

## Quiz Ch. 11

### Multiple Choice

Identify the choice that best completes the statement or answers the question.

1. \_\_\_\_\_ is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.
  - a) Production
  - b) Marketing
  - c) Utilization
  - d) Intrapreneurship
2. \_\_\_\_\_ satisfies wants by converting inputs into a finished product.
  - a) Form utility
  - b) Ownership utility
  - c) Production utility
  - d) Marketing
3. An example of how organizations can combine idea marketing and event marketing is
  - a) buying ad time to be broadcast during the Super Bowl.
  - b) the Avon Walk for Breast Cancer.
  - c) a store's grand opening celebration.
  - d) product promotion, such as "buy one, get one free."
4. \_\_\_\_\_ is the process of using strategies to satisfy customer needs while achieving long-term profitability for the organization.
  - a) Marketing
  - b) Segmentation
  - c) Consumer behavior
  - d) Primary data
5. The evolution of marketing includes all of the following, EXCEPT the
  - a) selling era.
  - b) segmentation era.
  - c) relationship era.
  - d) production era.
6. Which of the following statements is most consistent with the marketing view of the relationship era?
  - a) It is much less expensive to keep existing customers than it is to develop new customers.
  - b) In this era of surging demand, the main focus should be on producing as much as possible.
  - c) The key to success is to constantly expand the customer base by recruiting new buyers.
  - d) The customer can have our product in any color, as long as it is gray.
7. \_\_\_\_\_ is the customer's perception that a product has a better relationship than any competitor between the cost and the benefits.
  - a) Marketing
  - b) Utility
  - c) Value
  - d) Customer satisfaction
8. In the context of relationship marketing, an example of a limited relationship is when
  - a) a firm asks a key client to participate in product development.
  - b) the marketer maintains an extensive database with information about limited customers.
  - c) a company sends newsletters and special offers to customers via regular e-mails.
  - d) a firm outsources some (but not all) of its marketing functions to a wholesaler or retailer in order to streamline its marketing efforts.
9. All of the following are benefits of customer loyalty EXCEPT
  - a) valuable feedback.
  - b) lower costs of production.
  - c) repeat sales.
  - d) word-of-mouth promotion.

10. The relevant concept of value in marketing is based on
  - a) objective measures of quality and price.
  - b) the belief of customers that a product is uniquely able to meet their needs.
  - c) the ability to satisfy basic consumer needs at the lowest possible cost.
  - d) the form utility of the product.
11. Gatyam Appliances is trying to build customer satisfaction. Which of the following strategies is most likely to help it achieve this goal?
  - a) Overpromise on the quality and performance of the appliances in order to generate the greatest possible interest.
  - b) Be very conservative, underpromising on product claims. It is better to have customers expect too little and end up being pleasantly surprised than to have them expect too much and end up being disappointed.
  - c) Focus on creating favorable customer perceptions but keep your claims honest and realistic.
  - d) Build a close full partnership with every customer.
12. When firms in B2C markets divide up the market according to values, attitudes, and lifestyles, they are making use of \_\_\_\_\_ segmentation.
  - a) interest-based
  - b) psychographic
  - c) user-defined
  - d) demographic
13. Red Bull used \_\_\_\_\_ to develop credibility for its brand among young consumers who view traditional product promotion with a raised eyebrow.
  - a) grassroots word-of-mouth marketing
  - b) product-use market segmentation
  - c) testimonials from widely admired celebrities and athletes
  - d) satirical ads that poked fun at typical energy drink claims
14. Analysis of market share is a key to understanding the firm's
  - a) social and cultural environment.
  - b) promotion strategy.
  - c) demographic strengths.
  - d) competitive environment.
15. The key elements of the external marketing environment include all of the following EXCEPT
  - a) competitive and economic.
  - b) social and cultural.
  - c) political and legal.
  - d) psychometric and behavioral.
16. Marketing research suggests that the spending habits of Latinos differ from most other consumers, so many marketers develop strategies for this rapidly growing consumer market. This describes \_\_\_\_\_ in the \_\_\_\_\_ market.
  - a) demographic segmentation; B2C
  - b) product-user segmentation; B2B
  - c) psychographic segmentation; B2C
  - d) density growth segmentation; B2C
17. Marketing in foreign markets requires altering the goods or services offered to meet the taste of local customers. Therefore, business leaders must develop a \_\_\_\_\_ to meet customer needs in each key market.
  - a) global marketing environment
  - b) global database
  - c) global marketing mix
  - d) high level of technological expertise
18. The consumer decision-making process involves need recognition, followed by
  - a) information search, alternative evaluation, purchase decision, and postpurchase behavior.
  - b) information search, learning, and postpurchase behavior.
  - c) product search, benefit analysis, price analysis, and value analysis.
  - d) cognitive dissonance, alternative evaluation, and learning.
19. \_\_\_\_\_ describes how people act when buying products to use directly or indirectly to produce other products.
  - a) Consumer buyer behavior

- b) Customer buyer behavior
  - c) Business buyer behavior
  - d) Technology buyer behavior
20. The most significant difference between the consumer buyer and the business buyer is that the
- a) consumer buyer is unlikely to do any research.
  - b) business buyer has more flexibility.
  - c) consumer buyer is more likely to negotiate on prices and features.
  - d) business buyer bases purchases on specifications rather than on personal judgment.
21. Samuel works in the purchasing department of Emerson Electric. When making purchasing decisions for his company, Samuel
- a) is likely to have a problem with cognitive dissonance.
  - b) will have a lot of flexibility in the criteria he uses to select the goods.
  - c) will typically confront sellers unwilling to negotiate on prices or terms of sale.
  - d) is likely to apply rational criteria to the purchase decision, and has minimal opportunity to apply personal judgment.
22. Brooke and Katie have rented an apartment and are shopping for some cleaning supplies. Brooke chooses name brand items before going to the cashier. Katie notices the price difference between name brand and store brand and asks her friend about her choices. Brooke explains that her mother always uses name brands and taught her that store brands just don't clean as well. Apparently, \_\_\_\_\_ factors were a major influence on Brooke's choices.
- a) psychological
  - b) social
  - c) cultural
  - d) demographic
23. Many companies that want to collect data internationally find that
- a) doing so is more expensive than it is worth.
  - b) it yields little additional insight, because American cultural influences on consumption are so dominant.
  - c) they get better results by hiring research firms with a strong local presence in the areas where the data will be collected.
  - d) telephone interviews are almost always the best (and least expensive) way to obtain the desired data.
24. Which of the following is an example of observation research?
- a) Sending a mail survey to all customers in a local market area.
  - b) Scanning major newspapers and magazines for articles on the subject of the research.
  - c) Conducting door-to-door interviews.
  - d) Recording all of the items a customer clicks on when visiting a Website.
25. \_\_\_\_\_ demands that marketers actively contribute to the needs of the broader community.
- a) Social responsibility
  - b) Green marketing
  - c) Primary data
  - d) Observation research

