

1. A key ingredient of the marketing management process is insightful, \_\_\_\_\_ marketing strategies and plans that can guide marketing activities.

- a. creative
- b. measurable
- c. macro
- d. micro
- e. niche

Answer: a

2. According to a chapter story about H&M clothing stores, H&M is able to put products out quickly and inexpensively by all of the following EXCEPT \_\_\_\_\_.

- a. having few middlemen and owning no factories
- b. buying large volumes
- c. having extensive experience in the clothing industry
- d. having a great knowledge of which goods should be bought from which markets
- e. having total control of its distribution channel from the time the goods are produced until the time they are sold

Answer: e

3. The task of any business is to deliver \_\_\_\_\_ at a profit.

- a. customer needs
- b. products
- c. customer value
- d. products and services
- e. improved quality

Answer: c

4. In a hyper competitive economy such as ours, a company can win only by fine-tuning the value delivery process and choosing, providing, and \_\_\_\_\_ superior value.

- a. communicating
- b. selecting target markets with
- c. composing
- d. developing
- e. researching

Answer: a

5. The traditional view of marketing is that the firm makes something and then \_\_\_\_\_ it.

- a. markets
- b. sells
- c. distributes
- d. prices
- e. services

Answer: b

6. Today, the "mass-market" is actually splintering into numerous \_\_\_\_\_, each with its own wants, perceptions, preferences, and buying criteria.

- a. micro markets

- b. market targets
- c. macro markets
- d. customer cliques
- e. demographic units

Answer: a

7. The first phase of the value creation and delivery sequence is \_\_\_\_\_ that represents the “homework” marketing must do before any product exists.

- a. choosing the value
- b. market research
- c. target marketing
- d. service consideration
- e. projective thinking

Answer: a

8. The last step in the value creation and delivery sequence is \_\_\_\_\_ the value where the sales force, sales promotion, advertising, and other communication tools announce and promote the product.

- a. developing
- b. distributing
- c. communicating
- d. reversing
- e. researching

Answer: c

9. The Japanese have refined the value delivery process to include a component that emphasizes \_\_\_\_\_.

- a. zero servicing
- b. zero customer feedback time
- c. zero promotion
- d. zero dependency on intermediaries
- e. zero marketing costs

Answer: b

10. The \_\_\_\_\_ is a tool for identifying ways to create more customer value.

- a. value chain
- b. customer survey
- c. brand loyalty index
- d. promotion channel
- e. supplier database

Answer: a

11. The \_\_\_\_\_ identifies nine strategically relevant activities that create value and cost in a specific business.

- a. value proposition
- b. value chain
- c. mission statement
- d. annual report

e. manager's log

Answer: b

12. The \_\_\_\_\_ in the value chain cover the sequence of bringing materials into the business (inbound logistics), converting them into final products (operations), shipping out final products (outbound logistics), marketing them (marketing and sales), and servicing them (service).

a. operations process

b. manufacturing process

c. primary activities

d. secondary activities

e. tertiary activities

Answer: c

13. Procurement, technology development, human resource management, and firm infrastructure are handled in certain specialized departments and are called \_\_\_\_\_.

a. materials handling

b. support activities

c. inventory activities

d. primary activities

e. benchmark activities

Answer: b

14. The firm should estimate its competitors' costs and performances as \_\_\_\_\_ against which to compare its own costs and performance.

a. competition

b. standards

c. challenges

d. benchmarks

e. moveable standards

Answer: d

15. The firm's success depends not only on how well each department performs its work, but also on how well the various departmental activities are coordinated to conduct \_\_\_\_\_.

a. core strategies

b. satellite businesses

c. core values

d. core business processes

e. core technologies

Answer: d

16. With respect to core business processes, all the activities involved in gathering market intelligence, disseminating it within the organization, and acting on the information is referred to as the \_\_\_\_\_.

a. market sensing process

b. market research process

c. target marketing process

d. market pulse process

e. deployment process

Answer: a

17. With respect to the core business processes, all the activities involved in researching, developing, and launching new high-quality offerings quickly and within budget are referred to as the \_\_\_\_\_.

- a. new product process
- b. new offering realization process
- c. product development process
- d. product launch process
- e. return on investment process

Answer: b

18. With respect to the core business processes, the \_\_\_\_\_ is considered to be all the activities involved in defining target markets and prospecting for new customers.

- a. customer acquisition process
- b. customer relationship management process
- c. fulfillment management process
- d. customer prospecting process
- e. customer equity process

Answer: a

19. A good way to describe the \_\_\_\_\_ would be discuss all the activities involved in building deeper understanding, relationships, and offerings to individual customers.

- a. customer acquisition process
- b. customer relationship management process
- c. customer prospecting process
- d. customer fulfillment management process
- e. customer equity process

Answer: b

20. Another way to describe a value delivery network (partnering with specific suppliers and distributors) is to call it a \_\_\_\_\_.

- a. teamwork group
- b. cabal
- c. domestic power center
- d. link to relationships
- e. supply chain

Answer: e

21. The key to utilizing organizational core competencies is to \_\_\_\_\_ that make up the essence of the business.

- a. make the competencies pay for themselves
- b. own all intermediaries who come in contact with your goods and services
- c. own and nurture the resources and competencies
- d. emphasize global promotions
- e. segment workforces

Answer: c

22. We can say that a \_\_\_\_\_ has three characteristics: (1) It is a source of competitive advantage

in that it makes a significant contribution to perceived customer benefits, (2) it has applications in a wide variety of markets, and (3) it is difficult for competitors to imitate.

- a. core competency
- b. business strategy
- c. core technology
- d. strategic business unit
- e. winning strategy

Answer: a

23. Core competencies tend to refer to areas of special technical and production expertise, where \_\_\_\_\_ tend to describe excellence in broader business processes.

- a. process benchmarks
- b. distinctive capabilities
- c. core business values
- d. value statements
- e. mission statements

Answer: b

24. George Day sees market-driven organizations as excelling in three distinctive capabilities: \_\_\_\_\_, customer linking, and channel bonding.

- a. target marketing
- b. market research
- c. fulfilling customer needs
- d. market sensing
- e. customer service relationships

Answer: d

25. Competitors find it hard to imitate companies such as Southwest Airlines, Dell, or IKEA because they are unable to copy their \_\_\_\_\_.

- a. product innovations
- b. distribution strategy
- c. pricing policies
- d. activity systems
- e. logistics system

Answer: d

26. One conception of holistic marketing views it as “integrating the value exploration, \_\_\_\_\_, and value delivery activities with the purpose of building long-term, mutually satisfying relationship and co-prosperity among key stakeholders.”

- a. value creation
- b. value proposition
- c. value management
- d. value research
- e. value chain

Answer: a

27. Holistic marketers achieve profitable growth by expanding customer share, \_\_\_\_\_, and capturing customer lifetime value.

- a. undermining competitive competencies
- b. building customer loyalty
- c. milking the market for product desires
- d. renewing a customer base
- e. inspecting all market share data

Answer: b

28. The holistic marketing framework is designed to address three key management questions. Which of the following is one of those questions?

- a. Value claims—how does the company deal with value erosion?
- b. Value proposition—how can value propositions be made profitable?
- c. Value chain—are there weak links in the company's value chain?
- d. Value network—how can a company effectively network?
- e. Value exploration—how can a company identify new value opportunities?

Answer: e

29. The customer's \_\_\_\_\_ reflects existing and latent needs and includes dimensions such as the need for participation, stability, freedom, and change.

- a. competence space
- b. resource space
- c. emotional space
- d. relationship space
- e. cognitive space

Answer: e

30. The companies \_\_\_\_\_ can be described in terms of breadth—broad versus focused scope of business; and depth—physical versus knowledge-based capabilities.

- a. business mission
- b. core strategy
- c. cognitive space
- d. competency space
- e. resource space

Answer: d

31. The collaborator's \_\_\_\_\_ involves horizontal partnerships, where companies choose partners based on their ability to exploit related market opportunities, and vertical partnership, where companies choose partners based on their ability to serve their value creation.

- a. resource space
- b. competency space
- c. cognitive space
- d. rational space
- e. service space

Answer: a

32. Business realignment may be necessary to maximize core competencies. Which of the following would be one of the steps in this realignment process?

- a. Reviewing all macro relationships.
- b. Reviewing global outreach projections.

- c. Redefining the business concept (the “big idea”).
- d. Reviewing successes from e-commerce (if any).
- e. Revamping the ethics statement.

Answer: c

33. \_\_\_\_\_ allows the company to discover who its customers are, how they behave, and what they need or want. It also enables the company to respond appropriately, coherently, and quickly to different customer opportunities.

- a. Network management
- b. Strategic management
- c. Marketing management
- d. Customer relationship management
- e. Total quality management

Answer: d34. To respond effectively and provide value delivery, the company requires \_\_\_\_\_ to integrate major business processes (e.g., order processing, general ledger, payroll, and production) within a single family of software modules.

- a. human resource management
- b. internal auditing management
- c. internal resource management
- d. strategic management
- e. marketing management

Answer: c

35. With respect to value delivery, \_\_\_\_\_ allows the company to handle complex relationships with its trading partners to source, process, and deliver products.

- a. a value matrix
- b. a global distribution policy
- c. a business development strategy
- d. business partnership management
- e. total quality management

Answer: d

36. Successful marketing requires having capabilities such as understanding \_\_\_\_\_, creating customer value, delivering customer value, capturing customer value, and sustaining customer value.

- a. customer loyalty
- b. customer per
- c. customer retention
- d. customer value
- e. customer benefits

Answer: d

37. According to a McKinsey research study, which of the following is one of the main challenges that marketing must face in the twenty-first century?

- a. The threat of ethics-based lawsuits.
- b. Doing more with less.
- c. Hostile takeover attempts.

- d. Increasing control by big government.
- e. Being independent of the distribution process.

Answer: b

38. Strategic planning in the twenty-first century calls for action in three key areas. Which of these key areas deals specifically with devising a long-term game plan for achieving long-run objectives?

- a. Creating a viable business opportunity.
- b. Producing a strategic fit.
- c. Developing an investment portfolio.
- d. Expanding core competencies.
- e. Establishing a strategy.

Answer: e

39. Most large companies consist of four organizational levels: the \_\_\_\_\_, the division level, the business unit level, and the product level.

- a. board of director level
- b. major stakeholder level
- c. management team level
- d. corporate level
- e. strategic level

Answer: d

40. The \_\_\_\_\_ is the central instrument for directing and coordinating the marketing effort.

- a. strategic plan
- b. marketing plan
- c. tactical plan
- d. customer value statement
- e. corporate mission

Answer: b

41. The \_\_\_\_\_ lays out the target markets and the value proposition that will be offered, based on an analysis of the best market opportunities.

- a. organizational plan
- b. strategic marketing plan
- c. corporate tactical plan
- d. corporate mission
- e. customer value statement

Answer: b

42. In which of the following plans would we most likely find directions for implementing and addressing daily challenges and opportunities in product features, promotion, merchandising, pricing, sales channels, and service areas.

- a. The tactical marketing plan.
- b. The target marketing plan.
- c. The deployment plan.
- d. The product launch plan.
- e. The product development plan.

Answer: a



43. If you wanted to find out more about target markets and the organization's value proposition, which of the following types of plans would most likely contain information that might be useful to you in your quest?

- a. The marketing plan.
- b. The organizational plan.
- c. **The strategic marketing plan.**
- d. The tactical marketing plan.
- e. The marketing mix plan.

Answer: c

44. The \_\_\_\_\_ process consists of corporate, division, business, and product planning.

- a. implementing
- b. controlling
- c. innovation
- d. **planning**
- e. competitive

Answer: d

45. All corporate headquarters undertake four planning activities, the first of which is \_\_\_\_\_.

- a. **defining the corporate mission**
- b. establishing strategic business units and assigning resources (SBUs)
- c. assigning resources to each SBU
- d. assessing growth opportunities
- e. understanding target markets

Answer: a

46. A clear, thoughtful mission statement provides employees with a shared sense of purpose, direction, and \_\_\_\_\_.

- a. profitability
- b. target market feasibility
- c. **opportunity**
- d. continuous improvement
- e. quality products

Answer: c

47. Mission statements are at their best when they reflect a \_\_\_\_\_.

- a. market
- b. strength
- c. competency
- d. **vision**
- e. value

Answer: d

48. Which of the following terms matches to the phrase "it is a single business or collection of related businesses that can be planned separately from the rest of the company"?

- a. **Strategic business unit.**
- b. Diverse business unit.
- c. Growth business unit.

- d. Niche market unit.
- e. Specialized business unit.

Answer: a

49. Market-penetration, product-development, and market-development strategies would all be examples of \_\_\_\_\_ strategies.

- a. concentric
- b. conglomerate
- c. horizontal
- d. intensive growth
- e. integrative growth

Answer: d

50. A(n) \_\_\_\_\_ is when a company might seek new businesses that have no relationship to its current technology, products, or markets.

- a. concentric strategy
- b. conglomerate strategy
- c. horizontal strategy
- d. intensive growth strategy
- e. integrative strategy

Answer: b

51. Which of the following terms most closely matches to “the shared experiences, stories, beliefs, and norms that characterize an organization”?

- a. Organizational dynamics.
- b. A business mission.
- c. An ethical/value statement.
- d. Customer relationships.
- e. Corporate culture.

Answer: e

52. The first step in the business unit strategic-planning process deals with which of the following?

- a. Goal formulation.
- b. Business mission.
- c. Strategy formulation.
- d. Program formulation.
- e. SWOT analysis.

Answer: b

53. When a business gets to know market segments intimately and pursues either cost leadership or differentiation within the target segment it is referred to as a \_\_\_\_\_.

- a. defined strategy
- b. focused strategy
- c. value-added strategy
- d. competitive advantage strategy
- e. customer-focused strategy

Answer: b

54. If a firm pursues a \_\_\_\_\_ strategy, it must be good at engineering, purchasing,

manufacturing, and physical distribution.

- a. differentiation
- b. overall cost leadership
- c. focus
- d. domestic customer relationship
- e. market share

Answer: b

55. To keep their strategic alliances thriving, corporations have begun to develop organizational structures to support them and have come to view the ability to form and manage partnerships as core skills. This is called \_\_\_\_\_.

- a. value managed partnership
- b. synergistic partnership
- c. centralized partnership
- d. partner relationship management
- e. win-win relationship management

Answer: d

56. Traditionally, most businesses focused on stockholders. Today, the focus is on what are called \_\_\_\_\_.

- a. stakeholders
- b. partners
- c. regulators
- d. consumer triads
- e. supply-chain relationships

Answer: a

57. A \_\_\_\_\_ is a written document that summarizes what the marketer has learned about the marketplace and indicates how the firm plans to reach its marketing objectives.

- a. strategic plan
- b. marketing plan
- c. sales plan
- d. target market plan
- e. competitive analysis plan

Answer: b

58. Which of the following permits senior management to grasp the marketing plan's major thrust?

- a. The situation analysis.
- b. The marketing strategy.
- c. The executive summary and table of contents.
- d. Financial projections.
- e. Implementation and controls.

Answer: c

59. Most marketing plans cover \_\_\_\_\_.

- a. one year
- b. two years
- c. three years

- d. four years
- e. five years

Answer: a

60. The most frequently cited shortcomings of current marketing plans, according to marketing executives, are lack of realism, insufficient competitive analysis, and a \_\_\_\_\_ focus.

- a. long-term
- b. profit
- c. short-run
- d. product
- e. price

Answer: c

### Chapter 3 : Gathering Information and Scanning The Environment

1- A marketing intelligence system is a set of procedures and sources managers use to obtain \_\_\_\_\_.

- forecasts about future sales
- everyday information about developments in the marketing environment
- past trends in the industry
- insights into why things are occurring in the marketing environment
- information about competitors offerings in the next quarter

2- A fad is \_\_\_\_\_.

- predictable, short-lived, and without social, economic and political significance
- unpredictable, short-lived, and without social, economic and political significance
- a direction or sequence of events that has some momentum and durability
- a direction or sequence of events that has no momentum or durability
- a large social, economic, political, and technological change

3- A trend is \_\_\_\_\_.

- predictable, short-lived, and without social, economic and political significance
- unpredictable, short-lived, and without social, economic and political significance
- a direction or sequence of events that has some momentum and durability
- a direction or sequence of events that has no momentum and durability
- a large social, economic, political, and technological change

4- A megatrend is \_\_\_\_\_.

- predictable, short-lived, and without social, economic and political significance

- unpredictable, short-lived, and without social, economic and political significance
- a direction or sequence of events that has some momentum and durability
- a direction or sequence of events that has no momentum and durability
- a large social, economic, political, and technological change that is slow to form

5- According to the 2000 Census, approximately \_\_\_\_\_ percent of Americans were white.

- 40%
- 50%
- 70%
- 80%
- 90%

6- \_\_\_\_\_ shapes the beliefs, values, and norms that largely define tastes and preferences.

- Nature
- Environment
- Family
- Society
- Religion

7- A subculture consists of \_\_\_\_\_.

- persistent cultural swings
- beliefs passed on from parents to children and reinforced by major social institutions
- groups with shared values, beliefs, preferences, and behaviors.
- individuals with varying needs
- the society as a whole

8- The \_\_\_\_\_ environment is composed of laws, government agencies, and pressure groups.

- political-legal
- socio-cultural
- economic
- demographic
- technological

9- \_\_\_\_\_ has three main purposes: to protect companies from unfair competition, to protect consumers from unfair business practices, and to protect the interests of society from unbridled business behavior.

- Business legislation
- Society
- Culture

- Government

- The FDA

10- An organized movement of citizens and government to strengthen the rights and powers of buyers is called \_\_\_\_\_.

- business legislation

- the consumerist movement

- relationship marketing

- organized consumers

- competitive edge