Student name:\_\_\_\_\_\_\_\_\_\_

**ESSAY. Write your answer in the space provided or on a separate sheet of paper.
1)** Jillian has been asked to write a marketing plan for a new restaurant. What questions will Jillian likely address in her marketing plan? Be specific and offer questions related to a restaurant.

**2)** How does the exchange of ideas provide value, and what is the role of marketing in this process? Explain this using the example in the text of groups marketing bicycle helmets, or choose your own scenario.

**3)** The text states, "Good marketing is not a random activity." Create an example to respond to this statement.

**4)** Your friend is writing a "how-to" book and asks you for marketing advice. You start by exploring the four Ps. What questions will you ask? Be specific.

**5)** The manager of a restaurant supply company determined prices by adding a standard markup to her costs. What might the manager be missing when it comes to effective pricing decisions?

**6)** As your first assignment in an advertising agency, your manager asks you to come up with messages for three billboards promoting the university you attended. The manager wants one ad for each of the three types of promotion objectives. Create an example of a one-sentence billboard advertising message for each objective: inform, persuade, and remind.

**7)** Suppose your college roommate sees you reading your marketing textbook and says, "Marketing is just advertising and selling." How do you respond?

**8)** What are the four Ps of marketing? Give an example of each.

**9)** What is the fundamental purpose of marketing?

**10)** "Everything has a price, though it doesn't always have to be monetary." What else is included in a price?

**11)** If you were hired as a supply chain manager, whom would you interact with?

**12)** Max bought a suit at Jerome’s Fine Clothing for Men. Jerome’s Fine Clothing for Men bought the suit from a distributor, which bought it from a designer. The designer bought the materials to make the suit from a factory in China, and the suits were made at that same factory. The employees in the factory bought their suits directly from the factory and sold them to their friends. Explain which of these transactions were B2B, B2C, and/or C2C.

**13)** During the past couple of decades, marketers have begun to develop a relational orientation as they have realized that they need to think about their customers in terms of relationships rather than transactions. How does Apple encourage its customers to maintain a long-term relationship with the company?

**14)** Over the four marketing eras, how did the emphasis on the four Ps change? List the four eras and describe which of the four Ps were emphasized during each era.

**15)** How does value cocreation provide additional value to customers?

**16)** Explain the process of customer relationship management (CRM) in terms of how it impacts marketing activities.

**17)** Describe how marketing has evolved into a major business function that crosses all areas of a firm or organization.

**18)** Many U.S. companies now use social media tools for marketing purposes. Demonstrate your knowledge of social media by describing a small company and the ways you would use social media to produce, promote, place, and price your goods or services.

**19)** You are employed by a marketing firm that needs to become more value driven. How is this accomplished?

**MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.
20)** What is one of the core aspects of marketing?

 A) Marketing only affects the company and the consumer.
 B) Marketing creates value through product, price, and planning.
 C) Marketing is an offshoot of distribution.
 D) Marketing is about the customer satisfying the sales efforts of the company.
 E) Marketing can be performed by individuals and organizations.

**21)** Jada sells construction equipment. Whenever she calls on her building contractor customers, she asks if they are having any problems. In doing so, Jada is addressing which of the following core aspects of marketing?

 A) satisfying customer needs and wants
 B) completing the exchange function of marketing
 C) making product, place, promotion, and price decisions
 D) making decisions about the setting in which marketing takes place
 E) creating value

**22)** Meryl is considering a career in marketing. She is concerned about the image of marketers as fast-talking, high-pressure people who care only about making a sale. When reading about the core aspects of marketing, Meryl is relieved to see that in marketing

 A) understanding consumer needs and wants is fundamental.
 B) promotion is the most important consideration, followed by pricing decisions.
 C) value creation is driven by corporate interests.
 D) customers are not considered until the product is ready for sale.
 E) distribution is controlled by customers.

**23)** In his role as a product developer at Comfy Shoes, Henry should determine the price of his products carefully based on the potential buyer's interest in his products and

 A) a thorough knowledge of his brand messages.
 B) the buyer's belief about the products' value.
 C) knowledge of competing products.
 D) ability to negotiate discounts.
 E) susceptibility to traditional marketing alternatives.

**24)** For marketers, "exchange," refers to

 A) the location where products and services are traded.
 B) the price charged, adjusted for currency exchange rates.
 C) location-based tactics for creating value.
 D) promotional offers designed to stimulate barter.
 E) the trading of things of value.

**25)** Michaela is an organizational expert. Whenever she works with a new client, she always invites the client to join her e-mail distribution list. In this marketing exchange, the client's e-mail address represents

 A) information.
 B) promotional capital.
 C) pricing data.
 D) value cocreation.
 E) services.

**26)** What is a core aspect of marketing?

 A) satisfying as many needs as possible
 B) creating a product that everyone will want to buy
 C) setting prices lower than all competitors
 D) making product, place, promotion, and price decisions
 E) increasing the company's profit

**27)** Marketing has traditionally been divided into a set of four interrelated decisions known as the marketing mix, or four Ps, which includes

 A) product.
 B) planning.
 C) performance.
 D) persistence.
 E) parcel.

**28)** The four Ps make up the marketing mix, which is the \_\_\_\_\_\_\_\_ set of decisions or activities that the firm uses to respond to the wants of its target markets.

 A) unpredictable
 B) external
 C) internal
 D) controllable
 E) global

**29)** Which of these consumers is involved in an exchange for a service?

 A) Parul had to go buy groceries and couldn’t join her friends at the theater.
 B) Corinne bought popcorn at the movie theater.
 C) Jason drove to the movie theater in the car he bought last year.
 D) Henri bought a new shirt at the store next to the theater.
 E) Natalie purchased her movie ticket online.

**30)** The scout troops at Rivers Elementary enjoy a program each year that promotes safe choices when viewing information online. This program is marketing

 A) a lifestyle.
 B) a service.
 C) an idea.
 D) a belief.
 E) a good.

**31)** The basic difference between a good and a service is that a good

 A) provides intangible benefits.
 B) can be physically touched.
 C) is always less expensive than a corresponding service.
 D) generates greater interest among consumers.
 E) is more quickly forgotten by consumers.

**32)** River North Art Gallery, known for selling paintings, recently began offering appraisals of customers' art collections. River North is

 A) shifting its focus from offering just services to also offering goods.
 B) implementing a market segmentation strategy.
 C) capturing value through multiple pricing strategies.
 D) expanding from offering just goods to also offering services.
 E) increasing customer value through inflated appraisal evaluations.

**33)** Marketers must determine the price of a product carefully based on the potential buyer's beliefs about

 A) its value.
 B) the environment.
 C) the cost to manufacture the product.
 D) the economic outlook.
 E) the product's new advertising campaign.

**34)** Some discount stores place products in large bins, inviting consumers to spend time hunting through them to find a bargain. The price these consumers pay includes

 A) only the actual price they pay at the register.
 B) the value of their time and energy.
 C) the excitement they experience in finding an item they desire.
 D) the savings to the store of not having to display the products neatly on shelves.
 E) the time the product was full price and didn't sell.

**35)** Hunter offers financial counseling and management on a fee-only basis. She has found that different customers are willing to pay different rates for her services. This shows that her pricing decisions should depend primarily on

 A) choosing an average price that she will charge all her clients.
 B) changes in technology allowing consumers to manage their own affairs.
 C) how different customers perceive the value of her services.
 D) changes in the economy.
 E) how much her competitors charge for similar services.

**36)** Marketing channel management is also known as

 A) distribution center marketing.
 B) a transactional orientation.
 C) wholesaling.
 D) production management.
 E) supply chain management.

**37)** \_\_\_\_\_\_\_\_ represents all the activities necessary to get the product to the right customer when that customer wants it.

 A) Place
 B) Promotion
 C) Social media
 D) Value cocreation
 E) Supply chain marketing

**38)** Not only does GIS technology help Starbucks determine the ideal locations for new stores, but it also enables the company to decide what kinds of stores to open. This technology helps the company with which marketing mix decision?

 A) product
 B) place
 C) price
 D) promotion
 E) process

**39)** The marketing goal of getting the "right quantities to the right locations, at the right time" relates to

 A) communicating the value proposition.
 B) managing the supply chain.
 C) performing service marketing.
 D) capturing value.
 E) managing price and performance.

**40)** Many marketing students initially overlook the importance of marketing channel management because

 A) marketing has no responsibility for supply chain management.
 B) marketing channel management doesn't add much value for customers.
 C) companies do not want customers to know anything about the supply chain.
 D) many of these activities take place behind the scenes.
 E) marketing channel management is already transparent.

**41)** It is Mallory’s job to make sure the company’s products are shipped to the distribution center from the production center to fulfill customer orders. Which element of the marketing mix does her job focus on?

 A) product
 B) price
 C) promotion
 D) production
 E) place

**42)** UPS, FedEx, and other shipping companies support other firms' \_\_\_\_\_\_\_\_ marketing goals.

 A) supply chain management
 B) value communication
 C) value capture
 D) retail management
 E) promotion

**43)** \_\_\_\_\_\_\_\_ is communication by a marketer that informs, persuades, and reminds potential buyers about a product or service to influence their opinions and elicit a response.

 A) Pricing
 B) Promotion
 C) Placement
 D) A relational orientation
 E) Value cocreation

**44)** Effective promotion enhances a product or service's

 A) supply chain management system.
 B) wholesaling capabilities.
 C) perceived value.
 D) design features.
 E) price differential.

**45)** By promoting perfume based on youth, style, and sex appeal, Calvin Klein is attempting to

 A) influence social norms regarding sexuality.
 B) encourage consumers to participate in product redesign.
 C) stimulate supply chain management cooperation.
 D) increase the perceived value of its products.
 E) demonstrate social responsibility.

**46)** When retailers sell to consumers it is considered \_\_\_\_\_\_\_\_ marketing.

 A) B2C
 B) B2B
 C) R2C
 D) C2C
 E) C2B

**47)** By allowing consumers to sell their unwanted goods to other consumers, auction sites like eBay and Etsy cater to \_\_\_\_\_\_\_\_ marketing.

 A) B2B
 B) C2C
 C) D2C
 D) C2D
 E) B2G

**48)** As use of the Internet took off, car manufacturers were tempted to sell directly to consumers, but decided instead to continue to sell through their existing dealer networks. The car manufacturers considered switching from \_\_\_\_\_\_\_\_ to \_\_\_\_\_\_\_\_ marketing.

 A) B2C; B2B
 B) B2C; C2C
 C) B2B; B2C
 D) B2B; C2C
 E) C2C; B2C

**49)** Which company activity is identified as the set of institutions, and processes for creating, capturing, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large?

 A) human resources
 B) marketing
 C) accounting
 D) manufacturing
 E) sales

**50)** Sturdy Construction has been a successful, small, home-building firm for years. The owner pays subcontractors slightly more than the usual rate for different tasks, reducing the company's gross margin. Sturdy rarely changes subcontractors, has relatively few complaints from home buyers, and is able to get quick responses from subcontractors when buyers do have problems. Sturdy Construction is engaged in

 A) a traditional transactional orientation.
 B) C2C value-driven marketing.
 C) effective supply chain management.
 D) value cocreation.
 E) a virtual monopoly.

**51)** Meredith’s current task at work is to determine how much the new product should cost and how it will be promoted. What is Meredith working on?

 A) sales forecast
 B) marketing plan
 C) demographics
 D) CRM
 E) supply chain management

**52)** An organization on cycling safety visits an elementary school and gives a presentation on the importance of wearing helmets while riding a bike. After listening to the presentation, which action indicates that an exchange of valuable ideas has taken place?

 A) The students decide to wear helmets while bicycling.
 B) The teachers who are parents go out to purchase new helmets.
 C) The students continue to ride without wearing helmets.
 D) The organization services their bikes to ensure they are safe to ride.
 E) The students stop riding their bicycles.

**53)** Which statement is true of marketing?

 A) Marketing affects various stakeholders.
 B) Marketing plays no role in creating value.
 C) Marketing is about satisfying the company's needs and wants.
 D) Marketing requires place, product, promotion, and perception decisions.
 E) Marketing is performed by organizations, not individuals.

**54)** Traditionally, marketing activities have been divided into the four Ps: product, price, place, and promotion. The four Ps represent the

 A) marketing mix.
 B) marketing channel.
 C) marketing plan.
 D) marketing era.
 E) marketing implementation.

**55)** Internet sites, physical stores, and kiosks are most closely associated with which element of the marketing mix?

 A) place
 B) price
 C) product
 D) promotion
 E) proximity

**56)** The primary purpose of the \_\_\_\_\_\_\_\_ plan is to specify the marketing activities for a specific period of time.

 A) marketing
 B) business
 C) strategic
 D) organizational
 E) resource

**57)** How a 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 are all elements of

 A) a marketing plan.
 B) a marketing exchange.
 C) supply chain logistics.
 D) production management.
 E) delivery of the value proposition.

**58)** The activity, set of institutions, and processes for creating, capturing, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large is called

 A) marketing.
 B) production.
 C) logistics.
 D) customer service.
 E) communication.

**59)** JeMarcus is going to sell sporting apparel, which he has already purchased from manufacturers, and has signed a deal agreeing to the volume he will sell monthly. He has researched his competition, talked to some customers, and decided on prices he will charge. JeMarcus has also developed a plan for promoting his business. Based on this description, which element of the marketing mix does JeMarcus still need to work on?

 A) place
 B) product
 C) price
 D) promotion
 E) planning

**60)** Trisha opened a running shoe store and signed a lease on the property. She also signed an agreement with the manufacturer on the amount of merchandise she will sell and the promotions she will conduct. Based on this description, which aspect of the marketing mix does Trisha still need to work on?

 A) price
 B) place
 C) promotion
 D) product
 E) prototype

**61)** Marketing channel management is related to which of the four Ps?

 A) product
 B) price
 C) place
 D) promotion
 E) production

**62)** Parul went shopping at the mall and bought a dress from a retail store. Which type of transaction was Parul participating in?

 A) B2B
 B) C2C
 C) B2C
 D) R2C
 E) C2B

**63)** According to your text, in the broadest terms, the "marketplace" refers to

 A) wholesale and retail environments.
 B) brick-and-mortar stores and the Internet.
 C) the four Ps.
 D) channels that are accessible to a given customer.
 E) the world of trade.

**64)** Which element of the marketing mix is most relevant to the activity "capturing value"?

 A) promotion
 B) purchasing
 C) product
 D) price
 E) place

**65)** Which element of the marketing mix is most relevant to the activity "delivering value"?

 A) promotion
 B) purchasing
 C) product
 D) price
 E) place

**66)** Which element of the marketing mix is most relevant to the activity "creating value"?

 A) promotion
 B) purchasing
 C) product
 D) price
 E) place

**67)** Which marketing activity is most directly served by the promotion element of the marketing mix?

 A) communicating value
 B) creating value
 C) capturing value
 D) delivering value
 E) producing value

**68)** Madison was tired of her winter coat, so she sold it to her friend, Hannah. This is an example of \_\_\_\_\_\_\_\_ marketing.

 A) B2B
 B) B2C
 C) C2B
 D) C2C
 E) BBC

**69)** Many universities provide physical or electronic bulletin boards to facilitate ride-sharing and exchange of used books among students. These bulletin boards increase \_\_\_\_\_\_\_\_ marketing.

 A) B2C
 B) C2B
 C) B2B
 D) C2C
 E) 2BC

**70)** The "Milk Life" advertising campaign, designed to increase awareness of the health benefits of milk, was intended to help market a(n)

 A) service.
 B) firm.
 C) industry.
 D) organization.
 E) specific product.

**71)** When considering price within the marketing mix, price consists of

 A) the money the consumer pays to receive the product.
 B) the length of time between marketing exchanges.
 C) the cost of a product to the producer.
 D) the money, time, and energy buyers give up in exchange for a product.
 E) the effect of the cost on a company’s bottom line.

**72)** In which era of the marketing evolution did firms begin to focus on what consumers wanted and needed before designing, making, or selling a product?

 A) production-oriented era
 B) sales-oriented era
 C) value-based marketing era
 D) market-oriented era
 E) creative production era

**73)** When a T-shirt manufacturer states, "Customers can have any color T-shirt they want, so long as it's blue," it is reflecting a view that was popular in which era of the marketing evolution?

 A) production-oriented
 B) sales-oriented
 C) market-oriented
 D) value-based marketing
 E) economics-oriented

**74)** The idea that a good product will sell itself is associated with the \_\_\_\_\_\_\_\_ era of marketing.

 A) production-oriented
 B) sales-oriented
 C) market-oriented
 D) value-based marketing
 E) retailing-oriented

**75)** The era in which manufacturers were not concerned with satisfying the needs of individual consumers was the \_\_\_\_\_\_\_\_ era of marketing.

 A) production-oriented
 B) sales-oriented
 C) market-oriented
 D) value-based marketing
 E) retailing-oriented

**76)** Eleanor works for a small computer software company. Her boss is constantly improving the company's products but neglects customers, billing, and promoting the company. Her boss’s actions are indicative of the \_\_\_\_\_\_\_\_ era of marketing.

 A) production-oriented
 B) sales-oriented
 C) market-oriented
 D) value-based marketing
 E) retailing-oriented

**77)** During the \_\_\_\_\_\_\_\_ era, firms had excess production capacity and used personal selling and advertising to generate customers.

 A) production-oriented
 B) sales-oriented
 C) market-oriented
 D) value-based marketing
 E) retailing-oriented

**78)** The prevailing marketing strategy of the \_\_\_\_\_\_\_\_ era was to find customers for inventories that went unsold.

 A) production-oriented
 B) sales-oriented
 C) market-oriented
 D) value-based marketing
 E) retailing-oriented

**79)** Near the end of the model year, the Luxury for Less automobile dealership had an unusually high inventory level. The manager increased her advertising spending and gave extra incentives to the sales staff. These actions are similar to those in which marketing era?

 A) production-oriented
 B) sales-oriented
 C) market-oriented
 D) value-based marketing
 E) retailing-oriented

**80)** After World War II, consumers were able to make purchase decisions based more on their wants and desires than necessity. As a result, more companies discovered the benefits of

 A) personal selling.
 B) economies of scale.
 C) marketing.
 D) mass customization.
 E) online shopping.

**81)** Which statement reflects the philosophy of the market-oriented era?

 A) A good product will sell itself.
 B) The customer is king.
 C) Firms should take advantage of a seller's market.
 D) Advertising and personal selling should be emphasized in order to make the sale.
 E) Firms should focus on value.

**82)** Value cocreation refers to

 A) outsourcing component parts for production processes.
 B) using multiple media sources in a promotional campaign.
 C) customers acting as collaborators on a product.
 D) relying on fewer products to create a profit.
 E) the lifelong relationship between customer and company.

**83)** During the \_\_\_\_\_\_\_\_ era, manufacturers and retailers recognized they needed to give their customers greater value than their competitors did.

 A) production-oriented
 B) sales-oriented
 C) market-oriented
 D) value-based marketing
 E) retailing-oriented

**84)** The business philosophy that relies on a set of strategies, programs, and systems that focus on identifying and building loyalty among a firm’s most valued customers is called

 A) GDP.
 B) OEM.
 C) GNI.
 D) 4Ps
 E) CRM.

**85)** Carter sells consumer electronics. He knows his customers weigh the costs versus the benefits associated with the different options available. He decides which products to offer and what prices to charge based on the way his customers think. Carter operates as if he were in the \_\_\_\_\_\_\_\_ era.

 A) production-oriented
 B) sales-oriented
 C) market-oriented
 D) value-based marketing
 E) retailing-oriented

**86)** Seraphina studies her customer profiles, marketing research data, complaints, and other information for the primary purpose of discovering her customers' wants and needs. Seraphina’s actions are indicative of the \_\_\_\_\_\_\_\_ era.

 A) production-oriented
 B) sales-oriented
 C) market-oriented
 D) value-based marketing
 E) retailing-oriented

**87)** From a customer's perspective, value reflects

 A) the need for value and the perception of value.
 B) explicit versus implicit value.
 C) the relationship of benefits to costs.
 D) the balance between needs and wants.
 E) the need for product improvement.

**88)** Joya is the new restaurant manager in a major hotel. When considering which changes would most likely increase the restaurant's value to customers, Joya should provide her customers the menu items that they want and the quality service that they deserve, as well as,

 A) a better dining experience than what her competitors can give.
 B) increase prices to increase revenue.
 C) offset higher hotel rates with lower restaurant prices.
 D) reduce customer expectations through reduced service.
 E) minimize menu items but increase the price of popular entrees.

**89)** Jonni has just started with a travel agency and has been offering clients and prospective clients a range of packaged tours. She is concerned because the commissions she is earning on her sales are lower than she had hoped. Her colleague Andrew, who has been with the agency for several years, is having a great deal of success by working closely with the clients, seeking their ideas, and building customized tour packages for each one based on their suggestions. Andrew’s approach is based on

 A) transaction-oriented marketing.
 B) premium pricing.
 C) economies of scale.
 D) special incentives from tour operators.
 E) value cocreation.

**90)** To build relationships, firms focus on the lifetime \_\_\_\_\_\_\_\_ of the relationship, not how much money is made during each transaction.

 A) cost
 B) profitability
 C) investment
 D) expense
 E) worth

**91)** A relational orientation is based on the philosophy that buyers and sellers develop

 A) a complete understanding of one another's needs.
 B) a long-term relationship.
 C) a price-value comparison matrix.
 D) supply chain synergy.
 E) a marketing value transaction focus.

**92)** A local art gallery keeps information on its customers' artist and art style preferences. The gallery uses this information to inform the customers when new pieces arrive from their favorite artists and targets them with special promotions. In this way, the gallery is using \_\_\_\_\_\_\_\_ to build loyalty among its customers.

 A) value cocreation
 B) customer relationship management
 C) transactional marketing
 D) B2B marketing
 E) the supply chain

**93)** If a firm adopts a CRM business philosophy, it most likely has a(n) \_\_\_\_\_\_\_\_ orientation with its customers.

 A) transactional
 B) external
 C) relational
 D) internal
 E) divisional

**94)** After major storms, many ethical home repair and building supply businesses continue to charge pre-storm prices to their customers, even though they know they can charge more due to the huge increase in demand for their services and products. These firms probably recognize that

 A) they can make more money from government contracts than from sales to customers.
 B) a transactional orientation is the key to long-term profitability.
 C) none of their competitors would be raising prices.
 D) lifetime profitability of relationships matters more than profits from a particular transaction.
 E) if they raised prices they would be in violation of Commerce Department regulations.

**95)** What is the focus of a firm that develops a relational orientation with its customers?

 A) relating product knowledge to customers' interests
 B) gaining profit from each customer transaction
 C) generating profits quickly before customers shop elsewhere
 D) working with competitors to simplify product offerings for customers
 E) gaining lifetime profitability from customer relationships

**96)** The goal of customer relationship management is to

 A) manage every customer relationship differently.
 B) manage every customer relationship to maximize short-term profitability.
 C) eliminate customers who are profitable, but not highly profitable.
 D) identify and build loyalty among a firm's most valued customers.
 E) generate relationships with competitors' customers.

**97)** Jorge uses a database software system to remind him when his customers should be ready to reorder his industrial cleaning products. With this reminder system, Jorge contacts his customers when they are most likely to be "in the buying mode." Jorge’s system is an example of

 A) C2C marketing.
 B) customer relationship management.
 C) a transactional marketing orientation.
 D) supply chain management.
 E) typical production era marketing practices.

**98)** Whole House Supply is a catalog company that creates special-run issues based on what customers have purchased in the past. For example, customers who frequently order bedding items like sheets and pillows receive a catalog with a larger section of bedding items than do customers who mostly order kitchen tools. Whole House Supply is using

 A) C2C marketing.
 B) customer relationship management.
 C) a transactional marketing orientation.
 D) supply chain management.
 E) typical production-oriented era marketing practices.

**99)** It was during the market-oriented era that firms first discovered "marketing." In what timeframe did this occur?

 A) around the turn of the 20th century
 B) shortly before the Great Depression
 C) just after World War II
 D) during the Roaring Twenties
 E) during the civil rights movement

**100)** During the Great Depression, consumers couldn’t afford to purchase items and instead planted gardens for food, patched together broken cars, and didn’t replace items that wore out. This led to the \_\_\_\_\_ era in which manufacturers had to find ways to get rid of product.

 A) sales-oriented
 B) production-oriented
 C) value-based marketing
 D) market-oriented
 E) customer-oriented

**101)** After the previous sales representative in his territory infuriated an important customer, Troy visited the customer once a month, never asking for business but hoping to rebuild trust through listening and expressing concern. Finally, after more than two years, the customer gave Troy an order. Troy was providing the important marketing function of

 A) advising production on how much product to make.
 B) alerting the logistics department when to ship products.
 C) creating a relational orientation.
 D) identifying opportunities to expand.
 E) synthesizing and interpreting sales, accounting, and customer-profile data.

**102)** The process of value \_\_\_\_\_\_\_\_, in which customers collaborate in product design, often provides additional value to the firm's customers.

 A) cocreation
 B) positioning
 C) delivery
 D) chain management
 E) based marketing

**103)** During which era of marketing's evolution did customers find themselves with more buying options and therefore able to make purchasing decisions?

 A) market-oriented
 B) sales-oriented
 C) production-oriented
 D) value-based marketing
 E) economics-oriented

**104)** Value-oriented marketers constantly measure

 A) promotional effectiveness against ethical advertising standards.
 B) the problem of price maximization against cost-efficiency.
 C) perceived customer benefits against the costs of their offerings.
 D) the desire to achieve against the need for a stable source of supply.
 E) the goal of efficiency against the price charged by competitors.

**105)** Southwest Tide University recently began holding regular coffee-hour discussions with current and prospective students and surveying all new and alumni students regarding educational needs and desires. These actions reflect how Southwest Tide University is striving to become more value driven by

 A) sharing information across the organization.
 B) balancing its customers' benefits and costs.
 C) evaluating strategic competitive partnerships.
 D) building relationships with customers.
 E) keeping the faculty members happy.

**106)** As owner of a retail franchise food store, Bailey purchases supplies based on specials advertised nationally throughout the franchise system. Last Monday, she was surprised to find customers asking for specials she hadn't been informed of in advance. The franchise company failed to live up to the value-driven activity of

 A) sharing information across the organization.
 B) balancing customers' benefits and costs.
 C) evaluating strategic competitive partnerships.
 D) building relationships with customers.
 E) keeping prices below those charged by competitors.

**107)** In the past, manufacturer's representatives did not have real-time inventory data about the products they were selling. Today, manufacturer's representatives are often provided online access to inventory data for the companies they represent. These online inventory systems allow companies to become more value driven by

 A) sharing information across their own organizations and with other firms.
 B) balancing customers' benefits and costs with customers' needs and wants.
 C) evaluating strategic competitive partnerships.
 D) building relationships with government regulators of marketing institutions.
 E) keeping prices below those charged by competitors.

**108)** One of the benefits of using customer data to identify customers better is that attention to customer needs and wants will likely result in

 A) higher prices than the market leader charges.
 B) increased competition.
 C) long-term relationships.
 D) strong connections among competing firms in the marketplace.
 E) lower prices.

**109)** Companies have turned to social media for marketing products and there is still huge growth potential in this area considering that \_\_\_\_\_ of the world’s population currently uses Facebook.

 A) 80 percent
 B) 5 percent
 C) 45 percent
 D) 20 percent
 E) nearly 100 percent

**110)** Bella, the outside sales rep for a major building supply company, reads a report stating that building permits are down dramatically in her sales territory. She had noticed that things were slowing down, but now she has data confirming her impression. Based on this information, Bella will help her company become more value driven if she

 A) pushes her customers to buy products whether they need them or not.
 B) advises the production and purchasing departments to produce or order smaller quantities of products.
 C) avoids contacting her customers until the slowdown ends.
 D) avoids contact with competing firms in order to maximize value-driven marketing.
 E) keeps the information to herself.

**111)** When considering price within the marketing mix, price consists of

 A) the money the consumer pays to receive the product.
 B) the length of time between marketing exchanges.
 C) the cost of a product to the producer.
 D) the money, time, and energy buyers give up in exchange for a product.
 E) the affect of the cost on a company’s bottom line.

**TRUE/FALSE - Write 'T' if the statement is true and 'F' if the statement is false.
112)** Marketing is an activity that only large firms with specialized departments can execute.

 ⊚ true
 ⊚ false

**113)** The marketing plan is broken down into various components—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.

 ⊚ true
 ⊚ false

**114)** Understanding the marketplace and especially a consumer's needs and wants, is fundamental to marketing success.

 ⊚ true
 ⊚ false

**115)** In their battle for chocolate lovers, companies like Godiva and Hershey's would divide the population into different categories of consumers, for example, those looking for a quick energy boost versus those looking for a gift. The companies do this in order to satisfy different consumer needs and wants.

 ⊚ true
 ⊚ false

**116)** The four Ps of the marketing mix are product, promotion, planning, and place.

 ⊚ true
 ⊚ false

**117)** Without a strong and efficient marketing channel system, merchandise isn't available when customers want it.

 ⊚ true
 ⊚ false

**118)** Tide laundry detergent is an example of a good.

 ⊚ true
 ⊚ false

**119)** When a manufacturer sells truck and car parts to Toyota, this is an example of B2C marketing.

 ⊚ true
 ⊚ false

**120)** The power adapters that Dell sells with its computers are built by small companies that specialize in power-related accessories. When Dell purchases its power adapters from these small companies, it is engaging in B2B marketing.

 ⊚ true
 ⊚ false

**121)** Garage sales and online classified ads are examples of C2C marketing.

 ⊚ true
 ⊚ false

**122)** In marketing, an exchange is when the buyer and the seller trade things of value to benefit the other.

 ⊚ true
 ⊚ false

**123)** Marketing's fundamental purpose is to create value by developing a variety of offerings that will earn income for the company.

 ⊚ true
 ⊚ false

**124)** Morgan always stops at Starbucks for her morning coffee. There is a Starbucks Drive-Thru on her way to work and there is also a small kiosk in the lobby of her office building. Starbucks is using the place element of the marketing mix to influence its customers.

 ⊚ true
 ⊚ false

**125)** Effectively managing supply chain relationships has a minimal effect on profitability.

 ⊚ true
 ⊚ false

**126)** Supply chain management represents the promotion aspect of the marketing mix.

 ⊚ true
 ⊚ false

**127)** When Apple makes innovations compatible with its existing products, it is encouraging consumers to maintain long-term relationships with the company.

 ⊚ true
 ⊚ false

**128)** Value is what you get for what you give.

 ⊚ true
 ⊚ false

**129)** Relational orientation refers to the efforts of companies to build on the lifetime profitability of a customer.

 ⊚ true
 ⊚ false

**130)** When Elise customized M&M candies for her daughter’s graduation party, she was participating in value cocreation.

 ⊚ true
 ⊚ false

**131)** At the beginning of the 20th century, companies like Ford Motor Company were more concerned with satisfying customer wants than product innovation.

 ⊚ true
 ⊚ false

**132)** Today, marketers embrace technologies to help them connect to their customers.

 ⊚ true
 ⊚ false

**133)** 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.

 ⊚ true
 ⊚ false

**134)** Buffalo Wild Wings suggests that its diners check in to its locations using their phones. This demonstrates the use of social and mobile media to connect better with their customers.

 ⊚ true
 ⊚ false

**135)** Approximately 50 percent of marketers use social media tools for their businesses.

 ⊚ true
 ⊚ false

**136)** Marketing analytics is one tool marketers can use to become more value driven.

 ⊚ true
 ⊚ false

**Answer Key**Test name: M Marketing 7e ch01

1) Responses will vary, but might include:\* Where will the restaurant be located? (place)
\* What items will be included on the menu? (products)
\* Where will ingredients, supplies, equipment, and furnishings be purchased? (supply chain)
\* What prices will the restaurant charge? (pricing)
\* How will the restaurant be promoted? (promotion)

2) Groups promoting bicycle safety go to schools, give talks, and sponsor bike helmet poster contests for the members of their primary market: children. Then their secondary target market segment, parents and siblings, gets involved through their interactions with the young contest participants. The exchange of value occurs when the children listen to the sponsors' presentation and wear their helmets while bicycling, which means they have adopted, or become "purchasers" of, the safety idea that the group marketed.

3) Answers will vary but should include discussion of marketing as thoughtful planning addressing questions of what, where, how, when, and for whom.

4) Product-related questions should relate to format: printed book (bound or paperback, type of binding) or an e-book.<br>Second set of questions will be about pricing: retail and wholesale prices, prices of competing books, costs.<br>Third set of questions will be about place: how to distribute the book, access to major online booksellers, shipping costs.<br>Fourth set of questions will be about promotion: how will the book be promoted, access to publicity outlets, websites, etc.

5) Pricing should be based on the potential buyer's belief about its value. Some of the items offered by the restaurant supply company may have greater perceived value than other items.

6) Answers will vary, but should include:Inform—Check out our new online course offerings today.
Persuade—XYZ University is your best value in education.
Remind—Sign up for the fall semester now.

7) Students' responses will vary but should contain discussion of anticipating and meeting the needs of customers and in the process creating value. They might cite the AMA's definition of *marketing*: "Marketing is the activity, set of institutions, and processes for creating, *capturing*, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large." They could also state the core aspects of marketing: creating value; satisfying customer wants and needs; making an exchange; and making product, price, place, and promotion decisions; and state that marketing is performed by individuals and organizations and occurs in many settings.

8) Product, price, place, and promotion. Examples will vary.

9) To create value by developing a variety of offerings, including goods, services, and ideas, to satisfy customer needs.

10) Price is everything the buyer gives up—money, time, and/or energy—in exchange for the product.

11) You would likely interact with suppliers, production staff, warehousing and logistics people, transportation companies, and retailers.

12) Max bought a suit at Jerome’s Fine Clothing for Men—B2C
Jerome’s Fine Clothing for Men bought the suit from a distributor—B2B
The distributor bought it from a designer—B2B
The designer bought materials from a factory where the suits were made—B2B
The employees in the factory bought their suits directly from the factory—B2C
The employees sold the suits to their friends—C2C

13) During the past couple of decades, marketers have begun to develop a relational orientation as they have realized that they need to think about their customers in terms of relationships rather than transactions. To build relationships, firms focus on the lifetime profitability of the relationship, not how much money is made during each transaction. Thus, Apple makes its innovations compatible with existing products to encourage consumers to maintain a long-term relationship with the company across all their electronic needs.

14) During the production-oriented era, the focus was on the product. During the sales-oriented era, the emphasis was on promotion, particularly selling and advertising. During the market-oriented era, the emphasis was on producing and providing (place) what customers wanted. In the value-based marketing era, all four Ps are equally important to delivering customer value.

15) Value cocreation not only involves the customer, it also offers the opportunity to explain unmet needs the firm can address. Within the broader framework of value-based marketing, the customer will probably gain greater benefits from the product or service since it will meet more of the customer's needs.

16) Customer relationship management (CRM) is 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 them.

17) Marketing advises production about how much of the company's product to make and then tells supply chain mangers when to ship it. It creates long-lasting, mutually valuable relationships between the company and the firms from which it buys. It identifies those elements that local customers value and makes it possible for the firm to expand globally. Marketing has had a significant impact on consumers as well. Without marketing, it would be difficult for any of us to learn about new products and services.

18) Answers will vary, but should include the four Ps and several examples of social media, such as Twitter, Facebook, and Foursquare.

19) Firms become value driven by focusing on four activities. First, they share information about their customers and competitors across their own organization and with other firms that help them get the product or service to the marketplace, such as manufacturers and transportation companies. Second, they strive to balance their customers' benefits and costs. Third, they concentrate on building relationships with customers. Fourth, they take advantage of new technologies and connect with their customers using social and mobile media.

20) E

21) A

22) A

23) B

24) E

25) A

26) D

27) A

28) D

29) E

30) C

31) B

32) D

33) A

34) B

35) C

36) E

37) A

38) B

39) B

40) D

41) E

42) A

43) B

44) C

45) D

46) A

47) B

48) C

49) B

50) C

51) B

52) A

53) A

54) A

55) A

56) A

57) A

58) A

59) A

60) A

61) C

62) C

63) E

64) D

65) E

66) C

67) A

68) D

69) D

70) C

71) D

72) D

73) A

74) A

75) A

76) A

77) B

78) B

79) B

80) C

81) B

82) C

83) D

84) E

85) D

86) C

87) C

88) A

89) E

90) B

91) B

92) B

93) C

94) D

95) E

96) D

97) B

98) B

99) C

100) A

101) C

102) A

103) A

104) C

105) D

106) A

107) A

108) C

109) D

110) B

111) D

112) FALSE

113) TRUE

114) TRUE

115) TRUE

116) FALSE

117) TRUE

118) TRUE

119) FALSE

120) TRUE

121) TRUE

122) TRUE

123) FALSE

124) TRUE

125) FALSE

126) FALSE

127) TRUE

128) TRUE

129) TRUE

130) TRUE

131) FALSE

132) TRUE

133) TRUE

134) TRUE

135) FALSE

136) TRUE