Marketing Essentials 8th edition Lascu Test Bank

SKU: 9781957725420-TEST-BANK

Chapter 1: Scope and Concepts of Marketing

TRUE/FALSE

1. More than 30 million Americans work directly within the marketing system, with advertising people accounting for the largest segment.

   ANS: F
   More than 30 million Americans work directly within the aggregate marketing system, with salespeople accounting for the largest segment.

   PTS: 1 DIF: Difficult REF: Section 1-2

2. The sum of all goods and services produced within the boundaries of a country is called the gross domestic product (GDP).

   ANS: T
   The gross domestic product (GDP) is calculated as the sum of all goods and services produced within the boundaries of a country.

   PTS: 1 DIF: Moderate REF: Section 1-2

3. The United States leads all nations in marketing expenditures.

   ANS: T
   The United States spends the most on marketing of all other countries worldwide.

   PTS: 1 DIF: Easy REF: Section 1-2

4. Nations with higher proportions of their populations involved in marketing and with a developed marketing system also have a higher GDP.

   ANS: T
   Nations with higher proportions of their populations involved in marketing and with a developed marketing system also have a higher GDP.

   PTS: 1 DIF: Easy REF: Section 1-3

5. A need becomes a want when it is backed by the ability to buy the respective good or service.

   ANS: F
   Needs become wants when they are directed towards a particular product.

   PTS: 1 DIF: Moderate REF: Section 1-3a

6. Successful marketers must be able to identify target consumers as well as their needs, wants, and demands.

   ANS: T
   Successful marketers must be able to identify target consumers, as well as their needs, wants, and demands.

Marketing Essentials 8th edition Lascu Test Bank

PTS: 1 DIF: Easy REF: Section 1-3a

7. Value is the overall price given the quality of a product.

ANS: T
Value is defined as the overall price given the quality of the product, and it is especially important in the first purchase of a product.

PTS: 1 DIF: Easy REF: Section 1-3b

8. Quality is defined as the overall good or service quality, reliability, and the extent to which the product meets consumers' needs.

ANS: T
Quality is the overall product quality, reliability, and the extent to which it meets consumers' needs. Perceived quality has the greatest impact on satisfaction.

PTS: 1 DIF: Moderate REF: Section 1-3b

9. The level of satisfaction is a function of the actual value of a product and whether it adequately meets the consumer's expectations.

ANS: F
The level of satisfaction is a function of the quality of a good or service, in addition to the perceived value, and whether it adequately meets the need or want for which it was purchased.

PTS: 1 DIF: Difficult REF: Section 1-3b

10. Goods generally refer to tangible products such as cereals, automobiles, and clothing, while services refer to intangible activities or benefits that individuals acquire, but that do not result in ownership.

ANS: T
Goods generally refer to tangible products, such as cereals, automobiles, and clothing. Services refer to intangible activities or benefits that individuals acquire, but that do not result in ownership.

PTS: 1 DIF: Easy REF: Section 1-3c

11. A beauty salon would be an example of a service.

ANS: T
A beauty salon is a service, offering intangible activities or benefits that individuals acquire.

PTS: 1 DIF: Easy REF: Section 1-3c

12. A bakery would be an example of a good.

ANS: F
A bakery is an example of a service because it performs intangible activities or benefits that individuals acquire.

PTS: 1 DIF: Difficult REF: Section 1-3c

13. Scuba diving would be an example of an idea or experience.

Marketing Essentials 8th edition Lascu Test Bank

ANS: T
Scuba diving is an example of an experience that consumers perceive as valuable because it fulfills consumer needs and wants.

PTS: 1 DIF: Easy REF: Section 1-3c

14. At each level of exchange in the channel of distribution, information is exchanged for a monetary sum. are exchanged for a monetary sum.

ANS: F
At each level of exchange in the channel of distribution, products are exchanged for a monetary sum.
PTS: 1 DIF: Moderate REF: Section 1-3d

15. The 4 P's of marketing are price, product, promotion, and place.

ANS: T
The 4 P's of marketing are price, product, promotion, and place.

PTS: 1 DIF: Easy REF: Section 1-3d

16. Relationship marketing is the process of developing and nurturing relationships with all the parties participating in the transactions involving a company's products.

ANS: T
Relationship marketing is defined as the process of developing and nurturing relationships with the parties participating in the transactions involving a company's products.

PTS: 1 DIF: Moderate REF: Section 1-3d

17. Marketing has evolved over time and, as a result, a firm can take three different approaches to marketing: product approach, selling approach, and marketing approach.

ANS: F
A firm can take five different approaches to marketing by adopting the product concept, the production concept, the selling concept, the marketing concept, and the societal marketing concept.

PTS: 1 DIF: Moderate REF: Section 1-4

18. The product concept assumes that consumers prefer products that are easily accessible and inexpensive.

ANS: F
The product concept assumes that consumers prefer products that are of the highest quality and optimal performance.

PTS: 1 DIF: Moderate REF: Section 1-4a

19. The production concept assumes that consumers prefer products that are of the highest quality and optimal performance.

ANS: F
The production concept assumes that consumers prefer products that are easily accessible and inexpensive.

Marketing Essentials 8th edition Lascu Test Bank

PTS: 1 DIF: Moderate REF: Section 1-4a

20. Firms at the forefront of technology introducing new products to the market are most likely to adopt the production concept.

ANS: F
Firms at the forefront of technology introducing new products to the market are most likely to adopt the product concept, not the production concept.

PTS: 1 DIF: Moderate REF: Section 1-4a

21. With the product and production orientation, manufacturing, engineering, and research dictate what products should be marketed rather than the needs, preferences, and interests of the final consumers.

ANS: T
The product and production concepts both focus strategies on the production process and delivery, devoting significant resources to research, product development, manufacturing, and engineering.

PTS: 1 DIF: Difficult REF: Section 1-4a

22. The selling concept focuses on offering customers goods that best fit their needs and desires.

ANS: F
The selling concept focuses on persuading consumers to make purchases, rather than offering customers goods that best fit their needs and desires.

PTS: 1 DIF: Difficult REF: Section 1-4b

23. The production concept assumes that consumers left alone will normally not purchase the products that the firm is selling, or not purchase enough products.

ANS: F
The selling concept assumes that consumers left alone will normally not purchase the products that the firm is selling, or not purchase enough products.

PTS: 1 DIF: Easy REF: Section 1-4b

24. The societal marketing concept assumes that a company can compete more effectively if it first researches consumers' generic needs, wants, and preferences, as well as product or service-related attitudes, and personal interests.

ANS: F
It is the marketing concept that assumes that a company can compete more effectively if it first researches consumers' generic needs, wants, and preferences, as well as product or service-related attitudes, and personal interests.

PTS: 1 DIF: Medium REF: Section 1-4c

25. The selling concept has as its primary goal increasing sales volume, whereas the marketing concept has as its primary goal addressing customer needs and wants.

ANS: T

Marketing Essentials 8th edition Lascu Test Bank

The selling concept is focused primarily on increasing sales volume, whereas the marketing concept focuses primarily on addressing customer needs and wants.

PTS: 1 DIF: Moderate REF: Section 1-4c

26. When Anheuser Busch airs a television advertisement encouraging individuals under 21 not to drink beer, they are involved in demarketing.

ANS: T
Demarketing is defined as reducing the demand for a company's own products, if that is in the interest of society.

PTS: 1 DIF: Difficult REF: Section 1-4d

27. The societal marketing concept assumes that a company can compete more effectively if it first researches consumers' needs, wants, and preferences, then delivers the goods in a manner that maximizes society's wellbeing.

ANS: T
The societal marketing concept assumes that the company will have an advantage over competitors if it applies the marketing concept in a manner that maximizes society's wellbeing.

PTS: 1 DIF: Moderate REF: Section 1-4d

28. Partnering with another for-profit business to help a nonprofit cause is referred to as engaging in cause-related marketing.

ANS: F
Cause-related marketing refers to a long-term partnership between a nonprofit organization and a corporation that is integrated into the corporation's marketing plan.

PTS: 1 DIF: Moderate REF: Section 1-4d

29. The tendency of marketing efforts to focus on products, production, or sales and ignore specific consumer needs or important markets is known as marketing myopia.

ANS: T
Marketing myopia is defined as the tendency of marketing efforts to focus on products, production, or sales and ignore specific consumer needs or important markets.

PTS: 1 DIF: Moderate REF: Section 1-4f

30. The danger of the product, production, and selling concepts is that they may lead to marketing myopia.

ANS: T
The danger of the product, production, and selling concepts is that they may lead to marketing myopia. But even companies that embrace the societal marketing concept could experience marketing myopia.

PTS: 1 DIF: Difficult REF: Section 1-4f

31. A market orientation is defined as a company-wide culture creating the necessary behaviors for delivering superior value to buyers.

ANS: T

Marketing Essentials 8th edition Lascu Test Bank

A market orientation is a systematic quest for and dissemination of information across departments, and subsequent organization-wide response in a manner that best addresses customers' needs and preferences.

PTS: 1 DIF: Easy REF: Section 1-5a

32. For optimal performance in the marketplace, marketers need to address consumer needs and wants more effectively than competitors.

ANS: T
For optimal performance in the marketplace, marketers need to address consumer needs and wants more effectively than competitors. That is, they have to use a marketing strategy using the four *P's* of marketing in a manner that optimally addresses consumer needs.

PTS: 1 DIF: Moderate REF: Section 1-5b

33. Companies with a value-based philosophy ensure customer needs are addressed in a manner that delivers high quality products and services that lead to customer satisfaction.

ANS: T
Companies with a value-based philosophy ensure customer needs are addressed in a manner that delivers high quality products and services that lead to customer satisfaction.

PTS: 1 DIF: Moderate REF: Section 1-5c

34. The customer database is particularly valuable in developing a customer relationship management (CRM) program.

ANS: T
The customer database is particularly valuable in developing a CRM. It provides a unified customer view across the enterprise, tying together all the interaction between the company and a particular customer.

PTS: 1 DIF: Difficult REF: Section 1-5d

35. At the heart of customer relationship management (CRM) is the value-based philosophy.

ANS: F
At the heart of customer relationship management is the concept of customer lifetime value (LTV).

PTS: 1 DIF: Moderate REF: Section 1-5d

36. Consumer valuation theory most accurately captures a customer's potential value to the firm.

ANS: F
Consumer valuation theory focuses on the customer financial contribution to the firm; life-time value captures a customer's potential value to the firm.

PTS: 1 DIF: Moderate REF: Section 1-5d

Marketing Essentials 8th edition Lascu Test Bank

MULTIPLE CHOICE

1. More than 30 million Americans work entirely or in part in assisting the marketing system, with _____ accounting for the largest segment.
   a. salespeople
   b. advertising
   c. brand managers
   d. business-to-business buyers

   ANS: A
   More than 30 million Americans work directly within the aggregate marketing system, with salespeople accounting for the largest segment.

   PTS: 1 DIF: Difficult REF: Section 1-2

2. The sum of all goods and services produced within the boundaries of a country is the
   a. national product index (NPI).
   b. gross domestic product (GDP).
   c. gross national product (GNP).
   d. marketing orientation.

   ANS: B
   The gross domestic product (GDP) is calculated as the sum of all goods and services produced within the boundaries of a country.

   PTS: 1 DIF: Easy REF: Section 1-2

3. Nations with higher proportions of their populations involved in marketing and with a developed marketing system also have a:

   a. lower GDP
   b. higher GDP.
   c. larger manufacturing capacity
   d. larger natural resource base

   ANS: B
   Nations with higher proportions of their populations involved in marketing and with a developed marketing system also have a higher GDP.

   PTS: 1 DIF: Difficult REF: Section 1-2

4. Successful marketers must be able to identify target consumers as well as all of the following except
   a. needs
   b. wants
   c. demands
   d. desires

   ANS: D
   Successful marketers must be able to identify target consumers as well as their needs, wants, and demands.

   PTS: 1 DIF: Easy REF: Section 1-3a

5. A need becomes a want when it
   a. is directed at a particular need
   b. is directed at a particular product
   c. meets physiological needs such as hunger and thirst
   d. is backed by the ability to make a purchase

   ANS: B

Needs become wants when they are directed to a particular product. Wants are shaped by one's culture.

PTS: 1 DIF: Moderate REF: Section 1-3a

6. A want becomes a demand when it
   a. is directed at a particular need
   b. is directed at a particular product
   c. meets physiological needs such as hunger and thirst
   d. is backed by the ability to make a purchase

   ANS: D
   A want becomes a demand when it is backed by the ability to purchase a particular good or service.

   PTS: 1 DIF: Moderate REF: Section 1-3a

7. _____ are shaped by an individual's culture.
   a. Needs
   b. Wants
   c. Demands
   d. Values

   ANS: B
   Wants are shaped by one's culture. For example, shelter wants are met in various ways around the world.

   PTS: 1 DIF: Moderate REF: Section 1-3a

8. Basic human requirements such as food, water, clothing, and shelter would be classified as a
   a. want
   b. demand
   c. need
   d. market

   ANS: C
   Needs are defined as basic human requirements: physiological needs, such as food and water; safety needs; social needs, such as affection and acceptance; self-esteem needs, such as the need for recognition; and self-actualization needs, such as the need for self-improvement.

   PTS: 1 DIF: Easy REF: Section 1-3a

9. Value is
   a. the overall quality of a product
   b. based on the level of satisfaction with a product
   c. the overall price given the quality of a product
   d. based on price, quality, and satisfaction

   ANS: C
   Value, defined as the overall price given the quality of the product, is especially important in the first purchase of a product.

   PTS: 1 DIF: Moderate REF: Section 1-3b

10. The key to whether consumers or businesses will purchase a product again is the
    a. price
    b. price relative to quality
    c. need for the product
    d. level of satisfaction

    ANS: D

Marketing Essentials 8th edition Lascu Test Bank

Satisfaction is the key to whether consumers or businesses purchase again. If you're satisfied you will purchase again. If not, you will purchase another brand.

PTS: 1 DIF: Difficult REF: Section 1-3b

11. _____ is defined as the overall good or service quality, reliability, and the extent to which it meets consumers' needs.
    a. Value
    b. Demand
    c. Quality
    d. Satisfaction

    ANS: C
    Quality refers to overall product quality, reliability, and the extent to which it meets consumers' needs. Perceived quality has the greatest impact on satisfaction.

    PTS: 1 DIF: Easy REF: Section 1-3b

12. Goods refer to
    a. tangible products such as clothing
    b. intangible products such as a haircut
    c. concepts and experiences such as a trip to the beach
    d. products that are sold through retail outlets

    ANS: A
    Goods generally refer to tangible products. Clothing is an example of a tangible product.

    PTS: 1 DIF: Easy REF: Section 1-3c

13. All of the following are examples of services except a
    a. facial at a beauty salon
    b. trip to the beach
    c. a dental check-up
    d. taxi ride to a sporting event

    ANS: B
    A trip to the beach is an experience, rather than a service.

    PTS: 1 DIF: Moderate REF: Section 1-3c

14. Intangible activities or benefits that individuals acquire, but that do not result in ownership are called
    a. goods
    b. ideas and experiences
    c. services
    d. products

    ANS: C
    Services are defined as intangible activities or benefits that individuals acquire, but that do not result in ownership.

    PTS: 1 DIF: Easy REF: Section 1-3c

15. Going on a safari in Kenya or riding an elephant at the zoo would be examples of
    a. goods
    b. services
    c. products
    d. experiences

    ANS: D
    Going on a safari in Kenya or riding an elephant at the zoo would be examples of experiences that consumers perceive as valuable because they fulfill consumer needs and wants.

    PTS: 1 DIF: Moderate REF: Section 1-3c

Marketing Essentials 8th edition Lascu Test Bank

16. The central concept behind marketing is
    a. meeting consumers' needs and wants
    b. satisfying the demand of consumers
    c. the exchange process
    d. understanding consumers' needs, wants, and demands

    ANS: C
    The exchange process is central to marketing at every level.

    PTS: 1 DIF: Difficult REF: Section 1-3d

17. The process of developing and nurturing relationships with the parties participating in the transactions involving a company's products is called
    a. relationship marketing
    b. marketing
    c. promotion
    d. the marketing concept

    ANS: A
    Relationship marketing is the process of developing and nurturing relationships with the parties participating in the transactions involving a company's products.

    PTS: 1 DIF: Easy REF: Section 1-3d

18. The 4 P's of marketing are
    a. price, promotion, product, and perceived quality
    b. price, perception, product, place
    c. price, product, people, promotion
    d. price, product, promotion, and place

    ANS: D
    The 4 P's of marketing are product, price, place, and promotion.

    PTS: 1 DIF: Easy REF: Section 1-3d

19. In the 4 P's of marketing, place refers to the
    a. distribution process
    b. research process
    c. exchange process
    d. integrated process of combining price and promotion

    ANS: A
    In the 4 P's of marketing, place refers to distribution.

    PTS: 1 DIF: Easy REF: Section 1-3d

20. Marketing has evolved over time and therefore, a firm can take different approaches to marketing. All of the following are possible approaches except
    a. placing a heavy emphasis on producing the best product it can, hoping someone will buy it
    b. reducing costs through improved manufacturing processes and technological development, thus selling its products at a lower price
    c. placing a heavy emphasis on the distribution channel, offering customers optimal access to the product
    d. placing a heavy emphasis on selling its products to consumers and businesses, striving to convince customers of the superiority of its products

Marketing Essentials 8th edition Lascu Test Bank

ANS: C
A firm can take five different approaches to marketing by adopting the product concept, the production concept, the selling concept, the marketing concept, and the societal marketing concept.

PTS: 1 DIF: Difficult REF: Section 1-4

21. The _____ concept assumes that consumers prefer products that are the most easily accessible and inexpensive.
a. production
b. product
c. selling
d. marketing

ANS: A
The production concept assumes that consumers prefer products that are easily accessible and inexpensive.

PTS: 1 DIF: Easy REF: Section 1-4a

22. The _____ concept assumes that consumers prefer products that are of the highest quality and optimal performance.
a. production
b. product
c. selling
d. marketing

ANS: B
The product concept assumes that consumers prefer products that are of the highest quality and optimal performance.

PTS: 1 DIF: Easy REF: Section 1-4a

23. When a pharmaceutical company such as Pfizer works to develop a new drug for cancer or other major illness, it is using the
a. production concept
b. product concept
c. marketing concept
d. societal marketing concept

ANS: B
When a pharmaceutical company such as Pfizer works to develop a new drug for cancer or other major illness, it is using the product concept, which assumes that consumers prefer products that are of the highest quality and optimal performance.

PTS: 1 DIF: Difficult REF: Section 1-4a

24. When the patent on a new drug expires, competing firms will often develop alternative medicines that offer consumers the same drug at a cheaper price. This philosophy of marketing is based on the
a. production concept
b. product concept
c. selling concept
d. marketing concept

ANS: A
The production concept assumes that consumers prefer products that are easily accessible and inexpensive, therefore, when the patent on a new drug expires, competing firms will often develop alternative medicines that offer consumers the same drug at a cheaper price.

PTS: 1 DIF: Difficult REF: Section 1-4a

25. The _____ concept assumes that consumers left alone will normally not purchase the products the firm is selling, or not purchase enough products.
a. production
c. selling

Marketing Essentials 8th edition Lascu Test Bank

b. product
d. marketing

ANS: C
The selling concept assumes that consumers left alone will normally not purchase the products the firm is selling, or not purchase enough products.

PTS: 1 DIF: Easy REF: Section 1-4b

26. With the _____, the focus is on persuading consumers to make a purchase rather than offering them the products that best fit their needs and interests.
a. production concept
b. selling concept
c. marketing concept
d. societal marketing concept

ANS: B
The focus of the selling concept is on persuading consumers to make a purchase rather than offering them the products that best fit their needs and interests.

PTS: 1 DIF: Moderate REF: Section 1-4b

27. When a Burger King offers $1.00 off coupons for their Whopper sandwich to encourage consumers to purchase it, Burger King is using the
a. product concept
b. production concept
c. selling concept
d. marketing concept

ANS: C
Burger King is using the selling concept because the coupon is designed to persuade consumers to purchase the sandwich.

PTS: 1 DIF: Difficult REF: Section 1-4b

28. The _____ concept assumes that a company can compete more effectively if it first researches consumers' generic needs, wants, preferences, as well as product or service-related attitudes, and personal interests.
a. production
b. product
c. selling
d. marketing

ANS: D
The marketing concept assumes that a company can compete more effectively if it first researches consumers' generic needs, wants, preferences, as well as product or service-related attitudes, and personal interests.

PTS: 1 DIF: Easy REF: Section 1-4c

29. The marketing concept consists of all of the following components except
a. an integrated marketing approach
b. a value-based philosophy
c. an organizational goal orientation
d. a concern for societal needs

ANS: D
The marketing concept consists of an integrated marketing approach, an organizational goal orientation, and it has a value-based philosophy. However, the societal marketing concept has a concern for societal needs, assuming that the company will have an advantage over competitors if it applies the marketing concept in a manner that maximizes society's well-being.

PTS: 1 DIF: Difficult REF: Section 1-4c

Marketing Essentials 8th edition Lascu Test Bank

30. The selling concept has as its primary goal increasing sales volume, whereas the _____ philosophy has as its primary goal addressing customer needs and wants.
a. production
b. product
c. marketing
d. societal marketing

ANS: C
The marketing philosophy has as its primary goal addressing customer needs and wants.

PTS: 1 DIF: Difficult REF: Section 1-4c

31. The _____ concept assumes that the company will have an advantage over competitors if it applies the marketing concept in a manner that maximizes society's well-being.
a. production
b. selling
c. marketing
d. societal marketing

ANS: D
The societal marketing concept assumes that the company will have an advantage over competitors if it applies the marketing concept in a manner that maximizes society's well-being.

PTS: 1 DIF: Easy REF: Section 1-4d

32. In the process of adopting the societal marketing concept, many companies will
a. partner with nonprofit firms to engage in cause-related marketing
b. utilize the production concept to reduce costs and thereby allow more members of society to purchase its products
c. utilize only domestic suppliers to reduce the dependence on the world economy
d. focus on providing post-purchase service to the buyer

ANS: A
Many companies, in the process of adopting the societal marketing concept, partner with nonprofit firms to engage in cause-related marketing. Cause-related marketing refers to a long-term partnership between a nonprofit organization and a corporation that is integrated into the corporation's marketing plan.

PTS: 1 DIF: Moderate REF: Section 1-4d

33. The process of reducing demand for your own product when it is in the best interest of society is called
a. societal marketing
b. demarketing
c. relationship marketing
d. cause-related marketing

ANS: B
Demarketing is defined as reducing the demand for a company's own products, if that is in the best interest of society.

PTS: 1 DIF: Easy REF: Section 1-4d

34. The danger of the product, production, and selling concepts in marketing is
a. that they ignore the concept of supply and demand
b. that they may lead to marketing myopia
c. the excess supply caused by overproduction
d. the lack of product variety

ANS: B
Marketing myopia is the tendency of marketing efforts to focus on products, production, or sales and ignore specific consumer needs or important markets.

Marketing Essentials 8th edition Lascu Test Bank

PTS: 1 DIF: Difficult REF: Section 1-4e

35. The marketing concepts which are most likely to lead to marketing myopia are the
    a. marketing and selling concepts alone
    b. marketing and societal marketing concept alone
    c. selling, product, and production concepts alone
    d. product and production concepts alone

    ANS: C
    The marketing concepts which are most likely to lead to marketing myopia are the selling, product, and production concepts.

    PTS: 1 DIF: Difficult REF: Section 1-4e

36. The tendency of marketing efforts to focus on products, production, or sales and ignore specific consumer needs or important markets is called
    a. marketing myopia
    b. the marketing concept
    c. societal marketing concept
    d. relationship marketing

    ANS: A
    Marketing myopia is defined as the tendency of marketing efforts to focus on products, production, or sales and ignore specific consumer needs or important markets.

    PTS: 1 DIF: Easy REF: Section 1-4e

37. Key elements of the societal marketing concept are all of the following except
    a. data mining
    b. an integrated marketing approach
    c. a focus on consumer needs and the needs of society
    d. a value-based philosophy

    ANS: A
    Key elements of the societal marketing concept include an integrated approach, focus on consumer needs and wants, and a value-based philosophy.

    PTS: 1 DIF: Difficult REF: Section 1-5

38. A company-wide culture that creates the necessary behaviors for delivering superior values to buyers is called
    a. the societal marketing concept
    b. an integrated marketing approach
    c. a market orientation
    d. marketing myopia

    ANS: C
    A market orientation is a company-wide culture that creates the necessary behaviors for delivering superior values to buyers.

    PTS: 1 DIF: Difficult REF: Section 1-5a

39. Successful companies that adopt a value-base philosophy are also likely to
    a. use the product concept
    b. use a selling concept
    c. invest in society, primarily for altruistic reasons that benefit society, not the company
    d. use a product orientation

ANS: C
Successful companies that adopt a value-based philosophy are also likely to invest in society, primarily for altruistic reasons that benefit society, not the company—even if, ultimately, there is an expectation of commercial return.

PTS: 1 DIF: Difficult REF: Section 1-5c

40. If expectations of a good or service are greater than performance, consumers are likely to be
    a. satisfied and will likely purchase the good or service again
    b. somewhat satisfied, but would switch to another good or service without much persuasion
    c. dissatisfied and will likely engage in negative word-of-mouth communications and firm switching behavior
    d. satisfied, but not necessarily likely to purchase the product again

ANS: C
If expectations are greater than performance, then consumers are likely to be dissatisfied with the good or service and may never purchase the brand again. These consumers are expected to engage in negative word-of-mouth communications about the company or brand as well as firm switching behavior.

PTS: 1 DIF: Moderate REF: Section 1-5c

41. Customer relationship management is the
    a. database application program designed to build long-term relationships with customers
    b. estimated profitability of a customer over his or her entire relationship with the company
    c. estimated profitability of a customer over his or her lifetime
    d. holistic multichannel approach to marketing to customers when and where they want to make purchases

ANS: A
Customer relationship management is defined as the holistic process of identifying, attracting, differentiating, and retaining customers. Its eight building blocks are vision, strategy, customer experience, organizational collaboration, CRM processes, information, technology, and metrics.

PTS: 1 DIF: Moderate REF: Section 1-5e

42. Customer relationship management characteristics include all of the following except
    a. use technology to enhance efficiency
    b. focus on customer communication
    c. shares data across all functional areas
    d. provide the ultimate organizational goal for an organization

ANS: D
Customer relationship management does not provide the ultimate organizational goal for an organization.

PTS: 1 DIF: Difficult REF: Section 1-5e

43. Consumer valuation theory
    a. focuses on the use of technology to enhance efficiency
    b. captures a customer's potential value to the firm
    c. focuses on the consumer's financial contribution to the firm
    d. represents the ultimate organizational goal for an organization

ANS: C

Marketing Essentials 8th edition Lascu Test Bank

Consumer valuation theory focuses on the consumer's direct and indirect financial contribution to the firm

PTS: 1 DIF: Difficult REF: Section 1-5e

COMPLETION

1. _____ are basic human requirements such as food, water, and shelter.

   ANS: Needs

   PTS: 1 DIF: Moderate REF: Section 1-3a

2. A need that is directed at a particular product are referred to as a(n) _____.

   ANS: want

   PTS: 1 DIF: Moderate REF: Section 1-3a

3. _____ are wants backed by the ability to buy the good or service.

   ANS: Demands

   PTS: 1 DIF: Moderate REF: Section 1-3a

4. _____ is the overall price given the quality of a product.

   ANS: Value

   PTS: 1 DIF: Moderate REF: Section 1-3b

5. _____ is a match between consumer expectations and good or service performance.

   ANS: Satisfaction

   PTS: 1 DIF: Moderate REF: Section 1-3b

6. _____ are intangible activities or benefits that a consumer or business acquires, but do not result in ownership, such as an airplane trip.

   ANS: Services

   PTS: 1 DIF: Easy REF: Section 1-3c

7. Tangible products such as clothes are called _____.

   ANS: goods

   PTS: 1 DIF: Easy REF: Section 1-3c

8. The process of developing and nurturing relationships with all the parties participating in a marketing transaction is called _____.

Marketing Essentials 8th edition Lascu Test Bank

ANS: relationship marketing

PTS: 1 DIF: Difficult REF: Section 1-3d

9. The marketing philosophy that assumes consumers prefer products that are easily accessible and inexpensive is the _____ concept.

ANS: production

PTS: 1 DIF: Difficult REF: Section 1-4a

10. The marketing philosophy that assumes consumers prefer products that are of the highest quality and optimal performance is the _____ concept.

ANS: product

PTS: 1 DIF: Difficult REF: Section 1-4a

11. The marketing philosophy that assumes that the consumer, if left alone, will normally not purchase the products a firm is selling or not purchase enough products is the _____ concept.

ANS: selling

PTS: 1 DIF: Difficult REF: Section 1-4b

12. The marketing philosophy that assumes a company can compete more effectively if it first researches consumers' needs, wants, and preferences is the _____concept.

ANS: marketing

PTS: 1 DIF: Moderate REF: Section 1-4c

13. The marketing philosophy that assumes a company will have an advantage over competitors if it applies the marketing concept in a manner that maximizes society's wellbeing is the _____ concept.

ANS: societal marketing

PTS: 1 DIF: Moderate REF: Section 1-4d

14. _____ occurs when a company actively strives to reduce demand for its own products in order to benefit society.

ANS: Demarketing

PTS: 1 DIF: Difficult REF: Section 1-4d

15. _____ is the tendency of marketing efforts to focus on products/production or sales and ignore specific consumer needs, or important markets.

ANS: Marketing myopia

PTS: 1 DIF: Difficult REF: Section 1-4e

Marketing Essentials 8th edition Lascu Test Bank

ESSAY

1. Discuss the importance and role of marketing in the 21st Century.

   ANS:
   Marketing constitutes an ever-growing, important driving force of today's modern society. In the United States alone, there are over 330 million consumers spending over $17.4 trillion on products and services. A significant portion of all individuals in the United States are employed entirely or in part assisting the marketing system to perform its functions. Thus, the broad marketing system is integral to a society's economic system, offering employment and income for millions working in the marketing field, enabling them to be productive and earn money needed for consumption, leading to an improved national infrastructure—in transportation, telecommunication, medical care, and finance. Companies engaged in marketing pay taxes that further fund public programs. The system's mass-market efficiencies allow for lower costs, lower prices, and increased overall consumer access, fostering innovation that ultimately benefits consumption. Marketing enhances economic development, buyers' wellbeing and general quality of life.

   PTS: 1 DIF: Difficult REF: Section 1-2

2. Define marketing and identify its key concepts.

   ANS:
   Marketing is defined as the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. Important concepts in marketing are needs (basic human requirements), wants (directed to a particular product), and demands (wants backed by the ability to buy the respective product or service brand). The 4 P's of marketing are products (goods, services ideas, and experiences), price, place (distribution), and promotion. At each level of distribution, between the manufacturer, wholesalers, retailer, and consumer, an exchange takes place: a desired good or service is obtained in exchange for something else. Exchanges involve at least two parties that mutually agree on the desirability of the exchange.

   PTS: 1 DIF: Moderate REF: Section 1-3

3. Explain the differences between needs, wants, and demands. Give an illustration of each.

   ANS:
   A need is a basic human requirement such as physiological, safety, social, self-esteem, or self-actualization. A want is a need that is directed toward a particular product. A demand is a want that is backed by the ability to make a purchase. Illustrations will vary.

   PTS: 1 DIF: Moderate REF: Section 1-3a

4. Explain the difference between goods and services.

   ANS:
   Goods refer to tangible products like an automobile while services are intangible activities or benefits such as a haircut.

   PTS: 1 DIF: Easy REF: Section 1-3c

5. What are the different marketing philosophies?

   ANS:

Marketing Essentials 8th edition Lascu Test Bank

The different philosophies are: the production concept, which assumes that consumers prefer products that are easily accessible and inexpensive; the product concept, which assumes that consumers prefer products that are of the highest quality and optimal performance; the selling concept, which assumes that consumers left alone will not buy, or not buy enough (they need to be aggressively sold in order to purchase); the marketing concept, which focuses on the consumers' needs and works to create a good/service that matches those needs, and the societal marketing concept, a philosophy that applies the marketing concept in a manner that maximizes society's wellbeing.

PTS: 1 DIF: Difficult REF: Section 1-4

6. Discuss the key elements of the societal marketing concept and the importance of these elements in meeting the needs of consumers and society, and of the organization.

ANS:
The first key element is a market orientation and an integrated marketing approach, which is a firm-wide focus on customer needs and on delivering high quality products to consumers. The second key concept is the achievement of company objectives. The third key element is the dissemination of marketing information across departments using an integrated marketing approach. The fourth key element is a focus on consumer and societal needs. The fifth key element is a value-based philosophy that places value, quality and consumer satisfaction first. This is accomplished through the last key element, which is an organizational goal orientation that creates profit and shareholder wealth, while offering goods or services that are desirable, competitively priced, and delivered within easy consumer access.

PTS: 1 DIF: Difficult REF: Section 1-4d

Marketing Essentials 8th edition Lascu Test Bank

Marketing Essentials (8th)

ISBN 9781957725420 | Chapter 1

Total Questions: 92

Multiple Choice (43)

Q1. *[Multiple Choice] · Cognitive Domain: Analysis*

More than 30 million Americans work entirely or in part in assisting the marketing system, with _____ accounting for the largest segment.

a) salespeople ✓ correct
b) advertising
c) brand managers
d) business-to-business buyers

Q2. *[Multiple Choice] · Cognitive Domain: Knowledge*

The sum of all goods and services produced within the boundaries of a country is the

a) national product index (NPI).
b) gross domestic product (GDP). ✓ correct
c) gross national product (GNP).
d) marketing orientation.

Q3. *[Multiple Choice] · Cognitive Domain: Analysis*

Nations with higher proportions of their populations involved in marketing and with a developed marketing system also have a:

a) lower GDP
b) higher higher GDP. ✓ correct
c) larger manufacturing capacity
d) larger natural resource base

Q4. *[Multiple Choice] · Cognitive Domain: Knowledge*

Successful marketers must be able to identify target consumers as well as all of the following except

a) needs
b) wants
c) demands
d) desires ✓ correct

Q5. *[Multiple Choice] · Cognitive Domain: Comprehension*

A need becomes a want when it

a) is directed at a particular need
b) is directed at a particular product ✓ correct
c) meets physiological needs such as hunger and thirst
d) is backed by the ability to make a purchase

Q6. *[Multiple Choice] · Cognitive Domain: Comprehension*

A want becomes a demand when it

a) is directed at a particular need
b) is directed at a particular product
c) meets physiological needs such as hunger and thirst
d) is backed by the ability to make a purchase ✓ correct

Marketing Essentials 8th edition Lascu Test Bank

Q7. *[Multiple Choice] · Cognitive Domain: Comprehension*

_____ are shaped by an individual's culture.

a) Needs
b) Wants ✓ correct
c) Demands
d) Values

Q8. *[Multiple Choice] · Cognitive Domain: Knowledge*

Basic human requirements such as food, water, clothing, and shelter would be classified as a

a) want
b) demand
c) need ✓ correct
d) market

Q9. *[Multiple Choice] · Cognitive Domain: Comprehension*

Value is

a) the overall quality of a product
b) based on the level of satisfaction with a product
c) the overall price given the quality of a product ✓ correct
d) based on price, quality, and satisfaction

Q10. *[Multiple Choice] · Cognitive Domain: Analysis*

The key to whether consumers or businesses will purchase a product again is the

a) price
b) price relative to quality
c) need for the product
d) level of satisfaction ✓ correct

Q11. *[Multiple Choice] · Cognitive Domain: Knowledge*

_____ is defined as the overall good or service quality, reliability, and the extent to which it meets consumers' needs.

a) Value
b) Demand
c) Quality ✓ correct
d) Satisfaction

Q12. *[Multiple Choice] · Cognitive Domain: Knowledge*

Goods refer to

a) tangible products such as clothing ✓ correct
b) intangible products such as a haircut
c) concepts and experiences such as a trip to the beach
d) products that are sold through retail outlets

Q13. *[Multiple Choice] · Cognitive Domain: Comprehension*

All of the following are examples of services except a

a) facial at a beauty salon
b) trip to the beach ✓ correct
c) a dental check-up
d) taxi ride to a sporting event

Marketing Essentials 8th edition Lascu Test Bank

Q14. *[Multiple Choice] · Cognitive Domain: Knowledge*

Intangible activities or benefits that individuals acquire, but that do not result in ownership are called

a) goods
b) ideas and experiences
c) services ✓ correct
d) products

Q15. *[Multiple Choice] · Cognitive Domain: Comprehension*

Going on a safari in Kenya or riding an elephant at the zoo would be examples of

a) goods
b) services
c) products
d) experiences ✓ correct

Q16. *[Multiple Choice] · Cognitive Domain: Analysis*

The central concept behind marketing is

a) meeting consumers' needs and wants
b) satisfying the demand of consumers
c) the exchange process ✓ correct
d) understanding consumers' needs, wants, and demands

Q17. *[Multiple Choice] · Cognitive Domain: Knowledge*

The process of developing and nurturing relationships with the parties participating in the transactions involving a company's products is called

a) relationship marketing ✓ correct
b) marketing
c) promotion
d) the marketing concept

Q18. *[Multiple Choice] · Cognitive Domain: Knowledge*

The 4 P's of marketing are

a) price, promotion, product, and perceived quality
b) price, perception, product, place
c) price, product, people, promotion
d) price, product, promotion, and place ✓ correct

Q19. *[Multiple Choice] · Cognitive Domain: Knowledge*

In the 4 P's of marketing, place refers to the

a) distribution process ✓ correct
b) research process
c) exchange process
d) integrated process of combining price and promotion

Marketing Essentials 8th edition Lascu Test Bank

Q20. *[Multiple Choice] · Cognitive Domain: Analysis*

Marketing has evolved over time and therefore, a firm can take different approaches to marketing. All of the following are possible approaches except

a) placing a heavy emphasis on producing the best product it can, hoping someone will buy it

b) reducing costs through improved manufacturing processes and technological development, thus selling its products at a lower price

c) placing a heavy emphasis on the distribution channel, offering customers optimal access to the product ✓ correct

d) placing a heavy emphasis on selling its products to consumers and businesses, striving to convince customers of the superiority of its products

Q21. *[Multiple Choice] · Cognitive Domain: Knowledge*

The _____ concept assumes that consumers prefer products that are the most easily accessible and inexpensive.

a) production ✓ correct

b) product

c) selling

d) marketing

Q22. *[Multiple Choice] · Cognitive Domain: Knowledge*

The _____ concept assumes that consumers prefer products that are of the highest quality and optimal performance.

a) production

b) product ✓ correct

c) selling

d) marketing

Q23. *[Multiple Choice] · Cognitive Domain: Analysis*

When a pharmaceutical company such as Pfizer works to develop a new drug for cancer or other major illness, it is using the

a) production concept

b) product concept ✓ correct

c) marketing concept

d) societal marketing concept

Q24. *[Multiple Choice] · Cognitive Domain: Analysis*

When the patent on a new drug expires, competing firms will often develop alternative medicines that offer consumers the same drug at a cheaper price. This philosophy of marketing is based on the

a) production concept ✓ correct

b) product concept

c) selling concept

d) marketing concept

Q25. *[Multiple Choice] · Cognitive Domain: Knowledge*

The _____ concept assumes that consumers left alone will normally not purchase the products the firm is selling, or not purchase enough products.

a) production

b) product

c) selling ✓ correct

d) marketing

Q26. *[Multiple Choice] · Cognitive Domain: Comprehension*

With the _____, the focus is on persuading consumers to make a purchase rather than offering them the products that best fit their needs and interests.

a) production concept
b) selling concept ✓ correct
c) marketing concept
d) societal marketing concept

Q27. *[Multiple Choice] · Cognitive Domain: Analysis*

When a Burger King offers $1.00 off coupons for their Whopper sandwich to encourage consumers to purchase it, Burger King is using the

a) product concept
b) production concept
c) selling concept ✓ correct
d) marketing concept

Q28. *[Multiple Choice] · Cognitive Domain: Knowledge*

The _____ concept assumes that a company can compete more effectively if it first researches consumers' generic needs, wants, preferences, as well as product or service-related attitudes, and personal interests.

a) production
b) product
c) selling
d) marketing ✓ correct

Q29. *[Multiple Choice] · Cognitive Domain: Analysis*

The marketing concept consists of all of the following components except

a) an integrated marketing approach
b) a value-based philosophy
c) an organizational goal orientation
d) a concern for societal needs ✓ correct

Q30. *[Multiple Choice] · Cognitive Domain: Analysis*

The selling concept has as its primary goal increasing sales volume, whereas the _____ philosophy has as its primary goal addressing customer needs and wants.

a) production
b) product
c) marketing ✓ correct
d) societal marketing

Q31. *[Multiple Choice] · Cognitive Domain: Knowledge*

The _____ concept assumes that the company will have an advantage over competitors if it applies the marketing concept in a manner that maximizes society's well-being.

a) production
b) selling
c) marketing
d) societal marketing ✓ correct

Marketing Essentials 8th edition Lascu Test Bank

Q32. *[Multiple Choice] · Cognitive Domain: Comprehension*

In the process of adopting the societal marketing concept, many companies will

a) partner with nonprofit firms to engage in cause-related marketing ✓ correct

b) utilize the production concept to reduce costs and thereby allow more members of society to purchase its products

c) utilize only domestic suppliers to reduce the dependence on the world economy

d) focus on providing post-purchase service to the buyer

Q33. *[Multiple Choice] · Cognitive Domain: Knowledge*

The process of reducing demand for your own product when it is in the best interest of society is called

a) societal marketing

b) demarketing ✓ correct

c) relationship marketing

d) cause-related marketing

Q34. *[Multiple Choice] · Cognitive Domain: Analysis*

The danger of the product, production, and selling concepts in marketing is

a) that they ignore the concept of supply and demand

b) that they may lead to marketing myopia ✓ correct

c) the excess supply caused by overproduction

d) the lack of product variety

Q35. *[Multiple Choice] · Cognitive Domain: Analysis*

The marketing concepts which are most likely to lead to marketing myopia are the

a) marketing and selling concepts alone

b) marketing and societal marketing concept alone

c) selling, product, and production concepts alone ✓ correct

d) product and production concepts alone

Q36. *[Multiple Choice] · Cognitive Domain: Knowledge*

The tendency of marketing efforts to focus on products, production, or sales and ignore specific consumer needs or important markets is called

a) marketing myopia ✓ correct

b) the marketing concept

c) societal marketing concept

d) relationship marketing

Q37. *[Multiple Choice] · Cognitive Domain: Analysis*

Key elements of the societal marketing concept are all of the following except

a) data mining ✓ correct

b) an integrated marketing approach

c) a focus on consumer needs and the needs of society

d) a value-based philosophy

Q38. *[Multiple Choice] · Cognitive Domain: Analysis*

A company-wide culture that creates the necessary behaviors for delivering superior values to buyers is called

a) the societal marketing concept

b) an integrated marketing approach

c) a market orientation ✓ correct

d) marketing myopia

Q39. *[Multiple Choice] · Cognitive Domain: Analysis*

Successful companies that adopt a value-base philosophy are also likely to

a) use the product concept
b) use a selling concept
c) invest in society, primarily for altruistic reasons that benefit society, not the company ✓ correct
d) use a product orientation

Q40. *[Multiple Choice] · Cognitive Domain: Comprehension*

If expectations of a good or service are greater than performance, consumers are likely to be

a) satisfied and will likely purchase the good or service again
b) somewhat satisfied, but would switch to another good or service without much persuasion
c) dissatisfied and will likely engage in negative word-of-mouth communications and firm switching behavior ✓ correct
d) satisfied, but not necessarily likely to purchase the product again

Q41. *[Multiple Choice] · Cognitive Domain: Comprehension*

Customer relationship management is the

a) database application program designed to build long-term relationships with customers ✓ correct
b) estimated profitability of a customer over his or her entire relationship with the company
c) estimated profitability of a customer over his or her lifetime
d) holistic multichannel approach to marketing to customers when and where they want to make purchases

Q42. *[Multiple Choice] · Cognitive Domain: Analysis*

Customer relationship management characteristics include all of the following except

a) use technology to enhance efficiency
b) focus on customer communication
c) shares data across all functional areas
d) provide the ultimate organizational goal for an organization ✓ correct

Q43. *[Multiple Choice] · Cognitive Domain: Analysis*

Consumer valuation theory

a) focuses on the use of technology to enhance efficiency
b) captures a customer's potential value to the firm
c) focuses on the consumer's financial contribution to the firm ✓ correct
d) represents the ultimate organizational goal for an organization

True/False (28)

Q44. *[True/False] · Cognitive Domain: Analysis*

The level of satisfaction is a function of the actual value of a product and whether it adequately meets the consumer's expectations.

a) True
b) False ✓ correct

Correct answer: False

Q45. *[True/False] · Cognitive Domain: Knowledge*

Goods generally refer to tangible products such as cereals, automobiles, and clothing, while services refer to intangible activities or benefits that individuals acquire, but that do not result in ownership.

a) True ✓ correct
b) False

Correct answer: True

Q46. *[True/False] · Cognitive Domain: Knowledge*

A beauty salon would be an example of a service.

a) True ✓ correct
b) False

Correct answer: True

Q47. *[True/False] · Cognitive Domain: Analysis*

A bakery would be an example of a good.

a) True
b) False ✓ correct

Correct answer: False

Q48. *[True/False] · Cognitive Domain: Knowledge*

Scuba diving would be an example of an idea or experience.

a) True ✓ correct
b) False

Correct answer: True

Q49. *[True/False] · Cognitive Domain: Comprehension*

At each level of exchange in the channel of distribution, information is exchanged for a monetary sum.

a) True
b) False ✓ correct

Correct answer: False

Q50. *[True/False] · Cognitive Domain: Knowledge*

The 4 P's of marketing are price, product, promotion, and place.

a) True ✓ correct
b) False

Correct answer: True

Q51. *[True/False] · Cognitive Domain: Comprehension*

Relationship marketing is the process of developing and nurturing relationships with all the parties participating in the transactions involving a company's products.

a) True ✓ correct
b) False

Correct answer: True

Q52. *[True/False] · Cognitive Domain: Comprehension*

Marketing has evolved over time and, as a result, a firm can take three different approaches to marketing: product approach, selling approach, and marketing approach.

a) True
b) False ✓ correct

Correct answer: False

Q53. *[True/False] · Cognitive Domain: Comprehension*

The product concept assumes that consumers prefer products that are easily accessible and inexpensive.

a) True
b) False ✓ correct

Correct answer: False

Q54. *[True/False] · Cognitive Domain: Comprehension*

The production concept assumes that consumers prefer products that are of the highest quality and optimal performance.

a) True

b) False ✓ correct

Correct answer: False

Q55. *[True/False] · Cognitive Domain: Comprehension*

Firms at the forefront of technology introducing new products to the market are most likely to adopt the production concept.

a) True

b) False ✓ correct

Correct answer: False

Q56. *[True/False] · Cognitive Domain: Analysis*

With the product and production orientation, manufacturing, engineering, and research dictate what products should be marketed rather than the needs, preferences, and interests of the final consumers.

a) True ✓ correct

b) False

Correct answer: True

Q57. *[True/False] · Cognitive Domain: Analysis*

The selling concept focuses on offering customers goods that best fit their needs and desires.

a) True

b) False ✓ correct

Correct answer: False

Q58. *[True/False] · Cognitive Domain: Knowledge*

The production concept assumes that consumers left alone will normally not purchase the products that the firm is selling, or not purchase enough products.

a) True

b) False ✓ correct

Correct answer: False

Q59. *[True/False] · Cognitive Domain: Comprehension*

The societal marketing concept assumes that a company can compete more effectively if it first researches consumers' generic needs, wants, and preferences, as well as product or service-related attitudes, and personal interests.

a) True

b) False ✓ correct

Correct answer: False

Q60. *[True/False] · Cognitive Domain: Comprehension*

The selling concept has as its primary goal increasing sales volume, whereas the marketing concept has as its primary goal addressing customer needs and wants.

a) True ✓ correct

b) False

Correct answer: True

Q61. *[True/False] · Cognitive Domain: Analysis*

When Anheuser Busch airs a television advertisement encouraging individuals under 21 not to drink beer, they are involved in demarketing.

a) True ✓ correct

b) False

Correct answer: True

Q62. *[True/False] · Cognitive Domain: Comprehension*

The societal marketing concept assumes that a company can compete more effectively if it first researches consumers' needs, wants, and preferences, then delivers the goods in a manner that maximizes society's wellbeing.

a) True ✓ correct

b) False

Correct answer: True

Q63. *[True/False] · Cognitive Domain: Comprehension*

Partnering with another for-profit business to help a nonprofit cause is referred to as engaging in cause-related marketing.

a) True

b) False ✓ correct

Correct answer: False

Q64. *[True/False] · Cognitive Domain: Comprehension*

The tendency of marketing efforts to focus on products, production, or sales and ignore specific consumer needs or important markets is known as marketing myopia.

a) True ✓ correct

b) False

Correct answer: True

Q65. *[True/False] · Cognitive Domain: Analysis*

The danger of the product, production, and selling concepts is that they may lead to marketing myopia.

a) True ✓ correct

b) False

Correct answer: True

Q66. *[True/False] · Cognitive Domain: Knowledge*

A market orientation is defined as a company-wide culture creating the necessary behaviors for delivering superior value to buyers.

a) True ✓ correct

b) False

Correct answer: True

Q67. *[True/False] · Cognitive Domain: Comprehension*

For optimal performance in the marketplace, marketers need to address consumer needs and wants more effectively than competitors.

a) True ✓ correct

b) False

Correct answer: True

Q68. *[True/False] · Cognitive Domain: Comprehension*

Companies with a value-based philosophy ensure customer needs are addressed in a manner that delivers high quality products and services that lead to customer satisfaction.

a) True ✓ correct

b) False

Correct answer: True

Q69. *[True/False] · Cognitive Domain: Analysis*

The customer database is particularly valuable in developing a customer relationship management (CRM) program.

a) True ✓ correct

b) False

Correct answer: True

Q70. *[True/False] · Cognitive Domain: Comprehension*

At the heart of customer relationship management (CRM) is the value-based philosophy.

a) True

b) False ✓ correct

Correct answer: False

Q71. *[True/False] · Cognitive Domain: Comprehension*

Consumer valuation theory most accurately captures a customer's potential value to the firm.

a) True

b) False ✓ correct

Correct answer: False

Essay (21)

Q72. *[Essay] · Cognitive Domain: Comprehension*

_____ are basic human requirements such as food, water, and shelter.

Suggested answer: *Sample response: Needs*

Q73. *[Essay] · Cognitive Domain: Comprehension*

A need that is directed at a particular product are referred to as a(n) _____.

Suggested answer: *Sample response: want*

Q74. *[Essay] · Cognitive Domain: Comprehension*

_____ are wants backed by the ability to buy the good or service.

Suggested answer: *Sample response: Demands*

Q75. *[Essay] · Cognitive Domain: Comprehension*

_____ is the overall price given the quality of a product.

Suggested answer: *Sample response: Value*

Q76. *[Essay] · Cognitive Domain: Comprehension*

_____ is a match between consumer expectations and good or service performance.

Suggested answer: *Sample response: Satisfaction*

Q77. *[Essay] · Cognitive Domain: Knowledge*

_____ are intangible activities or benefits that a consumer or business acquires, but do not result in ownership, such as an airplane trip.

Suggested answer: *Sample response: Services*

Marketing Essentials 8th edition Lascu Test Bank

Q78. *[Essay] · Cognitive Domain: Knowledge*

Tangible products such as clothes are called _____.

Suggested answer: *Sample response: goods*

Q79. *[Essay] · Cognitive Domain: Analysis*

The process of developing and nurturing relationships with all the parties participating in a marketing transaction is called _____.

Suggested answer: *Sample response: relationship marketing*

Q80. *[Essay] · Cognitive Domain: Analysis*

The marketing philosophy that assumes consumers prefer products that are easily accessible and inexpensive is the _____ concept.

Suggested answer: *Sample response: production*

Q81. *[Essay] · Cognitive Domain: Analysis*

The marketing philosophy that assumes consumers prefer products that are of the highest quality and optimal performance is the _____ concept.

Suggested answer: *Sample response: product*

Q82. *[Essay] · Cognitive Domain: Analysis*

The marketing philosophy that assumes that the consumer, if left alone, will normally not purchase the products a firm is selling or not purchase enough products is the _____ concept.

Suggested answer: *Sample response: selling*

Q83. *[Essay] · Cognitive Domain: Comprehension*

The marketing philosophy that assumes a company can compete more effectively if it first researches consumers' needs, wants, and preferences is the _____concept.

Suggested answer: *Sample response: marketing*

Q84. *[Essay] · Cognitive Domain: Comprehension*

The marketing philosophy that assumes a company will have an advantage over competitors if it applies the marketing concept in a manner that maximizes society's wellbeing is the _____ concept.

Suggested answer: *Sample response: societal marketing*

Q85. *[Essay] · Cognitive Domain: Analysis*

_____ occurs when a company actively strives to reduce demand for its own products in order to benefit society.

Suggested answer: *Sample response: Demarketing*

Q86. *[Essay] · Cognitive Domain: Analysis*

_____ is the tendency of marketing efforts to focus on products/production or sales and ignore specific consumer needs, or important markets.

Suggested answer: *Sample response: Marketing myopia*

Q87. *[Essay] · Cognitive Domain: Analysis*

Discuss the importance and role of marketing in the 21st Century.

Suggested answer: *Sample response: Marketing constitutes an ever-growing, important driving force of today's modern society. In the United States alone, there are over 330 million consumers spending over $17.4 trillion on products and services. A significant portion of all individuals in the United States are employed entirely or in part assisting the marketing system to perform its functions. Thus, the broad marketing system is integral to a society's economic system, offering employment and income for millions working in the marketing field, enabling them to be productive and earn money needed for consumption, leading to an improved national infrastructure—in transportation, telecommunication, medical care, and finance. Companies engaged in marketing pay taxes that further fund public programs. The system's mass-market efficiencies allow for lower costs, lower prices, and increased overall consumer access, fostering innovation that ultimately benefits consumption. Marketing enhances economic development, buyers' wellbeing and general quality of life.*

Q88. *[Essay] · Cognitive Domain: Comprehension*

Define marketing and identify its key concepts.

Suggested answer: *Sample response: Marketing is defined as the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. Important concepts in marketing are needs (basic human requirements), wants (directed to a particular product), and demands (wants backed by the ability to buy the respective product or service brand). The 4 P's of marketing are products (goods, services ideas, and experiences), price, place (distribution), and promotion. At each level of distribution, between the manufacturer, wholesalers, retailer, and consumer, an exchange takes place: a desired good or service is obtained in exchange for something else. Exchanges involve at least two parties that mutually agree on the desirability of the exchange.*

Q89. *[Essay] · Cognitive Domain: Comprehension*

Explain the differences between needs, wants, and demands. Give an illustration of each.

Suggested answer: *Sample response: A need is a basic human requirement such as physiological, safety, social, self-esteem, or self-actualization. A want is a need that is directed toward a particular product. A demand is a want that is backed by the ability to make a purchase. Illustrations will vary.*

Q90. *[Essay] · Cognitive Domain: Knowledge*

Explain the difference between goods and services.

Suggested answer: *Sample response: Goods refer to tangible products like an automobile while services are intangible activities or benefits such as a haircut.*

Q91. *[Essay] · Cognitive Domain: Analysis*

What are the different marketing philosophies?

Suggested answer: *Sample response: The different philosophies are: the production concept, which assumes that consumers prefer products that are easily accessible and inexpensive; the product concept, which assumes that consumers prefer products that are of the highest quality and optimal performance; the selling concept, which assumes that consumers left alone will not buy, or not buy enough (they need to be aggressively sold in order to purchase); the marketing concept, which focuses on the consumers' needs and works to create a good/service that matches those needs, and the societal marketing concept, a philosophy that applies the marketing concept in a manner that maximizes society's wellbeing.*

Q92. *[Essay] · Cognitive Domain: Analysis*

Discuss the key elements of the societal marketing concept and the importance of these elements in meeting the needs of consumers and society, and of the organization.

Suggested answer: *Sample response: The first key element is a market orientation and an integrated marketing approach, which is a firm-wide focus on customer needs and on delivering high quality products to consumers. The second key concept is the achievement of company objectives. The third key element is the dissemination of marketing information across departments using an integrated marketing approach. The fourth key element is a focus on consumer and societal needs. The fifth key element is a value-based philosophy that places value, quality and consumer satisfaction first. This is accomplished through the last key element, which is an organizational goal orientation that creates profit and shareholder wealth, while offering goods or services that are desirable, competitively priced, and delivered within easy consumer access.*