***Applied Marketing, 2e* (Padgett)**

**Chapter 1 What Is Marketing?**

1) Which of the following terms or phrases would be included in a basic description of marketing?

A) Sales orientation

B) Common sense

C) Ongoing process

D) Focus on advertising

Answer: C

Diff: 1

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

2) The breadth of marketing decisions is referred to as what?

A) The 4 Ps of marketing

B) The marketing plan

C) The marketing strategy

D) The creative concept

Answer: A

Diff: 1

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

3) Which skill set is required to be a good marketer?

A) Experience in professional sales

B) A high degree of creativity

C) Understanding algebra and calculus

D) Basic math skills

Answer: D

Diff: 1

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

4) All of these are common misconceptions about what marketing is EXCEPT

A) managing exchanges with customers.

B) making people buy things they don't need.

C) an art, and you either have the gift for it or you don't.

D) it does not involve numbers.

Answer: A

Diff: 1

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

5) Which best describes "wants"?

A) Strong desires for something

B) Unfulfilled needs

C) Unsupplied demands

D) Untapped markets

Answer: A

Diff: 1

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

6) In addition to sales and advertising, marketing also includes which of the following?

A) Product design

B) Social media

C) Community relations

D) Customer relationships

Answer: A

Diff: 1

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

7) A critical skill that marketers must know in order to make good marketing decisions is

A) marketing math.

B) demographic analysis.

C) customer awareness.

D) interpersonal skills.

Answer: A

Diff: 1

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Knowledge

8) Which of the following is a key idea for understanding marketing?

A) It involves multiple parties who have something to exchange.

B) It involves sales and advertising capable of reaching customers.

C) It involves communications between companies and consumers.

D) It involves satisfying customers' needs and desires.

Answer: A

Diff: 1

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

9) The scope of marketing decisions needs to include which of the following?

A) Product, price, place, and promotion

B) Product, placement, perception, and persuasion

C) Product, price, and position

D) Product, cost, communication, and convenience

Answer: A

Diff: 1

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

10) Which of the following statements is true?

A) Marketers try to influence wants, but customers ultimately decide if something is worth buying or not.

B) Marketers are often able to make people buy something against their will.

C) Marketing is primarily based on the science of human behavior.

D) Marketing is more of an art than a science.

Answer: A

Diff: 1

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Communication

Standard 2: Bloom's || Comprehension

11) Offering too many options can lead to which problem for some companies?

A) It's difficult to keep track of inventory and re-order as certain items are sold out.

B) They can't specialize, leaving them vulnerable to competition.

C) Suppliers to the company can get confused and send incorrect shipments.

D) Your target market, by definition, prefers limited options.

Answer: B

Diff: 2

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Communication

Standard 2: Bloom's || Application

12) What is the ultimate goal of marketing?

A) Selling the most product or service

B) Creating product demand

C) Influencing customers' needs

D) Earning the greatest profit for the company

Answer: D

Diff: 2

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

13) Connor attends a university in Minnesota and winter is approaching. To keep warm, he must purchase a coat. While he prefers a Burberry quilted coat, he cannot afford to pay the $1,000 price. Which of the following statements accurately describes Connor's situation?

A) He needs a coat and wants a Burberry. There is no demand, since he cannot afford the coat he wants.

B) He wants a coat and needs a Burberry. There is no demand, since he cannot afford the coat he needs.

C) He needs a coat. He both wants and demands a Burberry.

D) He wants a coat. He both needs and demands a Burberry.

Answer: A

Diff: 2

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

14) Spiro has a new job at an office with no viable public transportation options. After some research, he decides to purchase a motorcycle. A salesperson at a local dealership makes the very expensive Ducati Monster sound so appealing, Spiro eventually purchases one. Which of the following statements most accurately describes this situation?

A) Spiro needed transportation, wanted a motorcycle, but had no demand for a Ducati.

B) Spiro demanded transportation, wanted a Ducati, but had no need for a motorcycle.

C) Spiro needed transportation. His demand for a Ducati was controlled by the salesperson at the dealership.

D) Spiro needed transportation and wanted a motorcycle. The salesperson influenced his demand for a Ducati.

Answer: D

Diff: 2

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

15) At last year's farmer's market, Kelsi sold every one of her jars of homemade salsa. Her customers raved over her four different flavor combinations and were thrilled by her affordable prices. This year, Kelsi stocked 32 different flavor combinations and kept prices the same. Her sales slowed considerably. What is the most likely reason?

A) Kelsi's customers were turned off by her low prices.

B) Kelsi's customers experienced brain fatigue when confronting so many choices.

C) Kelsi did not provide adequate customer service.

D) Kelsi did not advertise her salsas effectively.

Answer: B

Diff: 2

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

16) Which of the following is a misconception about marketing?

A) Marketing is equivalent to sales and advertising.

B) Marketing focuses on satisfying the customer.

C) Marketing involves numbers.

D) Marketing focuses on relationships.

Answer: A

Diff: 2

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

17) When a customer has a strong desire for something and the ability to make the purchase, it is called a

A) demand.

B) need.

C) want.

D) purchase.

Answer: A

Diff: 2

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

18) Properly designed and executed, marketing can do which of the following?

A) Influence people to do things they don't want to do.

B) Make it more appealing to buy certain things over others.

C) Create a need for something.

D) Make people buy things they really can't afford.

Answer: B

Diff: 3

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Ethics

Standard 2: Bloom's || Analysis

19) What is the best synthesis of needs and wants?

A) They affect one's quality of life.

B) They reflect one's status in society.

C) They are unaffected by pandemics or natural disasters.

D) They can be affected by quality marketing efforts.

Answer: A

Diff: 3

Learning Objective: 1.1 Describe some common misconceptions about marketing.

Section Reference: What Marketing Is Not

Standard 1: AACSB || Reflective Thinking

Standard 2: Bloom's || Synthesis

20) Managing a marketing effort involves all of these functions EXCEPT

A) control.

B) planning.

C) implementation.

D) advertising.

Answer: D

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

21) Which of the following is NOT one of the 4 Ps of marketing?

A) Price

B) Perception

C) Promotion

D) Place

Answer: B

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

22) Simple trade and bartering involves what?

A) Commodity exchanges

B) The exchange of a product or service for money

C) A trade agreement between two countries

D) Swapping one product or service for another

Answer: D

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

23) The focus of your marketing plan should be on what?

A) Coordination of activities

B) Assessment of effectiveness

C) Target market

D) Timeline and budget

Answer: C

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

24) Which of the following terms is defined as managing exchanges with customers?

A) Social orientation

B) Marketing

C) Sales

D) Value proposition

Answer: B

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

25) Companies need to create a marketing plan that includes which of the following?

A) Goals, timelines, and budget

B) Plans, pricing, and promotion

C) Target market, advertising, and social media

D) Social, financial, and managerial goals

Answer: A

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

26) A marketing plan is best described as

A) a written statement for managing exchanges with customers.

B) a blueprint for how advertising and promotions will sell a product.

C) coordinated actions between product managers, marketing managers, and executives.

D) a strategy outlining the steps taken to persuade consumers.

Answer: A

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

27) A primary responsibility of the marketing manager is to

A) coordinate and monitor activities in the marketing plan.

B) oversee the progress of all sales representatives.

C) manage the brand portfolio of products.

D) develop and maintain key client relationships.

Answer: A

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

28) The basic goal of marketing managers in managing exchanges involves all of these elements EXCEPT

A) promotional planning.

B) value.

C) price.

D) cost.

Answer: A

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

29) The specific group of customers that a company decides to focus on and create an exchange with is called a

A) target market.

B) focus group.

C) niche market.

D) mass market.

Answer: A

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

30) Marketing is best described as what?

A) Sales

B) Advertising

C) Managing exchanges

D) Creating needs and wants

Answer: C

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

31) At a minimum, what percentage of new products fail?

A) 80%

B) 50%

C) 35%

D) 10%

Answer: C

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

32) Finding a group of customers who want what you have to offer and providing it better than others do so that you maximize perceived value for that group defines

A) target market differentiation.

B) your value proposition.

C) total market value maximization.

D) sales maximization.

Answer: A

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

33) Demand is a combination of which two things?

A) Desire for something and its availability

B) Desire for something and the ability to purchase it

C) Availability of something and the ability to pay for it

D) Desire for something and a well-executed marketing plan

Answer: B

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

34) Which of the following best defines a need?

A) A strong desire for something

B) The perceived benefit from an exchange

C) A lack of means of subsistence

D) Something deemed important missing that is available at a reasonable price

Answer: C

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

35) In simple terms, what is a market?

A) The combination of competitors and customers

B) A physical location where products or services are offered for sale

C) A place where a similar group of products are bartered

D) A place where a company and its customer come together

Answer: D

Diff: 1

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

36) Creative advertising can do what for your products or services?

A) Guarantee marketing success.

B) Often save a bad product.

C) Help create buzz.

D) Influence all consumers.

Answer: C

Diff: 2

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

37) Which of the following statements most clearly defines marketing?

A) Managing mutually-beneficial exchanges with customers.

B) Maximizing profits through the creation of needs.

C) The creation and development of new markets.

D) Identifying individuals who want an organization's products or services.

Answer: A

Diff: 2

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Analysis

38) An indicator of good marketing includes which of the following?

A) Repeating relevant risks

B) Punishing failure

C) Taking calculated risks

D) Avoiding experimentation that simply influences perceptions of value

Answer: C

Diff: 2

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Communication

Standard 2: Bloom's || Application

39) Which of the following statements most accurately describes marketing?

A) Marketing is a glamorous, yet simple activity involving the exchange of goods and services.

B) Marketing involves one-way communication with valued customers who exchange money for goods and services.

C) Marketing creates products and services, communicates with the target customers, and exchanges said offerings in an appropriate market.

D) Marketing is a complex, for-profit enterprise undertaken primarily by skilled professionals.

Answer: C

Diff: 2

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

40) Which of the following best describes a marketing plan?

A) It focuses on primary, secondary, and tertiary customer groups.

B) It details the planning, implementation, and control of customer exchanges.

C) It is created by a marketing manager and monitored by sales representatives.

D) It is a byproduct of marketing's production orientation.

Answer: B

Diff: 2

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

41) Haruko is studying art at a local university and working as a veterinarian's assistant. To make extra money, she started creating one-of-a-kind sketches of her friends' pets. Now Haruko sells her services at the veterinarian's office and in an online shop. Which of the following best describes Haruko's target market?

A) Friends

B) Pet lovers

C) Online shoppers

D) Veterinarian clients

Answer: B

Diff: 2

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

42) Insurance companies use which market orientation in order to sell insurance policies to customers?

A) Sales orientation

B) Marketing orientation

C) Societal orientation

D) Corporate orientation

Answer: A

Diff: 2

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

43) Elsa started an Etsy store selling custom sugar cookies at a price commensurate with other vendors. While she envisioned making cookies for birthday or holidays, her first order was for a bachelorette party. Elsa obliged, but was uncomfortable with the X-rated fare. The cookies were so well received that Elsa quickly became the go-to baker for bachelorette party cookies. What mistake did Elsa make when beginning her business?

A) She did not adequately anticipate her customer's needs, wants, and demands.

B) She did not create a basic marketing plan denoting her target market.

C) She did not consider the perceived value of her cookies versus those of other vendors.

D) She used a production orientation instead of a sales orientation for her business.

Answer: B

Diff: 3

Learning Objective: 1.2 Provide an accurate definition of marketing.

Section Reference: Marketing Defined

Standard 1: AACSB || Reflective Thinking

Standard 2: Bloom's || Evaluation

44) The combination of a strong desire for something and the ability to purchase it defines what?

A) Demand

B) Supply

C) Price equilibrium

D) Cost

Answer: A

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Knowledge

45) Which of the following terms refers to a person who has an idea that something might work based on either theory or watching something in practice and then tests the idea?

A) Marketing researcher

B) Marketing manager

C) Naïve scientist

D) Value propositioner

Answer: C

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

46) Which of the following terms applies to the different combinations of product or service benefits that appeal to some customer groups and not others?

A) Value propositions

B) Needs

C) Wants

D) Marketing orientations

Answer: A

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

47) A marketing manager's ability to create a satisfactory feeling for the customer following the purchase of a product is called

A) perceived value.

B) bargain value.

C) perceptual value.

D) value proposition.

Answer: A

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

48) The foundation for an effective marketing plan includes

A) market research.

B) market analysis.

C) market demographics.

D) target market.

Answer: A

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

49) The goal of a marketing manager is to

A) maximize what a customer will pay and make them feel they got more value for what they paid.

B) minimize the effort a customer exerts while making a purchase decision.

C) optimize the customer's experience by creating an exchange that is memorable.

D) motivate customers to move from wanting a product to the level of needing to make a purchase.

Answer: A

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

50) Which is identified as the foundation for the marketing plan?

A) Target market segmentation

B) Market research

C) Value proposition development

D) Market plan development

Answer: B

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

51) Someone who has an idea that something might work based on theory or watching it in action and testing the idea is thought of as

A) market planner.

B) skilled researcher.

C) naïve scientist.

D) consumer behavior theorist.

Answer: C

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

52) The focus of your marketing plan should be on what?

A) Timeline and budget

B) Assessment of effectiveness

C) Coordination of activities

D) Target market

Answer: D

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

53) The key to value creation is

A) perception.

B) cost.

C) benefits.

D) willingness to pay.

Answer: A

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

54) Because different groups of customers want different things, marketers offer different combinations of benefits called what?

A) Benefits statements

B) Value propositions

C) Perceptual benefits

D) Target market perceptions

Answer: B

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Comprehension

55) Different value propositions maximize value for different

A) genders.

B) target customers.

C) age groups.

D) income groups.

Answer: B

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

56) Measuring the outcomes of specific activities against goals defines what?

A) Market planning

B) Concept screening

C) Market research

D) Target market identification

Answer: C

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

57) The process of testing, then measuring, then revising–sometimes repeatedly–is known as

A) market research.

B) target market segmentation.

C) value proposition development.

D) marketing plan development.

Answer: A

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

58) Understanding your target market so well that you build a relationship with them over time defines what?

A) A social orientation

B) A sales orientation

C) Customer relationship marketing

D) Retention of sometimes undesirable customers

Answer: C

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Comprehension

59) The profit earned by a company is calculated by which method?

A) Total number of units sold multiplied by the price-per-unit

B) Total revenues minus costs of materials and labor

C) Total number of units sold multiplied by the contribution-per-unit

D) Amount remaining after all expenses are subtracted from total revenues

Answer: D

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

60) Why is research critical to marketing?

A) To determine what's likely to be the next hot trend in marketing

B) To determine basic consumer needs

C) To determine if marketing activities are effective

D) To pinpoint whether an economy is production or service oriented

Answer: C

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Comprehension

61) What is the minimum condition for buying something?

A) Supply

B) Value

C) Demand

D) Affordability

Answer: C

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

62) The Philosophy of Marketing encompasses which overriding principle?

A) Managing exchanges that maximize the benefits for both the company and the customers.

B) Maximizing profits through the careful coordination of advertising, pricing and distribution.

C) Identifying your best customers through a highly-developed CRM system.

D) Focusing attention on new customer acquisition.

Answer: A

Diff: 1

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Comprehension

63) Which of the following statements accurately describes the philosophy of marketing?

A) Marketing managers must ensure customers think they got exactly what they paid for.

B) A good marketing plan is the foundation for good marketing research.

C) Successful marketers understand that customer perceptions cannot be influenced.

D) Conflict goals underlie each exchange.

Answer: D

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

64) Peer-to-peer payment platforms like Venmo attempt to eliminate all the perceived negatives of traditional shared payments by allowing users to split bills and transfer funds between their Venmo accounts via a smartphone app. There are no fees for basic services, and personal notes can accompany each transaction. For P2P users, these benefits are referred to as

A) needs.

B) value propositions.

C) demands.

D) social responsibility.

Answer: B

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

65) Gloria sells tacos for $1.29 each. Her customers tell her they are happy to patronize her business since they are used to paying $1.99 at competing food stands. Gloria is now considering raising prices to $1.49 per taco. In this scenario, what is the customers' perceived value in monetary terms?

A) $1.29

B) $1.49

C) $0.20

D) $0.70

Answer: A

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

66) Which of the following statements accurately describes marketing research?

A) Sales numbers are the most valuable measures of marketing performance.

B) A good marketing plan is the foundation for good marketing research.

C) Marketing researchers should act like naïve scientists.

D) Good marketing means repeating the same risks.

Answer: C

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

67) The key to creating perceived value for the customer is

A) highlighting benefits relative to the costs.

B) justifying the cost the customer will pay.

C) reinforcing the purchase decision through relationship building.

D) focusing on the attributes the product delivers to the consumer.

Answer: A

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

68) Subaru's ability to highlight specific benefits that appeal to their target market helps create a strong

A) value proposition.

B) perceived value.

C) persuasive message.

D) unique marketing brand.

Answer: A

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

69) A key to ensuring that a marketing idea will be successful is for the idea to

A) be tested.

B) be easy to implement.

C) receive corporate support.

D) receive proper funding.

Answer: A

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

70) The combination of benefits forming a value proposition will do what?

A) Maximize sales.

B) Appeal to some groups of customers but not all.

C) Maximize value for all potential customers.

D) Appeal to the maximum amount of customers.

Answer: B

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

71) To be successful, marketers have to understand what associated with a particular exchange for a group of customers?

A) Benefits

B) Influencers

C) Target market

D) Perceived value

Answer: D

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Application

72) Testing an idea to see if it is effective requires

A) a specific goal against which to measure the outcome.

B) a method of separating out the effect of luck on the test.

C) a series of tests with constantly changing measures.

D) employing an outside, non-biased research firm.

Answer: A

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

73) Measuring marketing outcomes to see if your marketing works typically uses what as a measure of performance?

A) Profits

B) Perceptions

C) Sales

D) Whatever is most relevant to the marketing goal

Answer: C

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Application

74) All of the following relate to managing exchanges with customers EXCEPT

A) development of a significant social media presence.

B) creating offerings.

C) communicating with customers.

D) delivering offerings to customers.

Answer: A

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Analysis

75) Which of the following is true?

A) The relationship between sales and profits is not always clear.

B) Having more options available will typically result in higher sales levels.

C) Providing better service leads to higher profits.

D) Having a lower price is always better.

Answer: A

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Communication

Standard 2: Bloom's || Analysis

76) Which of the following factors is important in managing perceived value?

A) Different customers have different perceptions.

B) Perception sometimes doesn't reflect reality.

C) Value is a nebulous concept to most people.

D) Competitive pricing is a major determinant of value.

Answer: A

Diff: 2

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

77) Which statement is valid in managing exchanges between a company and its customers?

A) The company wants to maximize customer benefits.

B) Customers want to pay the least amount possible.

C) Customers are the primary drivers of the purchase decisions.

D) The two parties have conflicting goals.

Answer: D

Diff: 3

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

78) Hector's Tacos is a small food stand on campus. Hector recently has lost a fair number of customers to another food stand that sells similar, but cheaper tacos. Hector is concerned because he was about to launch a line of unique, fresh tacos–ones his clientele has been asking for–that would cost a bit more. Of the following, what is the best advice for Hector?

A) Hector should act like a naïve scientist. He should test his ideas for new tacos and study the outcomes. With this information, Hector can create a marketing plan and set his prices.

B) Hector should define his target market and then provide better tacos than his competitors. His target market will perceive value, thus paying a higher price for Hector's tacos and returning for more.

C) Hector should remember that customers will be driven by their wants, needs, and demand for the product. If they want fresh ingredients, they will pay any price to get them.

D) Hector should lower his prices on his current taco offerings. Then he should add fresh taco selections at his current prices. He might lose money at first, but his customers will consider these moves value propositions, which will maximize satisfaction in the long run.

Answer: B

Diff: 3

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Reflective Thinking

Standard 2: Bloom's || Evaluation

79) You have been assigned the task of developing a marketing plan for a new product your firm will soon be offering. All of these tasks would be relevant to you EXCEPT

A) reaching a decision on how to price the new product.

B) deciding what the best way is to persuade your customers to buy the new product.

C) deciding if the new product is appropriate for your company to market.

D) deciding on where you will sell the product.

Answer: C

Diff: 3

Learning Objective: 1.3 Discuss, with examples, the philosophy of marketing.

Section Reference: Philosophy of Marketing

Standard 1: AACSB || Reflective Thinking

Standard 2: Bloom's || Analysis

80) Which marketing orientation was prevalent when the U.S. economy was largely agricultural?

A) Simple trade and bartering

B) Production orientation

C) Sales orientation

D) Market orientation

Answer: A

Diff: 1

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

81) Which marketing orientation is focused on customer relationship marketing?

A) Product

B) Sales

C) Market

D) Social

Answer: C

Diff: 1

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

82) The key to effective market orientation is to

A) satisfy the customer.

B) deliver quality service.

C) maintain competitive pricing.

D) design creative products.

Answer: A

Diff: 1

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

83) Customer relationship marketing enables companies to

A) build relationships with the target market to increase repeat sales.

B) strengthen relationships with customers they're trying to recapture.

C) cultivate relationships with the community where the company is located.

D) gather data that provides insights into customer purchase behaviors.

Answer: A

Diff: 1

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Comprehension

84) The effective use of social media to interact with customers and to help expand the presence of a company's brand is a part of which marketing orientation?

A) Social

B) Sales

C) Market

D) Digital

Answer: A

Diff: 1

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Communication

Standard 2: Bloom's || Comprehension

85) The United States economy is currently dominated by which category?

A) Services

B) Agriculture

C) Manufacturing

D) Digital marketing

Answer: A

Diff: 1

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

86) Producing the most efficient and cost-effective version of a product describes what?

A) Production orientation

B) Sales orientation

C) Market orientation

D) Social orientation

Answer: A

Diff: 1

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

87) When companies primarily had a sales orientation, which of the following is true?

A) It was indicative of companies not having similar products.

B) Sales techniques and persuasion significantly lagged today's innovations.

C) It was a reflection of lower levels of competition.

D) Single transactions were favored over repeat purchases.

Answer: D

Diff: 1

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

88) In a period of companies having a marketing orientation, which of the following was true?

A) Customers became more sophisticated buyers.

B) The percentage of customers in the middle class decreased.

C) Manufacturing grew as the dominant sector.

D) Levels of competition decreased.

Answer: A

Diff: 1

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Communication

Standard 2: Bloom's || Knowledge

89) What best differentiates the production orientation from the sales orientation?

A) The type of advertising used to promote products

B) The number of competitive products available

C) The availability of desirable product

D) The level of social responsibility

Answer: B

Diff: 2

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

90) What is the best similarity between the sales orientation and the market orientation?

A) The expected number of sales from a single customer

B) The demand for products and services

C) The customer-centered focus

D) The desirability of any and all customers

Answer: C

Diff: 2

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

91) What is the best similarity between the market orientation and the social orientation?

A) The emphasis on social responsibility

B) The short-term and focused sales efforts

C) The resurgence of the manufacturing sector

D) The importance of the service sector of the economy

Answer: D

Diff: 2

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Analysis

92) New Belgium Brewing is a U.S.-based company that sells craft beer. It strives to be a "force for good" by focusing on sustainability. New Belgium produces a portion of its own electricity via solar panels and contributes to organizations focused on ecology. New Belgium operates under which marketing orientation?

A) Production

B) Sales

C) Market

D) Social

Answer: D

Diff: 2

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

93) The difference between a sales orientation and a production orientation is that the sales orientation

A) focuses on persuading customers.

B) uses analytics to reach customers.

C) focuses on efficient product marketing.

D) focuses on revenue production and not cost reduction.

Answer: A

Diff: 2

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

94) A company that is committed to reducing its carbon footprint by becoming more eco-friendly is engaging in which market orientation?

A) Social

B) Production

C) Environmental

D) Marketing

Answer: A

Diff: 2

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

95) The information Delta Airlines' Frequent Flyer Program gathers from their customer relationship management enables them to

A) strengthen the relationship between the airline and the customer.

B) enhance the customer experience of the passengers.

C) develop new sales promotions.

D) create an effective social media campaign.

Answer: A

Diff: 2

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

96) Warby Parker's goal of giving away one pair of glasses for each pair of glasses sold is an example of which marketing orientation?

A) Social

B) Production

C) Sales

D) All of the above

Answer: A

Diff: 2

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

97) A company's inability to keep disinfectants stocked in stores during a pandemic is an example of a weakness in which marketing orientation?

A) Production

B) Sales

C) Market

D) Management

Answer: A

Diff: 2

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Analytic

Standard 2: Bloom's || Application

98) As the United States has economy became more specialized in information technology, what has occurred?

A) The opportunities for social interaction between consumers and businesses have increased.

B) Levels of social interaction have reached their maximum level and begun to decline.

C) Opportunities for future interaction have been minimized.

D) Social media activities originating with businesses have begun to decline.

Answer: A

Diff: 2

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Communication

Standard 2: Bloom's || Analysis

99) In looking to fill her free time, Gianna took all her handwritten recipes and her cookbooks tabbed with sticky notes and keyed everything into her computer. She created a custom cookbook for herself with all of her favorite recipes. When her friends raved and asked for her services, Gianna knew she could create a small business for herself. She would especially like to target millennials who tend to shy away from traditional cookbooks. Of the following, what is the best advice you can give her?

A) Gianna should be mindful of her customers' demands and adjust her prices to allow everyone the ability to own a custom cookbook.

B) Gianna should consider creating a social media profile for her business. She also should consider donating a portion of her proceeds to a charity that fights hunger.

C) Gianna should act like a naïve scientist and test her idea before creating a marketing plan for her business.

D) Gianna should consider selling copies of her own custom cookbook before creating a company that creates custom cookbooks for millennials.

Answer: B

Diff: 3

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Reflective Thinking

Standard 2: Bloom's || Evaluation

100) Which of the following is a good example of a company having a social orientation?

A) Tom's Shoes ships a free pair of shoes to a child in a third world country for each pair sold in the United States.

B) A bakery uses non-GMO ingredients in its products.

C) A large company practices truth-in-advertising in all its TV commercials.

D) A non-profit organization raises money for a cause in which you believe.

Answer: A

Diff: 3

Learning Objective: 1.4 Outline the evolution of marketing thought and practice.

Section Reference: How Marketing Has Changed over Time

Standard 1: AACSB || Ethics

Standard 2: Bloom's || Evaluation

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