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| 1. What does the term marketing refer to?

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|   | a.  | new product concepts and improvements |
|   | b.  | selling |
|   | c.  | advertising and promotional activities |
|   | d.  | understanding and focusing on customer needs |

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| *ANSWER:* | d |

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| 2. What is the definition of marketing?

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| --- | --- | --- |
|   | a.  | understanding the wants of the consumer |
|   | b.  | understanding the needs of the consumer |
|   | c.  | developing the needs for the advertising |
|   | d.  | developing the wants of a marketing firm |

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| *ANSWER:* | b |

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| 3. What is marketing’s sole focus?

|  |  |  |
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|   | a.  | a control system |
|   | b.  | Marketing products |
|   | c.  | understanding the customer |
|   | d.  | profits |

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| *ANSWER:* | c |

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| 4. Which of the following best defines marketing?

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| --- | --- | --- |
|   | a.  | creating processes within an organization |
|   | b.  | creating advertising and social media strategies |
|   | c.  | analyzing the market for the next big product or service |
|   | d.  | helping shape the products and services of a firm |

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| *ANSWER:* | d |

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| 5. What is Saatchi & Saatchi?

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| --- | --- | --- |
|   | a.  | a global communications and advertising company |
|   | b.  | an accounting company |
|   | c.  | a marketing company |
|   | d.  | a financial business |

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| *ANSWER:* | a |

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| 6. What is the most important part of marketing?

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| --- | --- | --- |
|   | a.  | planning strategy |
|   | b.  | customer management |
|   | c.  | engaging with the customer |
|   | d.  | reciprocity |

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| --- | --- |
| *ANSWER:* | c |

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| 7. Which of the following best describes marketing?

|  |  |  |
| --- | --- | --- |
|   | a.  | promotional activities |
|   | b.  | personal selling |
|   | c.  | advertising |
|   | d.  | customer satisfaction |

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| *ANSWER:* | d |

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| 8. What is a need?

|  |  |  |
| --- | --- | --- |
|   | a.  | an itch |
|   | b.  | a desire for something |
|   | c.  | a want |
|   | d.  | a belief that makes the customer satisfied |

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| *ANSWER:* | b |

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| 9. What is the definition of customer needs?

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| --- | --- | --- |
|   | a.  | a product or service that customers already possess |
|   | b.  | a product or service that fills the status quo |
|   | c.  | a product or service that the customer requires and does not possess |
|   | d.  | a product or service that customers want |

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| *ANSWER:* | c |

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| 10. What is the definition of want?

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| --- | --- | --- |
|   | a.  | product or service that is not a necessity |
|   | b.  | product or service that is a necessity |
|   | c.  | product or service a consumer needs |
|   | d.  | product or service that is built for the customer |

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| *ANSWER:* | a |

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| 11. Which of the following best describes marketing?

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| --- | --- | --- |
|   | a.  | It is more of a philosophy rather than an organization function. |
|   | b.  | It is focused on just selling goods, services, and/or ideas. |
|   | c.  | It rewards the seller and not the buyer of a transaction. |
|   | d.  | It focuses on delivering value and benefits to customers. |

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| *ANSWER:* | d |

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| 12. Which of the following best described production-oriented firms?

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| --- | --- | --- |
|   | a.  | They do not focus on their internal capabilities. |
|   | b.  | They lack an understanding of the needs and wants of the marketplace. |
|   | c.  | They focus on their customers and have quick cycle times. |
|   | d.  | They determine what products their customers want and then produce them. |

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| *ANSWER:* | b |

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| 13. How would a firm benefit from production orientation?

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|   | a.  | competition is weak and demand exceeds supply |
|   | b.  | the market demand falls short of the firm's supply |
|   | c.  | the product it produces is not something that customers want |
|   | d.  | it wants to preserve society's long-term best interests |

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| *ANSWER:* | a |

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| 14. For many years, Procter & Gamble (P&G) viewed its Ivory soap as just plain old soap. P&G focused on how well it made Ivory soap and not on what customers wanted from a bar of soap. What type of orientation did the company have?

|  |  |  |
| --- | --- | --- |
|   | a.  | sales |
|   | b.  | production |
|   | c.  | market |
|   | d.  | customer |

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| *ANSWER:* | b |

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| 15. Indonesian logging companies harvest rainforests for wood and assume that a market exists for their products. Which type of orientation does the Indonesian logging company have?

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| --- | --- | --- |
|   | a.  | exchange |
|   | b.  | environmental |
|   | c.  | production |
|   | d.  | sales |

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| *ANSWER:* | c |

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| 16. Owens’ Tools manufactures oil-drilling equipment. The firm has always focused on their internal mix as opposed to understanding the needs of customers. What orientation does this describe?

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|   | a.  | sales |
|   | b.  | production |
|   | c.  | market |
|   | d.  | customer |

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| *ANSWER:* | b |

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| 17. What type of orientation does a company have when their strategies are based on what its current equipment can produce, what products can be designed, and what the company can do best?

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| --- | --- | --- |
|   | a.  | marketplace |
|   | b.  | sales |
|   | c.  | production |
|   | d.  | exchange |

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| *ANSWER:* | c |

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| 18. Researchers at PPG Industries spent time, effort, and money developing a bluish windshield that would let in filtered sunlight but block out the heat. Little market research was done, but the scientists were convinced this new product would be better than the existing windshields. This suggests PPG most likely has which type of orientation?

|  |  |  |
| --- | --- | --- |
|   | a.  | exchange |
|   | b.  | production |
|   | c.  | sales |
|   | d.  | customer |

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| *ANSWER:* | b |

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| 19. Which of the following is a major shortcoming of production orientation?

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|   | a.  | There is no customer value. |
|   | b.  | Customer satisfaction is not considered. |
|   | c.  | Customers’ opinions are neglected in the process. |
|   | d.  | Customers are presented with whatever has been developed. |

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| *ANSWER:* | d |

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| 20. What type of orientation does a firm have if it doesn’t take into consideration the needs of the marketplace?

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| --- | --- | --- |
|   | a.  | customer |
|   | b.  | product |
|   | c.  | market |
|   | d.  | production |

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| *ANSWER:* | d |

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| 21. Mimi fashion designers use computer-assisted design software to create what it thinks women should wear. The company regularly hires industry experts to examine its factories to find waste that can be eliminated. For the last two years Mimi has lost money. What should the company do?

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| --- | --- | --- |
|   | a.  | hire more retail efficiency experts to trace down any production problems |
|   | b.  | increase its sales force to find more potential customers for the firm |
|   | c.  | focus on its target market to see what needs and wants should be met by Mimi |
|   | d.  | cut prices so that its prices will be at least 10 percent below those of its competitors |

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| *ANSWER:* | c |

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| 22. Canon Computer Products has improved the efficiency and productivity of its plant, which manufactures printing technology. Canon projects a production increase of 25 percent and has instructed its sales force to distribute the product. What type of marketing management orientation is Canon practising?

|  |  |  |
| --- | --- | --- |
|   | a.  | sales orientation |
|   | b.  | production orientation |
|   | c.  | market orientation |
|   | d.  | societal marketing orientation |

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| *ANSWER:* | b |

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| 23. What is the primary tool used by a sales-oriented organization to achieve its corporate goals?

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| --- | --- | --- |
|   | a.  | price |
|   | b.  | sales pitches |
|   | c.  | product design |
|   | d.  | place (distribution) |

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| *ANSWER:* | b |

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| 24. The manufacturer of Country Kitchen Art bowls relies solely on promotion as the technique for attracting customers. They advertise in cooking magazines and offer coupons. From this information, what sort of orientation does Country Kitchen Art have?

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| --- | --- | --- |
|   | a.  | market |
|   | b.  | societal |
|   | c.  | production |
|   | d.  | sales |

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| *ANSWER:* | d |

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| 25. Tata Motors has improved the productivity of its plant. For the new financial year, the company projects a production increase of 30 percent. It has instructed its sales force to aggressively distribute and promote its trucks. The company believes the market will absorb more products if the sales force is aggressive. What sort of orientation does Tata have?

|  |  |  |
| --- | --- | --- |
|   | a.  | market |
|   | b.  | production |
|   | c.  | sales |
|   | d.  | customer |

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| *ANSWER:* | c |

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| 26. Which of the following is a sales-oriented organization?

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| --- | --- | --- |
|   | a.  | Fournotts Corp., which produces what the company management thinks should be produced |
|   | b.  | Magnira Corp., which understands the needs and wants of the marketplace |
|   | c.  | Fillets Inc., which believes in the philosophy that aggressive sales techniques can result in high sales |
|   | d.  | Laelle Inc., which believes that a sale is based on a customer's decision to purchase a product. |

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| *ANSWER:* | c |

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| 27. Which of the following best describes a sales orientation?

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|   | a.  | Consumers can be convinced to buy goods or services even though they do not need them. |
|   | b.  | Sales-oriented firms understand the needs and wants of the marketplace. |
|   | c.  | Sales-oriented firms give maximum emphasis to society’s long-term best interests. |
|   | d.  | Intermediaries are encouraged to push manufacturers' products aggressively. |

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| *ANSWER:* | d |

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| 28. Which of the following is a similarity between a production orientation and a sales orientation?

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|   | a.  | Both ignore the importance of assessing a firm's internal capabilities. |
|   | b.  | Both lack an understanding of the needs and wants of the marketplace. |
|   | c.  | Both place little emphasis on the assessment of manufacturing plants and facilities. |
|   | d.  | Both fail in a market where demand exceeds supply. |

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| *ANSWER:* | b |

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| 29. Which of the following is a drawback of the sales-orientation philosophy?

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| --- | --- | --- |
|   | a.  | It gives excessive importance to the needs and wants of the marketplace. |
|   | b.  | It cannot convince people to buy goods that are neither wanted nor needed. |
|   | c.  | It places little emphasis on the assessment of manufacturing plants and facilities. |
|   | d.  | It gives importance to the production function over other functions. |

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| *ANSWER:* | b |

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| 30. Minor League Baseball suffers from poor attendance. If salespeople for the teams try to push the sales of tickets onto local softball teams, what type of marketing management philosophy are they utilizing?

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|   | a.  | sales orientation |
|   | b.  | market orientation |
|   | c.  | production orientation |
|   | d.  | societal marketing orientation |

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| *ANSWER:* | a |

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| 31. Hanif is an account manager at The Curb, a furniture store. To make his quota, he will be quite aggressive in his customer pitch to the point where his customers might feel harassed. Which orientation is Hanif using?

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| --- | --- | --- |
|   | a.  | market orientation |
|   | b.  | sales orientation |
|   | c.  | customer orientation |
|   | d.  | production orientation |

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| *ANSWER:* | b |

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| 32. Innovative Silversmiths creates and markets silver and turquoise jewellery, which it sells to retailers. The company’s management believes its retail customers will stock more jewellery if its salespeople use aggressive marketing techniques. Which type of orientation does the company have?

|  |  |  |
| --- | --- | --- |
|   | a.  | customer orientation |
|   | b.  | production orientation |
|   | c.  | sales orientation |
|   | d.  | market orientation |

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| *ANSWER:* | c |

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| 33. If a company uses a sales orientation, what would consumer complaints most likely result in?

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|   | a.  | a less aggressive sales presentation |
|   | b.  | product reinvention |
|   | c.  | continuous market research |
|   | d.  | attempts to cut production costs |

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| *ANSWER:* | a |

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| 34. Which of the following best describes a sales-oriented business?

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|   | a.  | The company develops its products to meet the needs of specific groups of people. |
|   | b.  | The company’s primary goal is profit through customer satisfaction. |
|   | c.  | The company invests the majority of its resources in promoting its products and services. |
|   | d.  | The company is in business to satisfy customers’ wants and needs and deliver superior value. |

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| *ANSWER:* | c |

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| 35. One way to identify the orientation of a firm is to examine its primary goal. What type of marketing management philosophy does a firm practise if it seeks to achieve profitability through higher sales volume?

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| --- | --- | --- |
|   | a.  | societal marketing orientation |
|   | b.  | market orientation |
|   | c.  | sales orientation |
|   | d.  | production orientation |

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| *ANSWER:* | c |

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| 36. Lululemon has become one of the nation’s largest specialty retailers by focusing on the customer’s needs and wants. This philosophy is at the heart of which type of orientation?

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| --- | --- | --- |
|   | a.  | sales |
|   | b.  | market company |
|   | c.  | retail |
|   | d.  | production |

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| *ANSWER:* | b |

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| 37. Which of the following is primarily used by a market-oriented organization to achieve its goals?

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| --- | --- | --- |
|   | a.  | advertising, sales, and public relations |
|   | b.  | price |
|   | c.  | product design |
|   | d.  | place (distribution) |

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| *ANSWER:* | a |

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| 38. Jacques Torres Chocolate is a factory and retail store. Its owner is willing to try to produce new flavours when his customers suggest them—such as chili-pepper-laced chocolate candy. He believes his customers have the final say on whether the product is of any value. He states, “If something doesn’t move, that’s the last time you see it.” How does Jacques Torres Chocolate keep its customers coming back?

|  |  |  |
| --- | --- | --- |
|   | a.  | It directs its chocolates to the “average customer.” |
|   | b.  | It seeks its goals primarily through the use of intensive promotion. |
|   | c.  | It has an inward focus on the organization’s needs. |
|   | d.  | It profits through customer satisfaction. |

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| *ANSWER:* | d |

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| 39. What type of company assumes that a sale does not depend on an aggressive sales force but rather on a customer's decision to purchase a product?

|  |  |  |
| --- | --- | --- |
|   | a.  | an exchange-oriented company |
|   | b.  | a market-oriented company |
|   | c.  | a sales-oriented company |
|   | d.  | a production-oriented company |

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| *ANSWER:* | b |

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| 40. What do companies that have implemented a market orientation strategy recognize?

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|   | a.  | Price is the most important variable for customers. |
|   | b.  | Sales depend predominantly on an aggressive sales force. |
|   | c.  | What the customer thinks he or she is buying is what is important. |
|   | d.  | Selling and marketing are essentially the same thing. |

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| *ANSWER:* | c |

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| 41. The statement “Marketing should be introduced at the beginning rather than the end of the production cycle and integrated into each phase of the business,” is consistent with which type of orientation?

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|   | a.  | production |
|   | b.  | market |
|   | c.  | retail |
|   | d.  | sales |

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| *ANSWER:* | b |

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| 42. The manufacturer of Omega brand watches has a market orientation and follows the marketing concept. Which of the following describes the first action the company would most likely take if it learned its customers were dissatisfied with its watches?

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|   | a.  | hire more salespeople |
|   | b.  | conduct research to determine if its customers’ needs had changed |
|   | c.  | increase its advertising to underserved markets |
|   | d.  | increase the number of jewellery stores that carry Omega watches |

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| *ANSWER:* | b |

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| 43. Which of the following is a marketing management philosophy?

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|   | a.  | sales promotion orientation |
|   | b.  | societal change orientation |
|   | c.  | marketing company orientation |
|   | d.  | profitability orientation |

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| *ANSWER:* | c |

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| 44. For years, Richard Branson, founder of the Virgin Group, has believed in customer service. He believes that good customer service stems from an environment founded on “a chain, one that is consistent from beginning to end.” Which idea has Virgin Group captured in this short phrase?

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|   | a.  | the societal concept |
|   | b.  | Maslow’s hierarchy of needs |
|   | c.  | the marketing concept |
|   | d.  | the sales-orientation philosophy |

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| *ANSWER:* | c |

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| 45. Which of the following strategies are put into place by a company that has a market orientation?

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|   | a.  | integration of all the activities of the firm to satisfy customer wants |
|   | b.  | focus on company needs and wants |
|   | c.  | differentiation of the firm’s products from other firms’ products |
|   | d.  | sales growth fuelled through the application of aggressive sales techniques |

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| *ANSWER:* | a |

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| 46. What does the marketing concept involve?

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|   | a.  | focusing on customers’ wants so that the organization can distinguish its product (or products) from the competitors’ products |
|   | b.  | selling products at the highest prices that the market will bear with the idea of maximizing profits in the short run |
|   | c.  | selling as much product as possible under the assumption people will buy more goods and services if aggressive selling techniques are used |
|   | d.  | focusing on production in order to increase product quality and lower prices |

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| *ANSWER:* | a |

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| 47. The marketing concept includes a goal orientation to remind managers of which of the following?

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|   | a.  | Satisfying customers is as important as achieving long-term organizational goals. |
|   | b.  | Customers must be satisfied no matter what the long-term effect on the firm. |
|   | c.  | The only reason for any business to exist is to make a profit. |
|   | d.  | The objective is to find a target market that differs from that of the competition. |

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| *ANSWER:* | a |

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| 48. The marketing concept stresses that the social and economic justification for an organization’s existence is the satisfaction of customer needs and wants while doing which of the following?

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|   | a.  | producing a good or service at the lowest possible cost |
|   | b.  | meeting organization objectives |
|   | c.  | constantly increasing sales volumes |
|   | d.  | applying scientific management techniques to improve efficiency |

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| *ANSWER:* | b |

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| 49. Levi Strauss has developed a line of jeans that does not use any chemical dyes to colour the pants. Consumers like the look of the jeans, and Levi’s use of all-natural dyes is good for the environment. The production of this line would be consistent with which type of orientation?

|  |  |  |
| --- | --- | --- |
|   | a.  | societal marketing orientation |
|   | b.  | supplier orientation |
|   | c.  | sales orientation |
|   | d.  | production orientation |

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| *ANSWER:* | a |

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| 50. Shoppers at a supermarket can request Smart Partner cards. A percentage of the amount of money each shopper spends is given to a school of their choice. What type of orientation does the supermarket have?

|  |  |  |
| --- | --- | --- |
|   | a.  | societal marketing orientation |
|   | b.  | supplier orientation |
|   | c.  | sales orientation |
|   | d.  | philanthropic orientation |

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| *ANSWER:* | a |

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| 51. Many of the lowest-priced diamonds are sold by African rebels who use the profits to engage in genocide. LeeBrant is one retail jewellery store that sells only diamonds that are certified to be from “conflict-free” countries. One could say that LeeBrant has which of the following types of orientation?

|  |  |  |
| --- | --- | --- |
|   | a.  | production orientation |
|   | b.  | sales orientation |
|   | c.  | societal marketing orientation |
|   | d.  | market orientation |

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| *ANSWER:* | c |

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| 52. Which of the following strategies is most closely associated with the societal marketing orientation?

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|   | a.  | competing in the market |
|   | b.  | fostering opportunism |
|   | c.  | using clean energy sources |
|   | d.  | increasing overhead production costs |

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| *ANSWER:* | c |

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| 53. Allied Inc., a beverage manufacturer, follows a societal marketing orientation. It now wants to revamp its existing containers as they were found to be harmful to its users. In this case, what will Allied Inc. most likely do?

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| --- | --- | --- |
|   | a.  | change the label of the old containers and use them |
|   | b.  | sell containers that will leave high amounts of chemical wastes when burned |
|   | c.  | produce containers that are less toxic than its previous containers |
|   | d.  | manufacture containers that cannot be reused |

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| *ANSWER:* | c |

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| 54. How do personnel in sales-oriented firms differ from personnel in market-oriented firms?

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|   | a.  | Personnel in sales-oriented firms tend to be inward looking. |
|   | b.  | Personnel in sales-oriented firms focus on making what the market wants. |
|   | c.  | Personnel in sales-oriented firms enhance individuals' and society's long-term best interests. |
|   | d.  | Personnel in sales-oriented firms determine the needs of both the final buyer and intermediaries. |

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| *ANSWER:* | a |

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| 55. Nessca Corp. manufactures electronic gadgets. It instructs its marketing team to competitively advertise and promote its gadgets. The company, instead of believing in market research, believes that the market will absorb more products if customers are made aware of the products. Which of the following best describes the workforce of Nessca Corp.?

|  |  |  |
| --- | --- | --- |
|   | a.  | It is inward looking, focusing on selling what the firm makes. |
|   | b.  | It takes responsibility for its customers' well-being and interests. |
|   | c.  | It assumes that sales depend on a customer's decision to purchase a product. |
|   | d.  | It focuses on determining the needs of its customers rather than selling aggressively. |

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| *ANSWER:* | a |

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| 56. Livin' Styles is a home décor company that is well known for its varieties of designs. The management of Livin' Styles collaborates with its customers and co-creates designs. What does this example illustrate?

|  |  |  |
| --- | --- | --- |
|   | a.  | following a sales orientation |
|   | b.  | focusing on environmental value |
|   | c.  | delegating authority |
|   | d.  | creating customer value |

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| *ANSWER:* | d |

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| 57. If a firm extensively uses relationship marketing strategies, which of the following is it most likely to do?

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|   | a.  | focus on the internal rather than the external business environment |
|   | b.  | rely on aggressive sales strategies |
|   | c.  | focus on short-term goals of increasing sales |
|   | d.  | encourage teamwork among employees |

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| *ANSWER:* | d |

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| 58. An organization believes that it exists not only to satisfy customer wants and needs and meet organizational objectives, but also to preserve individuals’ and society’s long-term best interests. What type of orientation does the organization have?

|  |  |  |
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|   | a.  | sales orientation |
|   | b.  | market orientation |
|   | c.  | ethical business mission orientation |
|   | d.  | societal orientation |

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| *ANSWER:* | d |

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| 59. Dofasco Inc. is a highly successful steel company in Ontario. They work together with the community to decide what projects will improve the local environment.  This indicates that Dofasco has which type of orientation?

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| --- | --- | --- |
|   | a.  | societal marketing orientation |
|   | b.  | sales orientation |
|   | c.  | product orientation |
|   | d.  | philanthropic orientation |

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| *ANSWER:* | a |

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| 60. Kinko’s copy shops use 27 square kilometres of forest to produce all of the paper needed by the corporation annually. While the company is committed to making a profit, it is also committed to preserving the environment. What type of orientation does Kinko’s follow?

|  |  |  |
| --- | --- | --- |
|   | a.  | societal marketing orientation |
|   | b.  | sales orientation |
|   | c.  | reciprocal orientation |
|   | d.  | production orientation |

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| *ANSWER:* | a |

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| 61. Nurture-U is an organic and natural beauty brand. It manufactures a varied stock of skin and environment-friendly products. It believes that the environment should be protected for future generations. The company is against the use of animal products and uses plant extracts. What type of orientation does Nurture-U have?

|  |  |  |
| --- | --- | --- |
|   | a.  | market orientation |
|   | b.  | sales orientation |
|   | c.  | production orientation |
|   | d.  | societal marketing orientation |

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| *ANSWER:* | d |

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| 62. Sky High Builders is a sustainable construction company that uses eco-friendly materials to repair or construct infrastructure in the city. The company's products are made from recycled plastic. What type of orientation does Sky High Builders have?

|  |  |  |
| --- | --- | --- |
|   | a.  | market orientation |
|   | b.  | sales orientation |
|   | c.  | production orientation |
|   | d.  | societal marketing orientation |

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| *ANSWER:* | d |

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| 63. Happy Eating is a catering company that offers organic food. It serves eatables that are made from organic and locally grown fresh ingredients at private events and corporate functions. The company avoids using plastic and paper products for packaging. It also promotes awareness of the environmental benefits of choosing chemical free, organic food. In this scenario, what kind of orientation has Happy Eating adopted?

|  |  |  |
| --- | --- | --- |
|   | a.  | market orientation |
|   | b.  | societal marketing orientation |
|   | c.  | sales orientation |
|   | d.  | production orientation |

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| *ANSWER:* | a |

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| 64. Fresh Looks is a beauty salon that uses organic products to minimize the environmental impact of chemical-based products. It uses natural soaps and shampoos and other vegan beauty products such as vegan moisturizers, nail polishes, and spa treatments. What type of business orientation has this eco-friendly beauty business adopted?

|  |  |  |
| --- | --- | --- |
|   | a.  | market orientation |
|   | b.  | sales orientation |
|   | c.  | societal marketing orientation |
|   | d.  | production orientation |

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| *ANSWER:* | c |

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| 65. Adorn is a fashion brand that uses recycled materials to create its products. It produces eco-friendly dress materials, handbags, and other accessories from organic cotton, reused fabric pieces, and recycled plastic bottles. Adorn's policies clearly reflect its aim to protect the environment. What type of business orientation does Adorn have?

|  |  |  |
| --- | --- | --- |
|   | a.  | market orientation |
|   | b.  | sales orientation |
|   | c.  | production orientation |
|   | d.  | societal marketing orientation |

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| *ANSWER:* | d |

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| 66. Jojo is a bath and body product manufacturer. This company produces handmade soaps and other products that are made of organic ingredients such as natural, herbal, and fruit extracts. It purchases its raw materials from local farmers and businesses. In this scenario, what type of orientation has Jojo adopted?

|  |  |  |
| --- | --- | --- |
|   | a.  | market orientation |
|   | b.  | production orientation |
|   | c.  | sales orientation |
|   | d.  | societal marketing orientation |

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| *ANSWER:* | d |

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| 67. In 2016, McDonald’s introduced a “Step-It.” It is a fitness tracker for kids. What type of orientation is McDonald’s trying to follow?

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|   | a.  | societal marketing orientation |
|   | b.  | sales orientation |
|   | c.  | reciprocal orientation |
|   | d.  | production orientation |

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| *ANSWER:* | a |

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| 68. Surj went to Second Cup and ordered a vanilla latte on a Monday. He ordered the same drink from the same barista every day. A week later the barista, Jane, asked him if he would like his “usual.” What this an example of?

|  |  |  |
| --- | --- | --- |
|   | a.  | commitment selling |
|   | b.  | relationship marketing |
|   | c.  | transactional marketing |
|   | d.  | market engineering |

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| *ANSWER:* | b |

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| 69. Domino’s Pizza is offering racing fans a chance to earn points toward NASCAR-branded merchandise via the NASCAR RacePoints loyalty program. What is Domino’s engaging in?

|  |  |  |
| --- | --- | --- |
|   | a.  | transactional marketing |
|   | b.  | sports-distribution marketing |
|   | c.  | relationship marketing |
|   | d.  | one-to-one marketing |

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| *ANSWER:* | c |

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| 70. When a company replaces at its own expense any dissatisfied customer’s purchases. What type of strategy is the company utilizing?

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|   | a.  | management empowerment |
|   | b.  | management–customer synergy |
|   | c.  | customer satisfaction |
|   | d.  | transactional marketing |

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| *ANSWER:* | c |

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| 71. What is created when customer expectations regarding product quality, service quality, and value-based price are met or exceeded?

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|   | a.  | a value line |
|   | b.  | quality products |
|   | c.  | dissonance excellence |
|   | d.  | customer satisfaction |

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| *ANSWER:* | d |

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| 72. What is customer satisfaction?

|  |  |  |
| --- | --- | --- |
|   | a.  | the relationship between benefits and the sacrifice necessary to obtain those benefits |
|   | b.  | a good or service in terms of whether it has met customers’ needs and expectations |
|   | c.  | a customer who wants to purchase something |
|   | d.  | the relationship between benefits and opportunity necessary to obtain those benefits |

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| *ANSWER:* | b |

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| 73. Which of the following best defines customer satisfaction?

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| --- | --- | --- |
|   | a.  | the relationship between benefits and the sacrifice necessary to obtain those benefits |
|   | b.  | a good or service in terms of whether it has met customers’ needs and expectations |
|   | c.  | a customer’s value of purchases that are of the quality he expects and are sold at prices he is willing to pay |
|   | d.  | a purchase that helps obtain a benefit |

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| *ANSWER:* | d |

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| 74. A company’s interaction with a customer can be evaluated by which of the following?

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| --- | --- | --- |
|   | a.  | satisfaction, relationship, and place |
|   | b.  | value, retention, and pricing |
|   | c.  | value, satisfaction, and relationship |
|   | d.  | satisfaction, relationship, and promotion |

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| *ANSWER:* | c |

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| 75. Frequent-flyer programs are an example of financial incentives to customers in exchange for their continuing support. After flying a certain number of miles, the frequent-flyer program participant earns a free flight. What are airlines that use frequent-flyer programs practising?

|  |  |  |
| --- | --- | --- |
|   | a.  | one-to-one marketing |
|   | b.  | transaction marketing |
|   | c.  | transformational marketing |
|   | d.  | relationship marketing |

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| *ANSWER:* | d |

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| 76. Shoppers at a supermarket can request Smart Partner cards. A percentage of the amount of money each shopper spends is given to a school the customer has chosen. How is the store using the Smart Partner cards?

|  |  |  |
| --- | --- | --- |
|   | a.  | as a part of its commitment selling |
|   | b.  | as a part of its transaction marketing |
|   | c.  | as a part of its retailer–customer synergy |
|   | d.  | as a part of its relationship marketing |

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| *ANSWER:* | d |

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| 77. Canadian Smoked Turkey Inc. is mail-order business that doesn’t accept credit cards and doesn’t have a toll-free number for customers to call. It may be old-fashioned but has a very loyal following. What does Canadian Smoked Turkey probably use to maintain these long-term ties to its customers?

|  |  |  |
| --- | --- | --- |
|   | a.  | reactive marketing |
|   | b.  | synergistic management |
|   | c.  | relationship marketing |
|   | d.  | promotional marketing |

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| *ANSWER:* | c |

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| 78. Which of the following best describes customer relationship management?

|  |  |  |
| --- | --- | --- |
|   | a.  | It involves targeting the average customer or everybody. |
|   | b.  | It involves establishing and tracking customer interactions with the company. |
|   | c.  | It considers all customers as one large group that should be targeted with a single promotional strategy. |
|   | d.  | It is used by sales-oriented firms to convince customers to buy their products. |

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| *ANSWER:* | b |

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| 79. Which of the following best describes customer relationship management?

|  |  |  |
| --- | --- | --- |
|   | a.  | It involves linking all processes of a company from its customers through its suppliers. |
|   | b.  | It tries to convince potential customers to buy, even if the seller knows that the customer and the product are mismatched. |
|   | c.  | It is used more by sales-oriented firms than market-oriented firms. |
|   | d.  | It is most extensively used by production-oriented firms. |

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| *ANSWER:* | a |

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| 80. Which of the following best describes customer relationship management?

|  |  |  |
| --- | --- | --- |
|   | a.  | It involves targeting the average customer or everybody. |
|   | b.  | It involves establishing and tracking customer interactions with the company. |
|   | c.  | It considers all customers as one large group that should be targeted with a single promotional strategy. |
|   | d.  | It is used by sales-oriented firms to convince customers to buy their products. |

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| *ANSWER:* | b |

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| 81. Which of the following best describes customer relationship management?

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| --- | --- | --- |
|   | a.  | It involves linking all processes of a company from its customers through its suppliers. |
|   | b.  | It tries to convince potential customers to buy, even if the seller knows that the customer and the product are mismatched. |
|   | c.  | It is used more by sales-oriented firms than market-oriented firms. |
|   | d.  | It is most extensively used by production-oriented firms. |

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| *ANSWER:* | a |

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| 82. Which of the following is used in customer relationship management?

|  |  |  |
| --- | --- | --- |
|   | a.  | sales-orientation philosophy |
|   | b.  | production-oriented philosophy |
|   | c.  | communicator valence |
|   | d.  | on-demand marketing |

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| *ANSWER:* | d |

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| 83. What condition needs to take place in order for an exchange to take place?

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|   | a.  | At least two parties are involved. |
|   | b.  | Each party needs to be happy. |
|   | c.  | Each party has to trust each other. |
|   | d.  | Each party needs to accept the exchange offer. |

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| *ANSWER:* | a |

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| 84. Some market-oriented firms give employees expanded authority to solve customer problems on the spot. What is the firm’s aim in doing this?

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|   | a.  | relationship selling |
|   | b.  | deregulation |
|   | c.  | customer satisfaction |
|   | d.  | commissioning |

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| *ANSWER:* | c |

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| 85. The management at Fairmont Hotels has authorized its hotel staff to provide, as quickly as possible, whatever amenity—such as a special magazine or a hypoallergenic pillow—their frequent stayers request. What is Fairmont management using to provide customer value?

|  |  |  |
| --- | --- | --- |
|   | a.  | relationship selling |
|   | b.  | deregulation |
|   | c.  | customer satisfaction |
|   | d.  | commissioning |

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| --- | --- |
| *ANSWER:* | c |

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| 86. What is defined as the relationship between benefits and the sacrifice necessary to obtain those benefits?

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|   | a.  | opportunity cost |
|   | b.  | marketing utility |
|   | c.  | market quality |
|   | d.  | customer value |

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| *ANSWER:* | d |

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| 87. Canada Post argues that its express service is comparable to what is offered by FedEx and that its prices are much lower. Yet FedEx dominates, with more than a 45-percent share of the express-delivery market. Why does FedEx have a higher market share?

|  |  |  |
| --- | --- | --- |
|   | a.  | Canada Post is perceived as offering greater customer value. |
|   | b.  | FedEx is perceived as offering greater customer value. |
|   | c.  | FedEx and Canada Post offer the same customer value. |
|   | d.  | Customer value is not an issue in deciding between FedEx and Canada Post. |

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| *ANSWER:* | b |

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| 88. What should a retail casket outlet do if it wishes to offer customer value?

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| --- | --- | --- |
|   | a.  | use a production orientation |
|   | b.  | use a sales orientation |
|   | c.  | offer free services to go along with the casket |
|   | d.  | provide customers with only a few casket choices |

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| *ANSWER:* | c |

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| 89. Joban purchased a Canada Goose coat just in time for winter. It cost him almost $800.00. What marketing concept does this transaction describe?

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| --- | --- | --- |
|   | a.  | exchange |
|   | b.  | synergy |
|   | c.  | leverage |
|   | d.  | reciprocity |

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| *ANSWER:* | a |

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| 90. Domino’s Pizza is offering racing fans a chance to earn points toward NASCAR-branded merchandise via the NASCAR RacePoints loyalty program. What will occur when a NASCAR fan trades in his or her points for a mug autographed by a favourite driver?

|  |  |  |
| --- | --- | --- |
|   | a.  | synergy |
|   | b.  | sublimation |
|   | c.  | exchange |
|   | d.  | reciprocity |

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| *ANSWER:* | c |

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| 91. Shaun wanted to purchase a used car. He was willing to either trade his old car or pay cash to get what he wanted. What was missing from this exchange?

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| --- | --- | --- |
|   | a.  | There must be at least two parties involved. |
|   | b.  | Money must be used in the transaction. |
|   | c.  | At least one party must feel obligated to accept the offer. |
|   | d.  | At least one party must have something of value that the other party desires. |

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| *ANSWER:* | a |

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| 92. Andi Littleton has inherited a Featherlite brand horse trailer from her recently deceased grandfather. A preliminary investigation has shown many people would be interested in owning a Featherlite brand horse trailer. She is considering placing an advertisement in a newspaper targeted to horse owners. She has been told similar horse trailers are selling for about $14,000. Which of the following conditions is necessary for an exchange to occur between Littleton and a buyer?

|  |  |  |
| --- | --- | --- |
|   | a.  | Her trailer should carry a low price. |
|   | b.  | The trailer should be on display somewhere that people will see it. |
|   | c.  | She needs to practise negotiating. |
|   | d.  | Littleton and her buyer must be able to walk away from the deal if desired. |

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| *ANSWER:* | d |

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| 93. To increase interest in rodeos, the local chapter of the National Rodeo Cowboys Association (NRCA) is offering free roping lessons to students in grades 6 and 7. Which of the following best describes an exchange?

|  |  |  |
| --- | --- | --- |
|   | a.  | Students and their parents can decide for themselves if the lessons have any value. |
|   | b.  | The students want to take the lessons but are unaware that they are being offered for free. |
|   | c.  | The parents of the students are unsure whether the NRCA is a legitimate organization. |
|   | d.  | Both the NRCA and the students taking the lessons will trade something of value. |

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| *ANSWER:* | d |

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| 94. What must happen in order for exchange to occur?

|  |  |  |
| --- | --- | --- |
|   | a.  | Organized marketing activities must also take place. |
|   | b.  | A profit-oriented organization must be involved in the process. |
|   | c.  | Money or other legal tender is required. |
|   | d.  | Each party must have something the other party considers to be valuable. |

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| *ANSWER:* | d |

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| 95. What is a market segment?

|  |  |  |
| --- | --- | --- |
|   | a.  | a target market |
|   | b.  | a group of individuals who have similar needs |
|   | c.  | a group who want to make an exchange |
|   | d.  | a group that buys because of market research |

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| *ANSWER:* | b |

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| 96. A portion of the automobile market loves taking long drives in the country in a convertible while their kids are babysat. What do we call this subgroup of individuals?

|  |  |  |
| --- | --- | --- |
|   | a.  | a market universe |
|   | b.  | a market segment |
|   | c.  | an aggregated market |
|   | d.  | a segmentation base |

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| *ANSWER:* | b |

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| 97. The computer market can be divided in to laptops, personal computers, mainframes, and tablets. This market can also be broken down by the types of users who will use each of these types of devices. What is this process of dividing markets called?

|  |  |  |
| --- | --- | --- |
|   | a.  | perceptual mapping |
|   | b.  | positioning |
|   | c.  | micromarketing |
|   | d.  | market segmentation |

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| *ANSWER:* | d |

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| 98. If customer value occurs, which of the following is most likely to result?

|  |  |  |
| --- | --- | --- |
|   | a.  | A customer will continue to a relationship. |
|   | b.  | A customer will recommend the company. |
|   | c.  | A customer will have buyer’s remorse. |
|   | d.  | A customer will purchase a product or service. |

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| *ANSWER:* | d |

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| 99. Which of the following is an example of good value?

|  |  |  |
| --- | --- | --- |
|   | a.  | a low-quality product at a low price |
|   | b.  | a high-quality product at a high price |
|   | c.  | a high-quality product at a low price |
|   | d.  | a low-quality product at a high price |

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| *ANSWER:* | c |

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| 100. Which of the following is a defining characteristic of exchange?

|  |  |  |
| --- | --- | --- |
|   | a.  | a customer giving up one thing to get a more desired thing |
|   | b.  | a customer receiving one thing while not giving anything |
|   | c.  | a customer giving up one thing to get an expensive thing |
|   | d.  | a customer receiving one thing to get an inexpensive thing |

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| *ANSWER:* | a |

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| 101. Which of the following is an example of the principle of customer exchange?

|  |  |  |
| --- | --- | --- |
|   | a.  | customer satisfaction |
|   | b.  | customer marketing |
|   | c.  | customer relationship management |
|   | d.  | customer value |

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| *ANSWER:* | d |

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| 102. Which of the following is a characteristic of customer loyalty?

|  |  |  |
| --- | --- | --- |
|   | a.  | maintaining and building trust with the customer |
|   | b.  | developing and establishing a relationship with the customer |
|   | c.  | increasing company profits through sales |
|   | d.  | increasing company profits using a pricing strategy |

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| *ANSWER:* | a |

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| 103. Steve has been purchasing from Electronics Store for over 10 years. Which of the following represents Steve’s opinion on Electronic Store?

|  |  |  |
| --- | --- | --- |
|   | a.  | customer relationship management |
|   | b.  | customer value |
|   | c.  | customer loyalty |
|   | d.  | customer marketing |

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| *ANSWER:* | c |

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| 104. What marketing tools does an organization use to achieve its goals?

|  |  |  |
| --- | --- | --- |
|   | a.  | advertising and personal selling |
|   | b.  | production, promotion, and pricing |
|   | c.  | the marketing mix |
|   | d.  | aggressive promotion |

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| *ANSWER:* | c |

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| 105. Which of the following best defines place in the marketing mix?

|  |  |  |
| --- | --- | --- |
|   | a.  | quantifying of a value in exchange for a company’s offering |
|   | b.  | the tangible and intangible aspects of a company’s offering |
|   | c.  | making an offering available to the customer |
|   | d.  | the visible activities of marketing |

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| *ANSWER:* | c |

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| 106. Which of the following is the meaning of promotion in the marketing mix?

|  |  |  |
| --- | --- | --- |
|   | a.  | quantifying of a value in exchange for a company’s offering |
|   | b.  | the tangible and intangible aspects of a company’s offering |
|   | c.  | making an offering available to the customer |
|   | d.  | the visible activities of marketing |

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| --- | --- |
| *ANSWER:* | d |

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| 107. Which of the following is the meaning of price in the marketing mix?

|  |  |  |
| --- | --- | --- |
|   | a.  | quantifying of a value in exchange for a company’s offering |
|   | b.  | taking factors into consideration and making the best decision |
|   | c.  | making an offering available to the customer |
|   | d.  | the visible activities of marketing |

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| --- | --- |
| *ANSWER:* | b |

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| 108. Which of the following is the meaning of place in the marketing mix?

|  |  |  |
| --- | --- | --- |
|   | a.  | the world of channels and logistics |
|   | b.  | taking factors into consideration and making the best decision |
|   | c.  | making an offering available to the customer |
|   | d.  | the visible activities of marketing |

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| *ANSWER:* | a |

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| 109. Which of the following is similar to the product in the marketing mix?

|  |  |  |
| --- | --- | --- |
|   | a.  | the needs that are being satisfied and how to best package them |
|   | b.  | taking factors into consideration and making the best decision |
|   | c.  | making an offering available to the customer |
|   | d.  | the visible activities of marketing |

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| *ANSWER:* | a |

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| 110. What is a difference between place and promotion?

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| --- | --- | --- |
|   | a.  | Place is the production of the product, and promotion is how the product is distributed. |
|   | b.  | Place is the distribution and logistics, and promotion is packaging of the product. |
|   | c.  | Place is the distribution and logistics, and promotion is the communication to the customer. |
|   | d.  | Place is the location of the pricing, and promotion is the communication to the customer. |

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| --- | --- |
| *ANSWER:* | c |

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| 111. What is the cause of price in the marketing mix?

|  |  |  |
| --- | --- | --- |
|   | a.  | quantifying of a value in exchange for a company’s offering |
|   | b.  | making the best decision that satisfies the bottom line |
|   | c.  | making an offering available to the customer |
|   | d.  | the visible activities of marketing |

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| --- | --- |
| *ANSWER:* | b |

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| 112. Which of the following is an example of promotion in the marketing mix?

|  |  |  |
| --- | --- | --- |
|   | a.  | quantifying of a value in exchange for a company’s offering |
|   | b.  | making the best decision that satisfies the bottom line |
|   | c.  | making an offering available to the customer |
|   | d.  | designing and developing communication materials |

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| *ANSWER:* | d |

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| 113. If promotion in a marketing mix occurs, what is most likely to be the result?

|  |  |  |
| --- | --- | --- |
|   | a.  | product development |
|   | b.  | product pricing |
|   | c.  | product packaging |
|   | d.  | product advertising |

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| *ANSWER:* | d |

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| 114. What is the cause of a distribution and logistical planning for an organization?

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| --- | --- | --- |
|   | a.  | product |
|   | b.  | price |
|   | c.  | place |
|   | d.  | promotion |

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| --- | --- |
| *ANSWER:* | c |

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| 115. Company XYZ has a product that requires a strategy to sell it to the end user. The product needs to be packaged and must complement the product lines. Which of the following strategies would be used in this scenario?

|  |  |  |
| --- | --- | --- |
|   | a.  | product |
|   | b.  | price |
|   | c.  | place |
|   | d.  | promotion |

|  |  |
| --- | --- |
| *ANSWER:* | a |

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| 116. Company XYZ needs to develop its bottom line for the company’s offering. Which of the following strategies would be used in this scenario?

|  |  |  |
| --- | --- | --- |
|   | a.  | product |
|   | b.  | price |
|   | c.  | place |
|   | d.  | promotion |

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| --- | --- |
| *ANSWER:* | b |

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| 117. Company XYZ is developing a pricing strategy for their marketing mix. Which of the following strategies do they need to complete prior to fully understanding their bottom line?

|  |  |  |
| --- | --- | --- |
|   | a.  | product and price |
|   | b.  | price and promotion |
|   | c.  | place and product |
|   | d.  | promotion and place |

|  |  |
| --- | --- |
| *ANSWER:* | c |

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| 118. Company XYZ is building marketing activities to keep a consistent message and look. Which of the following strategies would be used in this situation?

|  |  |  |
| --- | --- | --- |
|   | a.  | product |
|   | b.  | price |
|   | c.  | place |
|   | d.  | promotion |

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| --- | --- |
| *ANSWER:* | d |

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| 119. What is a major weakness of product?

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| --- | --- | --- |
|   | a.  | It does not solely create a strategy for the market. |
|   | b.  | It requires too much consumer input. |
|   | c.  | It is heavily dependent on research and development. |
|   | d.  | It relies on the promotional strategy to function correctly. |

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| *ANSWER:* | a |

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| 120. Which is a major weakness of promotion?

|  |  |  |
| --- | --- | --- |
|   | a.  | It does not solely create a strategy for the market. |
|   | b.  | The many options and techniques to be used is a challenge. |
|   | c.  | It is heavily dependent on the distribution channel. |
|   | d.  | It relies on the pricing strategy to function correctly. |

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| *ANSWER:* | b |

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| 121. Which of the following factors would you use if you wanted to develop a full marketing strategy?

|  |  |  |
| --- | --- | --- |
|   | a.  | production orientation |
|   | b.  | marketing mix 4Ps |
|   | c.  | customer value strategy |
|   | d.  | sales orientation |

|  |  |
| --- | --- |
| *ANSWER:* | b |

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| 122. Which of the following factors would you use if you wanted to develop a company’s distribution and logistics?

|  |  |  |
| --- | --- | --- |
|   | a.  | product strategy |
|   | b.  | price strategy |
|   | c.  | place strategy |
|   | d.  | promotion strategy |

|  |  |
| --- | --- |
| *ANSWER:* | c |

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| 123. Which is the most important factor contributing to price in the marketing mix?

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| --- | --- | --- |
|   | a.  | the analysis of the way the product line is priced |
|   | b.  | the development of the way the product line is distributed |
|   | c.  | the analysis of the way the product is segmented |
|   | d.  | the development of the way the communication is integrated |

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| --- | --- |
| *ANSWER:* | a |

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| 124. Which if the following is a valid reason to study marketing?

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| --- | --- | --- |
|   | a.  | Marketing teaches students how to sell all types of products and services. |
|   | b.  | Marketing plays an important role in society, coordinating the huge numbers of transactions needed to provide goods and services. |
|   | c.  | Marketing is used in many types of organizations but not charities and government. |
|   | d.  | Marketing offers more money than other disciplines like finance. |

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| --- | --- |
| *ANSWER:* | b |

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| 125. Which of the following statements best describes the importance of studying marketing?

|  |  |  |
| --- | --- | --- |
|   | a.  | Marketing teaches students how to sell products that people do not need. |
|   | b.  | Marketing deals with transactions, not relationships. |
|   | c.  | Marketing is seen by everyone many times in a day. |
|   | d.  | Marketing offers outstanding career opportunities. |

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| *ANSWER:* | d |

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| 126. Wilson is studying dairy science at university. After graduation, he hopes to modernize and expand his family’s dairy farm in a scientific and efficient manner. His adviser at school has suggested he take a marketing course. Wilson doesn’t see the value in taking a marketing course. You are studying marketing. What would you suggest?

|  |  |  |
| --- | --- | --- |
|   | a.  | Marketing knowledge will help Wilson to understand that he must satisfy wholesalers, retailers, and consumers. |
|   | b.  | Wilson should also take a finance course to further broaden his business knowledge. |
|   | c.  | More biology and agriculture classes will be most useful for Wilson. He should leave marketing to the experts and pay consultants when he needs them. |
|   | d.  | The main reason to take marketing is to teach Wilson how to advertise milk. |

|  |  |
| --- | --- |
| *ANSWER:* | a |

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| 127. Jamie owns a small moving company. She has decided to take a few night school business courses because her company is growing quickly and there are many things she does not understand. Should Jamie enrol in a marketing course?

|  |  |  |
| --- | --- | --- |
|   | a.  | Yes, because marketing is synonymous with selling, and Jamie will want to learn sales techniques to continue the growth of the company. |
|   | b.  | Yes, because the concept of marketing will help Jamie to better satisfy her customers. |
|   | c.  | No, because marketing should be done by experts rather than someone who has taken one course. |
|   | d.  | Yes, because marketing helps businesses sell products that people wouldn’t have thought to buy without being marketed to. |

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| --- | --- |
| *ANSWER:* | b |

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| 128. Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 129. Marketing can be defined as selling products.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| 130. Sara Lee Industries spent considerable money and time developing a crust less bread. Prior to the introduction, the company had not conducted market research among its customers, but it was confident that its technology department had produced a successful new product. Based on this example, Sara Lee is a good example of a production-oriented company.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 131. World Championship Wrestling (WCW), failed primarily because it set up its matches according to what its wrestlers wanted to do rather than what its fans wanted to see. WCW had a market orientation.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| 132. In the early 1920s, Ford promised its customers that they could have any colour car they wanted, “as long as it was black.” Ford’s management assumed anyone buying a car would accept the colour black, so it made products affordable by offering only one variety in large quantities. Ford is an example of a market-oriented firm.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 133. Both production and sales orientations are focused inward on the organization’s needs.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| 134. While most marketing organizations rely on promotions to succeed, sales-oriented organizations make the most effective use of their entire marketing mix.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| 135. The ultimate goal of most market-oriented firms is profitability, which results from satisfying the wants and needs of its consumers.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 136. The marketing concept states that the social and economic justification for an organization’s existence is the satisfaction of customers’ wants and needs, while meeting organizational objectives.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| 137. Salespeople who work for market-oriented organizations are generally perceived by their customers to be order takers.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 138. The societal marketing concept considers society’s long-term best interests, along with the satisfaction of customers’ wants and needs.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 139. Firms try to achieve customer satisfaction and value by ensuring customer expectations are met or exceeded.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| 140. 3D Systems is a company that uses computers to generate new products. It has generated loyal business clients by providing the best customer support. The company also has salespeople who have both product and customer knowledge. This partnership between 3D Systems and its customers would be considered relationship marketing.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 141. Only a firm’s salespeople need to be customer-oriented.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 142. Retailers who give their sales clerks the authority to handle customer complaints without having to get approval from a supervisor are using CRM.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 143. Customer value is the relationship between company profits and company costs.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| 144. An exchange cannot take place unless each party in the exchange has something that the other party values.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

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| --- | --- |
| *ANSWER:* | True |

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| 145. Marketing is a job that should be handled by marketers. People in management, accounting, and finance should focus on their own specialties.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

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| --- | --- |
| *ANSWER:* | False |

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| 146. All companies, from global to regional consultants, need to be consumer focused.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

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| --- | --- |
| *ANSWER:* | True |

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| 147. Job titles like “marketing manager,” “project manager,” and “vice-president of marketing” all display the importance of leadership and management while still working in marketing.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

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| --- | --- |
| *ANSWER:* | True |

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| 148. What is the definition of marketing?

|  |  |
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| *ANSWER:* | Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. |

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| 149. Exchange is the key concept in the definition of marketing. What is the concept of exchange? What are the five conditions of exchange that must be satisfied for exchange to occur?

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| *ANSWER:* | The concept of exchange simply means that people give up something in order to receive something that they would rather have. Money, goods, or services may be the medium of exchange. There are five conditions of exchange:1. There must be at least two parties.2. Each party has something that might be of value to the other party.3. Each party is capable of communication and delivery.4. Each party is free to accept or reject the exchange offer.5. Each party believes it is appropriate or desirable to deal with the other party. |

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| 150. There are five conditions that must be satisfied for an exchange to take place. However, even if all of these conditions are met, exchange may not necessarily take place. Give an example of a situation in which all conditions are met, but exchange does not take place. Can marketing occur, even if an exchange does not take place? Why or why not?

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| *ANSWER:* | Many selling situations satisfy all five conditions for exchange, but unless a purchase or trade actually takes place, exchange does not occur. The five conditions are necessary but not sufficient for final exchange. The text provides the example of advertising a used auto in the classified ads.Marketing can occur even if an exchange does not take place. Many of the activities of marketing (product development, planning, promotion, pricing, distribution, and so on) can take place without a final exchange. |

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| 151. Is the following statement true? “A production orientation is always harmful to relationship marketing.” Explain your answer.

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| *ANSWER:* | A company with a production orientation concentrates on what it can do best—its internal capabilities. Sometimes what the company produces is exactly what the customer wants. It is possible for a company to engage in relationship marketing (a strategy that entails forging long-term partnerships with customers) and still have a production orientation. |

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| 152. If a firm has a production orientation, what types of questions does management ask after assessing its resources? How would these questions differ for a service organization?

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| *ANSWER:* | With a production orientation, management focuses on the internal capabilities of the firm. Management might ask, “What can we do best?”, “What can engineering design?”, and/or “What is economical and easy to produce with our equipment?” Managers of a service organization might ask, “What services are most convenient for the firm to offer?” and/or “Where do our talents lie?” |

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| 153. Four competing philosophies strongly influence the role of marketing and marketing activities within an organization. Name and briefly describe each of these four philosophies.

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| *ANSWER:* | *Production orientation:* This orientation focuses firms on their internal production capabilities rather than the desires and needs of the marketplace.*Sales orientation:* This orientation assumes that buyers will purchase more of any item if aggressive selling techniques are used. Again, this orientation does not address the needs and wants of the marketplace.*Market orientation:* This orientation is the foundation of contemporary marketing philosophy. It recognizes that a sale is dependent on the customer’s decision to purchase a product and provides increased responsiveness to customer needs and wants. To market-oriented firms, marketing means building relationships with customers.*Societal orientation:* This orientation refines the marketing orientation by stating that the social and economic justification for an organization’s existence is the satisfaction of customer wants and needs while meeting the organization’s objectives and preserving or enhancing both individuals’ and society’s long-term best interests. |

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| 154. An entrepreneur has set up a company to manufacture and market GPS systems for hunters. He has decided a sales orientation would best suit his new company. What are important considerations for this firm when it adopts this orientation? What are potential problems of this orientation the owner needs to understand?

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| *ANSWER:* | The most important component for a sales orientation is an aggressive sales force. The sales force can push intermediaries to carry products, or push consumers to purchase. For the entrepreneur in question, this is important, as hunters rarely buy GPS equipment directly from the manufacturer. Instead, GPS equipment is offered through specialty resellers. An aggressive sales force could help the entrepreneur sell his product in more outlets. However, despite a high-quality sales force, even aggressive salespeople cannot convince people to buy goods and services that are neither wanted nor needed. |

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| 155. What is the marketing concept? According to the marketing concept, what determines if a sale will actually occur?

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| *ANSWER:* | The marketing concept is a simple and intuitively appealing philosophy. It states that the social and economic justification for an organization’s existence is the satisfaction of customer wants and needs while meeting organizational objectives. It is based on an understanding that a sale does not depend on an aggressive sales force but rather on a customer’s decision to purchase a product. |

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| 156. What is the philosophy of the marketing concept and market orientation? What three key areas are involved in the implementation of the marketing concept and a market orientation?

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| *ANSWER:* | The philosophy of the marketing concept states that the social and economic justification for an organization’s existence is the satisfaction of customer wants and needs while meeting organizational objectives. Market orientation requires top management leadership, a customer focus, competitive intelligence, and interfunctional coordination to meet customer wants and needs and deliver superior value. It also entails establishing and maintaining mutually rewarding relationships with customers.The marketing concept and market orientation involve• focusing on consumer wants so the organization can distinguish its product(s) from competitors’ offerings.• integrating all the organization’s activities, including production, to satisfy these wants.• achieving long-term organization goals by satisfying customer wants and needs legally and responsibly. |

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| 157. A market-oriented organization may choose not to deliver the benefits sought by customers because these benefits are not in the best interests of the individual or society. This is termed the *societal orientation*. What does this concept mean in terms of organizational justification? List three current issues where the societal orientation concept may need to be applied.

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| *ANSWER:* | The societal orientation refines the market orientation by stating that the social and economic justification for an organization’s existence is the satisfaction of customer wants and needs while meeting the organization’s objectives and preserving or enhancing both the individual’s and society’s long-term best interests.Societal issues could include environmental protection, smoking in public places, promotion of high-sugar content foods to children, seat belt laws, alcohol marketing, gun sales, and purchasing drugs that have not been approved by the government, and others. |

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| 158. Describe a real company that has a societal marketing orientation.

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| *ANSWER:* | All should select a company that exists not only to satisfy customers’ wants and needs and meet organizational objectives, but also to preserve or enhance individuals’ or society’s long-term best interests. |

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| 159. Discuss the differences between sales and market orientations using the following five characteristics as guidelines: (1) the organization’s focus, (2) the business the organization is in, (3) the people to whom the product is directed, (4) the organization’s primary goal, and (5) the tools used to achieve that goal.

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| *ANSWER:* | *Organization’s focus:* With a sales orientation, the firm’s focus is inward upon the firm’s own needs. With a market orientation, the focus is outward on the wants and preferences of customers. In particular, market-oriented firms create customer value, maintain customer satisfaction, and build long-term relationships.*Business:* A firm with a sales orientation is in the business of selling goods and services. A firm with a market orientation is in the business of satisfying consumer wants and needs.*Customers:* A sales orientation directs the firm’s output at everybody, while a market orientation directs goods toward specific groups of people.*Primary goal:* The primary goal of a firm with a sales orientation is to make profit through maximizing sales volume. The primary goal of a firm with a market orientation is to seek profit through customer satisfaction.*Tools for goal achievement:* A sales orientation seeks to achieve goals primarily through intensive promotion. A market orientation achieves goals through coordinated use of a set of marketing activities.See Review Learning Outcome 2. |

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| 160. What is customer value? How can marketers make sure customers perceive their companies/products as sources of value?

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| *ANSWER:* | Customer value is the relationship between benefits and the sacrifice necessary to obtain those benefits. Marketers who want to be perceived by their customers as offering value can (1) offer products that perform as they are expected to, (2) earn trust, (3) avoid unrealistic pricing, and (4) give the buyer facts. |

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| 161. Defining a company’s business in terms of the benefits customers seek, instead of in terms of goods and services, has three important advantages. List them.

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| *ANSWER:* | (1) It ensures that the firm keeps focusing on customers and avoids becoming preoccupied with goods, services, or the organization’s internal needs. (2) It encourages innovation and creativity by reminding people there are many different ways to satisfy customer wants. (3) It stimulates an awareness of changes in customer desires and preferences so product offerings are more likely to remain relevant. |

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| 162. There are several important reasons to study marketing. Name three of these reasons.

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| *ANSWER:* | 1. Marketing provides both financial and personal rewards.2. Marketing is important to businesses.3. Marketing offers outstanding career opportunities in a variety of industries.4. Marketing develops strong communication and analytical skills. |

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| 163. How is marketing important to business?

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| *ANSWER:* | Marketing contributes directly to the achievement of business objectives, including survival, profits, and growth. Marketing is concerned with assessing the wants and satisfactions of customers, designing and managing product offerings, determining prices, developing distribution strategies, and communicating with customers. These activities are vital to business organizations. A fundamental understanding of marketing is important to all businesspeople so that an organization can operate cohesively. |

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| 164. What types of marketing careers are available? What is the current percentage of marketing employees in the civilian workforce? What is the future forecast for marketing employment?

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| *ANSWER:* | One-quarter to one-third of the civilian workforce performs marketing activities in areas such as professional selling, research, advertising, retail buying, distribution management, product management and development, and wholesaling. Marketing career opportunities exist in both business and non-business organizations.Demand for marketing-educated personnel is growing. Marketing employment is projected to grow at a faster rate than that of all jobs. Additionally, marketing is a crucial part of every company’s success. |

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| 165. How does marketing develop your personal skill set and help you in your job search?

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| *ANSWER:* | You will need to sell yourself in whatever industry to intend to go into. Skills developed when learning marketing—how to understand needs, research trends, create an offering, and communicate benefits—all relate back to a person’s job search. |

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