TT TEXTBOOK TESTBANKS

Test Bank for Marketing 12th Solomon

TEST BANK SAMPLE PREVIEW

PUBLISHER
Pearson

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2025

RESOURCE TYPE
Test Bank

ISBN
9780138116071

***Marketing: Real People, Real Choices, 12e* (Solomon)**
Chapter 1   Welcome to Marketing in the Modern World

1) A ________ is the ultimate user of a good or service.
A) stakeholder
B) market
C) target market
D) marketer
E) consumer
Answer: E
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

2) ________ is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.
A) Demand satisfaction
B) Competitive advantage building
C) Marketing
D) Total quality management
E) Value chain management
Answer: C
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Written and oral communication

3) The ________ consists of the tools an organization uses to create a desired response among a set of predefined consumers.
A) sharing economy
B) market position
C) value proposition
D) marketplace
E) marketing mix
Answer: E
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

4) The four Ps are discussed as separate parts of a firm's marketing strategy, but product, price, promotion, and place decisions are actually ________.
A) contradictory
B) interdependent
C) unrelated
D) disconnected
E) singular
Answer: B
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Written and oral communication

5) Which of the following is a true statement about the four Ps of the marketing mix?
A) A decision about one of the Ps affects every other marketing-mix decision.
B) Price is always the most important of the four Ps.
C) Place is typically the least important of the four Ps.
D) The four Ps have little effect on a product's market position.
E) The four Ps are used to determine a product's target market.
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

6) Which of the following is part of the place element of the marketing mix?
A) a quality discount
B) a store coupon
C) a newspaper advertisement
D) a local retailer
E) publicity releases
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

7) The customer's overall assessment of every interaction the customer has had with a business is known as ________.
A) the customer experience
B) customer engagement
C) e-commerce
D) the marketing mix
E) collaborative consumption
Answer: A
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

8) ________ is the assignment of a product's value, or the amount the consumer must exchange to receive the offering.
A) Promotion
B) Price
C) Benefit
D) Need
E) Utility
Answer: B
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

9) Free delivery of a good is considered part of which element of the marketing mix?
A) product
B) place
C) price
D) distribution
E) promotion
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Written and oral communication

10) Marketing communication is also referred to as ________.
A) production
B) selling orientation
C) societal marketing
D) exchange
E) promotion
Answer: E
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Written and oral communication

11) For an exchange to occur, ________.
A) at least two people or organizations must be willing to make a trade, and each must have something the other wants
B) there must be one winner and one loser
C) someone must make a financial profit
D) the item that is exchanged must be a tangible product
E) time utility must be created for the purchaser
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

12) ________ refers to the availability of the product to the customer at the desired location and time.
A) production
B) place
C) price
D) profit
E) promotion
Answer: B
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Reflective thinking

13) ________ are intangible products that we pay for and use but never own.
A) Consumer goods
B) Services
C) Industrial goods
D) E-commerce products
E) Value products
Answer: B
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

14) Steel and other items purchased for further processing are considered ________.
A) consumer services
B) consumer goods
C) value propositions
D) utilities
E) industrial goods
Answer: E
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

15) ________ marketing is the marketing of goods and services from one organization to another.
A) Distributive
B) Consumer
C) E-commerce
D) Business-to-business
E) Target
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

16) ________ are organizations with charitable, educational, community, and other public service goals that buy goods and services to support their functions and to attract and serve their members.
A) Consumer organizations
B) Public organizations
C) Private organizations
D) Nonprofit organizations
E) For-profit organizations
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

17) Marketers first identify consumer needs and then provide products that satisfy those needs. This practice is referred to as ________.
A) the stakeholder orientation
B) the marketing concept
C) total quality management
D) collaborative consumption
E) the marketing mix
Answer: B
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

18) A customer is said to have a need when ________.
A) their desire to satisfy requirements in a specific way is culturally influenced
B) they receive a sought outcome through purchasing a product to satisfy a want
C) there is a recognition of some difference between their actual state and some ideal or desired state
D) they have a desire for product and the means to obtain it
E) they have a desire for a product but are without the means to obtain it
Answer: C
Difficulty: Challenging
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

19) A ________ is a desire for a particular product a consumer uses to satisfy a need in a specific way that is culturally and socially influenced.
A) benefit
B) demand
C) value
D) utility
E) want
Answer: E
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

20) A ________ delivered by a product is the outcome that motivates a customer's buying behavior.
A) benefit
B) demand
C) value
D) need
E) want
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

21) Demand is defined to be customers' desires for products coupled with ________.
A) social influences as to which products to procure
B) cultural pressure to obtain particular products
C) the resources needed to obtain them
D) a location in which to conduct the transaction
E) some difference between their actual state and some ideal or desired state
Answer: C
Difficulty: Challenging
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

22) The usefulness or benefit that consumers receive from a product is ________.
A) utility
B) TQM
C) ROI
D) e-commerce
E) value
Answer: A
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

23) A glitzy shopping mall, a mail-order catalog, a television shopping network, and an e-commerce website are all examples of ________.
A) marketing concepts
B) value chains
C) monopolies
D) marketplaces
E) strategic business units
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

24) A marketplace ________.
A) must be a physical location
B) cannot exist online
C) is where an exchange occurs
D) does not involve services
E) only deals in physical products
Answer: C
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

25) All of the following are forms of utility created by marketing processes EXCEPT ________.
A) form utility
B) place utility
C) time utility
D) possession utility
E) price utility
Answer: E
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

26) When a dress manufacturer combines silk, thread, and a zipper to create a bridesmaid's gown, ________ utility occurs.
A) form
B) place
C) time
D) possession
E) price
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

27) Rent the Runway rents high-end designer dresses at one-tenth the retail cost, for four nights, shipping directly to the customer's doorstep. A prepaid envelope is provided for return shipping. This is an example of ________ utility.
A) form
B) place
C) time
D) possession
E) price
Answer: B
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

28) ________ is the benefit marketing provides by storing products until they are needed.
A) Form
B) Place
C) Time
D) Possession
E) Price
Answer: C
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

29) What are NGOs?
A) nongovernmental organizations
B) new growth orientations
C) neo geographical opinions
D) nonprofit organizations
E) national green options
Answer: A
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

30) When Tony rented a loft apartment where he would live for the summer, he acted as a ________.
A) consumer
B) shareholder
C) producer
D) marketer
E) retailer
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

31) Chris just landed her dream job but realizes that her college wardrobe is not going to work for her new professional position. In this situation, Chris has a(n) ________.
A) benefit
B) exchange
C) value
D) need
E) utility
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

32) After saving a portion of several paychecks, Greg Williams now has the buying power to purchase the computer system he has wanted for the last six months. Greg's want has become a(n) ________.
A) need
B) necessity
C) demand
D) exchange
E) transaction
Answer: C
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

33) Ruth Terry is a realtor. In her ads, Terry offers the free use of a moving truck to every customer she helps either buy or sell a house. This free use of a moving truck is an example of ________.
A) a benefit
B) a demand
C) business-to-business marketing
D) a need
E) a marketplace
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

34) Which of the following is the best example of a consumer good?
A) the riding lawn mower purchased by the landscaping company
B) the disposable diapers purchased by the new mother for her baby
C) the paint purchased by the contractor
D) the cookies purchased for the daycare center
E) the art supplies purchased for the elementary school art center
Answer: B
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

35) Which of the following is the best example of a service?
A) the medical examination Jonathon had yesterday
B) the sheet music purchased by the piano teacher
C) the software Monica purchased from the website
D) the cleaning supplies purchased for the veterinarian's office
E) the t-shirt you got for running in a 5K race
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

36) Alex paid for a(n) ________ when he took his car to the carwash to be washed and waxed.
A) service
B) industrial product
C) consumer good
D) commercial good
E) business product
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

37) Which of the following is an example of a transaction that might occur in business-to-business marketing?
A) Maurice buys a new razor on his way home from work.
B) The amateur gardener buys a new wheelbarrow.
C) The retail outlet buys athletic shoes to sell in its store.
D) The professional chef bakes a birthday cake for her son.
E) Robyn's mother hires a math tutor to help Robyn pass algebra.
Answer: C
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

38) Asad purchases air conditioners to provide HVAC systems for office buildings. He sells ________.
A) distributive goods
B) consumer services
C) consumer goods
D) industrial goods
E) intangible goods
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

39) Which of the following is an example of a nonprofit organization that would use marketing principles?
A) a fast-food restaurant
B) a manufacturer of bicycles
C) a software developer
D) a theme amusement park
E) the local city zoo
Answer: E
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

40) A sign manufacturer who uses plastic, metal, and neon tubing to create a motel sign has performed the marketing benefit of creating ________ utility.
A) form
B) place
C) possession
D) time
E) creation
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

41) Shane pulled her car into the gas station just as the fuel gauge dropped below empty. In this example, Shane benefited from the ________ utility offered by the gas station.
A) creation
B) place
C) value
D) marketing
E) quality
Answer: B
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

42) Seth's mother didn't want to build a climbing wall as a permanent feature in her backyard, but it was certainly convenient to rent one from the company that catered Seth's 12th birthday party. The catering company created both ________ utility when it rented her the climbing wall.
A) form and place
B) place and creation
C) possession and price
D) time and place
E) creation and possession
Answer: D
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

43) Kris traded Priya four hours of yardwork for a home-made dinner for four. This is an example of a(n) ________.
A) differential benefit
B) promotion
C) exchange
D) collaborative consumption
E) virtual trade
Answer: C
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

44) Zappos has focused on the customer's ease of navigating their website, the quality of the customer service calls, the expedited shipping, and providing free returns. Zappos is paying particular attention to the ________.
A) marketing mix
B) people marketing
C) collaborative consumption
D) nonprofit marketing
E) customer experience
Answer: E
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

45) Conveniently located vending machines around your college or university campus make it easy for you to buy a soda and a snack between classes. This is an example of the ________ element of the marketing mix.
A) production
B) place
C) price
D) profit
E) promotion
Answer: B
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

46) Susannah owns a one-bedroom apartment in Manhattan that she posts for short-term weekend and summer rentals on Airbnb when she plans to be out of town. This is an example of ________.
A) nonprofit marketing
B) institutional marketing
C) collaborative consumption
D) people marketing
E) consumer-generated marketing
Answer: C
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

47) First and foremost, marketing is about ________.
A) prioritizing sellers' goals
B) communicating one-to-one
C) satisfying customer needs
D) creating desire
E) monetizing the exchange relationship
Answer: C
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

48) Of the four Ps in the marketing mix, ________ is far and away the most quickly and dramatically changing.
A) promotion
B) place
C) price
D) product
E) priority
Answer: A
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

49) Today, service transactions contribute about ________ percent of the GDP in the U.S. and other developed countries.
A) 10
B) 25
C) 40
D) 50
E) 80
Answer: E
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

50) The term "marketing" is synonymous with the term "advertising."
Answer: FALSE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Written and oral communication

51) Marketers define a need as the difference between a consumer's actual state and some ideal or desired state.
Answer: TRUE
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

52) Although having something to eat or drink may be a need, the desire for a specific brand name is referred to as a want.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

53) The marketing mix is commonly referred to as the four Ms.
Answer: FALSE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

54) Marketing doesn't just meet the needs of customers –it meets the needs of diverse stakeholders.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

55) For an exchange to occur, at least one party must agree on the value of the exchange and how it will be carried out.
Answer: FALSE
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

56) Business-to-business marketing represents greater total sales than business-to-consumer marketing.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

57) E-commerce is the buying and selling of goods and services electronically.
Answer: TRUE
Difficulty: Easy
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing

58) The promotion element of the marketing mix includes the design of the product.
Answer: FALSE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Written and oral communication

59) The sharing economy has been referred to as collaborative consumption.
Answer: TRUE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

60) In terms of marketing, wants and needs are interchangeable.
Answer: FALSE
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

61) What is a microcelebrity?
Answer: Everyday people like you "package" themselves when they create an appealing social media profile. And this person-marketing perspective is more valid than ever, now that almost everyone can find their "few minutes of fame" on a website or blog or in an Instagram post. Society has even coined a work for all this–microcelebrity–to describe those who are famous not necessarily to millions of people but certainly to hundreds or even thousands who follow their comings and goings on various social media outlets. Indeed, social media and the Internet churn out hundreds of temporarily famous people who probably won't be remembered for long.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

62) Discuss how the principles of marketing can be applied to people.
Answer: The principles of marketing apply to people in the same way that they apply to products and services. People market, or "sell," themselves all of the time, whether they are applying for a job, hoping to gain a promotion, or participating in online dating. People package and promote themselves through the clothes and accessories they choose, the cars they drive, the music they listen to, the books they read, and much more.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

63) How would a jewelry designer selling products on Etsy create the four types of utility?
Answer: The jewelry designer would create form utility by creating personalized products based on individual customer's preferences. Place utility would mean the customer is able to go online from home on a desktop computer, at work on a laptop, or anywhere out and about on their phone to order jewelry items. Time utility would mean the customer could use expedited shipping to get their items in a timely manner. Possession utility refers to the enjoyment consumers would get wearing and/or gifting their personalized jewelry purchases.
Difficulty: Challenging
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

64) What does the phrase "exchange relationship" mean in relation to marketing?
Answer: An exchange occurs when something is obtained for something else in return. The buyer receives an object, service, or idea that satisfies a need, and the seller receives something they feel is of equivalent value. For an exchange to occur, at least two people or organizations must be willing to make a trade, and each must have something the other wants. Both parties must agree on the value of the exchange and how it will be carried out. Each party also must be free to accept or reject the other's terms for the exchange. An exchange is at the heart of every marketing act.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

65) What is the difference between consumer goods and consumer services? Give an example of each.
Answer: Consumer goods are the tangible products that individual consumers purchase for personal or family use. Consumer services are intangible products that consumers pay for and use but never own. Examples will vary, but should reflect these definitions.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

66) Identify the four Ps in the following description: Rosa Alvarez markets 23 different varieties of salsa in 8-ounce and 12-ounce bottles at supermarkets in the southwestern United States. The 8-ounce bottle sells for $5.95, and the larger size sells for $7.95. Periodically, she sets up a table in one of the marketplaces that carries her salsa brand and offers customers a sample. She recently received considerable publicity for being the "Hispanic Entrepreneur of the Year."
Answer: The four Ps are product, price, place, and promotion.
Product: 23 different varieties of salsa in 8-ounce and 12-ounce bottles
Price: $5.95 for smaller size and $7.95 for larger size
Place: supermarkets in southwestern United States
Promotion: sampling and publicity
Difficulty: Challenging
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

67) What are some downsides of using digital and social media in marketing?
Answer: The exponential increase in available new-age digital and social media tools and applications has been of great benefit both to consumers and to marketers, who now have many very efficient and convenient ways to connect with you. However, like many technological innovations, the rise of digital and social media marketing has not come without challenges and downsides in this instance, often related to consumers' privacy and security concerns, as well as worry about usage impact on children.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

68) Select one actual company located in your community. Identify at least four different types of stakeholders in this company.
Answer: Each student will present different information in responding to this question. Stakeholders should include the company's customers, the company's employees, investors in the company, and residents of the community.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

69) Define the term stakeholders.
Answer: The term stakeholders refers to buyers, sellers, or investors in a company; community residents; and even citizens of the geographic areas where a firm's goods and services are made or sold—in other words, any person or organization that has a "stake" in the outcome of marketing's activities. In short, marketing is all about satisfying everyone involved in the marketing process.
Difficulty: Challenging
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

70) What are the four types of utility?
Answer: The four types of utility are: form utility (transforming raw materials into a finished product), place utility (making products available when and where customers want them), time utility (storing products until they are needed), and possession utility (allowing customers to own, use, and enjoy the product).
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Analytical thinking

71) What is a marketplace? Provide three examples of marketplaces.
Answer: A marketplace is any location or medium used to conduct an exchange. Answers providing examples will vary. These may include face-to-face retailers, a phone app, mail-order catalogs or websites.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

72) Explain the concept of business-to-business marketing and give an example of a business-to-business transaction.
Answer: Business-to-business marketing is the marketing of goods and services from one organization to another. Examples will vary, but should reflect this definition.
Difficulty: Moderate
LO: 1.1: Explain what marketing is, the marketing mix, what can be marketed, and the value of marketing
AACSB: Application of knowledge

73) In which kind of market would a production orientation be most successful?
A) a buyer's market in which supply exceeds demand
B) a market in which there are more sellers than buyers
C) a seller's market in which demand is greater than supply
D) a market that sells only intangible products
E) an e-commerce market
Answer: C
Difficulty: Challenging
LO: 1.2: Explain the evolution of marketing

74) Companies that employed a ________ orientation tended to encourage salespeople to aggressively sell products to customers.
A) consumer
B) marketing
C) selling
D) societal
E) relationship
Answer: C
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing

75) When product availability began to exceed customer demand, firms began pursuing ways to get out into the market and "push" products into the hands of potential buyers, thereby adopting a ________ orientation.
A) triple-bottom-line
B) customer
C) production
D) selling
E) promotion
Answer: D
Difficulty: Easy
LO: 1.2: Explain the evolution of marketing

76) The Zappos company-wide goal to "WOW" consumers is an example of which marketing orientation?
A) customer
B) selling
C) production
D) total quality management
E) triple-bottom line
Answer: A
Difficulty: Easy
LO: 1.2: Explain the evolution of marketing

77) The triple-bottom-line component that involves contributing to the communities in which the company operates is the ________ bottom line.
A) social
B) financial
C) environmental
D) quality
E) customer
Answer: A
Difficulty: Challenging
LO: 1.2: Explain the evolution of marketing
AACSB: Ethical understanding and reasoning

78) What is TQM?
A) a management philosophy focusing on the continuous quality improvement of products and services
B) a holistic perspective involving financial, social, and environmental considerations
C) a collection of sophisticated market research methods
D) a societal marketing concept, combining customer satisfaction, profitability, and benefiting society
E) a marketing strategy that creates an environmentally founded differential benefit in the minds of consumers
Answer: A
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing
AACSB: Ethical understanding and reasoning

79) ________ maintains that marketers must satisfy customers' needs in ways that also benefit society and are profitable to the firm.
A) Value propositioning
B) Collaborative consumption
C) The societal marketing concept
D) A sales orientation
E) Green marketing
Answer: C
Difficulty: Easy
LO: 1.2: Explain the evolution of marketing
AACSB: Ethical understanding and reasoning

80) The Acme Company is concerned with meeting the unmet needs of its present customers without compromising the ability of future generations to meet their needs. This company focuses on ________.
A) the selling orientation
B) the production orientation
C) total quality management
D) sustainability
E) return on investment
Answer: D
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing
AACSB: Ethical understanding and reasoning

81) Which of the following refers to marketing strategies that support environmental stewardship by establishing an environmentally founded differential benefit in the minds of consumers?
A) collaborative consumption
B) green marketing
C) triple-bottom-line orientation
D) societal marketing
E) corporate citizenship
Answer: B
Difficulty: Easy
LO: 1.2: Explain the evolution of marketing
AACSB: Ethical understanding and reasoning

82) The direct financial impact of a firm's expenditure on marketing activities is called the ________.
A) value chain
B) value proposition
C) differential benefit
D) return on marketing investment (ROMI)
E) utility function
Answer: D
Difficulty: Easy
LO: 1.2: Explain the evolution of marketing

83) Which of the following grew in popularity shortly after WWII ended, prevailed in the 1950s but decreased because consumers did not like to be pushed?
A) mobile marketing
B) corporate citizenship
C) big data
D) a selling orientation
E) user-generated content
Answer: D
Difficulty: Challenging
LO: 1.2: Explain the evolution of marketing
AACSB: Reflective thinking

84) "Doing well by doing good" is also known as ________.
A) sustainability
B) social marketing
C) societal marketing
D) user-generated marketing
E) branded marketing
Answer: A
Difficulty: Easy
LO: 1.2: Explain the evolution of marketing
AACSB: Integration of real-world business experiences

85) Barbie was an overt coproduction between Mattel and Warner Bros, and the toy company was deeply involved in all the film's marketing and led all its partnerships. This is an example of ________.
A) digital marketing
B) artificial intelligence
C) consumer-generated content
D) branded content
E) user-generated content
Answer: D
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing
AACSB: Analytical thinking

86) Jolene's firm markets preplanning services for a mortician. She finds that most of her target market wants to avoid discussing future funeral needs, so she must somehow first get their attention. Jolene's firm most likely uses the ________.
A) production orientation
B) sustainability concept
C) selling orientation
D) customer orientation
E) societal marketing concept
Answer: C
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing
AACSB: Analytical thinking

87) Bombas donates one pair of socks to people without homes for every pair purchased. Bombas has helped to solve the problem of socks being the most requested item for people without homes. Bombas is an example of which concept?
A) customer orientation
B) sustainability concept
C) societal marketing concept
D) production orientation
E) triple-bottom-line
Answer: C
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing
AACSB: Analytical thinking

88) Which term describes the process of using mathematical models of data to help a computer learn without direct instruction?
A) artificial intelligence
B) machine learning
C) user-generated content
D) voice-activated chatbots
E) digital bottom line
Answer: B
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing
AACSB: Analytical thinking

89) What is the definition of a chatbot?
A) the use of social media and digital marketing
B) the capability of computer systems to perform complex tasks that historically only humans could
C) a mathematical model of data to help a computer learn without direct instruction
D) consumer engagement in marketing activities, such as creating advertisements
E) a computer program that simulates and processes human conversation
Answer: D
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing
AACSB: Analytical thinking

90) Today, it's most likely that companies selling unsought goods will use a selling orientation.
Answer: TRUE
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing

91) Green marketing and sustainability are interchangeable terms describing the same concept.
Answer: FALSE
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing
AACSB: Ethical understanding and reasoning

92) The customer orientation prioritizes the satisfaction of customers' needs and wants.
Answer: TRUE
Difficulty: Easy
LO: 1.2: Explain the evolution of marketing
AACSB: Ethical understanding and reasoning

93) How will marketing be affected by AI?
Answer: Marketing is one of the business fields that will benefit greatly from advances in AI and machine learning. One easy example is the rapidly escalating improvements in the use of voice-activated chatbots to enhance and improve customer service experiences both online and inside actual brick- and-mortar stores (think: no need to search out a human store clerk!). Simply put, a chatbot is a computer program that simulates and processes human conversation (either written or spoken), allowing humans to interact with digital devices as if they were communicating with a real person.
Difficulty: Challenging
LO: 1.2: Explain the evolution of marketing
AACSB: Application of knowledge

94) Describe the shift from a good-dominant logic to service-dominant logic.
Answer: In the past, a goods-dominant logic that focused on building, exchanging, and destroying (through use) value was pervasive. Put completely bluntly, the concept was that raw materials, such as iron ore, that are pretty worthless in that raw state are processed and eventually become an automobile that is sold to a consumer who drives it until it will be sold for a lot less than its initial value or it finally stops operating and is junked. This logic takes into account no value for any service-focused component. Service revenue dominates our economy, so more and more of the transactions within our economy are service transactions. This reality requires that businesses of all kinds–even those with heavy goods as a core product line–move to the service-dominant logic that looks at the exchange of service components for additional value-added to the customer. A customer orientation is a business approach that prioritizes understanding customers' needs and wants and then works holistically and consistently to meet and exceed those needs and wants. Within the service-dominant logic, the necessity of a customer orientation concept is heightened as a central focus for organizational success.
Difficulty: Challenging
LO: 1.2: Explain the evolution of marketing
AACSB: Application of knowledge

95) Explain the concept of corporate citizenship and why it is important for companies today.
Answer: Corporate citizenship, also called corporate social responsibility, refers to a company's responsibility to the community in which it operates and to society in general. This concept of doing well by doing good is of growing importance, and is likely to continue to grow in importance, as more and more consumers reward companies who do "good" and punish those who are found to be irresponsible.
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing
AACSB: Ethical understanding and reasoning

96) Explain why it is often difficult to measure the value of marketing activities.
Answer: Marketing objectives are sometimes stated in vague terms, such as "increase product awareness." This lack of specificity in objectives makes it difficult to measure the impact of marketing.
Difficulty: Challenging
LO: 1.2: Explain the evolution of marketing
AACSB: Application of knowledge

97) Explain why branding is increasingly becoming a two-way communication between the brand and consumers.
Answer: With the rise of user-generated content, such as online reviews and use of social media to discuss brands, it will be critical for brands to create more personalized and far-reaching brand communications.
Difficulty: Moderate
LO: 1.2: Explain the evolution of marketing
AACSB: Written and oral communication

98) When a consumer buys a pair of shoes, they consider the price and other benefits that each competing pair of shoes provides. Marketers communicate these benefits to the customer in the form of a ________.
A) product position
B) market segment
C) mass market
D) value proposition
E) target market
Answer: D
Difficulty: Easy
LO: 1.3: Understand value from the perspectives of customers, producers, and society

99) The service-dominant logic suggests that customers ________.
A) buy goods
B) buy services
C) do not want marketers to provide more creative solution opportunities
D) buy offerings that provide services and create value
E) want to buy goods in greater proportion and total dollar value than services
Answer: D
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

100) ________ occurs when a company and its customer(s) work together to jointly craft an offering to suit the customer's need.
A) A value proposition
B) Co-creation of value
C) Competitive advantage
D) A value chain
E) A distinctive competency
Answer: A
Difficulty: Easy
LO: 1.3: Understand value from the perspectives of customers, producers, and society

101) A differential benefit ________.
A) means that the firm creates an offering that differs significantly from the offerings of competitors
B) provides reasons for customers to pay a premium for a firm's products and exhibit a strong brand preference
C) means the firm can produce a good or service at a lower cost than competitors and thus charge customers a lower price
D) occurs when a company and its customer(s) work together to jointly create an offering to suit the customer's needs
E) is a business approach that prioritizes understanding customers' needs and wants
Answer: B
Difficulty: Challenging
LO: 1.3: Understand value from the perspectives of customers, producers, and society

102) A ________ can generally come from a cost advantage or a differential advantage.
A) competitive advantage
B) value proposition
C) value chain
D) production orientation
E) market segment
Answer: A
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

103) A ________ is a series of activities involved in designing, producing, marketing, delivering, and supporting any product.
A) value proposition
B) production orientation
C) value chain
D) marketing concept
E) market position
Answer: C
Difficulty: Easy
LO: 1.3: Understand value from the perspectives of customers, producers, and society

104) The ________ concept reminds us that every product starts with raw materials, such as iron ore or crude oil, that are of relatively limited value to the end customer.
A) co-creation of value
B) value proposition
C) utility function
D) customer relationship management process
E) value chain
Answer: E
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

105) The main activities of value chain members include all of the following EXCEPT ________.
A) bringing in materials to make the product
B) converting the materials into the final product
C) providing customers with comparative information about competitors' products
D) shipping out the final product
E) servicing the product after purchase
Answer: C
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

106) In the value chain, the ________ activity involves bringing in materials or component parts necessary to make the product.
A) inbound logistics
B) outbound logistics
C) operations
D) marketing
E) service
Answer: A
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

107) The operations activities of the value chain involve ________.
A) bringing in materials of component parts necessary to make the product
B) converting the materials into another form or the final product
C) shipping out the final product
D) promoting and selling the final product
E) meeting the customer's needs by providing any additional support required
Answer: B
Difficulty: Challenging
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Integration of real-world business experiences

108) Social media platforms ________.
A) improve as the number of users decreases
B) are like static websites and books
C) categorize entries according to taxonomy
D) are version free and in perpetual beta
E) are very distinct and share no characteristics with each other
Answer: D
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Integration of real-world business experiences

109) ________ incorporates social networking and user interactivity via two-way communication between marketers and consumers.
A) Web 1.0
B) Web 2.0
C) Web 3.0
D) Folksonomy
E) Digital nativity
Answer: B
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

110) According to the theory of the wisdom of crowds, under the right circumstances, ________.
A) a mass market approach is favorable to a target market approach
B) a target market approach is favorable to a mass market approach
C) groups are smarter than the smartest people in them
D) companies can make money by giving their products away for free
E) consumers can generate value
Answer: C
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

111) Folksonomy ________.
A) is a platform on which a user posts a profile and provide and receive links to other members of the network to share input about common interests
B) argues that under the right circumstances, groups are smarter than the smartest people in them
C) creates value based on content produced by consumers themselves rather than via intra-firm sources such as the brand
D) is a classification system that relies on users rather than preestablished systems to sort contents
E) involves outsourcing marketing activities to a large group of people, often through a social networking community
Answer: D
Difficulty: Challenging
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Integration of real-world business experiences

112) Alcoholism and cigarette smoking are both examples of ________.
A) anticonsumption behaviors
B) "bait-and-switch" behaviors
C) consumer addictions
D) shrinkage
E) consumer behaviors
Answer: C
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Ethical understanding and reasoning

113) Luring consumers into the store with promises of inexpensive products with the sole intent of getting them to change to higher-priced goods is known as ________.
A) bait-and-switch
B) anticonsumption
C) addictive consumption
D) shrinkage
E) folksonomy
Answer: A
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Ethical understanding and reasoning

114) Shopaholics and people who can't pull themselves away from their screens are both suffering from ________.
A) consumer addiction
B) baiting and switching
C) crowdsourcing
D) shrinkage
E) anticonsumption
Answer: A
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Ethical understanding and reasoning

115) A new shampoo advertisement on television identifies all of the wonderful effects the consumer will enjoy when using one company's shampoo as opposed to another company's shampoo. What is this company seeking to convey in this television commercial?
A) the product's time utility
B) the product's distinctive competency
C) the company's production orientation
D) the company's marketing segmentation process
E) the product's differential benefits
Answer: E
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Analytical thinking

116) Kao Corp., which makes Ban deodorant, invited teenage girls to create an ad that would encourage other girls to buy the product. This program is an example of ________.
A) the wisdom of crowds
B) the production concept
C) the selling orientation
D) folksonomy
E) consumer-generated content
Answer: E
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Analytical thinking

117) Terrible Tees is an online t-shirt company that invites consumers to enter their t-shirt designs in a monthly contest. All visitors to the site are invited to vote on their favorite design, and at the end of the month, the company produces and takes orders for the t-shirt design with the most votes. This is an example of ________.
A) the wisdom of crowds
B) the production concept
C) the selling orientation
D) a folksonomy
E) market segmentation
Answer: A
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Analytical thinking

118) Product tampering and spray painting graffiti on buildings and subways are both examples of anticonsumption.
Answer: TRUE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

119) A firm has a competitive advantage when it is able to outperform the competition, providing customers with a desired benefit not provided by the competition.
Answer: TRUE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

120) Crowdsourcing is a practice where firms outsource marketing activities to a community of users.
Answer: TRUE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society

121) Under the right circumstances, large numbers of consumers can predict successful products, according to the theory of the wisdom of crowds.
Answer: TRUE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Integration of real-world business experiences

122) A value proposition includes only the benefits of the product itself.
Answer: FALSE
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Analytical thinking

123) Define and briefly discuss co-creation of value.
Answer: Co-creation of value occurs when a company and its customer(s) work together to jointly create an offering to suit the customer's needs. Co-creation is a win-win option: companies have an opportunity to better understand customers' product desires and needs, and customers gain a new appreciation for the firm.
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

124) Describe the differences between Web 1.0 and Web 2.0.
Answer: In the 1990s, the Internet, Web 1.0, was typified by static content provided by a site's creator. Businesses and institutions permitted little consumer involvement on websites. These commercially and technically based organizations created sites that were crude, simple, and designed to accomplish one specific function. Later, Web 2.0 offered marketers two-way communication through social networking sites such as Facebook. People wrote blogs, and e-commerce expanded.
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

125) What characteristics of social media platforms are important for marketers?
Answer: 1. They improve as the number of users increases. For example, Amazon's ability to recommend books, movies, concerts, and other items for sale to you, a process that uses AI and recommendation engines, is based on what other people with similar interests have bought. The recommendations get better as it tracks more and more people who enter search queries. 2. Their currency is number of views. Google makes its money by charging advertisers according to the number of people who see its ads after they type in a search term. 3. They are version free and in perpetual beta. Unlike static websites or books, content is always a work in progress. Enthusiastic users who serve as volunteer editors constantly update Wikipedia, the online encyclopedia, and "correct" others' errors. 4. They categorize entries according to folksonomy rather than "taxonomy." In other words, sites rely on users rather than preestablished systems to sort content. Listeners at Pandora create their own "radio stations" that play songs by artists they choose as well as other similar artists.
Difficulty: Challenging
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

126) Why should a firm be aware of its competitors' distinctive competencies?
Answer: A distinctive competency is a firm's capability that is superior to the competition. A company must be aware of its competitors' distinctive competencies in order to successfully compete in the marketplace, shaping its own distinctive competencies into differential benefits that customers desire more than they desire the benefits offered by competitors.
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

127) What are two competitive advantages a customer may benefit from when buying a bottle of soda from a local corner convenience store versus a chain supermarket?
Answer: Answers may vary, but include the following. The customer may be able to park his car close to the door of the convenience store and make the purchase in only a few minutes. The parking lot of the chain store may require the customer to walk a distance before entering the store. The volume of customers in the supermarket may cause the purchase to take longer than the purchase at the convenience store.
Difficulty: Challenging
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

128) Explain how addictive consumption is a dimension of the "dark side" of marketing.
Answer: Consumer addiction is a physiological or psychological dependency on products or services. Many companies profit by providing addictive products or by selling solutions. Consumers can use any product or service to relieve some problem to the point that reliance on it becomes extreme.
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

129) Briefly explain how the value chain is related to competitive advantage.
Answer: Every link, or activity, in the value chain is an opportunity to either remove value from or add value to the product the consumer eventually buys. A successful company creates a competitive advantage by performing one or more of the value chain activities better than its competitors.
Difficulty: Moderate
LO: 1.3: Understand value from the perspectives of customers, producers, and society
AACSB: Application of knowledge

130) According to the AMA official definition, marketing ________.
A) is aptly summed up with the phrase "one and done"
B) is a one-shot operation
C) involves iterative processes
D) is actually impossible to define
E) is completed before the product is released
Answer: C
Difficulty: Challenging
LO: 1.4: Explain the basics of market planning

131) Marketers use ________ to create a desired perception of the product in consumers' minds in comparison to competitors' brands.
A) marketing plans
B) positioning strategies
C) segmentation approaches
D) crowdsourcing
E) value propositions
Answer: B
Difficulty: Easy
LO: 1.4: Explain the basics of market planning

132) Analyzing the marketing environment is the ________ phase of market planning.
A) first
B) second
C) third
D) fourth
E) fifth
Answer: A
Difficulty: Easy
LO: 1.4: Explain the basics of market planning

133) ________ is the process of thinking strategically about the big picture and where the firm and its products fit within it.
A) Crowdsourcing
B) Total quality management
C) Market planning
D) Customer relationship management
E) Value proposition creation
Answer: C
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

134) A mass market ________.
A) consists of all possible customers in a market regardless of the differences in their specific needs and wants
B) is a distinct group of customers within a larger market who are similar to one another in some way
C) is a subsection of customers whose needs differ from those in the larger market
D) is the segment(s) on which an organization focuses its marketing plan and toward which it directs its marketing efforts
E) consists of customers selected by the firm because it believes its offerings are most likely to win those customers
Answer: A
Difficulty: Challenging
LO: 1.4: Explain the basics of market planning

135) Which of these statements about mass marketing is NOT true?
A) It consists of all possible customers in a market regardless of the differences in their specific needs and wants.
B) It involves reaching as many customers as possible.
C) It is prohibitively expensive.
D) It means developing a basic product for everyone.
E) It uses a single strategy to reach everyone.
Answer: C
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

136) A market segment is ________.
A) a distinctive group of customers within a larger market who are similar to one another in some way and whose needs differ from other customers in the larger market
B) all possible customers in a market regardless of the differences in their specific needs and wants
C) the group of customers on which an organization focuses its marketing plan and toward which it directs its marketing efforts
D) the set of consumers who are turned off by an organization's marketing efforts
E) stakeholders who are not the audience for a product but are impacted by its success or failure
Answer: A
Difficulty: Challenging
LO: 1.4: Explain the basics of market planning

137) A ________ is defined as a market segment on which an organization focuses its marketing plan and toward which it directs its marketing efforts.
A) social network
B) mass market
C) marketplace
D) value chain
E) target market
Answer: E
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

138) The field of marketing has ________.
A) been static and fixed since its inception
B) changed dramatically in the last two decades but has now entered a period of stasis
C) changed over the course of its history and will continue to do so
D) just ended a period of relative status quo and is on the verge of major changes
E) exerted great effort to avoid disruptions and changes
Answer: C
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

139) When a firm analyzes the marketing environment, it is LEAST likely to look at which of the following?
A) the firm's current strengths
B) the firm's current weaknesses
C) the actions of competitors
D) the state of the economy
E) the firm's ideas for developing a new product
Answer: E
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

140) ________ involves understanding the firm's current strengths and weaknesses by assessing factors that might help or hinder the development and marketing of products.
A) Marketing environment analysis
B) Market segmentation
C) Mass marketing
D) Machine learning
E) Societal marketing
Answer: A
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

141) A catalog retailer has identified African-American professionals between the ages of thirty-five and forty-five as the group of customers within the larger market that is a potential market for its products. The retailer plans to direct its marketing efforts toward this group of consumers. The retailer has identified a ________.
A) target market
B) marketing mix
C) product mix
D) mass market
E) social network
Answer: A
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Analytical thinking

142) An organic farmer has identified three distinct groups who might be interested in his products: vegetarians, people who are concerned about chemicals in their foods, and people who consider themselves innovators and trendsetters. These three groups are examples of ________.
A) marketing mixes
B) market segments
C) product mixes
D) mass markets
E) market positions
Answer: B
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Analytical thinking

143) There are several different sports watches for cyclists. When compared to its competitors, the Bike Nashbar watch is the least expensive. The Acumen Basic is the only one designed for older cyclists who prefer a larger display. Sports Instrument is the most comfortable of all the available watches. This describes the ________ of the three sports watches.
A) marketing mixes
B) mass marketing strategies
C) positioning
D) consumer orientations
E) selling orientations
Answer: C
Difficulty: Challenging
LO: 1.4: Explain the basics of market planning
AACSB: Analytical thinking

144) Analyzing the marketing environment involves consideration of the actions of competitors, cultural and technological changes, and the economy.
Answer: TRUE
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

145) A target market is all possible customers in a market, regardless of their specific needs.
Answer: FALSE
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Application of knowledge

146) A mass market is the segment(s) on which an organization focuses its marketing plan and toward which it directs its marketing efforts.
Answer: FALSE
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning

147) By selecting a mass market, a firm risks losing potential customers to competitors who instead try to meet the needs of specific target markets.
Answer: TRUE
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Application of knowledge

148) Write two questions that a firm would be likely to consider during the market planning stage.
Answer: Answers will vary, but should reflect an understanding of the "big picture" nature of market planning. Examples: What product benefits will our customers want in the near future? What sets our firm apart from competitors? How will legal and regulatory issues affect our business?
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Application of knowledge

149) What are positioning strategies? Explain how an automaker might use them.
Answer: Marketers develop positioning strategies to create a desired perception of the product in consumers' minds in comparison to competitors' brands. An automaker could position their car models as the safer, child-friendly option for families. Conversely, an automaker could position their models as the sleeker, sexier choice, with top-of-the-line options.
Difficulty: Moderate
LO: 1.4: Explain the basics of market planning
AACSB: Application of knowledge

150) What should be taken into account when analyzing the marketing environment?
Answer: The first phase of market planning is to analyze the marketing environment. This means under- standing the firm's current strengths and weaknesses by assessing factors that might help or hinder the development and marketing of products. The analysis must also take into account the opportunities and threats the firm will encounter in the marketplace, such as the actions of competitors, cultural and technological changes, and the economy.
Difficulty: Moderate
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