

Correct Answer : C

154 : Which of the following states what is to be accomplished through marketing strategies?
A : Business-unit objectives
B : Marketing objectives
C : Corporate objectives
D : Financial objectives
E : Operational objectives

Correct Answer : B

155 : The foundation on which a company can develop its marketing mix is
A : articulation of its marketing strategy.
B : articulation of its competitive advantage.
C : identification and analysis of the current market opportunity.
D : identification and analysis of the marketing environment.
E : identification and analysis of a target market.

Correct Answer : E

156 : Hershel Jones is working on outlining the hierarchical relationships among personnel and specifying who is responsible for performing certain activities and making decisions in order to implement his firm's marketing strategies. Hershel's activity is best described as
A : controlling.
B : communicating.
C : organizing.
D : motivating.
E : coordinating.

Correct Answer : C

157 : Which of the following is NOT one of the steps of evaluating marketing strategies?
A : Establishing performance standards
B : Identifying target markets
C : Modifying the marketing strategy, if needed
D : Comparing actual performance with established standards
E : Measuring actual performance

Correct Answer : B

158 : To be truly useful for sales analyses, marketers must compare current sales data with forecasted sales, industry sales, specific competitors' sales, and
A : business-unit objectives.
B : business-unit costs.
C : the costs incurred from marketing efforts to achieve the sales volume.
D : performance standards.
E : market share.

Correct Answer : C

159 : Regardless of how sales are measured, the basic unit of measurement is the

A : performance standard.
B : sales transaction.
C : market share.
D : marketing objective.
E : marketing costs.

Correct Answer : B

160 : The Kimmy J Social Beauty Company is struggling to meet its marketing objective despite the strong social media presence of its founder. To determine why the firm is failing to reach its performance targets, the company's executives are conducting a cost analysis in the hopes of identifying ways to reduce costs so that they can lower prices and promote the greater value of their products. Which of the following is NOT a fixed cost that is easily lowered?

A : Material costs
B : Selling costs
C : Commissions
D : Employees' salaries
E : Shipping costs

Correct Answer : D

ESSAY

161 : ?Describe the process of strategic planning. How does this process help marketing managers?

Correct Answer : ?Through the process of strategic planning, a company establishes an organizational mission and formulates goals, a corporate strategy, marketing objectives, and a marketing strategy. A market orientation should guide the process of strategic planning to ensure that a concern for customer satisfaction is an integral part of the entire company, leading to the development of successful marketing strategies and planning processes. The strategic planning process begins with the establishment or revision of an organization's mission and goals. The corporation and individual business units then develop strategies to achieve these goals. The company performs a detailed analysis of its strengths and weaknesses and identifies opportunities and threats within the external marketing environment. Next, each functional area of the organization (marketing, production, finance, human resources, etc.) establishes its own objectives and develops strategies to achieve them, which must support the organization's overall goals and mission and should be focused on market orientation.

162 : Discuss how a firm's orientation is related to the development of its strategic plan.

Correct Answer : Through the process of strategic planning, a company establishes an organizational mission and formulates goals, a corporate strategy, marketing objectives, and a marketing strategy. A market orientation should guide the process of strategic planning to ensure that a concern for customer satisfaction is an integral part of the entire company, leading to the development of successful marketing strategies and planning processes.

163 : ?In what ways does having a mission statement help an organization achieve its goals?

Correct Answer : Once an organization has assessed its resources and opportunities, it can begin to establish goals and strategies to leverage them. The goals of any organization should

derive from its mission statement, a long-term view, or vision, of what the organization wants to become. A well-formulated mission statement gives an organization a clear purpose and direction, distinguishes it from competitors, provides direction for strategic planning, and fosters a focus on customers. An organization's goals, which focus on desired results, guide the remainder of its planning efforts.?

164 : ?Compare and contrast corporate strategy and marketing strategy.

Correct Answer : Corporate strategy determines the means for utilizing resources in the functional areas of marketing, production, finance, research and development, and human resources to achieve the organization's goals. A corporate strategy outlines the scope of the business and such considerations as resource deployment, competitive advantages, and overall coordination of functional areas. On the other hand, a marketing strategy involves the selection of a target market and the creation of a marketing mix that will satisfy the needs of target market members. A marketing strategy articulates the best use of the company's resources to accomplish its marketing objectives. Selecting an appropriate target market may be the most important decision a company makes in the strategic planning process and is a key to strategic success. The target market must be chosen before the organization can adapt its marketing mix to meet the customers' needs and preferences.?

165 : ?Define the four product categories used in the Boston Consulting Group (BCG) product-portfolio analysis.

Correct Answer : One of the most helpful tools for a marketer is the market growth/market share matrix, developed by the Boston Consulting Group (BCG). This approach is based on the philosophy that a product's market growth rate and its market share are important considerations in determining marketing strategy. The BCG matrix enables a strategic planner to classify a company's products into four basic types: stars, cash cows, dogs, and question marks. Stars are products with a dominant share of the market and good prospects for growth. However, they use more cash than they generate in order to finance growth, add capacity, and increase market share. Cash cows have a dominant share of the market, but low prospects for growth. They typically generate more cash than is required to maintain market share.Dogs have a subordinate share of the market and low prospects for growth. Dogs are often found in established markets. Question marks, sometimes called "problem children," have a small share of a growing market and require a large amount of cash to build market share. ?

166 : Describe the two major methods for evaluating the actual performance of marketing strategies.

Correct Answer : The principal means by which a marketer can gauge whether a marketing strategy has been effective in achieving objectives is by analyzing the actual performance of the marketing strategy. Sales analysis uses sales figures to evaluate a firm's current performance. It is a common method of evaluation because sales data are readily available, at least in aggregate form, and can reflect the target market's reactions to a marketing mix. If sales spike after a particular marketing mix is implemented, marketers can be reasonably certain that the marketing mix was effective at reaching the target audience. Information gleaned from sales data alone is not sufficient, however. To be useful, marketers must compare current sales data with forecasted sales, industry sales, specific competitors' sales, and the costs incurred from marketing efforts to achieve the sales volume. Although sales analysis is critical for evaluating the performance of a marketing strategy, it provides only a partial picture. A marketing strategy that successfully generates sales may nevertheless be deemed ineffective if it is extremely costly. A firm must take into account the marketing costs associated with a strategy to gain a complete understanding of its effectiveness at achieving a desired sales level. Marketing cost analysis breaks down and classifies costs to determine which are associated with specific

marketing efforts. Comparing costs of previous marketing activities with results allows a marketer to allocate the firm's marketing resources better in the future. A company that understands and manages its costs appropriately has a competitive advantage.

167 : Describe the two major components of marketing strategy. What should marketing managers consider when developing marketing strategy?

Correct Answer : A marketing strategy is the selection of a target market and the creation of a marketing mix that will satisfy the needs of target market members. A marketing strategy articulates the best use of the company's resources to achieve its marketing objectives. A target market is a specific group of customers on whom an organization focuses its marketing efforts. When exploring possible target markets, marketing managers try to evaluate how entering them would affect the firm's sales, costs, and profits. In addition, they should determine if satisfying those needs is consistent with the firm's overall mission and objectives. Once a target market is selected, it is used as the basis for creating a marketing mix to satisfy the needs of that market. The marketing mix is composed of four marketing activities—product, pricing, distribution, and promotion—that a firm can control to meet the needs of customers within its target market. All marketing mix decisions should be consistent with the business-unit and corporate strategies. Also, marketing mix decisions should be flexible and permit the firm to alter the marketing mix in response to changes in market conditions, competition, and customer needs. At the marketing mix level, a firm can detail how it will achieve a competitive advantage. To gain an advantage a firm must do something better than its competitors. Ultimately, it is important for the firm to achieve a sustainable competitive advantage, one that the competition cannot copy in the foreseeable future.

168 : Discuss the creation of a marketing plan. What are the major components of a marketing plan?

Correct Answer : A marketing plan is a written document that specifies the marketing activities to be performed to implement and evaluate the organization's marketing strategies. The first component of the marketing plan is the executive summary, which provides an overview of the entire plan so that readers can quickly identify the key issues and their roles in the planning and implementation processes. The executive summary includes an introduction, an explanation of the major aspects of the plan, and a statement about costs.The next component of the marketing plan is the environmental analysis, which supplies information about the company's current situation with respect to the marketing environment, the target market, and the firm's current objectives and performance. The environmental analysis includes an assessment of all the environmental factors—competitive, economic, political, legal, regulatory, technological, and sociocultural—that can affect marketing activities. The analysis then examines the current needs of the organization's target markets. In the final section of the environmental analysis, the company evaluates its marketing objectives and performance to ensure that objectives are consistent with the changing marketing environment.The next component of the marketing plan is the SWOT analysis (strengths, weaknesses, opportunities, and threats), which utilizes the information gathered in the environmental analysis.The marketing objectives section of the marketing plan states what the company wants to accomplish through marketing activities, using the SWOT analysis as a guide to where the firm stands in the market. The marketing strategies component outlines how the firm plans to achieve its marketing objectives and discusses the company's target market selection(s) and marketing mix.The marketing implementation component of the plan outlines how marketing strategies will be executed.Finally, the performance evaluation establishes the standards for how results will be measured and evaluated, and what actions the company should take to reduce the differences between planned and actual performance.

169 : ?Discuss the different ways of organizing the marketing unit.

Correct Answer : The structure and relationships of a marketing unit, including establishing lines of authority and communication that connect and coordinate individuals, strongly affect marketing activities. To organize a marketing unit, firms must first decide whether operations should be centralized or decentralized, a choice that directly affects marketing decision making and strategy.In a centralized organization, top-level managers delegate little authority to lower levels. In centralized organizations, marketing decisions are made at the top levels. However, centralized decision making may prove ineffective in firms that must respond quickly to fluctuations in customer demand. In these organizations, decentralized authority allows the company to adapt more rapidly to customer needs. In a decentralized organization, decision making authority is delegated as far down the chain of command as possible.How effectively a company's marketing management can implement marketing strategies also depends on how the marketing unit is organized. Organizing marketing activities to align with the overall strategic marketing approach enhances organizational efficiency and performance. A marketing department should clearly outline the hierarchical relationships between personnel and who is responsible for performing certain activities and making decisions.?

170 : How does a firm use a market opportunity to reach a particular target market?

Correct Answer : Analysis of the marketing environment also includes identifying opportunities in the marketplace, which requires a solid understanding of the company's industry. When the right combination of circumstances and timing permits an organization to take action to reach a particular target market, a market opportunity exists. The SWOT analysis is used to assess an organization's strengths, weaknesses, opportunities, and threats. It is depicted as a four-cell matrix and shows how marketers must seek to convert weaknesses into strengths, threats into opportunities, and match internal strengths with external opportunities to develop competitive advantages. Strengths and weaknesses are internal factors that can influence an organization's ability to satisfy target markets. Strengths refer to competitive advantages, or core competencies, that give the company an advantage over other firms in meeting the needs of its target markets. Weaknesses are limitations a company faces in developing or implementing a marketing strategy.