Chapter 1

*Student: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

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| 1. | Basic necessities of life, such as food, clothing, shelter, or safety are referred to as:      |  |  | | --- | --- | | A. | demands. |  |  |  | | --- | --- | | B. | wants. |  |  |  | | --- | --- | | C. | exchanges. |  |  |  | | --- | --- | | D. | desires. |  |  |  | | --- | --- | | E. | needs. | |

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| 2. | The particular way in which a person chooses to satisfy the requirement for any of the basic necessities of life is a(n):      |  |  | | --- | --- | | A. | demand. |  |  |  | | --- | --- | | B. | want. |  |  |  | | --- | --- | | C. | exchange. |  |  |  | | --- | --- | | D. | necessity. |  |  |  | | --- | --- | | E. | need. | |

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| 3. | A non-governmental organization provides food and shelter to homeless people. Food and shelter are included in the definition of:      |  |  | | --- | --- | | A. | demand. |  |  |  | | --- | --- | | B. | want. |  |  |  | | --- | --- | | C. | exchange. |  |  |  | | --- | --- | | D. | necessity. |  |  |  | | --- | --- | | E. | need. | |

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| 4. | In the context of understanding consumer needs and wants, which of the following is true of wants?      |  |  | | --- | --- | | A. | They are the basic necessities, such as food, clothing, shelter, and safety. |  |  |  | | --- | --- | | B. | They are similar for all individuals. |  |  |  | | --- | --- | | C. | They do not vary across cultures. |  |  |  | | --- | --- | | D. | They do not influence people's buying behaviour. |  |  |  | | --- | --- | | E. | They are shaped by a person's knowledge, culture, and personality. | |

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| 5. | Human beings require clothes to cover their bodies. Some of them may wear designer clothes, while others may pick up clothes from the flea market. This example illustrates different ways to satisfy a basic requirement of life and describes the concept of a(n):      |  |  | | --- | --- | | A. | demand. |  |  |  | | --- | --- | | B. | want. |  |  |  | | --- | --- | | C. | exchange. |  |  |  | | --- | --- | | D. | necessity. |  |  |  | | --- | --- | | E. | need. | |

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| 6. | A trader in the market trades his goods for the money that is paid for the goods offered by him. This is an example of a(n):      |  |  | | --- | --- | | A. | demand. |  |  |  | | --- | --- | | B. | want. |  |  |  | | --- | --- | | C. | exchange. |  |  |  | | --- | --- | | D. | necessity. |  |  |  | | --- | --- | | E. | need. | |

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| 7. | The customer segment or group to whom a firm is interested in selling its products and services is the:      |  |  | | --- | --- | | A. | commodity market. |  |  |  | | --- | --- | | B. | stock market. |  |  |  | | --- | --- | | C. | target market. |  |  |  | | --- | --- | | D. | currency market. |  |  |  | | --- | --- | | E. | artificial market. | |

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| 8. | The trade of things of value between a buyer and a seller so that each is better off as a result is referred to as a(n):      |  |  | | --- | --- | | A. | demand. |  |  |  | | --- | --- | | B. | want. |  |  |  | | --- | --- | | C. | exchange. |  |  |  | | --- | --- | | D. | necessity. |  |  |  | | --- | --- | | E. | need. | |

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| 9. | The controllable set of activities that a firm uses to respond to the wants of its target markets is referred to as:      |  |  | | --- | --- | | A. | a supply chain. |  |  |  | | --- | --- | | B. | the marketing mix. |  |  |  | | --- | --- | | C. | value cocreation. |  |  |  | | --- | --- | | D. | the marketing plan. |  |  |  | | --- | --- | | E. | relational orientation. | |

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| 10. | The fundamental purpose of marketing is to create value by:      |  |  | | --- | --- | | A. | hiring the right people for the promotion of the products being manufactured. |  |  |  | | --- | --- | | B. | educating employees about sales and customer preferences. |  |  |  | | --- | --- | | C. | fixing the measure of sacrifice that a customer is willing to make in order to acquire a specific product. |  |  |  | | --- | --- | | D. | developing a variety of offerings, including goods, services, and ideas, to satisfy customer needs. |  |  |  | | --- | --- | | E. | delivering a product on offer to a customer. | |

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| 11. | Which of the following holds true for the term "goods"?      |  |  | | --- | --- | | A. | They refer to tangible customer benefits that are produced by people or machines and can be separated from the producer. |  |  |  | | --- | --- | | B. | They refer to intangible customer benefits that are produced by people or machines and cannot be separated from the producer. |  |  |  | | --- | --- | | C. | They refer to the sacrifices a consumer is willing to make in terms of money, time, and energy in order to acquire a specific product or service. |  |  |  | | --- | --- | | D. | They refer to thoughts, opinions, philosophies, and intellectual concepts that can be marketed. |  |  |  | | --- | --- | | E. | They refer to the price that needs to be paid in exchange for a service offered by a company. | |

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| 12. | Which of the following holds true for the term "services"?      |  |  | | --- | --- | | A. | They refer to the tangible customer benefits that are produced by people or machines and can be separated from the producer. |  |  |  | | --- | --- | | B. | They refer to the intangible customer benefits that are produced by people or machines and cannot be separated from the producer. |  |  |  | | --- | --- | | C. | They refer to the overall sacrifice a consumer is willing to make in terms of money, time, and energy in order to acquire a specific product or service. |  |  |  | | --- | --- | | D. | They refer to thoughts, opinions, philosophies, and intellectual concepts that also can be marketed. |  |  |  | | --- | --- | | E. | They refer to the physical attributes that a customer obtains through purchase of a commodity in exchange of a price paid for it. | |

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| 13. | An artist in an opera performs for the benefit of the audience. The live performance of the artist would be termed a(n):      |  |  | | --- | --- | | A. | idea. |  |  |  | | --- | --- | | B. | good. |  |  |  | | --- | --- | | C. | service. |  |  |  | | --- | --- | | D. | commodity. |  |  |  | | --- | --- | | E. | price. | |

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| 14. | Which of the following include thoughts, opinions, philosophies, and intellectual concepts that can be marketed?      |  |  | | --- | --- | | A. | Desires |  |  |  | | --- | --- | | B. | Ideas |  |  |  | | --- | --- | | C. | Needs |  |  |  | | --- | --- | | D. | Wants |  |  |  | | --- | --- | | E. | Exchanges | |

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| 15. | Since women constitute 90 percent of Karen's—a pharmacy chain's—customers, the chain decided to implement changes that would make the shopping experience more pleasant for them. Karen introduced a system for shorter waiting time at the check-out counters, wider and better-lit passageways, and more beauty products. Women constitute Karen's:      |  |  | | --- | --- | | A. | commodity market. |  |  |  | | --- | --- | | B. | target market. |  |  |  | | --- | --- | | C. | currency market. |  |  |  | | --- | --- | | D. | secondary target market. |  |  |  | | --- | --- | | E. | niche market. | |

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| 16. | A commercial roofing company provides commercial roofing services as its primary service. It also takes up residential roof repair and replacement for a few individual customers. The residential market provides solid revenue and constitutes the:      |  |  | | --- | --- | | A. | primary commodity market. |  |  |  | | --- | --- | | B. | primary target market. |  |  |  | | --- | --- | | C. | secondary retail market. |  |  |  | | --- | --- | | D. | secondary target market. |  |  |  | | --- | --- | | E. | niche market. | |

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| 17. | Sports Inc., a global sports brand, wants to present an effective campaign across many markets. The company wants to engage the youth across key markets in Europe, and the campaign's main objective is to generate awareness about the company. These efforts are made by Sports Inc. to attract the youth as they constitute the company's:      |  |  | | --- | --- | | A. | primary commodity market. |  |  |  | | --- | --- | | B. | primary target market. |  |  |  | | --- | --- | | C. | primary currency market. |  |  |  | | --- | --- | | D. | secondary target market. |  |  |  | | --- | --- | | E. | niche market. | |

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| 18. | Tangerine Inc. conducts art contests for kindergarteners across many schools. The company encourages parents and siblings to be involved in these contests to encourage and support the participants. Parents and siblings constitute the:      |  |  | | --- | --- | | A. | primary commodity market. |  |  |  | | --- | --- | | B. | primary target market. |  |  |  | | --- | --- | | C. | primary currency market. |  |  |  | | --- | --- | | D. | secondary target market. |  |  |  | | --- | --- | | E. | niche market. | |

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| 19. | Which of the following holds true for the term "price"?      |  |  | | --- | --- | | A. | It refers to the tangible customer benefits that are produced by people or machines and can be separated from the producer. |  |  |  | | --- | --- | | B. | It refers to the intangible customer benefits that are produced by people or machines and cannot be separated from the producer. |  |  |  | | --- | --- | | C. | It refers to the overall sacrifice a consumer is willing to make in terms of money, time, and energy in order to acquire a specific product or service. |  |  |  | | --- | --- | | D. | It refers to thoughts, opinions, philosophies, and intellectual concepts that also can be marketed. |  |  |  | | --- | --- | | E. | It refers to the value a customer receives through the purchase of a company's product or service. | |

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| 20. | Maria wants to buy a bike. She spends a lot of time and energy trying to find the right bike. She does find one and then pays $200 to buy it. The time and energy spent along with the sum of money constitute the:      |  |  | | --- | --- | | A. | idea. |  |  |  | | --- | --- | | B. | good. |  |  |  | | --- | --- | | C. | service. |  |  |  | | --- | --- | | D. | exchange. |  |  |  | | --- | --- | | E. | price. | |

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| 21. | For marketers, the key to determining prices is to:      |  |  | | --- | --- | | A. | vary the price of products frequently before finalizing. |  |  |  | | --- | --- | | B. | focus exclusively on high organizational profitability. |  |  |  | | --- | --- | | C. | figure out how much customers are willing to pay. |  |  |  | | --- | --- | | D. | rely on the price range of competitors to determine pricing strategies. |  |  |  | | --- | --- | | E. | involve employees in making price decisions. | |

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| 22. | A company manufactures soaps. It selects a small number of retail outlets to distribute the product. Among the four Ps of marketing, this exemplifies:      |  |  | | --- | --- | | A. | people. |  |  |  | | --- | --- | | B. | price. |  |  |  | | --- | --- | | C. | place. |  |  |  | | --- | --- | | D. | policy. |  |  |  | | --- | --- | | E. | promotion. | |

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| 23. | A company is developing an efficient system for merchandise to be distributed in the right quantities, to the right locations, and at the right time in the most efficient way. It is making:      |  |  | | --- | --- | | A. | people decisions. |  |  |  | | --- | --- | | B. | price decisions. |  |  |  | | --- | --- | | C. | place decisions. |  |  |  | | --- | --- | | D. | product decisions. |  |  |  | | --- | --- | | E. | promotion decisions. | |

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| 24. | Which of the following components of the four Ps of marketing includes all the activities necessary to get a product from the manufacturer or producer to the right customer when that customer wants it?      |  |  | | --- | --- | | A. | people |  |  |  | | --- | --- | | B. | price |  |  |  | | --- | --- | | C. | place |  |  |  | | --- | --- | | D. | product |  |  |  | | --- | --- | | E. | promotion | |

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| 25. | A major sporting goods company distributes its products via retailers. It offers attractive subsidies on its products to encourage retailers to sell higher volumes. Among the four Ps of marketing, this exemplifies the use of:      |  |  | | --- | --- | | A. | people |  |  |  | | --- | --- | | B. | price |  |  |  | | --- | --- | | C. | place |  |  |  | | --- | --- | | D. | product |  |  |  | | --- | --- | | E. | promotion | |

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| 26. | Among the four Ps of marketing, the component that informs, persuades, and reminds potential buyers about a product or service to influence their opinions or elicit a response is the component of:      |  |  | | --- | --- | | A. | people. |  |  |  | | --- | --- | | B. | price. |  |  |  | | --- | --- | | C. | place. |  |  |  | | --- | --- | | D. | product. |  |  |  | | --- | --- | | E. | promotion. | |

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| 27. | The process in which businesses sell to consumers is referred to as:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. | |

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| 28. | The process of selling merchandise or services from one business to another is referred to as:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. | |

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| 29. | A daycare business provides babysitting services as well as structured preschool education and learning simulation for kids. This is an example of:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. | |

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| 30. | An automobile manufacturer buys tires, glass for windscreens, and rubber hoses for its vehicles. The suppliers of these products are other companies that specialize in the manufacturing of this equipment. This is an example of:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. | |

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| 31. | Mir Air is one of the largest airlines in the world. It provides scheduled and chartered air transport for passengers to 200 destinations worldwide. Together with its regional partners, the airline operates, on an average, more than 1,500 scheduled flights daily. This is an example of:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. | |

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| 32. | Bank International was created to provide the working class with a means of saving. The bank accepts all deposits between $1 and $500. The bank encourages people who save a very small amount every month to continue to save. This is an example of:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. | |

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| 33. | Spatialtech, an aerospace company, is a major service provider for space research organizations. This is an example of:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. | |

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| 34. | Teal Corp. manufactures passenger car and automobile tires. It offers radial and tubeless tires to dealers and automobile companies. This is an example of:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. | |

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| 35. | Hisign is a company that allows customers to have a unique experience in that they can open a virtual shop that includes an online storefront. This virtual shop also offers other facilities such as website hosting, order management, fulfillment, payment processing, and customer service. The products uploaded by customers can be bought by people visiting the website. This shop is an example of:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. | |

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| 36. | May's, a social shopping website, launched a marketing platform that enables shoppers to recommend products to their friends. Friends discover these recommendations through Facebook, Twitter, email, and the May's website and search engine. This is an example of:      |  |  | | --- | --- | | A. | C2B marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | B2C marketing. | |

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| 37. | Mary buying an iPod from Tom on eBay is an example of:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. | |

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| 38. | The process in which consumers sell to other consumers is referred to as:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. | |

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| 39. | Zen Associates is a company that sells gaming consoles. It started a Facebook fan page that discusses current topics of interest in the world of virtual gaming. In this scenario, Zen Associates is using:      |  |  | | --- | --- | | A. | broadcast advertising. |  |  |  | | --- | --- | | B. | print media. |  |  |  | | --- | --- | | C. | social media. |  |  |  | | --- | --- | | D. | earned media. |  |  |  | | --- | --- | | E. | visual merchandising. | |

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| 40. | A martial arts training institute has uploaded quick two- to three-minute training tutorial videos on YouTube in order to advertise the institute. In this scenario, what is the institute using to advertise itself?      |  |  | | --- | --- | | A. | Secondary merchandising |  |  |  | | --- | --- | | B. | Social media |  |  |  | | --- | --- | | C. | Out-of-home marketing |  |  |  | | --- | --- | | D. | Broadcast advertising |  |  |  | | --- | --- | | E. | Print media | |

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| 41. | Which of the following involves the use of digital tools to easily and quickly create and share content to foster dialogue, relationships, and personal identities?      |  |  | | --- | --- | | A. | Broadcast advertising |  |  |  | | --- | --- | | B. | Print media |  |  |  | | --- | --- | | C. | Social media |  |  |  | | --- | --- | | D. | Out-of-home marketing |  |  |  | | --- | --- | | E. | Visual merchandising | |

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| 42. | GoBagged is a leading producer of travel bags. It uses blogging sites to connect with its customers and get daily updates about new marketing trends. What is GoBagged using to connect with its customers?      |  |  | | --- | --- | | A. | Visual merchandising |  |  |  | | --- | --- | | B. | Print media |  |  |  | | --- | --- | | C. | Out-of-home marketing |  |  |  | | --- | --- | | D. | Social media |  |  |  | | --- | --- | | E. | Broadcast advertising | |

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| 43. | Which of the following is true about the impact of marketing on stakeholders?      |  |  | | --- | --- | | A. | Marketing is often designed to benefit an entire industry. |  |  |  | | --- | --- | | B. | Many firms cannot be benefitted simultaneously by marketing. |  |  |  | | --- | --- | | C. | Most people think of marketing as a way for firms to satisfy customer needs. |  |  |  | | --- | --- | | D. | Governments do not rely on marketing to communicate their messages to their constituents. |  |  |  | | --- | --- | | E. | Marketing does not work well in the nonprofit sector. | |

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| 44. | The four different marketing orientations are:      |  |  | | --- | --- | | A. | competition, service, resource, and team based. |  |  |  | | --- | --- | | B. | promotion, operations, technology, and profit based. |  |  |  | | --- | --- | | C. | production, sales, market, and value based. |  |  |  | | --- | --- | | D. | price, customer, location, and segment based. |  |  |  | | --- | --- | | E. | innovation, strategy, cost, and customer based. | |

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| 45. | Which of the following holds true for product-oriented companies?      |  |  | | --- | --- | | A. | They focus on selling as many of their products as possible rather than focusing on making products consumers really want. |  |  |  | | --- | --- | | B. | They focus on giving customers better worth (monetary and nonmonetary) for products than their competitors. |  |  |  | | --- | --- | | C. | They focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |  |  |  | | --- | --- | | D. | They focus on the extension of a single brand name to market products in different product categories. |  |  |  | | --- | --- | | E. | They focus on what consumers want and need before they design, make, or attempt to sell their products and services. | |

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| 46. | Which of the following holds true for sales-oriented companies?      |  |  | | --- | --- | | A. | They try to sell as many of their products as possible rather than focusing on making products consumers really want. |  |  |  | | --- | --- | | B. | They focus on giving their customers better worth (monetary and nonmonetary) for the products than their competitors. |  |  |  | | --- | --- | | C. | They focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |  |  |  | | --- | --- | | D. | They focus on the extension of a single brand name to market products in different product categories. |  |  |  | | --- | --- | | E. | They focus on what consumers want and need before they design, make, or attempt to sell their products and services. | |

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| 47. | Which of the following holds true for market-oriented companies?      |  |  | | --- | --- | | A. | They focus on selling as many of their products as possible rather than focusing on making products consumers really want. |  |  |  | | --- | --- | | B. | They focus on giving their customers better worth (monetary and nonmonetary) for the products than their competitors. |  |  |  | | --- | --- | | C. | They focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |  |  |  | | --- | --- | | D. | They focus on the extension of a single brand name to market products in different product categories. |  |  |  | | --- | --- | | E. | They focus on what consumers want and need before they design, make, or attempt to sell their products and services. | |

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| 48. | Which of the following holds true for value-oriented companies?      |  |  | | --- | --- | | A. | They focus on selling as many of their products as possible rather than focusing on making products consumers really want. |  |  |  | | --- | --- | | B. | They focus on giving their customers better worth for products than their competitors. |  |  |  | | --- | --- | | C. | They focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |  |  |  | | --- | --- | | D. | They focus on the extension of a single brand name to market products in different product categories. |  |  |  | | --- | --- | | E. | They focus on what consumers want and need before they design, make, or attempt to sell their products and services. | |

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| 49. | Which of the following types of companies focus on each transaction rather than building long-term customer relationships?      |  |  | | --- | --- | | A. | Cause-oriented companies |  |  |  | | --- | --- | | B. | Value-oriented companies |  |  |  | | --- | --- | | C. | Market-oriented companies |  |  |  | | --- | --- | | D. | Sales-oriented companies |  |  |  | | --- | --- | | E. | Product-oriented companies | |

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| 50. | Innovatives Inc. is a phone manufacturing company that creates phones with unique features and distributes them among retailers. The devices are created with little or no concern about customers' needs and wants. In this case, Innovatives is most likely a:      |  |  | | --- | --- | | A. | brand-oriented company. |  |  |  | | --- | --- | | B. | market-oriented company. |  |  |  | | --- | --- | | C. | customer-oriented company. |  |  |  | | --- | --- | | D. | value-oriented company. |  |  |  | | --- | --- | | E. | product-oriented company. | |

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| 51. | A sports goods manufacturing company attempts to sell consumers as many of their products as possible without focusing on what they really want. It mainly focuses on advertising its products in order to attract customers. It believes that customers will like its products once they try them. This is an example of a:      |  |  | | --- | --- | | A. | brand-oriented company. |  |  |  | | --- | --- | | B. | market-oriented company. |  |  |  | | --- | --- | | C. | sales-oriented company. |  |  |  | | --- | --- | | D. | value-oriented company. |  |  |  | | --- | --- | | E. | customer-oriented company. | |

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| 52. | Mirrors is a company that believes that every idea and technical solution should be focused on meeting customers' needs. It emphasizes understanding specific customer needs. Mirrors is an example of a:      |  |  | | --- | --- | | A. | brand-oriented company. |  |  |  | | --- | --- | | B. | market-oriented company. |  |  |  | | --- | --- | | C. | sales-oriented company. |  |  |  | | --- | --- | | D. | value-oriented company. |  |  |  | | --- | --- | | E. | product-oriented company. | |

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| 53. | A certain wine retailer sells what it calls QPR wines. QPR refers to quality price ratio. It simply means getting the best quality wine for the lowest possible price. The wine retailer would be an example of a:      |  |  | | --- | --- | | A. | brand-oriented company. |  |  |  | | --- | --- | | B. | market-oriented company. |  |  |  | | --- | --- | | C. | sales-oriented company. |  |  |  | | --- | --- | | D. | value-oriented company. |  |  |  | | --- | --- | | E. | product-oriented company. | |

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| 54. | Home Bakers introduced a new cake in the market. It was created as a product to be sold and not based on what customers wanted at that time. Therefore, the company concentrated on selling and paid little attention to the whether it satisfied customers' needs. Home Bakers is a:      |  |  | | --- | --- | | A. | product-oriented company. |  |  |  | | --- | --- | | B. | customer-oriented company. |  |  |  | | --- | --- | | C. | market-oriented company. |  |  |  | | --- | --- | | D. | value-oriented company. |  |  |  | | --- | --- | | E. | brand-oriented company. | |

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| 55. | A company sells cars of a single colour and advertises that the cars have many innovative features. The company refuses to change the colour of the car irrespective of the desire of the public to have a different-coloured car. This is an example of:      |  |  | | --- | --- | | A. | customer orientation. |  |  |  | | --- | --- | | B. | value orientation. |  |  |  | | --- | --- | | C. | market orientation. |  |  |  | | --- | --- | | D. | product orientation. |  |  |  | | --- | --- | | E. | brand orientation. | |

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| 56. | Drakes Inc. manufactures dirt bikes. The company mass-produces bikes based on the resources available. It does not focus on the needs of the customer. This is an example of:      |  |  | | --- | --- | | A. | sales orientation. |  |  |  | | --- | --- | | B. | value orientation. |  |  |  | | --- | --- | | C. | market orientation. |  |  |  | | --- | --- | | D. | customer orientation. |  |  |  | | --- | --- | | E. | brand orientation. | |

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| 57. | An airline was launched as a no-frills, heavy-discount carrier. One bottle of water was provided free of cost to all passengers, and the airline staff provided free board games to entertain passengers. All this was based on the understanding of what customers needed. This airline has a:      |  |  | | --- | --- | | A. | sales orientation. |  |  |  | | --- | --- | | B. | value orientation. |  |  |  | | --- | --- | | C. | market orientation. |  |  |  | | --- | --- | | D. | product orientation. |  |  |  | | --- | --- | | E. | brand orientation. | |

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| 58. | A coffee shop attempted to discover what customers really wanted from their coffee-drinking experience. It found that people liked to chat over their cup of coffee without anybody disturbing them. Therefore, the coffee shop allowed its customers to stay as long as they liked, without requiring them to order a new cup of coffee every 20 minutes to stay in the shop. This is an example of:      |  |  | | --- | --- | | A. | value orientation. |  |  |  | | --- | --- | | B. | brand orientation. |  |  |  | | --- | --- | | C. | product orientation. |  |  |  | | --- | --- | | D. | market orientation. |  |  |  | | --- | --- | | E. | sales orientation. | |

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| 59. | Which of the following is a requirement for making a firm value driven?      |  |  | | --- | --- | | A. | Self-contained independent units with little capacity to influence or be influenced |  |  |  | | --- | --- | | B. | High-priced goods with more emphasis on branding than quality control |  |  |  | | --- | --- | | C. | Innovative product range with low emphasis on customers' needs |  |  |  | | --- | --- | | D. | Sharing information about customers and competitors across one's own organization |  |  |  | | --- | --- | | E. | One-time transactional interaction rather than building relationships with customers | |

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| 60. | Nutrieat, a digestive cookie manufacturer, sold its products only in high quality, air-tight cans of 16oz and 32oz. To better satisfy customer needs, it recently introduced smaller packs of the biscuits in paper packages at reduced rates. Which of the following requirements for a value-driven firm does Nutrieat exemplify?      |  |  | | --- | --- | | A. | Sharing supplier information |  |  |  | | --- | --- | | B. | Balancing benefits with costs |  |  |  | | --- | --- | | C. | Building competitor relationships |  |  |  | | --- | --- | | D. | Social media marketing |  |  |  | | --- | --- | | E. | Gathering customer feedback | |

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| 61. | An automobile manufacturer maintains a database of when and how repeat customers buy its products, the options they choose, the way they finance the purchase, and so on. This database enables the company to understand its customers and make offers that appeal to them. Because of this initiative, a long-term bond is established between the buyer and seller. This is an example of:      |  |  | | --- | --- | | A. | transformational orientation. |  |  |  | | --- | --- | | B. | transactional orientation. |  |  |  | | --- | --- | | C. | live-in orientation. |  |  |  | | --- | --- | | D. | relational orientation. |  |  |  | | --- | --- | | E. | optimal orientation. | |

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| 62. | The method that helps buyers and sellers develop a long-term bond is called:      |  |  | | --- | --- | | A. | transformational orientation. |  |  |  | | --- | --- | | B. | transactional orientation. |  |  |  | | --- | --- | | C. | live-in orientation. |  |  |  | | --- | --- | | D. | relational orientation. |  |  |  | | --- | --- | | E. | optimal orientation. | |

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| 63. | Which of the following holds true for customer relationship management (CRM)?      |  |  | | --- | --- | | A. | It helps a company to allocate resources and is used as an analytical tool in brand marketing, product management, strategic management, and portfolio analysis. |  |  |  | | --- | --- | | B. | It is a strategic performance management tool that can be used by managers to keep track of the execution of activities by the staff within their control and to monitor the consequences arising from these actions. |  |  |  | | --- | --- | | C. | It is a set of strategies, programs, and systems that focus on identifying and building loyalty among a firm's most valued patrons. |  |  |  | | --- | --- | | D. | It is a framework for industry analysis and business strategy to determine the competitive intensity and, therefore, the attractiveness of a market. |  |  |  | | --- | --- | | E. | It is a system of processes that enables organizations to centrally manage deployment of surveys while dispersing authoring and analysis throughout an organization. | |

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| 64. | Mountaindale Hotels is a hotel chain that treats its customers like family. The company further influences its bond with customers with its quality of staff, reliability, consistent overall high quality, and global social responsibility programs. This is an example of:      |  |  | | --- | --- | | A. | transformational orientation. |  |  |  | | --- | --- | | B. | transactional orientation. |  |  |  | | --- | --- | | C. | live-in orientation. |  |  |  | | --- | --- | | D. | relational orientation. |  |  |  | | --- | --- | | E. | optimal orientation. | |

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| 65. | Fly Air offers airline credit cards and bonus flyer miles for a specific flight. If a Fly Air flight is late, the company gives the miles back to the customers before they even complain about it. Therefore, Fly Air has maintained excellent customer satisfaction ratings. This policy creates long-term bonds with passengers and makes them loyal to the company. This is an example of:      |  |  | | --- | --- | | A. | relational orientation. |  |  |  | | --- | --- | | B. | transactional orientation. |  |  |  | | --- | --- | | C. | transformational orientation. |  |  |  | | --- | --- | | D. | live-in orientation. |  |  |  | | --- | --- | | E. | optimal orientation. | |

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| 66. | Crimson Inc., a fruit-juice manufacturer, employs a set of feedback forms to collect information about customers' favourite flavours and the new flavours they want to try in future. The company then uses this information to focus on identifying and building loyalty among the firm's most valued patrons. This is an example of:      |  |  | | --- | --- | | A. | customer relationship management. |  |  |  | | --- | --- | | B. | the BCG matrix. |  |  |  | | --- | --- | | C. | Porter's five forces. |  |  |  | | --- | --- | | D. | transformational marketing. |  |  |  | | --- | --- | | E. | live-in marketing. | |

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| 67. | A firm that wishes to expand globally should ideally:      |  |  | | --- | --- | | A. | analyze new customers' needs and wants on a segment-by-segment, region-by-region basis. |  |  |  | | --- | --- | | B. | think about new customers in terms of transactions rather than relationships. |  |  |  | | --- | --- | | C. | try to sell as many of its products as possible rather than focusing on making products consumers really want. |  |  |  | | --- | --- | | D. | focus on developing and distributing innovative products before understanding customers. |  |  |  | | --- | --- | | E. | encourage its employees to invest heavily in socially responsible actions and charities. | |

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| 68. | The group of firms and set of techniques and approaches firms use to make and deliver a given set of goods and services is commonly referred to as:      |  |  | | --- | --- | | A. | stock iodation. |  |  |  | | --- | --- | | B. | demand optimization. |  |  |  | | --- | --- | | C. | inventory control. |  |  |  | | --- | --- | | D. | demand chain. |  |  |  | | --- | --- | | E. | supply chain. | |

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| 69. | When a customer visits the website of a company selling computers, the website provides the customer with information regarding pricing, product variety, and product availability. The customer makes a product choice. The order then goes to the assembly plant and then to all of the company's vendors and their vendors. This is an example of a(n):      |  |  | | --- | --- | | A. | stock valuation. |  |  |  | | --- | --- | | B. | demand optimization. |  |  |  | | --- | --- | | C. | inventory control. |  |  |  | | --- | --- | | D. | demand chain. |  |  |  | | --- | --- | | E. | supply chain. | |

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| 70. | Firms have come to realize that good corporate citizenship through socially responsible actions should be a priority because it:      |  |  | | --- | --- | | A. | communicates their products' value to customers. |  |  |  | | --- | --- | | B. | will result in high employee turnover. |  |  |  | | --- | --- | | C. | will make it easier for them to expand globally. |  |  |  | | --- | --- | | D. | will help their bottom line in the long run. |  |  |  | | --- | --- | | E. | enables them to sell goods in large quantities. | |

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| 71. | The key to the success of many entrepreneurs is that they launch ventures that:      |  |  | | --- | --- | | A. | aim to satisfy unfilled needs. |  |  |  | | --- | --- | | B. | have a product orientation. |  |  |  | | --- | --- | | C. | exclusively focus on distributing innovative products. |  |  |  | | --- | --- | | D. | depend on heavy doses of personal selling and advertising. |  |  |  | | --- | --- | | E. | have a sales orientation. | |

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| 72. | In the context of entrepreneurial marketing, great and distinguished entrepreneurs:      |  |  | | --- | --- | | A. | focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |  |  |  | | --- | --- | | B. | try to sell as many of their products as possible rather than focus on making products consumers really want. |  |  |  | | --- | --- | | C. | have realized the need to think about customers in terms of transactions rather than relationships. |  |  |  | | --- | --- | | D. | have a vision of how certain combinations of products and services can satisfy unfilled needs. |  |  |  | | --- | --- | | E. | try selling a product after it is developed rather than starting with an understanding of the customers' needs and then developing a product to satisfy those needs. | |

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|  | Marco wants to buy a bike. He spends a lot of time and energy trying to find the right bike. When he does find one, he persuades his father to buy it for him and arranges for its transportation from the store to his college. The bike is delivered to him at the college by a transport company arranged by the store. |

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| 73. | The time and energy spent by Marco along with the sum of money that he had spent to buy the bike constitute the:      |  |  | | --- | --- | | A. | idea. |  |  |  | | --- | --- | | B. | good. |  |  |  | | --- | --- | | C. | service. |  |  |  | | --- | --- | | D. | exchange. |  |  |  | | --- | --- | | E. | price. | |

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| 74. | The bike that Marco buys is an example of a(n):      |  |  | | --- | --- | | A. | idea. |  |  |  | | --- | --- | | B. | good. |  |  |  | | --- | --- | | C. | service. |  |  |  | | --- | --- | | D. | exchange. |  |  |  | | --- | --- | | E. | price. | |

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| 75. | The bike is delivered to Marco by a transport company. This is an example of a(n):      |  |  | | --- | --- | | A. | idea. |  |  |  | | --- | --- | | B. | good. |  |  |  | | --- | --- | | C. | service. |  |  |  | | --- | --- | | D. | exchange. |  |  |  | | --- | --- | | E. | price. | |

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|  | Ochre Cars International launches a new car in the market, priced at $300,000 and aimed at the premium segment. It selects a small number of exclusive outlets to distribute the product. The car is endorsed by popular Hollywood celebrities. |

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| 76. | Which of the four Ps of marketing represents the exclusive outlets where the new model will be displayed and sold?      |  |  | | --- | --- | | A. | People |  |  |  | | --- | --- | | B. | Price |  |  |  | | --- | --- | | C. | Place |  |  |  | | --- | --- | | D. | Product |  |  |  | | --- | --- | | E. | Promotion | |

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| 77. | Which of the four Ps of marketing does the $300,000 tag represent?      |  |  | | --- | --- | | A. | People |  |  |  | | --- | --- | | B. | Price |  |  |  | | --- | --- | | C. | Place |  |  |  | | --- | --- | | D. | Product |  |  |  | | --- | --- | | E. | Promotion | |

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| 78. | Which of the four Ps of marketing do the international rock stars who perform at the ceremony to launch the car and the popular Hollywood celebrities who endorse the car represent?      |  |  | | --- | --- | | A. | People |  |  |  | | --- | --- | | B. | Price |  |  |  | | --- | --- | | C. | Place |  |  |  | | --- | --- | | D. | Product |  |  |  | | --- | --- | | E. | Promotion | |

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| 79. | The new car that is being launched in the market represents which of the four Ps of marketing?      |  |  | | --- | --- | | A. | People |  |  |  | | --- | --- | | B. | Price |  |  |  | | --- | --- | | C. | Place |  |  |  | | --- | --- | | D. | Product |  |  |  | | --- | --- | | E. | Promotion | |

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|  | Mechalium Autos is an original equipment supplier that supplies tires, glass for windscreens, and rubber hoses to International Autos, which manufactures sport-utility vehicles. International Autos fits the equipment into its vehicles and sells them to individual customers. Mariam buys one such vehicle and uses it for five years and then resells it to her friend, Jake. |

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| 80. | The selling of equipment by the equipment supplier to the automobile company is called:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. | |

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| 81. | The sale of a sport-utility vehicle by International Autos to Mariam is called:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. | |

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| 82. | Mariam sells her sport-utility vehicle to Jake. This is an example of:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. | |

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|  | A flow chart representing the participants in a supply chain      A vegetable farm supplies potatoes to Kiwito, a company that produces potato chips. The potato chips are manufactured, packaged, and sent to different outlets from Kiwito's manufacturing units. Tim is a student who often buys Kiwito's potato chips from a local supermarket. |

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| 83. | In this case, Kiwito is a:      |  |  | | --- | --- | | A. | distributor |  |  |  | | --- | --- | | B. | consumer |  |  |  | | --- | --- | | C. | retailer |  |  |  | | --- | --- | | D. | supplier |  |  |  | | --- | --- | | E. | manufacturer. | |

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| 84. | The vegetable farm that potatoes to Kiwito is a:      |  |  | | --- | --- | | A. | consumer. |  |  |  | | --- | --- | | B. | distributor. |  |  |  | | --- | --- | | C. | supplier. |  |  |  | | --- | --- | | D. | manufacturer. |  |  |  | | --- | --- | | E. | buyer. | |

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| 85. | The local supermarket from where Tim buys the potato chips is an example of a:      |  |  | | --- | --- | | A. | manufacturer |  |  |  | | --- | --- | | B. | consumer |  |  |  | | --- | --- | | C. | supplier |  |  |  | | --- | --- | | D. | distributor |  |  |  | | --- | --- | | E. | producer | |

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| 86. | Tim, who buys the potato chips from a local supermarket, is a:      |  |  | | --- | --- | | A. | manufacturer |  |  |  | | --- | --- | | B. | distributor |  |  |  | | --- | --- | | C. | retailer |  |  |  | | --- | --- | | D. | supplier |  |  |  | | --- | --- | | E. | consumer | |

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|  | A chart representing the importance of marketing |

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| 87. | Chronium, a luxury watchmaker, had its products available in its own retail outlets in its home country until five years ago. Now, its products are available in outlets across many countries. Which important aspect of marketing is specifically exemplified in this case?      |  |  | | --- | --- | | A. | Reduction of accessibility |  |  |  | | --- | --- | | B. | Feedback monitoring |  |  |  | | --- | --- | | C. | Entrepreneurial stagnancy |  |  |  | | --- | --- | | D. | Expansion of global presence |  |  |  | | --- | --- | | E. | Mismanagement across supply chain | |

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| 88. | A dairy farm sells milk to a company that makes milk-based products and sells it under the brand name Whiteshed. Shania, a loyal customer, always buys Whiteshed cheese. Which of the following impacts of marketing is illustrated in this case?      |  |  | | --- | --- | | A. | New market research |  |  |  | | --- | --- | | B. | Global expansion of the market |  |  |  | | --- | --- | | C. | Supply chain management |  |  |  | | --- | --- | | D. | Turnaround strategies |  |  |  | | --- | --- | | E. | Limited choice of products | |

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| 89. | The Old Oven, a multinational bakery chain, donated its worldwide revenue of a month for the rehabilitation activities in a country affected by an earthquake. Which of the following is specifically exemplified in this case?      |  |  | | --- | --- | | A. | Marketing enriching society |  |  |  | | --- | --- | | B. | Marketing aiding entrepreneurship |  |  |  | | --- | --- | | C. | Marketing helping global expansion |  |  |  | | --- | --- | | D. | Marketing impacting supply chain management |  |  |  | | --- | --- | | E. | Marketing through social media | |

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| 90. | Mark starts his own company concentrating on producing products that satisfy customers' unfulfilled needs. He thoroughly analyzes the marketplace and develops products based on customers' needs and wants and then communicates the value of his products to potential customers. Which of the following does this scenario exemplify?      |  |  | | --- | --- | | A. | Marketing enriching society |  |  |  | | --- | --- | | B. | Marketing aiding entrepreneurship |  |  |  | | --- | --- | | C. | Marketing helping global expansion |  |  |  | | --- | --- | | D. | Marketing impacting supply chain management |  |  |  | | --- | --- | | E. | Marketing through social media | |

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| 91. | A marketing plan is broken down into various components and specifies the marketing activities for a specific period of time.    True    False |

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| 92. | Marketers find it practical to sell their products and services to everyone.    True    False |

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| 93. | The process of identifying customer segments that a company wants to target with its products and services requires market research.    True    False |

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| 94. | Marketing mix is the controllable set of activities that a firm uses to respond to the wants of its target markets.    True    False |

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| 95. | Services are tangible customer benefits that are produced by people or machines and can be easily separated from the producer.    True    False |

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| 96. | Ideas include thoughts, opinions, philosophies, and intellectual concepts that cannot be marketed.    True    False |

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| 97. | Price doesn't always have to be calculated in monetary terms.    True    False |

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| 98. | Promotion generally can enhance a product or service's value.    True    False |

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| 99. | Marketers can deliver greater value to consumers by treating the four Ps as separate components rather than configuring them as a whole.    True    False |

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| 100. | Technological changes seldom shape a company's marketing activities.    True    False |

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| 101. | Some companies engage in both B2B and B2C marketing at the same time.    True    False |

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| 102. | Marketing cannot be designed to benefit an entire industry at a time.    True    False |

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| 103. | Marketing is now an activity that is designed exclusively to produce and sell products.    True    False |

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| 104. | Product-oriented companies focus on whether the products best satisfy customers' needs.    True    False |

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| 105. | Marketing creates mutually valuable relationships between a company and the firms from which it buys.    True    False |

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| 106. | Differentiate between a need and a want. |

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| 107. | Define the marketing mix and list its four Ps. |

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| 108. | Differentiate between goods and services. |

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| 109. | Differentiate between B2C and B2B marketing. |

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| 110. | Explain the features of product-oriented companies. |

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| 111. | Differentiate between companies that have a sales orientation and companies that have a market orientation. |

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| 112. | Explain value-based orientation. |

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| 113. | Explain customer relationship management and why it is important for an organization. |

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| 114. | Explain how social and mobile media have helped the sellers to connect with their customers. |

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| 115. | Explain the concept of the supply chain. |

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| 116. | You are planning to set up an educational institution to cater to the educational needs of students between the ages of 4 and 16. Formulate a marketing plan indicating the various aspects that you would have to consider to set up this institution. |

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| 117. | Explain in detail the concept of the marketing mix. |

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| 118. | Describe how sharing information helps a firm to be value-driven. |

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| 119. | You want to start a chain of fast-food restaurants serving Mexican food, including tacos, burritos, quesadillas, nachos, other specialty items, and a variety of "value menu" items. You want to draw in a young crowd to your restaurants. What different social media tools can you use to promote your chain of restaurants? |

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| 120. | "Marketing is pervasive across marketing channel members." Explain with an example. |

Chapter 1 Key

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| 1. | Basic necessities of life, such as food, clothing, shelter, or safety are referred to as:      |  |  | | --- | --- | | A. | demands. |  |  |  | | --- | --- | | B. | wants. |  |  |  | | --- | --- | | C. | exchanges. |  |  |  | | --- | --- | | D. | desires. |  |  |  | | --- | --- | | **E.** | needs. |   A feeling of physiological deprivation of the basic necessities of life, such as food, clothing, shelter, or safety is a need. Understanding and satisfying consumer needs and wants is fundamental to marketing success. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #1 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-01 Marketing is About Satisfying Customer Needs and Wants* |

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| 2. | The particular way in which a person chooses to satisfy the requirement for any of the basic necessities of life is a(n):      |  |  | | --- | --- | | A. | demand. |  |  |  | | --- | --- | | **B.** | want. |  |  |  | | --- | --- | | C. | exchange. |  |  |  | | --- | --- | | D. | necessity. |  |  |  | | --- | --- | | E. | need. |   The particular way in which a person chooses to satisfy the requirement for any of the basic necessities of life is a want. Marketing is about satisfying customer needs and wants. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #2 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-01 Marketing is About Satisfying Customer Needs and Wants* |

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| 3. | A non-governmental organization provides food and shelter to homeless people. Food and shelter are included in the definition of:      |  |  | | --- | --- | | A. | demand. |  |  |  | | --- | --- | | B. | want. |  |  |  | | --- | --- | | C. | exchange. |  |  |  | | --- | --- | | D. | necessity. |  |  |  | | --- | --- | | **E.** | need. |   Food and shelter are included in the definition of need. The basic necessities of life, such as food, clothing, shelter, or safety refer to needs. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #3 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-01 Marketing is About Satisfying Customer Needs and Wants* |

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| 4. | In the context of understanding consumer needs and wants, which of the following is true of wants?      |  |  | | --- | --- | | A. | They are the basic necessities, such as food, clothing, shelter, and safety. |  |  |  | | --- | --- | | B. | They are similar for all individuals. |  |  |  | | --- | --- | | C. | They do not vary across cultures. |  |  |  | | --- | --- | | D. | They do not influence people's buying behaviour. |  |  |  | | --- | --- | | **E.** | They are shaped by a person's knowledge, culture, and personality. |   A want is the particular way in which a person chooses to fulfill his or her need, which is shaped by the person's knowledge, culture, and personality. Understanding and satisfying consumer needs and wants is fundamental to marketing success. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #4 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-01 Marketing is About Satisfying Customer Needs and Wants* |

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| 5. | Human beings require clothes to cover their bodies. Some of them may wear designer clothes, while others may pick up clothes from the flea market. This example illustrates different ways to satisfy a basic requirement of life and describes the concept of a(n):      |  |  | | --- | --- | | A. | demand. |  |  |  | | --- | --- | | **B.** | want. |  |  |  | | --- | --- | | C. | exchange. |  |  |  | | --- | --- | | D. | necessity. |  |  |  | | --- | --- | | E. | need. |   This example illustrates different ways to satisfy a basic requirement of life and describes the concept of a want. The particular way in which a person chooses to satisfy the requirement for any of the basic necessities of life is a want. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #5 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-01 Marketing is About Satisfying Customer Needs and Wants* |

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| 6. | A trader in the market trades his goods for the money that is paid for the goods offered by him. This is an example of a(n):      |  |  | | --- | --- | | A. | demand. |  |  |  | | --- | --- | | B. | want. |  |  |  | | --- | --- | | **C.** | exchange. |  |  |  | | --- | --- | | D. | necessity. |  |  |  | | --- | --- | | E. | need. |   It is an example of an exchange. An exchange is the trade of things of value between a buyer and a seller so that each is better off as a result. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #6 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-02 Marketing Entails an Exchange* |

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| 7. | The customer segment or group to whom a firm is interested in selling its products and services is the:      |  |  | | --- | --- | | A. | commodity market. |  |  |  | | --- | --- | | B. | stock market. |  |  |  | | --- | --- | | **C.** | target market. |  |  |  | | --- | --- | | D. | currency market. |  |  |  | | --- | --- | | E. | artificial market. |   The customer segment or group to whom a firm is interested in selling its products and services is the target market. A viable target market is those consumers who want and can afford such a product. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #7 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-01 Marketing is About Satisfying Customer Needs and Wants* |

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| 8. | The trade of things of value between a buyer and a seller so that each is better off as a result is referred to as a(n):      |  |  | | --- | --- | | A. | demand. |  |  |  | | --- | --- | | B. | want. |  |  |  | | --- | --- | | **C.** | exchange. |  |  |  | | --- | --- | | D. | necessity. |  |  |  | | --- | --- | | E. | need. |   The trade of things of value between the buyer and the seller so that each is better off as a result is referred to as an exchange. Sellers provide goods or services, then communicate and facilitate the delivery of their offering to consumers. Buyers complete the exchange by giving money and information to the seller. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #8 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-02 Marketing Entails an Exchange* |

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| 9. | The controllable set of activities that a firm uses to respond to the wants of its target markets is referred to as:      |  |  | | --- | --- | | A. | a supply chain. |  |  |  | | --- | --- | | **B.** | the marketing mix. |  |  |  | | --- | --- | | C. | value cocreation. |  |  |  | | --- | --- | | D. | the marketing plan. |  |  |  | | --- | --- | | E. | relational orientation. |   The controllable set of activities that a firm uses to respond to the wants of its target markets is referred to as the marketing mix. Marketing traditionally has been divided into a set of four interrelated decisions known as the marketing mix, or four Ps: product, price, place, and promotion. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #9 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-03 Marketing Requires Marketing Mix Decisions* |

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| 10. | The fundamental purpose of marketing is to create value by:      |  |  | | --- | --- | | A. | hiring the right people for the promotion of the products being manufactured. |  |  |  | | --- | --- | | B. | educating employees about sales and customer preferences. |  |  |  | | --- | --- | | C. | fixing the measure of sacrifice that a customer is willing to make in order to acquire a specific product. |  |  |  | | --- | --- | | **D.** | developing a variety of offerings, including goods, services, and ideas, to satisfy customer needs. |  |  |  | | --- | --- | | E. | delivering a product on offer to a customer. |   One main purpose of marketing is to create value by developing a variety of offerings, including goods, services, and ideas, to satisfy customer needs. The marketing mix is the controllable set of activities that a firm uses to respond to the wants of its target markets. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #10 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 11. | Which of the following holds true for the term "goods"?      |  |  | | --- | --- | | **A.** | They refer to tangible customer benefits that are produced by people or machines and can be separated from the producer. |  |  |  | | --- | --- | | B. | They refer to intangible customer benefits that are produced by people or machines and cannot be separated from the producer. |  |  |  | | --- | --- | | C. | They refer to the sacrifices a consumer is willing to make in terms of money, time, and energy in order to acquire a specific product or service. |  |  |  | | --- | --- | | D. | They refer to thoughts, opinions, philosophies, and intellectual concepts that can be marketed. |  |  |  | | --- | --- | | E. | They refer to the price that needs to be paid in exchange for a service offered by a company. |   Goods refer to tangible customer benefits that are produced by people or machines and can be separated from the producer. Goods are items that can be physically touched. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #11 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 12. | Which of the following holds true for the term "services"?      |  |  | | --- | --- | | A. | They refer to the tangible customer benefits that are produced by people or machines and can be separated from the producer. |  |  |  | | --- | --- | | **B.** | They refer to the intangible customer benefits that are produced by people or machines and cannot be separated from the producer. |  |  |  | | --- | --- | | C. | They refer to the overall sacrifice a consumer is willing to make in terms of money, time, and energy in order to acquire a specific product or service. |  |  |  | | --- | --- | | D. | They refer to thoughts, opinions, philosophies, and intellectual concepts that also can be marketed. |  |  |  | | --- | --- | | E. | They refer to the physical attributes that a customer obtains through purchase of a commodity in exchange of a price paid for it. |   Services refer to the intangible customer benefits that are produced by people or machines and cannot be separated from the producer. Air travel, banking, insurance, beauty treatments, and entertainment all are services. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #12 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 13. | An artist in an opera performs for the benefit of the audience. The live performance of the artist would be termed a(n):      |  |  | | --- | --- | | A. | idea. |  |  |  | | --- | --- | | B. | good. |  |  |  | | --- | --- | | **C.** | service. |  |  |  | | --- | --- | | D. | commodity. |  |  |  | | --- | --- | | E. | price. |   In this case, the live performance would be termed as a service. Services are intangible customer benefits that are produced by people or machines and cannot be separated from the producer. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #13 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 14. | Which of the following include thoughts, opinions, philosophies, and intellectual concepts that can be marketed?      |  |  | | --- | --- | | A. | Desires |  |  |  | | --- | --- | | **B.** | Ideas |  |  |  | | --- | --- | | C. | Needs |  |  |  | | --- | --- | | D. | Wants |  |  |  | | --- | --- | | E. | Exchanges |   Ideas include thoughts, opinions, philosophies, and intellectual concepts that can be marketed. Groups promoting bicycle safety go to schools, give talks, and sponsor bike helmet poster contests for the members of their primary target market: children. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #14 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 15. | Since women constitute 90 percent of Karen's—a pharmacy chain's—customers, the chain decided to implement changes that would make the shopping experience more pleasant for them. Karen introduced a system for shorter waiting time at the check-out counters, wider and better-lit passageways, and more beauty products. Women constitute Karen's:      |  |  | | --- | --- | | A. | commodity market. |  |  |  | | --- | --- | | **B.** | target market. |  |  |  | | --- | --- | | C. | currency market. |  |  |  | | --- | --- | | D. | secondary target market. |  |  |  | | --- | --- | | E. | niche market. |   In this case, women constitute Karen's primary target market. Ideas include thoughts, opinions, philosophies, and intellectual concepts that can be marketed to target markets. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #15 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 16. | A commercial roofing company provides commercial roofing services as its primary service. It also takes up residential roof repair and replacement for a few individual customers. The residential market provides solid revenue and constitutes the:      |  |  | | --- | --- | | A. | primary commodity market. |  |  |  | | --- | --- | | B. | primary target market. |  |  |  | | --- | --- | | C. | secondary retail market. |  |  |  | | --- | --- | | **D.** | secondary target market. |  |  |  | | --- | --- | | E. | niche market. |   The residential market constitutes the secondary target market. Ideas include thoughts, opinions, philosophies, and intellectual concepts that can be marketed to primary and secondary target markets. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #16 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 17. | Sports Inc., a global sports brand, wants to present an effective campaign across many markets. The company wants to engage the youth across key markets in Europe, and the campaign's main objective is to generate awareness about the company. These efforts are made by Sports Inc. to attract the youth as they constitute the company's:      |  |  | | --- | --- | | A. | primary commodity market. |  |  |  | | --- | --- | | **B.** | primary target market. |  |  |  | | --- | --- | | C. | primary currency market. |  |  |  | | --- | --- | | D. | secondary target market. |  |  |  | | --- | --- | | E. | niche market. |   The youth constitute the company's primary target market. Ideas include thoughts, opinions, philosophies, and intellectual concepts that can be marketed to primary and secondary target markets. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #17 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 18. | Tangerine Inc. conducts art contests for kindergarteners across many schools. The company encourages parents and siblings to be involved in these contests to encourage and support the participants. Parents and siblings constitute the:      |  |  | | --- | --- | | A. | primary commodity market. |  |  |  | | --- | --- | | B. | primary target market. |  |  |  | | --- | --- | | C. | primary currency market. |  |  |  | | --- | --- | | **D.** | secondary target market. |  |  |  | | --- | --- | | E. | niche market. |   Parents and siblings constitute the secondary target market. Ideas include thoughts, opinions, philosophies, and intellectual concepts that primary and secondary target groups purchase through such events. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #18 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 19. | Which of the following holds true for the term "price"?      |  |  | | --- | --- | | A. | It refers to the tangible customer benefits that are produced by people or machines and can be separated from the producer. |  |  |  | | --- | --- | | B. | It refers to the intangible customer benefits that are produced by people or machines and cannot be separated from the producer. |  |  |  | | --- | --- | | **C.** | It refers to the overall sacrifice a consumer is willing to make in terms of money, time, and energy in order to acquire a specific product or service. |  |  |  | | --- | --- | | D. | It refers to thoughts, opinions, philosophies, and intellectual concepts that also can be marketed. |  |  |  | | --- | --- | | E. | It refers to the value a customer receives through the purchase of a company's product or service. |   The term "price" refers to the overall sacrifice a consumer is willing to make in terms of money, time, and energy in order to acquire a specific product or service. Marketers must determine the price of a product carefully on the basis of the potential buyer's belief about its value. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #19 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-05 Price: Transacting Value* |

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| 20. | Maria wants to buy a bike. She spends a lot of time and energy trying to find the right bike. She does find one and then pays $200 to buy it. The time and energy spent along with the sum of money constitute the:      |  |  | | --- | --- | | A. | idea. |  |  |  | | --- | --- | | B. | good. |  |  |  | | --- | --- | | C. | service. |  |  |  | | --- | --- | | D. | exchange. |  |  |  | | --- | --- | | **E.** | price. |   The time and energy spent for the bike along with the sum of money constitutes the price. Price is everything the buyer gives up in exchange for the product. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #20 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-05 Price: Transacting Value* |

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| 21. | For marketers, the key to determining prices is to:      |  |  | | --- | --- | | A. | vary the price of products frequently before finalizing. |  |  |  | | --- | --- | | B. | focus exclusively on high organizational profitability. |  |  |  | | --- | --- | | **C.** | figure out how much customers are willing to pay. |  |  |  | | --- | --- | | D. | rely on the price range of competitors to determine pricing strategies. |  |  |  | | --- | --- | | E. | involve employees in making price decisions. |   For marketers, the key to determining prices is figuring out how much customers are willing to pay so that they are satisfied with the purchase, and the seller achieves a reasonable profit. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #21 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-05 Price: Transacting Value* |

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| 22. | A company manufactures soaps. It selects a small number of retail outlets to distribute the product. Among the four Ps of marketing, this exemplifies:      |  |  | | --- | --- | | A. | people. |  |  |  | | --- | --- | | B. | price. |  |  |  | | --- | --- | | **C.** | place. |  |  |  | | --- | --- | | D. | policy. |  |  |  | | --- | --- | | E. | promotion. |   Among the four Ps of marketing, the third P, place, describes all the activities necessary to get the product from the manufacturer or producer to the right customer when that customer wants it. Place deals specifically with retailing and marketing channel management. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #22 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-06 Place: Delivering Value* |

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| 23. | A company is developing an efficient system for merchandise to be distributed in the right quantities, to the right locations, and at the right time in the most efficient way. It is making:      |  |  | | --- | --- | | A. | people decisions. |  |  |  | | --- | --- | | B. | price decisions. |  |  |  | | --- | --- | | **C.** | place decisions. |  |  |  | | --- | --- | | D. | product decisions. |  |  |  | | --- | --- | | E. | promotion decisions. |   The firm is making place decisions. Place deals specifically with retailing and marketing channel management. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #23 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-06 Place: Delivering Value* |

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| 24. | Which of the following components of the four Ps of marketing includes all the activities necessary to get a product from the manufacturer or producer to the right customer when that customer wants it?      |  |  | | --- | --- | | A. | people |  |  |  | | --- | --- | | B. | price |  |  |  | | --- | --- | | **C.** | place |  |  |  | | --- | --- | | D. | product |  |  |  | | --- | --- | | E. | promotion |   The place component of the four Ps of marketing includes all the activities necessary to get a product from the manufacturer or producer to the right customer when that customer wants it. Place deals specifically with retailing and marketing channel management. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #24 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-06 Place: Delivering Value* |

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| 25. | A major sporting goods company distributes its products via retailers. It offers attractive subsidies on its products to encourage retailers to sell higher volumes. Among the four Ps of marketing, this exemplifies the use of:      |  |  | | --- | --- | | A. | people |  |  |  | | --- | --- | | B. | price |  |  |  | | --- | --- | | C. | place |  |  |  | | --- | --- | | D. | product |  |  |  | | --- | --- | | **E.** | promotion |   This case shows the use of promotion to attract customers. Promotion is communication by a marketer that informs, persuades, and reminds potential buyers about a product or service to influence their opinions or elicit a response. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #25 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-07 Promotion: Communicating Value* |

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| 26. | Among the four Ps of marketing, the component that informs, persuades, and reminds potential buyers about a product or service to influence their opinions or elicit a response is the component of:      |  |  | | --- | --- | | A. | people. |  |  |  | | --- | --- | | B. | price. |  |  |  | | --- | --- | | C. | place. |  |  |  | | --- | --- | | D. | product. |  |  |  | | --- | --- | | **E.** | promotion. |   Among the four Ps of marketing, the component of promotion includes the communication that informs, persuades, and reminds potential buyers about a product or service to influence their opinions or elicit a response. Promotion can enhance a product or service's value. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #26 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-07 Promotion: Communicating Value* |

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| 27. | The process in which businesses sell to consumers is referred to as:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | **D.** | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. |   The process in which businesses sell to consumers is referred to as B2C (business-to-customers) marketing. Some companies are engaged in both B2B (business-to-business) and B2C marketing at the same time. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #27 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 28. | The process of selling merchandise or services from one business to another is referred to as:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | **C.** | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. |   The process of selling merchandise or services from one business to another is referred to as B2B marketing. The process in which businesses sell to consumers is referred to as B2C (business-to-customers) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #28 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 29. | A daycare business provides babysitting services as well as structured preschool education and learning simulation for kids. This is an example of:      |  |  | | --- | --- | | **A.** | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. |   The daycare business in the scenario is involved in B2C marketing. The process in which businesses sell to consumers is referred to as B2C (business-to-customers) marketing. Marketing intermediaries, such as retailers, accumulate merchandise from producers in large amounts and then sell it to consumers in smaller amounts. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #29 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 30. | An automobile manufacturer buys tires, glass for windscreens, and rubber hoses for its vehicles. The suppliers of these products are other companies that specialize in the manufacturing of this equipment. This is an example of:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | **C.** | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. |   The automobile manufacturer that buys material from suppliers is an example of B2B marketing. The process of selling merchandise or services from one business to another is referred to as B2B (business-to-business) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #30 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 31. | Mir Air is one of the largest airlines in the world. It provides scheduled and chartered air transport for passengers to 200 destinations worldwide. Together with its regional partners, the airline operates, on an average, more than 1,500 scheduled flights daily. This is an example of:      |  |  | | --- | --- | | **A.** | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. |   Mir Air airlines is involved in B2C marketing. The process in which businesses sell to consumers is referred to as B2C (business-to-customers) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #31 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 32. | Bank International was created to provide the working class with a means of saving. The bank accepts all deposits between $1 and $500. The bank encourages people who save a very small amount every month to continue to save. This is an example of:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | **D.** | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. |   Bank International is involved in B2C marketing. The process in which businesses sell to consumers is referred to as B2C (business-to-customers) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #32 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 33. | Spatialtech, an aerospace company, is a major service provider for space research organizations. This is an example of:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | **C.** | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. |   The aerospace company is involved in B2B marketing. The process of selling merchandise or services from one business to another is referred to as B2B (business-to-business) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #33 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 34. | Teal Corp. manufactures passenger car and automobile tires. It offers radial and tubeless tires to dealers and automobile companies. This is an example of:      |  |  | | --- | --- | | A. | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | **C.** | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. |   Teal is involved in B2B marketing. The process of selling merchandise or services from one business to another is referred to as B2B (business-to-business) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #34 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 35. | Hisign is a company that allows customers to have a unique experience in that they can open a virtual shop that includes an online storefront. This virtual shop also offers other facilities such as website hosting, order management, fulfillment, payment processing, and customer service. The products uploaded by customers can be bought by people visiting the website. This shop is an example of:      |  |  | | --- | --- | | **A.** | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. |   This "shop" is an example of C2C marketing. The process of selling merchandise or services from one consumer to another consumer is referred to as C2C (consumer-to-consumer) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #35 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 36. | May's, a social shopping website, launched a marketing platform that enables shoppers to recommend products to their friends. Friends discover these recommendations through Facebook, Twitter, email, and the May's website and search engine. This is an example of:      |  |  | | --- | --- | | A. | C2B marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | **D.** | C2C marketing. |  |  |  | | --- | --- | | E. | B2C marketing. |   This is an example of C2C marketing. The process of selling merchandise or services from one consumer to another consumer is referred to as C2C (consumer-to-consumer) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #36 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 37. | Mary buying an iPod from Tom on eBay is an example of:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | **D.** | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. |   Mary buying an iPod from Tom on eBay is an example of C2C marketing. The process of selling merchandise or services from one consumer to another consumer is referred to as C2C (consumer-to-consumer) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #37 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 38. | The process in which consumers sell to other consumers is referred to as:      |  |  | | --- | --- | | **A.** | C2C marketing. |  |  |  | | --- | --- | | B. | C2B marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | B2C marketing. |  |  |  | | --- | --- | | E. | D2R marketing. |   The process in which consumers sell to other consumers is referred to as C2C marketing. With the advent of various auction sites and payment sites, consumers have started marketing their products and services to other consumers. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #38 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 39. | Zen Associates is a company that sells gaming consoles. It started a Facebook fan page that discusses current topics of interest in the world of virtual gaming. In this scenario, Zen Associates is using:      |  |  | | --- | --- | | A. | broadcast advertising. |  |  |  | | --- | --- | | B. | print media. |  |  |  | | --- | --- | | **C.** | social media. |  |  |  | | --- | --- | | D. | earned media. |  |  |  | | --- | --- | | E. | visual merchandising. |   In the scenario, Zen Associates is using social media for marketing. Social media is the use of digital tools to create and share content to foster dialogue, social relationships, and personal identities. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #39 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 40. | A martial arts training institute has uploaded quick two- to three-minute training tutorial videos on YouTube in order to advertise the institute. In this scenario, what is the institute using to advertise itself?      |  |  | | --- | --- | | A. | Secondary merchandising |  |  |  | | --- | --- | | **B.** | Social media |  |  |  | | --- | --- | | C. | Out-of-home marketing |  |  |  | | --- | --- | | D. | Broadcast advertising |  |  |  | | --- | --- | | E. | Print media |   In this scenario, the institute is using social media to advertise itself. Social media is the use of digital tools to create and share content to foster dialogue, social relationships, and personal identities. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #40 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 41. | Which of the following involves the use of digital tools to easily and quickly create and share content to foster dialogue, relationships, and personal identities?      |  |  | | --- | --- | | A. | Broadcast advertising |  |  |  | | --- | --- | | B. | Print media |  |  |  | | --- | --- | | **C.** | Social media |  |  |  | | --- | --- | | D. | Out-of-home marketing |  |  |  | | --- | --- | | E. | Visual merchandising |   Social media is the use of digital tools to easily and quickly create and share content to foster dialogue, relationships, and personal identities. Social media is quickly becoming an integral part of marketing and communications strategies. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #41 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 42. | GoBagged is a leading producer of travel bags. It uses blogging sites to connect with its customers and get daily updates about new marketing trends. What is GoBagged using to connect with its customers?      |  |  | | --- | --- | | A. | Visual merchandising |  |  |  | | --- | --- | | B. | Print media |  |  |  | | --- | --- | | C. | Out-of-home marketing |  |  |  | | --- | --- | | **D.** | Social media |  |  |  | | --- | --- | | E. | Broadcast advertising |   In this scenario, GoBagged is using social media to connect with its customers. Social media is the use of digital tools to easily and quickly create and share content to foster dialogue, relationships, and personal identities. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #42 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 43. | Which of the following is true about the impact of marketing on stakeholders?      |  |  | | --- | --- | | **A.** | Marketing is often designed to benefit an entire industry. |  |  |  | | --- | --- | | B. | Many firms cannot be benefitted simultaneously by marketing. |  |  |  | | --- | --- | | C. | Most people think of marketing as a way for firms to satisfy customer needs. |  |  |  | | --- | --- | | D. | Governments do not rely on marketing to communicate their messages to their constituents. |  |  |  | | --- | --- | | E. | Marketing does not work well in the nonprofit sector. |   Marketing is often designed to benefit an entire industry, which can help many firms simultaneously. Most people think of marketing as a way for firms to make profits, but marketing works equally well in the nonprofit sector. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #43 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-09 Marketing Impacts Many Stakeholders* |

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| 44. | The four different marketing orientations are:      |  |  | | --- | --- | | A. | competition, service, resource, and team based. |  |  |  | | --- | --- | | B. | promotion, operations, technology, and profit based. |  |  |  | | --- | --- | | **C.** | production, sales, market, and value based. |  |  |  | | --- | --- | | D. | price, customer, location, and segment based. |  |  |  | | --- | --- | | E. | innovation, strategy, cost, and customer based. |   The four different marketing orientations or philosophies are production orientation, sales orientation, market orientation, and value-based orientation. Marketing didn't get to its current prominence among individuals, corporations, and society at large overnight. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #44 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-10 The Four Orientations of Marketing* |

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| 45. | Which of the following holds true for product-oriented companies?      |  |  | | --- | --- | | A. | They focus on selling as many of their products as possible rather than focusing on making products consumers really want. |  |  |  | | --- | --- | | B. | They focus on giving customers better worth (monetary and nonmonetary) for products than their competitors. |  |  |  | | --- | --- | | **C.** | They focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |  |  |  | | --- | --- | | D. | They focus on the extension of a single brand name to market products in different product categories. |  |  |  | | --- | --- | | E. | They focus on what consumers want and need before they design, make, or attempt to sell their products and services. |   Product-oriented companies focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. Companies with a product orientation try selling the product after it is developed. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #45 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-11 Product Orientation* |

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| 46. | Which of the following holds true for sales-oriented companies?      |  |  | | --- | --- | | **A.** | They try to sell as many of their products as possible rather than focusing on making products consumers really want. |  |  |  | | --- | --- | | B. | They focus on giving their customers better worth (monetary and nonmonetary) for the products than their competitors. |  |  |  | | --- | --- | | C. | They focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |  |  |  | | --- | --- | | D. | They focus on the extension of a single brand name to market products in different product categories. |  |  |  | | --- | --- | | E. | They focus on what consumers want and need before they design, make, or attempt to sell their products and services. |   Sales-oriented companies try to sell as many of their products as possible rather than focus on making products consumers really want. These firms typically depend on heavy doses of personal selling and advertising to attract new customers. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #46 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-12 Sales Orientation* |

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| 47. | Which of the following holds true for market-oriented companies?      |  |  | | --- | --- | | A. | They focus on selling as many of their products as possible rather than focusing on making products consumers really want. |  |  |  | | --- | --- | | B. | They focus on giving their customers better worth (monetary and nonmonetary) for the products than their competitors. |  |  |  | | --- | --- | | C. | They focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |  |  |  | | --- | --- | | D. | They focus on the extension of a single brand name to market products in different product categories. |  |  |  | | --- | --- | | **E.** | They focus on what consumers want and need before they design, make, or attempt to sell their products and services. |   Market-oriented companies focus on what consumers want and need before they design, make, or attempt to sell their products and services. There is a focus on making marketing an integrated process throughout the entire company rather than just in one department. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #47 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-13 Market Orientation* |

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| 48. | Which of the following holds true for value-oriented companies?      |  |  | | --- | --- | | A. | They focus on selling as many of their products as possible rather than focusing on making products consumers really want. |  |  |  | | --- | --- | | **B.** | They focus on giving their customers better worth for products than their competitors. |  |  |  | | --- | --- | | C. | They focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |  |  |  | | --- | --- | | D. | They focus on the extension of a single brand name to market products in different product categories. |  |  |  | | --- | --- | | E. | They focus on what consumers want and need before they design, make, or attempt to sell their products and services. |   Value-oriented companies focus on giving their customers better worth for the products than their competitors. Value reflects the relationship of benefits to costs, or what consumers get for what they give. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #48 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-14 Value-based Orientation* |

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| 49. | Which of the following types of companies focus on each transaction rather than building long-term customer relationships?      |  |  | | --- | --- | | A. | Cause-oriented companies |  |  |  | | --- | --- | | B. | Value-oriented companies |  |  |  | | --- | --- | | C. | Market-oriented companies |  |  |  | | --- | --- | | **D.** | Sales-oriented companies |  |  |  | | --- | --- | | E. | Product-oriented companies |   Sales-oriented companies focus on each transaction rather than building long-term customer relationships. They generally believe that if consumers try their products, they will like them. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #49 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-12 Sales Orientation* |

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| 50. | Innovatives Inc. is a phone manufacturing company that creates phones with unique features and distributes them among retailers. The devices are created with little or no concern about customers' needs and wants. In this case, Innovatives is most likely a:      |  |  | | --- | --- | | A. | brand-oriented company. |  |  |  | | --- | --- | | B. | market-oriented company. |  |  |  | | --- | --- | | C. | customer-oriented company. |  |  |  | | --- | --- | | D. | value-oriented company. |  |  |  | | --- | --- | | **E.** | product-oriented company. |   Innovatives Inc. is a product-oriented company. Product-oriented companies focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #50 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-11 Product Orientation* |

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| 51. | A sports goods manufacturing company attempts to sell consumers as many of their products as possible without focusing on what they really want. It mainly focuses on advertising its products in order to attract customers. It believes that customers will like its products once they try them. This is an example of a:      |  |  | | --- | --- | | A. | brand-oriented company. |  |  |  | | --- | --- | | B. | market-oriented company. |  |  |  | | --- | --- | | **C.** | sales-oriented company. |  |  |  | | --- | --- | | D. | value-oriented company. |  |  |  | | --- | --- | | E. | customer-oriented company. |   The sports goods manufacturing company is an example of a sales-oriented company. Companies that have a sales orientation basically view marketing as a selling function where companies try to sell as many of their products as possible rather than focus on making products consumers really want. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #51 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-12 Sales Orientation* |

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| 52. | Mirrors is a company that believes that every idea and technical solution should be focused on meeting customers' needs. It emphasizes understanding specific customer needs. Mirrors is an example of a:      |  |  | | --- | --- | | A. | brand-oriented company. |  |  |  | | --- | --- | | **B.** | market-oriented company. |  |  |  | | --- | --- | | C. | sales-oriented company. |  |  |  | | --- | --- | | D. | value-oriented company. |  |  |  | | --- | --- | | E. | product-oriented company. |   Mirrors is an example of a market-oriented company. Market-oriented companies focus on what consumers want and need before they design, make, or attempt to sell their products and services. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #52 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-13 Market Orientation* |

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| 53. | A certain wine retailer sells what it calls QPR wines. QPR refers to quality price ratio. It simply means getting the best quality wine for the lowest possible price. The wine retailer would be an example of a:      |  |  | | --- | --- | | A. | brand-oriented company. |  |  |  | | --- | --- | | B. | market-oriented company. |  |  |  | | --- | --- | | C. | sales-oriented company. |  |  |  | | --- | --- | | **D.** | value-oriented company. |  |  |  | | --- | --- | | E. | product-oriented company. |   The wine retailer would be an example of a value-oriented company. Value-based companies provide their customers with greater value than their competitors. Value reflects the relationship of benefits to costs, or what one gets for what one gives. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #53 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-14 Value-based Orientation* |

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| 54. | Home Bakers introduced a new cake in the market. It was created as a product to be sold and not based on what customers wanted at that time. Therefore, the company concentrated on selling and paid little attention to the whether it satisfied customers' needs. Home Bakers is a:      |  |  | | --- | --- | | **A.** | product-oriented company. |  |  |  | | --- | --- | | B. | customer-oriented company. |  |  |  | | --- | --- | | C. | market-oriented company. |  |  |  | | --- | --- | | D. | value-oriented company. |  |  |  | | --- | --- | | E. | brand-oriented company. |   Home Bakers is a product-oriented company. Product-oriented companies focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #54 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-11 Product Orientation* |

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| 55. | A company sells cars of a single colour and advertises that the cars have many innovative features. The company refuses to change the colour of the car irrespective of the desire of the public to have a different-coloured car. This is an example of:      |  |  | | --- | --- | | A. | customer orientation. |  |  |  | | --- | --- | | B. | value orientation. |  |  |  | | --- | --- | | C. | market orientation. |  |  |  | | --- | --- | | **D.** | product orientation. |  |  |  | | --- | --- | | E. | brand orientation. |   This is an example of product orientation. Product-oriented companies focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #55 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-11 Product Orientation* |

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| 56. | Drakes Inc. manufactures dirt bikes. The company mass-produces bikes based on the resources available. It does not focus on the needs of the customer. This is an example of:      |  |  | | --- | --- | | **A.** | sales orientation. |  |  |  | | --- | --- | | B. | value orientation. |  |  |  | | --- | --- | | C. | market orientation. |  |  |  | | --- | --- | | D. | customer orientation. |  |  |  | | --- | --- | | E. | brand orientation. |   This is an example of sales orientation. Companies that have a sales orientation basically view marketing as a selling function where companies try to sell as many of their products as possible rather than focus on making products consumers really want. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #56 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-12 Sales Orientation* |

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| 57. | An airline was launched as a no-frills, heavy-discount carrier. One bottle of water was provided free of cost to all passengers, and the airline staff provided free board games to entertain passengers. All this was based on the understanding of what customers needed. This airline has a:      |  |  | | --- | --- | | A. | sales orientation. |  |  |  | | --- | --- | | B. | value orientation. |  |  |  | | --- | --- | | **C.** | market orientation. |  |  |  | | --- | --- | | D. | product orientation. |  |  |  | | --- | --- | | E. | brand orientation. |   The airline has a market orientation. Market-oriented companies focus on what consumers want and need before they design, make, or attempt to sell their products and services. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #57 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-13 Market Orientation* |

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| 58. | A coffee shop attempted to discover what customers really wanted from their coffee-drinking experience. It found that people liked to chat over their cup of coffee without anybody disturbing them. Therefore, the coffee shop allowed its customers to stay as long as they liked, without requiring them to order a new cup of coffee every 20 minutes to stay in the shop. This is an example of:      |  |  | | --- | --- | | A. | value orientation. |  |  |  | | --- | --- | | B. | brand orientation. |  |  |  | | --- | --- | | C. | product orientation. |  |  |  | | --- | --- | | **D.** | market orientation. |  |  |  | | --- | --- | | E. | sales orientation. |   This is an example of market orientation. Market-oriented companies focus on what consumers want and need before they design, make, or attempt to sell their products and services. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #58 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-13 Market Orientation* |

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| 59. | Which of the following is a requirement for making a firm value driven?      |  |  | | --- | --- | | A. | Self-contained independent units with little capacity to influence or be influenced |  |  |  | | --- | --- | | B. | High-priced goods with more emphasis on branding than quality control |  |  |  | | --- | --- | | C. | Innovative product range with low emphasis on customers' needs |  |  |  | | --- | --- | | **D.** | Sharing information about customers and competitors across one's own organization |  |  |  | | --- | --- | | E. | One-time transactional interaction rather than building relationships with customers |   Sharing information about customers and competitors across one's own organization is a requirement for making a firm value driven. Sharing and coordinating such information represents a critical success factor for any firm. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #59 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-15 Sharing Information* |

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| 60. | Nutrieat, a digestive cookie manufacturer, sold its products only in high quality, air-tight cans of 16oz and 32oz. To better satisfy customer needs, it recently introduced smaller packs of the biscuits in paper packages at reduced rates. Which of the following requirements for a value-driven firm does Nutrieat exemplify?      |  |  | | --- | --- | | A. | Sharing supplier information |  |  |  | | --- | --- | | **B.** | Balancing benefits with costs |  |  |  | | --- | --- | | C. | Building competitor relationships |  |  |  | | --- | --- | | D. | Social media marketing |  |  |  | | --- | --- | | E. | Gathering customer feedback |   In this case, Nutrieat exemplifies the practice of balancing benefits with costs. Value-oriented marketers constantly measure the benefits that customers perceive against the cost of their offering. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #60 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-16 Balancing Benefits with Costs* |

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| 61. | An automobile manufacturer maintains a database of when and how repeat customers buy its products, the options they choose, the way they finance the purchase, and so on. This database enables the company to understand its customers and make offers that appeal to them. Because of this initiative, a long-term bond is established between the buyer and seller. This is an example of:      |  |  | | --- | --- | | A. | transformational orientation. |  |  |  | | --- | --- | | B. | transactional orientation. |  |  |  | | --- | --- | | C. | live-in orientation. |  |  |  | | --- | --- | | **D.** | relational orientation. |  |  |  | | --- | --- | | E. | optimal orientation. |   The automobile manufacturer exemplifies the use of relational orientation. It is a method of building a relationship with customers based on the philosophy that buyers and sellers should develop a long-term relationship. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #61 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-17 Building Relationships with Customers* |

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| 62. | The method that helps buyers and sellers develop a long-term bond is called:      |  |  | | --- | --- | | A. | transformational orientation. |  |  |  | | --- | --- | | B. | transactional orientation. |  |  |  | | --- | --- | | C. | live-in orientation. |  |  |  | | --- | --- | | **D.** | relational orientation. |  |  |  | | --- | --- | | E. | optimal orientation. |   The method that helps buyers and sellers develop a long-term bond is called relational orientation. To build relationships, firms focus on the lifetime value of the relationship, not how much money is made during each transaction. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #62 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-17 Building Relationships with Customers* |

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| 63. | Which of the following holds true for customer relationship management (CRM)?      |  |  | | --- | --- | | A. | It helps a company to allocate resources and is used as an analytical tool in brand marketing, product management, strategic management, and portfolio analysis. |  |  |  | | --- | --- | | B. | It is a strategic performance management tool that can be used by managers to keep track of the execution of activities by the staff within their control and to monitor the consequences arising from these actions. |  |  |  | | --- | --- | | **C.** | It is a set of strategies, programs, and systems that focus on identifying and building loyalty among a firm's most valued patrons. |  |  |  | | --- | --- | | D. | It is a framework for industry analysis and business strategy to determine the competitive intensity and, therefore, the attractiveness of a market. |  |  |  | | --- | --- | | E. | It is a system of processes that enables organizations to centrally manage deployment of surveys while dispersing authoring and analysis throughout an organization. |   Customer relationship management (CRM) is a set of strategies, programs, and systems that focus on identifying and building loyalty among a firm's most valued patrons. Firms that employ CRM use information about their customers' needs to target them with the products, services, and special promotions that appear most important to them. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #63 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-17 Building Relationships with Customers* |

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| 64. | Mountaindale Hotels is a hotel chain that treats its customers like family. The company further influences its bond with customers with its quality of staff, reliability, consistent overall high quality, and global social responsibility programs. This is an example of:      |  |  | | --- | --- | | A. | transformational orientation. |  |  |  | | --- | --- | | B. | transactional orientation. |  |  |  | | --- | --- | | C. | live-in orientation. |  |  |  | | --- | --- | | **D.** | relational orientation. |  |  |  | | --- | --- | | E. | optimal orientation. |   Mountaindale Hotels employs relational orientation. It is a method of building a relationship with customers based on the philosophy that buyers and sellers should develop a long-term relationship. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #64 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-17 Building Relationships with Customers* |

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| 65. | Fly Air offers airline credit cards and bonus flyer miles for a specific flight. If a Fly Air flight is late, the company gives the miles back to the customers before they even complain about it. Therefore, Fly Air has maintained excellent customer satisfaction ratings. This policy creates long-term bonds with passengers and makes them loyal to the company. This is an example of:      |  |  | | --- | --- | | **A.** | relational orientation. |  |  |  | | --- | --- | | B. | transactional orientation. |  |  |  | | --- | --- | | C. | transformational orientation. |  |  |  | | --- | --- | | D. | live-in orientation. |  |  |  | | --- | --- | | E. | optimal orientation. |   Fly Air uses relational orientation to satisfy its customers. Marketers have begun to develop a relational orientation as they have realized the need to think about customers in terms of relationships rather than transactions. To build relationships, firms focus on the lifetime value of the relationship, not how much money is made during each transaction. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #65 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-17 Building Relationships with Customers* |

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| 66. | Crimson Inc., a fruit-juice manufacturer, employs a set of feedback forms to collect information about customers' favourite flavours and the new flavours they want to try in future. The company then uses this information to focus on identifying and building loyalty among the firm's most valued patrons. This is an example of:      |  |  | | --- | --- | | **A.** | customer relationship management. |  |  |  | | --- | --- | | B. | the BCG matrix. |  |  |  | | --- | --- | | C. | Porter's five forces. |  |  |  | | --- | --- | | D. | transformational marketing. |  |  |  | | --- | --- | | E. | live-in marketing. |   The process used by Crimson to build loyalty is an example of customer relationship management (CRM). It is a set of strategies, programs, and systems that focus on identifying and building loyalty among the firm's most valued patrons. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #66 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-17 Building Relationships with Customers* |

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| 67. | A firm that wishes to expand globally should ideally:      |  |  | | --- | --- | | **A.** | analyze new customers' needs and wants on a segment-by-segment, region-by-region basis. |  |  |  | | --- | --- | | B. | think about new customers in terms of transactions rather than relationships. |  |  |  | | --- | --- | | C. | try to sell as many of its products as possible rather than focusing on making products consumers really want. |  |  |  | | --- | --- | | D. | focus on developing and distributing innovative products before understanding customers. |  |  |  | | --- | --- | | E. | encourage its employees to invest heavily in socially responsible actions and charities. |   A firm that wishes to expand globally should ideally analyze new customers' needs and wants on a segment-by-segment, region-by-region basis. Without the knowledge that can be gained by analyzing new customers' needs and wants on a segment-by-segment, region-by-region basis—one of marketing's main tasks—it would be difficult for a firm to expand globally. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #67 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-19 Marketing Expands Firms Global Presence* |

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| 68. | The group of firms and set of techniques and approaches firms use to make and deliver a given set of goods and services is commonly referred to as:      |  |  | | --- | --- | | A. | stock iodation. |  |  |  | | --- | --- | | B. | demand optimization. |  |  |  | | --- | --- | | C. | inventory control. |  |  |  | | --- | --- | | D. | demand chain. |  |  |  | | --- | --- | | **E.** | supply chain. |   The group of firms and set of techniques and approaches firms use to make and deliver a given set of goods and services is commonly referred to as a supply chain. Excellent supply chains effectively and efficiently integrate their supply chain partners to produce and distribute goods in the right quantities, to the right locations, and at the right time. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #68 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-20 Marketing Is Pervasive Across Marketing Channel Members* |

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| 69. | When a customer visits the website of a company selling computers, the website provides the customer with information regarding pricing, product variety, and product availability. The customer makes a product choice. The order then goes to the assembly plant and then to all of the company's vendors and their vendors. This is an example of a(n):      |  |  | | --- | --- | | A. | stock valuation. |  |  |  | | --- | --- | | B. | demand optimization. |  |  |  | | --- | --- | | C. | inventory control. |  |  |  | | --- | --- | | D. | demand chain. |  |  |  | | --- | --- | | **E.** | supply chain. |   The group of firms and set of techniques and approaches firms use to make and deliver a given set of goods and services is commonly referred to as a supply chain. Excellent supply chains effectively and efficiently integrate their supply chain partners to produce and distribute goods in the right quantities, to the right locations, and at the right time. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #69 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-20 Marketing Is Pervasive Across Marketing Channel Members* |

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| 70. | Firms have come to realize that good corporate citizenship through socially responsible actions should be a priority because it:      |  |  | | --- | --- | | A. | communicates their products' value to customers. |  |  |  | | --- | --- | | B. | will result in high employee turnover. |  |  |  | | --- | --- | | C. | will make it easier for them to expand globally. |  |  |  | | --- | --- | | **D.** | will help their bottom line in the long run. |  |  |  | | --- | --- | | E. | enables them to sell goods in large quantities. |   Firms have come to realize that good corporate citizenship through socially responsible actions should be a priority because it will help their bottom line in the long run. In a world in which consumers constantly hear about negative examples of ethics, the need for companies to live up to their ethical promises becomes even more important. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #70 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-21 Marketing Enriches Society* |

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| 71. | The key to the success of many entrepreneurs is that they launch ventures that:      |  |  | | --- | --- | | **A.** | aim to satisfy unfilled needs. |  |  |  | | --- | --- | | B. | have a product orientation. |  |  |  | | --- | --- | | C. | exclusively focus on distributing innovative products. |  |  |  | | --- | --- | | D. | depend on heavy doses of personal selling and advertising. |  |  |  | | --- | --- | | E. | have a sales orientation. |   Key to the success of many entrepreneurs is that they launch ventures that aim to satisfy unfilled needs. Whereas marketing plays a major role in the success of large corporations, it also is at the centre of the successes of numerous new ventures initiated by entrepreneurs, or people who organize, operate, and assume the risk of a business venture. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #71 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-22 Marketing Can Be Entrepreneurial* |

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| 72. | In the context of entrepreneurial marketing, great and distinguished entrepreneurs:      |  |  | | --- | --- | | A. | focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |  |  |  | | --- | --- | | B. | try to sell as many of their products as possible rather than focus on making products consumers really want. |  |  |  | | --- | --- | | C. | have realized the need to think about customers in terms of transactions rather than relationships. |  |  |  | | --- | --- | | **D.** | have a vision of how certain combinations of products and services can satisfy unfilled needs. |  |  |  | | --- | --- | | E. | try selling a product after it is developed rather than starting with an understanding of the customers' needs and then developing a product to satisfy those needs. |   Great and distinguished entrepreneurs have a vision of how certain combinations of products and services can satisfy unfilled needs. They find and understand a marketing opportunity (i.e., the unfilled need), conduct a thorough examination of the marketplace, and develop and communicate the value of their products and services to potential consumers. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #72 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-22 Marketing Can Be Entrepreneurial* |

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|  | Marco wants to buy a bike. He spends a lot of time and energy trying to find the right bike. When he does find one, he persuades his father to buy it for him and arranges for its transportation from the store to his college. The bike is delivered to him at the college by a transport company arranged by the store. |

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| *Grewal - Chapter 01* |

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| 73. | The time and energy spent by Marco along with the sum of money that he had spent to buy the bike constitute the:      |  |  | | --- | --- | | A. | idea. |  |  |  | | --- | --- | | B. | good. |  |  |  | | --- | --- | | C. | service. |  |  |  | | --- | --- | | D. | exchange. |  |  |  | | --- | --- | | **E.** | price. |   The time and energy spent along with the sum of money constitute the price. Price is everything the buyer gives up in exchange for the product. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #73 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-05 Price: Transacting Value* |

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| 74. | The bike that Marco buys is an example of a(n):      |  |  | | --- | --- | | A. | idea. |  |  |  | | --- | --- | | **B.** | good. |  |  |  | | --- | --- | | C. | service. |  |  |  | | --- | --- | | D. | exchange. |  |  |  | | --- | --- | | E. | price. |   The bike that Marco buys is an example of a good. Goods are items that can be physically touched. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #74 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 75. | The bike is delivered to Marco by a transport company. This is an example of a(n):      |  |  | | --- | --- | | A. | idea. |  |  |  | | --- | --- | | B. | good. |  |  |  | | --- | --- | | **C.** | service. |  |  |  | | --- | --- | | D. | exchange. |  |  |  | | --- | --- | | E. | price. |   The bike being delivered to Marco by a transport company is an example of a service. Services are intangible customer benefits that are produced by people or machines and cannot be separated from the producer. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #75 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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|  | Ochre Cars International launches a new car in the market, priced at $300,000 and aimed at the premium segment. It selects a small number of exclusive outlets to distribute the product. The car is endorsed by popular Hollywood celebrities. |

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| *Grewal - Chapter 01* |

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| 76. | Which of the four Ps of marketing represents the exclusive outlets where the new model will be displayed and sold?      |  |  | | --- | --- | | A. | People |  |  |  | | --- | --- | | B. | Price |  |  |  | | --- | --- | | **C.** | Place |  |  |  | | --- | --- | | D. | Product |  |  |  | | --- | --- | | E. | Promotion |   The exclusive outlets where the new model will be displayed and sold represent the place. The place describes all the activities necessary to get the product from the manufacturer or producer to the right customer when that customer wants it. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #76 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-06 Place: Delivering Value* |

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| 77. | Which of the four Ps of marketing does the $300,000 tag represent?      |  |  | | --- | --- | | A. | People |  |  |  | | --- | --- | | **B.** | Price |  |  |  | | --- | --- | | C. | Place |  |  |  | | --- | --- | | D. | Product |  |  |  | | --- | --- | | E. | Promotion |   The $300,000 tag represents the price. The time and energy spent along with the sum of money for the product constitute the price. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #77 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-05 Price: Transacting Value* |

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| 78. | Which of the four Ps of marketing do the international rock stars who perform at the ceremony to launch the car and the popular Hollywood celebrities who endorse the car represent?      |  |  | | --- | --- | | A. | People |  |  |  | | --- | --- | | B. | Price |  |  |  | | --- | --- | | C. | Place |  |  |  | | --- | --- | | D. | Product |  |  |  | | --- | --- | | **E.** | Promotion |   The international rock stars who perform at the ceremony to launch the car and the popular Hollywood celebrities who endorse the car represent the promotion component of marketing. Promotion generally can enhance a product or service's value. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #78 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-05 Promotion: Communicating Value* |

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| 79. | The new car that is being launched in the market represents which of the four Ps of marketing?      |  |  | | --- | --- | | A. | People |  |  |  | | --- | --- | | B. | Price |  |  |  | | --- | --- | | C. | Place |  |  |  | | --- | --- | | **D.** | Product |  |  |  | | --- | --- | | E. | Promotion |   The new car launched in the market represents the product component of marketing. The fundamental purpose of marketing is to create value by developing a variety of offerings, including goods, services, and ideas, to satisfy customer needs. |

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| *Accessibility: Keyboard Navigation Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #79 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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|  | Mechalium Autos is an original equipment supplier that supplies tires, glass for windscreens, and rubber hoses to International Autos, which manufactures sport-utility vehicles. International Autos fits the equipment into its vehicles and sells them to individual customers. Mariam buys one such vehicle and uses it for five years and then resells it to her friend, Jake. |

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| *Grewal - Chapter 01* |

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| 80. | The selling of equipment by the equipment supplier to the automobile company is called:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | **C.** | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. |   The selling of equipment by the equipment supplier to the automobile company is called B2B marketing. The process of selling merchandise or services from one business to another is called B2B (business-to-business) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #80 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 81. | The sale of a sport-utility vehicle by International Autos to Mariam is called:      |  |  | | --- | --- | | **A.** | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | D. | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. |   The selling of sport-utility vehicles by International Autos to Mariam is called B2C marketing. The process in which businesses sell to consumers is known as B2C (business-to-consumer) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #81 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 82. | Mariam sells her sport-utility vehicle to Jake. This is an example of:      |  |  | | --- | --- | | A. | B2C marketing. |  |  |  | | --- | --- | | B. | D2R marketing. |  |  |  | | --- | --- | | C. | B2B marketing. |  |  |  | | --- | --- | | **D.** | C2C marketing. |  |  |  | | --- | --- | | E. | C2B marketing. |   Mariam selling her sport-utility vehicle to Jake is an example of C2C marketing. The process in which consumers sell to other consumers is called customer-to-customer (C2C) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #82 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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|  | A flow chart representing the participants in a supply chain      A vegetable farm supplies potatoes to Kiwito, a company that produces potato chips. The potato chips are manufactured, packaged, and sent to different outlets from Kiwito's manufacturing units. Tim is a student who often buys Kiwito's potato chips from a local supermarket. |

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| *Grewal - Chapter 01* |

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| 83. | In this case, Kiwito is a:      |  |  | | --- | --- | | A. | distributor |  |  |  | | --- | --- | | B. | consumer |  |  |  | | --- | --- | | C. | retailer |  |  |  | | --- | --- | | D. | supplier |  |  |  | | --- | --- | | **E.** | manufacturer. |   Kiwito is a manufacturer. Manufacturers buy raw materials and components from suppliers, which they sell to retailers or other businesses after they have turned the materials into their products. |

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| *Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #83 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-20 Marketing Is Pervasive Across Marketing Channel Members* |

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| 84. | The vegetable farm that potatoes to Kiwito is a:      |  |  | | --- | --- | | A. | consumer. |  |  |  | | --- | --- | | B. | distributor. |  |  |  | | --- | --- | | **C.** | supplier. |  |  |  | | --- | --- | | D. | manufacturer. |  |  |  | | --- | --- | | E. | buyer. |   The vegetable farm is a supplier. Manufacturers buy raw materials and components from suppliers, which they sell to retailers or other businesses after they have turned the materials into their products. |

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| *Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #84 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-20 Marketing Is Pervasive Across Marketing Channel Members* |

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| 85. | The local supermarket from where Tim buys the potato chips is an example of a:      |  |  | | --- | --- | | A. | manufacturer |  |  |  | | --- | --- | | B. | consumer |  |  |  | | --- | --- | | C. | supplier |  |  |  | | --- | --- | | **D.** | distributor |  |  |  | | --- | --- | | E. | producer |   The local supermarket is an example of a distributor. It sells the products of the manufacturer to the consumers. |

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| *Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #85 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-20 Marketing Is Pervasive Across Marketing Channel Members* |

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| 86. | Tim, who buys the potato chips from a local supermarket, is a:      |  |  | | --- | --- | | A. | manufacturer |  |  |  | | --- | --- | | B. | distributor |  |  |  | | --- | --- | | C. | retailer |  |  |  | | --- | --- | | D. | supplier |  |  |  | | --- | --- | | **E.** | consumer |   Tim is a consumer. He is the one who buys and uses the end product. The group of firms and set of techniques and approaches firms use to make and deliver a given set of goods and services is commonly referred to as a supply chain. |

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| *Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #86 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-20 Marketing Is Pervasive Across Marketing Channel Members* |

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|  | A chart representing the importance of marketing |

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| *Grewal - Chapter 01* |

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| 87. | Chronium, a luxury watchmaker, had its products available in its own retail outlets in its home country until five years ago. Now, its products are available in outlets across many countries. Which important aspect of marketing is specifically exemplified in this case?      |  |  | | --- | --- | | A. | Reduction of accessibility |  |  |  | | --- | --- | | B. | Feedback monitoring |  |  |  | | --- | --- | | C. | Entrepreneurial stagnancy |  |  |  | | --- | --- | | **D.** | Expansion of global presence |  |  |  | | --- | --- | | E. | Mismanagement across supply chain |   The expansion of a firm's global presence is exemplified in this case. Without the knowledge that can be gained by analyzing new customers' needs and wants on a segment-by-segment, region-by-region basis—one of marketing's main tasks—it would be difficult for a firm to expand globally. |

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| *Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #87 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-19 Marketing Expands Firms Global Presence* |

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| 88. | A dairy farm sells milk to a company that makes milk-based products and sells it under the brand name Whiteshed. Shania, a loyal customer, always buys Whiteshed cheese. Which of the following impacts of marketing is illustrated in this case?      |  |  | | --- | --- | | A. | New market research |  |  |  | | --- | --- | | B. | Global expansion of the market |  |  |  | | --- | --- | | **C.** | Supply chain management |  |  |  | | --- | --- | | D. | Turnaround strategies |  |  |  | | --- | --- | | E. | Limited choice of products |   This case illustrates the impact of marketing on supply chain management. The group of firms and set of techniques and approaches firms use to make and deliver a given set of goods and services is commonly referred to as a supply chain. |

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| *Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #88 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-20 Marketing Is Pervasive Across Marketing Channel Members* |

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| 89. | The Old Oven, a multinational bakery chain, donated its worldwide revenue of a month for the rehabilitation activities in a country affected by an earthquake. Which of the following is specifically exemplified in this case?      |  |  | | --- | --- | | **A.** | Marketing enriching society |  |  |  | | --- | --- | | B. | Marketing aiding entrepreneurship |  |  |  | | --- | --- | | C. | Marketing helping global expansion |  |  |  | | --- | --- | | D. | Marketing impacting supply chain management |  |  |  | | --- | --- | | E. | Marketing through social media |   The impact of marketing in enriching a society is illustrated in this case. Corporate firms encourage their employees to participate in activities that benefit their communities and invest heavily in socially responsible actions and charities. |

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| *Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #89 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-21 Marketing Enriches Society* |

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| 90. | Mark starts his own company concentrating on producing products that satisfy customers' unfulfilled needs. He thoroughly analyzes the marketplace and develops products based on customers' needs and wants and then communicates the value of his products to potential customers. Which of the following does this scenario exemplify?      |  |  | | --- | --- | | A. | Marketing enriching society |  |  |  | | --- | --- | | **B.** | Marketing aiding entrepreneurship |  |  |  | | --- | --- | | C. | Marketing helping global expansion |  |  |  | | --- | --- | | D. | Marketing impacting supply chain management |  |  |  | | --- | --- | | E. | Marketing through social media |   Mark is an entrepreneur who uses marketing to satisfy customers' unfulfilled needs. Whereas marketing plays a major role in the success of large corporations, it also is at the centre of the successes of numerous new ventures initiated by entrepreneurs, or people who organize, operate, and assume the risk of a business venture. |

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| *Accessibility: Keyboard Navigation Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #90 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-22 Marketing Can Be Entrepreneurial* |

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| 91. | A marketing plan is broken down into various components and specifies the marketing activities for a specific period of time.    **TRUE**  A marketing plan is broken down into various components and specifies the marketing activities for a specific period of time. It includes how the product or service will be conceived or designed, how much it should cost, where and how it will be promoted, and how it will get to the consumer. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #91 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: What Is Marketing?* |

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| 92. | Marketers find it practical to sell their products and services to everyone.    **FALSE**  Marketers do not find it practical to sell their products and services to everyone. Because marketing costs money, good marketers carefully seek out potential customers who have both an interest in the product and an ability to buy it. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #92 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-01 Marketing is About Satisfying Customer Needs and Wants* |

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| 93. | The process of identifying customer segments that a company wants to target with its products and services requires market research.    **TRUE**  The process of identifying customer segments the company wants to target with its products and services requires market research. There are many types of market research that help marketers make good decisions about various aspects of the marketing mix. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #93 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-01 Marketing is About Satisfying Customer Needs and Wants* |

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| 94. | Marketing mix is the controllable set of activities that a firm uses to respond to the wants of its target markets.    **TRUE**  Marketing mix is the controllable set of activities that a firm uses to respond to the wants of its target markets. Marketing traditionally has been divided into a set of four interrelated decisions known as the marketing mix, or four Ps. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #94 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-03 Marketing Requires Marketing Mix Decisions* |

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| 95. | Services are tangible customer benefits that are produced by people or machines and can be easily separated from the producer.    **FALSE**  Services are intangible customer benefits that are produced by people or machines and cannot be easily separated from the producer. Air travel, banking, insurance, beauty treatments, and entertainment all are services. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #95 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 96. | Ideas include thoughts, opinions, philosophies, and intellectual concepts that cannot be marketed.    **FALSE**  Ideas include thoughts, opinions, philosophies, and intellectual concepts that can be marketed. The fundamental purpose of marketing is to create value by developing a variety of offerings, including goods, services, and ideas, to satisfy customer needs. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #96 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 97. | Price doesn't always have to be calculated in monetary terms.    **TRUE**  Price doesn't always have to be calculated in monetary terms. It is everything a buyer gives up—money, time, and energy— in exchange for a product. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #97 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-05 Price: Transacting Value* |

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| 98. | Promotion generally can enhance a product or service's value.    **TRUE**  Promotion generally can enhance a product or service's value. Promotion is communication by a marketer that informs, persuades, and reminds potential buyers about a product or service to influence their opinions or elicit a response. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #98 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-07 Promotion: Communicating Value* |

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| 99. | Marketers can deliver greater value to consumers by treating the four Ps as separate components rather than configuring them as a whole.    **FALSE**  Marketers cannot deliver greater value to consumers by treating the four Ps as separate components rather than configuring them as a whole. The four Ps work together for better results. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #99 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-07 Promotion: Communicating Value* |

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| 100. | Technological changes seldom shape a company's marketing activities.    **FALSE**  Technological changes often shape a company's marketing activities. Social media is quickly becoming an integral part of their marketing and communications strategies. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #100 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 101. | Some companies engage in both B2B and B2C marketing at the same time.    **TRUE**  Some companies engage in both B2B and B2C marketing at the same time. The process in which businesses sell to consumers is known as B2C (business-to-consumer) marketing, whereas the process of selling merchandise or services from one business to another is called B2B (business-to-business) marketing. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #101 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 102. | Marketing cannot be designed to benefit an entire industry at a time.    **FALSE**  Marketing is often designed to benefit an entire industry, which can help many firms simultaneously. Marketing works well in both profit-orientated and nonprofit sectors. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #102 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-09 Marketing Impacts Many Stakeholders* |

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| 103. | Marketing is now an activity that is designed exclusively to produce and sell products.    **FALSE**  Marketing is not an activity that is designed exclusively to produce and sell products. It has evolved to become an integral business function aimed at creating value for consumers and companies' shareholders. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #103 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-10 The Four Orientations of Marketing* |

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| 104. | Product-oriented companies focus on whether the products best satisfy customers' needs.    **FALSE**  Product-oriented companies do not focus on whether the products best satisfy customers' needs. Product-oriented companies focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #104 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-11 Product Orientation* |

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| 105. | Marketing creates mutually valuable relationships between a company and the firms from which it buys.    **TRUE**  Marketing advises production about how much of the company's product to make and then tells logistics when to ship it. It creates mutually valuable relationships between the company and the firms from which it buys. |

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| *Accessibility: Keyboard Navigation Blooms: Remember Difficulty: Easy Grewal - Chapter 01 #105 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: Why Is Marketing Important?* |

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| 106. | Differentiate between a need and a want.     Understanding and satisfying consumer needs and wants is fundamental to marketing success. A need is when a person feels deprived of the basic necessities of life, such as food, clothing, shelter, or safety. A want is the particular way in which the person chooses to fulfill his or her need, which is shaped by a person's knowledge, culture, and personality. For example, when we are hungry, we need something to eat. Some people want a submarine sandwich to satisfy that hunger, whereas others want a salad and some soup instead. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #106 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: 01-01 Marketing is About Satisfying Customer Needs and Wants* |

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| 107. | Define the marketing mix and list its four Ps.     The marketing mix is the controllable set of activities that a firm uses to respond to the wants of its target markets. It includes the four Ps that are product, price, place, and promotion. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #107 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-03 Marketing Requires Marketing Mix Decisions* |

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| 108. | Differentiate between goods and services.     Goods are items that one can physically touch. Roots clothing, Molson Canadian beer, Kraft Dinner, and countless other products are examples of goods. Unlike goods, services are intangible customer benefits that are produced by people or machines and cannot be separated from the producer. Air travel, banking, insurance, beauty treatments, and entertainment all are services. Getting money from the bank by using an ATM or teller is another example of using a service. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #108 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-04 Product: Creating Value* |

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| 109. | Differentiate between B2C and B2B marketing.     The process in which businesses sell to consumers is known as B2C (business-to-consumer) marketing, whereas the process of selling merchandise or services from one business to another is called B2B (business-to-business) marketing. Some companies, such as GE (General Electric), are engaged in both B2B and B2C marketing at the same time. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #109 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations* |

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| 110. | Explain the features of product-oriented companies.     Product-oriented companies focus on developing and distributing innovative products with little concern about whether the products best satisfy customers' needs. Manufacturers believed that a good product would sell itself, and retail stores typically were considered places to hold the merchandise until a consumer wanted it. Companies with a product orientation generally start out by thinking about the product they want to build; they try selling the product after it is developed rather than starting with an understanding of the customers' needs and then developing a product to satisfy those needs. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #110 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-11 Product Orientation* |

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| 111. | Differentiate between companies that have a sales orientation and companies that have a market orientation.     Companies that have a sales orientation basically view marketing as a selling function where companies try to sell as many of their products as possible rather than focus on making products consumers really want. These firms typically depend on heavy doses of personal selling and advertising to attract new customers. Companies with a selling orientation tend to focus on making a sale or on each transaction rather than building long-term customer relationships. They generally believe that if consumers try their products, they will like them. Market-oriented companies start out by focusing on what consumers want and need before they design, make, or attempt to sell their products and services. They believe that customers have choice and make purchase decisions based on several factors, including quality, convenience, and price. Basically, the "customer is king," and the market is a buyer's market since consumers wield tremendous power. In this orientation, marketers' role is to understand and respond to the needs of consumers and to do everything possible to satisfy them. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #111 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-12 Sales Orientation Topic: 01-13 Market Orientation* |

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| 112. | Explain value-based orientation.     Marketing firms recognized that there was more to good marketing than simply discovering and providing what consumers wanted and needed; to compete successfully, they would have to give their customers greater value than their competitors. Value reflects the relationship of benefits to costs, or what you get for what you give. In a marketing context, customers seek a fair return in goods and/or services for their hard-earned money and scarce time. They want products or services that meet their specific needs or wants and that are offered at a price that they believe is good value. Every value-based marketing firm must implement its strategy according to what its customers value. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #112 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-14 Value-based Orientation* |

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| 113. | Explain customer relationship management and why it is important for an organization.     Firms that practise value-based marketing also use a process known as customer relationship management (CRM), a business philosophy and set of strategies, programs, and systems that focus on identifying and building loyalty among the firm's most valued customers. Firms that employ CRM systematically collect information about their customers' needs and then use that information to target their best customers with the products, services, and special promotions that appear most important to those customers. Building strong relationships with customers is important to creating value for an organization as it maximizes the long-term value of the buyer-seller relationship rather than trying to maximize the profit from each transaction. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #113 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-17 Building Relationships with Customers* |

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| 114. | Explain how social and mobile media have helped the sellers to connect with their customers.     Marketers are steadily embracing new technologies, such as social and mobile media, to allow them to connect better with their customers and thereby serve their needs more effectively. Businesses take social and mobile media seriously, including these advanced tools in the development of their marketing strategies. Approximately three-quarters of North American companies now use social media tools for marketing purposes, and 46 percent of Internet users worldwide interact with social media on a daily basis. The explosive growth of mobile phones in India and China means that more than 77 percent of the world's population subscribes to mobile services. Beyond social media sites, online travel agencies have become the first place that users go to book travel arrangements. Several restaurant chains are exploiting location-based social media applications. The result of using social and mobile media for marketing is that users are driving the way brands and stores are interacting with social media. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #114 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-18 Connecting with Customers Using Social and Mobile Media* |

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| 115. | Explain the concept of the supply chain.     Firms typically do not work in isolation. Manufacturers buy raw materials and components from suppliers, which they sell to retailers or other businesses after they have turned the materials into their products. Every time materials or products are bought or sold, they are transported to a different location, which sometimes requires that they be stored in a warehouse operated by yet another organization. The group of firms and set of techniques and approaches firms use to make and deliver a given set of goods and services is commonly referred to as a supply chain. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #115 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-20 Marketing Is Pervasive Across Marketing Channel Members* |

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| 116. | You are planning to set up an educational institution to cater to the educational needs of students between the ages of 4 and 16. Formulate a marketing plan indicating the various aspects that you would have to consider to set up this institution.     Student answers will vary. A marketing plan is a written document composed of an analysis of the current marketing situation, opportunities and threats for the firm, marketing objectives and strategy specified in terms of the four Ps, action programs, and projected or pro forma income (and other financial) statements. The following are some of the issues that might be addressed by the marketing plan:  • Funding • Recruitment Geographic Range • Image Building/Promotion of the Institution • Website/E-recruiting • Target Audiences • Promotion of Academic Programs • Scholarship Development • Internal Communication • Internal Marketing • TV and Radio • Media Relations • Visit Programs • Community Involvement |

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| *Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #116 Learning Objective: 01-01 Define the role of marketing and explain its core concepts. Topic: What Is Marketing?* |

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| 117. | Explain in detail the concept of the marketing mix.     Marketing traditionally has been divided into a set of four interrelated decisions known as the marketing mix, or four Ps: product, price, place, and promotion. Together, the four Ps comprise the marketing mix, which is the controllable set of activities that a firm uses to respond to the wants of its target markets. The fundamental purpose of marketing is to create value by developing a variety of offerings, including goods, services, and ideas, to satisfy customer needs. Everything has a price, though it does not always have to be monetary. Price, therefore, is everything the buyer gives up—money, time, energy—in exchange for the product. Marketers must determine the price of a product carefully on the basis of the potential buyer's belief about its value. The third P, place, describes all the activities necessary to get the product from the manufacturer or producer to the right customer when that customer wants it. Promotion is communication by a marketer that informs, persuades, and reminds potential buyers about a product or service to influence their opinions or elicit a response. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #117 Learning Objective: 01-02 Describe how marketers create value for a product or service. Topic: 01-03 Marketing Requires Marketing Mix Decisions* |

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| 118. | Describe how sharing information helps a firm to be value-driven.     In a value-based, market-oriented firm, marketers share information about customers and competitors that has been collected through customer relationship management and integrate it across the firm's various departments. The fashion designers for Zara, the Spain-based fashion retailer, for instance, collect purchase information and research customer trends to determine what their customers will want to wear in the next few weeks; simultaneously, the logisticians—those persons in charge of getting the merchandise to the stores—use the same purchase history to forecast sales and allocate appropriate merchandise to individual stores. Sharing and coordinating such information represents a critical success factor for any firm. Imagine what might happen if Zara's advertising department were to plan a special promotion but not share its sales projections with those people in charge of creating the merchandise or getting it to stores. |

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| *Blooms: Understand Difficulty: Medium Grewal - Chapter 01 #118 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-15 Sharing Information* |

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| 119. | You want to start a chain of fast-food restaurants serving Mexican food, including tacos, burritos, quesadillas, nachos, other specialty items, and a variety of "value menu" items. You want to draw in a young crowd to your restaurants. What different social media tools can you use to promote your chain of restaurants?     Student answers will vary. They might suggest having a Facebook page where people can post their preferences regarding the menu or post suggestions. The page could feature discussions about the different choices offered by the restaurant. Student might also suggest using a Twitter account to allow people to share their experiences in the restaurants. The restaurants would benefit from the insights provided by the customers. YouTube can also be used to upload videos with demonstrations, celebrities endorsing the product, and so on. |

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| *Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #119 Learning Objective: 01-03 Summarize the four orientations of marketing. Topic: 01-18 Connecting with Customers Using Social and Mobile Media* |

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| 120. | "Marketing is pervasive across marketing channel members." Explain with an example.     Firms typically do not work in isolation. Manufacturers buy raw materials and components from suppliers, which they sell to retailers or other businesses after they have turned the materials into their products. Every time materials or products are bought or sold, they are transported to a different location, which sometimes requires that they be stored in a warehouse operated by yet another organization. The group of firms and set of techniques and approaches firms use to make and deliver a given set of goods and services is commonly referred to as a supply chain. Excellent supply chains effectively and efficiently integrate their supply chain partners—suppliers, manufacturers, warehouses, stores, and transportation intermediaries—to produce and distribute goods in the right quantities, to the right locations, and at the right time. Consider Loblaw, Canada's largest food distributor, and its relationships with its manufacturers and trading partners. A few years ago, Loblaw's supply chain system suffered from several inefficiencies that drove up its costs substantially. For example, inaccurate demand forecasts led trading partners to stock huge inventory to meet unpredictable demand. Inefficient use of customer data meant that stock replenishment was made by estimation rather than true customer data. Disconnected supply chain systems, limited collaboration, reduced information sharing, and supply variability led to poor quality information on which to base sales forecasts, production plans, and replenishment schemes. The company has since made many changes to improve the efficiency of its supply chain. Loblaw's participation in a radio frequency identification (RFID) pilot project for the grocery industry conducted by the Canadian RFID Centre has helped it improve its operations. Preliminary results seem to indicate that Loblaw has improved its inventory management and use of promotions. |

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| *Blooms: Apply Difficulty: Hard Grewal - Chapter 01 #120 Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. Topic: 01-20 Marketing Is Pervasive Across Marketing Channel Members* |

Chapter 1 Summary

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| --- | --- |
| *Category* | *# of Questions* |
| Accessibility: Keyboard Navigation | 98 |
| Blooms: Apply | 43 |
| Blooms: Remember | 34 |
| Blooms: Understand | 43 |
| Difficulty: Easy | 34 |
| Difficulty: Hard | 43 |
| Difficulty: Medium | 43 |
| Grewal - Chapter 01 | 125 |
| Learning Objective: 01-01 Define the role of marketing and explain its core concepts. | 13 |
| Learning Objective: 01-02 Describe how marketers create value for a product or service. | 58 |
| Learning Objective: 01-03 Summarize the four orientations of marketing. | 32 |
| Learning Objective: 01-04 Understand the importance of marketing both within and outside the firm. | 17 |
| Topic: 01-01 Marketing is About Satisfying Customer Needs and Wants | 9 |
| Topic: 01-02 Marketing Entails an Exchange | 2 |
| Topic: 01-03 Marketing Requires Marketing Mix Decisions | 4 |
| Topic: 01-04 Product: Creating Value | 15 |
| Topic: 01-05 Price: Transacting Value | 6 |
| Topic: 01-05 Promotion: Communicating Value | 1 |
| Topic: 01-06 Place: Delivering Value | 4 |
| Topic: 01-07 Promotion: Communicating Value | 4 |
| Topic: 01-08 Marketing Can Be Performed by Both Individuals and Organizations | 22 |
| Topic: 01-09 Marketing Impacts Many Stakeholders | 2 |
| Topic: 01-10 The Four Orientations of Marketing | 2 |
| Topic: 01-11 Product Orientation | 6 |
| Topic: 01-12 Sales Orientation | 5 |
| Topic: 01-13 Market Orientation | 5 |
| Topic: 01-14 Value-based Orientation | 3 |
| Topic: 01-15 Sharing Information | 2 |
| Topic: 01-16 Balancing Benefits with Costs | 1 |
| Topic: 01-17 Building Relationships with Customers | 7 |
| Topic: 01-18 Connecting with Customers Using Social and Mobile Media | 2 |
| Topic: 01-19 Marketing Expands Firms Global Presence | 2 |
| Topic: 01-20 Marketing Is Pervasive Across Marketing Channel Members | 9 |
| Topic: 01-21 Marketing Enriches Society | 2 |
| Topic: 01-22 Marketing Can Be Entrepreneurial | 3 |
| Topic: What Is Marketing? | 2 |
| Topic: Why Is Marketing Important? | 1 |