

1. Media conglomeration broadly concerns how there used to be a few main players in the media business but now many more channels and other forms of media are emerging.

- a. True
- b. False

**ANSWER:** False

**POINTS:** 1

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Marketing Plan

**KEYWORDS:** Bloom's: Knowledge

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2. Social media is an example of the explosion of new media in recent years.

- a. True
- b. False

**ANSWER:** True

**POINTS:** 1

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Marketing Plan

**KEYWORDS:** Bloom's: Knowledge

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3. The old-style power struggles in the advertising industry were mild compared to the 21<sup>st</sup>-century power struggle going on in the industry now; consumers are tired of ads on every screen, so industry needs to adapt successfully to the new technologies that consumers are willing or even eager to use.

- a. True
- b. False

**ANSWER:** True

**POINTS:** 1

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1

**NATIONAL STANDARDS:** United States - BUSPROG: Technology

**STATE STANDARDS:** United States - OH - DISC: Online/Computer

**KEYWORDS:** Bloom's: Knowledge

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4. Blogs have emerged as sophisticated sources of brand and product information and can synergize with social media.
- a. True
  - b. False

**ANSWER:** True

**POINTS:** 1

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1

**NATIONAL STANDARDS:** United States - BUSPROG: Technology

**STATE STANDARDS:** United States - OH - DISC: Online/Computer

**KEYWORDS:** Bloom's: Knowledge

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5. Due to the backlash against advertising that clutter can cause, advertisers are integrating more tools within the overall promotional effort to reach more consumers in different ways, such as through mobile or social media or digital content.
- a. True
  - b. False

**ANSWER:** True

**POINTS:** 1

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Strategy

**KEYWORDS:** Bloom's: Comprehension

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6. From Facebook to Twitter to Snapchat, consumers are seeking out information environments where they control their exposure to information rather than an advertiser or media company being back in control.
- a. True
  - b. False

**ANSWER:** False

**POINTS:** 1

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Marketing Plan

**KEYWORDS:** Bloom's: Comprehension

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7. The idea behind crowdsourcing, which happens to be very synergistic with social media, is to prevent ideas about a new brand from becoming public to consumers.

a. True

b. False

**ANSWER:** False

**POINTS:** 1

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1

**NATIONAL STANDARDS:** United States - BUSPROG: Technology

**STATE STANDARDS:** United States - OH - DISC: Strategy

**KEYWORDS:** Bloom's: Comprehension

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8. The goal of creating persuasive communication is to attract attention and develop preference for a brand. This can be done well with integrated brand promotion via both digital and traditional marketing communications tools.

a. True

b. False

**ANSWER:** True

**POINTS:** 1

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Promotion

**KEYWORDS:** Bloom's: Comprehension

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9. Proctor & Gamble, a major company, can reach 70-80 million Facebook users through careful targeting.

a. True

b. False

**ANSWER:** True

**POINTS:** 1

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-2

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Marketing Plan

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10. Advertisers include business organizations, but exclude not-for-profit organizations.

- a. True
- b. False

**ANSWER:** False  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-2  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Marketing Plan  
**KEYWORDS:** Bloom's: Comprehension  
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11. Trade resellers of consumer products and services are the most prominent users of advertising and promotion.

- a. True
- b. False

**ANSWER:** False  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-2  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/7/2017 2:09 PM  
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12. Retailers that sell in national or global markets are the most visible reseller advertisers and promotion users.

- a. True
- b. False

**ANSWER:** True  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-2  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Marketing Plan

**KEYWORDS:** Bloom's: Knowledge  
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13. At the local level, small retail shops deal only with household customers.

- a. True
- b. False

**ANSWER:** False  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-2  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Comprehension  
**DATE CREATED:** 12/7/2017 2:32 PM  
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14. It is common for social organizations to advertise at the national, state, and local levels.

- a. True
- b. False

**ANSWER:** True  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-2  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
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**DATE MODIFIED:** 12/7/2017 2:34 PM

15. The advertising used by social organizations has a fundamentally different purpose compared to the advertising carried out by major multinational corporations.

- a. True
- b. False

**ANSWER:** False  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-2  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion

**KEYWORDS:** Bloom's: Comprehension  
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16. No matter what changes, the brand and its differentiation still need to be highlighted with persuasive communications.

- a. True
- b. False

**ANSWER:** False  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Application  
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17. A creative boutique's greatest advantage is its niche expertise.

- a. True
- b. False

**ANSWER:** True  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Strategy  
**KEYWORDS:** Bloom's: Comprehension  
**DATE CREATED:** 12/7/2017 11:24 PM  
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18. A creative boutique's niche expertise can be its greatest liability if the creative boutique is an extra expense that advertisers cannot afford.

- a. True
- b. False

**ANSWER:** True  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Strategy  
**KEYWORDS:** Bloom's: Comprehension  
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19. Digital/interactive agencies are those that have expertise in preparing communications for new media, such as the Internet, mobile marketing, and interactive television.

- a. True
- b. False

**ANSWER:** True  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Technology  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
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20. The task of strategic coordination of media and promotional efforts has become simpler because of the proliferation of media options and extensive use of promotional tools beyond advertising.

- a. True
- b. False

**ANSWER:** False  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Comprehension  
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21. A disadvantage of using media specialists is that they buy media in small quantities.

- a. True
- b. False

**ANSWER:** False  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Comprehension  
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22. Firms that maintain and manage large databases of mailing lists are known as digital/interactive agencies.

- a. True
- b. False

**ANSWER:** False  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Technology  
**STATE STANDARDS:** United States - OH - DISC: Online/Computer  
**KEYWORDS:** Bloom's: Knowledge  
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23. It is mandatory for designers and graphic specialists to be involved in strategy planning.

- a. True
- b. False

**ANSWER:** False  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Creativity  
**KEYWORDS:** Bloom's: Knowledge  
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24. Advertisers do not like to handle their own public relations tasks because it requires highly specialized skills and talent not normally found within the company ranks.

- a. True
- b. False

**ANSWER:** True  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** True / False  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3



**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Comprehension  
**DATE CREATED:** 12/7/2017 11:43 PM  
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25. The four most prevalent agency compensation methods are commission, consultant, external facilitator, and production facilitator plans.

a. True

b. False

**ANSWER:** False

**POINTS:** 1

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Pricing

**KEYWORDS:** Bloom's: Knowledge

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26. Under the commission system, the rate of commission is raised to 25 percent for outdoor media.

a. True

b. False

**ANSWER:** False

**POINTS:** 1

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Pricing

**KEYWORDS:** Bloom's: Knowledge

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27. A typical markup charge for outside services is five to ten percent.

a. True

b. False

**ANSWER:** False

**POINTS:** 1

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Pricing  
**KEYWORDS:** Bloom's: Knowledge  
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28. A fee system is much like that used by consultants or attorneys, whereby the advertiser and the agency agree on an hourly rate for different services provided.

a. True

b. False

**ANSWER:** True

**POINTS:** 1

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Pricing

**KEYWORDS:** Bloom's: Comprehension

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29. Database consultants are particularly useful in planning coupon or direct mail campaigns.

a. True

b. False

**ANSWER:** True

**POINTS:** 1

**DIFFICULTY:** Moderate

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Promotion

**KEYWORDS:** Bloom's: Comprehension

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30. Radio and satellite are examples of broadcast media.

a. True

b. False

**ANSWER:** True

**POINTS:** 1

**DIFFICULTY:** Easy

**QUESTION TYPE:** True / False

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
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31. \_\_\_\_\_ has emerged as the most significant form of consumer control over information creation and communication.
- a. Web advertising
  - b. Social media
  - c. Interactive television
  - d. Direct marketing

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1  
**NATIONAL STANDARDS:** United States - BUSPROG: Technology  
**STATE STANDARDS:** United States - OH - DISC: Online/Computer  
**KEYWORDS:** Bloom's: Comprehension  
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32. Websites frequented by individuals with common interests where they can post facts, opinions, and personal experiences are known as \_\_\_\_\_.
- a. paywalls
  - b. blogs
  - c. infomercials
  - d. creative boutiques

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1  
**NATIONAL STANDARDS:** United States - BUSPROG: Technology  
**STATE STANDARDS:** United States - OH - DISC: Online/Computer  
**KEYWORDS:** Bloom's: Knowledge  
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33. Which of the following is true of crowdsourcing?
- a. It refers to managing the supply chain system in a way that will most effectively reach the target markets.
  - b. It aims at getting consumers more involved with and committed to a brand.
  - c. It indicates the process of describing the firm's objectives for the brand in the near term and long term.
  - d. It refers to passive, intrusive advertising.

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Strategy  
**KEYWORDS:** Bloom's: Comprehension  
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34. With media clutter and fragmentation:
- a. integrated brand is all the more important.
  - b. the probability of any one advertisement making a real difference has increased manifold.
  - c. there are very few media choices available to advertisers.
  - d. promotion options are no longer attractive to advertisers.

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Comprehension  
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35. \_\_\_\_\_ is used by organizations to get consumers committed to brands in a way that passive advertising cannot.
- a. Co-op advertising
  - b. Phishing
  - c. Crowdsourcing
  - d. Broadcasting

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Strategy  
**KEYWORDS:** Bloom's: Knowledge  
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36. Advertisers are also known as \_\_\_\_\_ by their advertising and promotion agency partners.
- a. consultants
  - b. facilitators
  - c. sponsors
  - d. clients

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-2  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
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37. A \_\_\_\_\_ is a general description for all organizations in the marketing channel of distribution that buy products to make them available to customers.
- a. sponsor
  - b. media buyer
  - c. media specialist
  - d. trade reseller

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-2  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
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38. In which of the following areas is the federal government's spending on advertising and promotion concentrated?
- a. The internal revenue service
  - b. Political campaigns
  - c. Armed forces recruitment
  - d. Trade and commerce

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-2

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Promotion

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39. Barlow and Baley Inc., an advertisement agency, handles the clients' needs from account planning to creative to media to production in both digital and traditional areas. Barlow and Baley Inc. is an example of a(n) \_\_\_\_\_.

- a. full-service agency
- b. in-house agency
- c. interactive agency
- d. database consultant

**ANSWER:** a

**POINTS:** 1

**DIFFICULTY:** Challenging

**QUESTION TYPE:** Multiple Choice

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking

**STATE STANDARDS:** United States - OH - DISC: Promotion

**KEYWORDS:** Bloom's: Application

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40. Grand Resorts has acquired the services of Elegant Inc. to develop advertisements for their organization. Elegant Inc. has advised them to add a panoramic view to billboard ads and to portray tourists lounging by the sea. Elegant Inc. is an example of a(n) \_\_\_\_\_.

- a. media specialist
- b. creative boutique
- c. digital/interactive agency
- d. in-house agency

**ANSWER:** b

**POINTS:** 1

**DIFFICULTY:** Challenging

**QUESTION TYPE:** Multiple Choice

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking

**STATE STANDARDS:** United States - OH - DISC: Creativity

**KEYWORDS:** Bloom's: Application

**DATE CREATED:** 12/8/2017 12:38 AM

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41. Which of the following best describes digital agencies?

- a. They focus on ways to use digital solutions for direct marketing and target market communications and social

media

- b. They implement direct response campaigns using all forms of media.
- c. They design direct marketing campaigns that mainly use emails and telemarketing.
- d. They specialize in buying media time and space and offer media strategies to advertisement agencies.

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Technology  
**STATE STANDARDS:** United States - OH - DISC: Online/Computer  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 12:40 AM  
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42. A(n) \_\_\_\_\_ is often known as the advertising department in a firm.
- a. creative boutique
  - b. full-service agency
  - c. interactive agency
  - d. in-house agency

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 12:47 AM  
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43. Which of the following acts as a support to direct marketing agencies and follow-up on the delivery of their direct mail?
- a. Creative boutiques
  - b. In-house agencies
  - c. Media specialists
  - d. Fulfillment centers

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Online/Computer  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 12:50 AM  
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44. \_\_\_\_\_ are specialists that design and then operate contests, sweepstakes, special displays, or coupon campaigns for advertisers.

- a. Creative boutiques
- b. Sales promotion agencies
- c. Database agencies
- d. Fulfillment centers

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 12:52 AM  
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45. PinBall Inc. sought the help of Blazer Corp. to help them reach a niche group of vendors that they have been trying to do business with. Blazer offers the solution of publishing an advertisement in a trade journal which would help create awareness about the firm's product. In this scenario, Blazer Corp. specializes in \_\_\_\_\_.

- a. the management of databases
- b. creative services
- c. consumer sales promotions
- d. trade-market sales promotions

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 12:55 AM  
**DATE MODIFIED:** 12/8/2017 12:56 AM

46. \_\_\_\_\_ are experts in designing incentive programs, point-of-purchase materials, and in-store merchandising.

- a. Database agencies
- b. Sales promotion agencies



- c. Fulfillment centers
- d. Event-planning agencies

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Comprehension  
**DATE CREATED:** 12/8/2017 1:01 AM  
**DATE MODIFIED:** 12/8/2017 1:02 AM

47. \_\_\_\_\_ are experts in finding locations, securing dates, and putting together a team of people to pull off a promotional activity.

- a. Event-planning agencies
- b. Creative boutiques
- c. Fulfillment centers
- d. Direct marketing agencies

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 1:12 AM  
**DATE MODIFIED:** 12/8/2017 1:13 AM

48. \_\_\_\_\_ help firms in creating the visual impression of its advertising material.

- a. Sales promotion agencies
- b. Fulfillment centers
- c. Designers
- d. Bloggers

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Creativity

**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 1:27 AM  
**DATE MODIFIED:** 12/8/2017 1:29 AM

49. The graphic mark that identifies a company is known as a(n) \_\_\_\_ .
- a. patent
  - b. blog
  - c. logo
  - d. slogan

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 1:30 AM  
**DATE MODIFIED:** 12/8/2017 1:31 AM

50. \_\_\_\_\_ entail identifying the benefits a brand offers, its target audiences, and the best competitive positioning, and then developing a complete plan.
- a. Administrative services
  - b. Creative services
  - c. Account services
  - d. Media planning and buying services

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Comprehension  
**DATE CREATED:** 12/8/2017 1:32 AM  
**DATE MODIFIED:** 12/8/2017 1:33 AM

51. A(n) \_\_\_\_\_ coordinates the research effort of an advertisement agency.
- a. graphic designer
  - b. media specialist
  - c. account planner
  - d. fulfillment center

**ANSWER:** c  
**POINTS:** 1

**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Research  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 1:37 AM  
**DATE MODIFIED:** 12/8/2017 1:38 AM

52. Which of the following services of an advertising agency involves expressing the benefits of a company's brand in interesting and memorable ways?

- a. Creative services
- b. Billing services
- c. Administrative services
- d. Media buying services

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Creativity  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 1:39 AM  
**DATE MODIFIED:** 12/8/2017 1:40 AM

53. The \_\_\_\_\_ services department of an advertising agency typically includes the company's art directors, illustrators, and copywriters.

- a. creative
- b. media buying
- c. marketing
- d. administrative

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Creativity  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 1:41 AM  
**DATE MODIFIED:** 12/8/2017 1:42 AM

54. Which of the following services occur within an ad agency?

- a. Administrative services
- b. Creative services
- c. Account services
- d. Production services

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Creativity  
**KEYWORDS:** Bloom's: Knowledge  
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55. A compensation system that adds a percentage amount to a variety of services the agency purchases from outside suppliers is known as a \_\_\_\_\_.

- a. markup charge
- b. fee system
- c. pay-for-results compensation
- d. commission system

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Pricing  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 1:46 AM  
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56. CloudNine, an advertisement agency, charged Sparkles Inc. \$50,000 at the rate of \$5,000 an hour for the ten hours it spent designing an advertisement for the firm's new product launch ad. Which of the following systems of compensation did CloudNine utilize?

- a. A fee system
- b. A commission system
- c. A markup charge system
- d. A pay-for-results system

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Challenging  
**QUESTION TYPE:** Multiple Choice

**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Pricing  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 1:48 AM  
**DATE MODIFIED:** 12/8/2017 1:49 AM

57. Harper & Kane advertising agency sets an hourly rate for the services it provides to its clients. This rate is based on the average salary of all the members in the creative department. Harper & Kane uses the \_\_\_\_\_ system.

- a. commission
- b. cost-plus
- c. markup charge
- d. fee

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Pricing  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 1:50 AM  
**DATE MODIFIED:** 12/8/2017 1:51 AM

58. A compensation system that is based on the achievement of specific objectives of the client is known as a \_\_\_\_\_ .

- a. pay-for-results compensation
- b. a markup charge
- c. commission system
- d. fee-based system

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Pricing  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 1:52 AM  
**DATE MODIFIED:** 12/8/2017 1:53 AM

59. A regional fast food chain called Platters is interested in opening a restaurant in a new market. The company plans to hire the services of a firm to collect the data needed to expand into the new market. In such a scenario, which of the following firm's services would it hire?

- a. A marketing research firm to conduct surveys to understand the potential market
- b. An advertising agency to create innovative ads
- c. A consultant to create message strategies and message themes
- d. Media organizations for placing ads in broadcast and print media to create awareness for the restaurant

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Challenging  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Research  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 1:57 AM  
**DATE MODIFIED:** 12/8/2017 1:58 AM

60. Advertisers and their agencies rely primarily on external facilitators for:
- a. consumer research.
  - b. media buying.
  - c. assessing the effectiveness of promotional programs.
  - d. production processes.

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Product  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 2:01 AM  
**DATE MODIFIED:** 12/8/2017 2:02 AM

61. Carmel Inc. has come up with the idea of creating a television ad for its new range of assorted cookies. The marketing executives approached RT Designs who will be filming the ad, preparing a set to record the ad, and employing an actress to play the role of a little girl enjoying her cookies. RT Designs is an example of a \_\_\_\_\_.
- a. creative boutique
  - b. production house
  - c. fulfillment center
  - d. media specialist

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Challenging  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 2:07 AM  
**DATE MODIFIED:** 12/8/2017 2:07 AM

62. \_\_\_\_\_ provide the physical facilities, including sets, stage equipment, and crews needed for broadcasting.
- a. Production houses
  - b. Creative boutiques
  - c. Fulfillment centers
  - d. Interactive agencies

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 2:09 AM  
**DATE MODIFIED:** 12/8/2017 2:10 AM

63. \_\_\_\_\_ is a high-speed technology that allows consumers to customize their programming and target very specific audiences.
- a. Transit
  - b. Crowdsourcing
  - c. Broadband
  - d. Cable

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Technology  
**STATE STANDARDS:** United States - OH - DISC: Online/Computer  
**KEYWORDS:** Bloom's: Knowledge  
**DATE CREATED:** 12/8/2017 2:11 AM  
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64. Which of the following best describes a media conglomerate?
- a. It is a firm that operates multiple media combinations.
  - b. It is a firm that is a specialist in one particular form of media.
  - c. It is a firm that specializes solely in buying media time and space.

d. It is a firm that uses print media instead of broadcast media

**ANSWER:** a  
**POINTS:** 1  
**DIFFICULTY:** Easy  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Knowledge  
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65. Design Solutions has two television network channels and its monthly magazine, Bling, is the most popular fashion magazine in the country. It also has a number of websites for its television channels and online sports news. Design Solutions is an example of a \_\_\_\_\_.

- a. creative boutique
- b. media conglomerate
- c. media specialist
- d. digital/interactive agency

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Challenging  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Marketing Plan  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 2:19 AM  
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66. Which of the following is an example of outdoor support media?

- a. Podcasts
- b. Billboards
- c. Catalogs
- d. Public relations

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion



**KEYWORDS:** Bloom's: Comprehension  
**DATE CREATED:** 12/8/2017 2:23 AM  
**DATE MODIFIED:** 12/8/2017 2:24 AM

67. Which of the following is an example of interactive media?

- a. Banners
- b. Electronic directories
- c. Catalogs
- d. social media

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Comprehension  
**DATE CREATED:** 12/8/2017 2:25 AM  
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### Scenario 2-1

As one of the world's largest computer and technology developers, Dell, Inc. has never been a stranger to advertising. However, due to a consistent decline in market share, the Texas-based company is looking to overhaul its advertising efforts for the first time in years. In the past, Dell found success promoting its products as some of the most inexpensive computer products in the market. However, the company's new ad campaign, which will be targeted toward more high-end users, will make no mention of product price. The company is looking to reinvent its image and believes that the first step in doing so is to revamp its outdated advertising campaign.

68. (Scenario 2-1) Dell decides not to use a full-service advertising agency because it would like its own employees to take responsibility for the new ad campaign. However, full-service agencies do provide a number of advantages— one of these advantages is that they:

- a. are always large, employing thousands of people.
- b. can provide the physical facilities for broadcast production.
- c. have an array of talented professionals to meet all the needs of a client.
- d. are the only way to create an ad campaign.

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**PREFACE NAME:** New Preface  
**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 2:29 AM

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69. (Scenario 2-1) In order to reinvent the company's image, Dell puts together a team comprised of members from its marketing department who will be responsible for every aspect of the advertising campaign. The company decides that involving employees in the campaign will allow it to maximize the profits generated from the new campaign. This team will be an example of a(n):

- a. creative boutique.
- b. full-service advertising agency.
- c. fulfillment center.
- d. in-house agency.

ANSWER: d  
POINTS: 1  
DIFFICULTY: Challenging  
QUESTION TYPE: Multiple Choice  
HAS VARIABLES: False  
LEARNING OBJECTIVES: AIBP. OGUI.19.2-3  
NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking  
STATE STANDARDS: United States - OH - DISC: Strategy  
KEYWORDS: Bloom's: Application  
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70. (Scenario 2-1) To generate interest in its new line of computers, Dell hires a company to design a number of contests and incentive programs that will help build excitement for the new line. This company is an example of a(n):

- a. fulfillment center.
- b. database agency.
- c. sales promotion agency.
- d. market research firm.

ANSWER: c  
POINTS: 1  
DIFFICULTY: Moderate  
QUESTION TYPE: Multiple Choice  
HAS VARIABLES: False  
LEARNING OBJECTIVES: AIBP. OGUI.19.2-3  
NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking  
STATE STANDARDS: United States - OH - DISC: Promotion  
KEYWORDS: Bloom's: Application  
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71. (Scenario 2-1) Dell plans to strengthen its relationships with the media, industry associations, and its various competitors. In such a scenario, Dell would hire \_\_\_\_\_ to help strengthen their relationships.

- a. a public relations firm
- b. a market research firm
- c. a creative boutique
- d. a database agency

ANSWER: a  
POINTS: 1  
DIFFICULTY: Challenging  
QUESTION TYPE: Multiple Choice  
HAS VARIABLES: False  
LEARNING OBJECTIVES: AIBP.OGUI.19.2-3  
NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking  
STATE STANDARDS: United States - OH - DISC: Strategy  
KEYWORDS: Bloom's: Application  
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### Scenario 2-2

Brush Strokes is an art supply store located in a town with a population of about 100,000 people. The town is also home to a major State University. Brush Strokes gets a majority of its business from the student population. It uses the services of a local full-service advertising agency to promote themselves. A large part of its marketing budget has been used in running small advertisements in the local and school newspapers at the beginning of each term. The advertising agency is now recommending that Brush Strokes devote a majority of its budget to running television spots during broadcasts of the University's football and basketball games. While the owners of Brush Strokes agree that they could be doing a better job of reaching a larger portion of the student population, they have not come to any conclusions about the best way to accomplish this.

72. (Scenario 2-2) Which one of the following would Brush Strokes' full service agency be *least* qualified to handle?
- a. Researching about the buying trends of the company's customers
  - b. Creating a television commercial
  - c. Forecasting dividend earnings of stockholders
  - d. Generating awareness about the brand

ANSWER: c  
POINTS: 1  
DIFFICULTY: Moderate  
QUESTION TYPE: Multiple Choice  
HAS VARIABLES: False  
PREFACE NAME: New Preface  
LEARNING OBJECTIVES: AIBP.OGUI.19.2-3  
NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking  
STATE STANDARDS: United States - OH - DISC: Promotion  
KEYWORDS: Bloom's: Application  
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73. (Scenario 2-2) The owners of Brush Strokes have called a meeting with their agency to determine ways in which it can benefit most from advertising. The agency has agreed to help in identifying the benefits of the brand, its target audience, the best competitive positioning, and developing a complete plan. In such a scenario, which of the following services is the agency offering?
- a. Media buying services
  - b. Billing services
  - c. Account services
  - d. Marketing services

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Challenging  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Strategy  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 2:46 AM  
**DATE MODIFIED:** 12/8/2017 2:46 AM

74. (Scenario 2-2) Brush Strokes is looking for a way to increase sales. The advertising agency helps create an innovative message that will be conveyed through promotions and mobile marketing. Which of the following agency services is the company using?

- a. Billing services
- b. Creative services
- c. Administrative services
- d. Media buying services

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Creativity  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 2:48 AM  
**DATE MODIFIED:** 12/8/2017 2:49 AM

75. (Scenario 2-2) The owners of Brush Strokes are concerned that their agency may be recommending television advertising because it would be profitable for the agency. Brush Strokes can avoid paying for ineffective advertising campaigns by changing to a \_\_\_\_\_ system of compensation.

- a. commission
- b. fee
- c. pay-for-results
- d. markup charge

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Pricing

**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 2:51 AM  
**DATE MODIFIED:** 12/8/2017 2:52 AM

### Scenario 2-3

Axel Corp., a new clothing line manufacturer, plans to reach out to the local fashion stores and wholesale distributors around the country. It also plans to offer a discount on its products for the first 100 customers and establish a coupon system for the first six months of sales. The marketing team is looking to create a television advertisement and is looking for ways to improve on the ideas that they have come up with for the ad.

76. (Scenario 2-3) Which of the following agencies would help improve the ideas that Axel Corp. has for its advertisement?

- a. A direct marketing agency
- b. A creative boutique
- c. A database agency
- d. A fulfillment center

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**PREFACE NAME:** New Preface  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic  
**STATE STANDARDS:** United States - OH - DISC: Creativity  
**KEYWORDS:** Bloom's: Comprehension  
**DATE CREATED:** 12/8/2017 2:55 AM  
**DATE MODIFIED:** 12/8/2017 2:58 AM

77. (Scenario 2-3) Which of the following is most likely to provide Axel Corp. with a reasonable amount of media time at a rate lower than that provided by an advertiser?

- a. Production houses
- b. Sales promotion agencies
- c. Database consultants
- d. Media specialists

**ANSWER:** d  
**POINTS:** 1  
**DIFFICULTY:** Challenging  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 3:00 AM  
**DATE MODIFIED:** 12/8/2017 3:06 AM

78. (Scenario 2-3) Axel Corp. plans to reach out to local fashion stores and wholesale distributors. Axel Corp. can achieve this by employing an advertising agency specialized in \_\_\_\_\_.

- a. consumer sales promotions
- b. trade-market sales promotions
- c. infomercials
- d. a commission system

**ANSWER:** b

**POINTS:** 1

**DIFFICULTY:** Challenging

**QUESTION TYPE:** Multiple Choice

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking

**STATE STANDARDS:** United States - OH - DISC: Promotion

**KEYWORDS:** Bloom's: Application

**DATE CREATED:** 12/8/2017 3:08 AM

**DATE MODIFIED:** 12/8/2017 3:17 AM

79. (Scenario 2-3) A(n) \_\_\_\_\_ can help Axel Corp. in designing and executing direct response advertising campaigns using traditional media.

- a. database consultant
- b. public relations firm
- c. fulfillment center
- d. interactive agency

**ANSWER:** a

**POINTS:** 1

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP. OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

**STATE STANDARDS:** United States - OH - DISC: Promotion

**KEYWORDS:** Bloom's: Application

**DATE CREATED:** 12/8/2017 4:09 AM

**DATE MODIFIED:** 12/8/2017 4:10 AM

#### **Scenario 2-4**

Caltech Corp. has a 19 minute advertisement that is aired on a local news channel explaining to the public the benefits of its product. Sparkles Inc. has provided Caltech Corp. airtime on its television network, and has offered to advertise its product on its website as an act of goodwill.

80. (Scenario 2-4) Caltech Corp. has a 19-minute-long advertisement that explains to the public about its product. This is an example of a(n) \_\_\_\_\_.

- a. podcast
- b. electronic directory
- c. blog
- d. infomercial

ANSWER: d  
POINTS: 1  
DIFFICULTY: Moderate  
QUESTION TYPE: Multiple Choice  
HAS VARIABLES: False  
PREFACE NAME: New Preface  
LEARNING OBJECTIVES: AIBP. OGUI.19.2-3  
NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking  
STATE STANDARDS: United States - OH - DISC: Promotion  
KEYWORDS: Bloom's: Application  
DATE CREATED: 12/8/2017 4:13 AM  
DATE MODIFIED: 12/8/2017 4:15 AM

81. (Scenario 2-4) Sparkles Inc. is an example of a \_\_\_\_\_.
- a. production facilitator
  - b. full-service agency
  - c. media conglomerate
  - d. fulfillment center

ANSWER: c  
POINTS: 1  
DIFFICULTY: Moderate  
QUESTION TYPE: Multiple Choice  
HAS VARIABLES: False  
LEARNING OBJECTIVES: AIBP. OGUI.19.2-3  
NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking  
STATE STANDARDS: United States - OH - DISC: Promotion  
KEYWORDS: Bloom's: Application  
DATE CREATED: 12/8/2017 4:17 AM  
DATE MODIFIED: 12/8/2017 4:19 AM

### Scenario 2-5

In 2008, Chicago native Andrew Mason launched Groupon, a website that offered Chicago-based consumers various “deals of the day.” At the time, Groupon had a unique business model—each day, one “Groupon” would be offered in a particular city. If a certain number of people signed up for the offer, then the deal became available to all. Now, years later, the business continues to grow, and the service is being offered in many U.S. cities. Google made a multi-billion dollar offer for the company that Mason turned down in December of 2010. Continuing the company’s rapid rise to success will be a challenging task, because the company will be the first to attempt to advertise the unique services. Groupon needs to find ways to attract new users, and looking into new forms of advertising will be essential to the company’s success.

82. (Scenario 2-5) As Groupon’s services differ depending on the city in which it is offered, its CEO decides that each variation needs to have a catchy slogan that relates to that particular market. Which of the following types of advertising agencies would likely be the *best* choice to create these slogans?
- a. A digital/interactive agency
  - b. A media specialist
  - c. A creative boutique
  - d. A production facilitator

ANSWER: c

**POINTS:** 1  
**DIFFICULTY:** Challenging  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**PREFACE NAME:** New Preface  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Creativity  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 4:23 AM  
**DATE MODIFIED:** 12/8/2017 4:24 AM

83. (Scenario 2-5) Groupon's management has budgeted \$20,000 for social media advertising this year. How much can their advertising agency expect to earn if they are using a traditional commission system?

- a. \$2,000
- b. \$3,000
- c. \$5,000
- d. \$8,000

**ANSWER:** b  
**POINTS:** 1  
**DIFFICULTY:** Challenging  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Pricing  
**KEYWORDS:** Bloom's: Application  
**DATE CREATED:** 12/8/2017 4:26 AM  
**DATE MODIFIED:** 12/8/2017 4:27 AM

84. (Scenario 2-5) Groupon decides to hire a full-service advertising agency to create a new campaign for the company. The ad agency agrees to be compensated if Groupon notices any positive change in sales and the number of customers on its site. This is an example of a(n) \_\_\_\_ system of compensation.

- a. fixed fee
- b. commission
- c. incentive-based
- d. markup charge

**ANSWER:** c  
**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Multiple Choice  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3  
**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking  
**STATE STANDARDS:** United States - OH - DISC: Pricing  
**KEYWORDS:** Bloom's: Application



**DATE CREATED:** 12/8/2017 4:29 AM

**DATE MODIFIED:** 12/8/2017 4:29 AM

85. (Scenario 2-5) Groupon decides to find a firm that can help them in planning, preparing, and executing promotional campaigns. The company whose services Groupon is seeking is referred to as a(n):

- a. client.
- b. database consultant.
- c. sponsor.
- d. external facilitator.

**ANSWER:** d

**POINTS:** 1

**DIFFICULTY:** Challenging

**QUESTION TYPE:** Multiple Choice

**HAS VARIABLES:** False

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking

**STATE STANDARDS:** United States - OH - DISC: Promotion

**KEYWORDS:** Bloom's: Application

**DATE CREATED:** 12/8/2017 4:31 AM

**DATE MODIFIED:** 12/8/2017 4:31 AM

### Scenario 2-6

Pink Inc. has approached Ripple Effects with the layout of an advertisement for its new product that it plans to advertise. Ripple Effects has agreed to provide Pink Inc. with the cast and crew required to create the advertisement, choosing the location and the set up. Pink Inc. has employed Glamour, an advertising agency, to make the message theme of the advertisement more innovative. Glamour has charged the firm \$50,000 per hour for its services.

86. (Scenario 2-6) Ripple Effects is an example of a \_\_\_\_\_.

- a. media specialist
- b. creative boutique
- c. database consultant
- d. production house

**ANSWER:** d

**POINTS:** 1

**DIFFICULTY:** Moderate

**QUESTION TYPE:** Multiple Choice

**HAS VARIABLES:** False

**PREFACE NAME:** New Preface

**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-3

**NATIONAL STANDARDS:** United States - BUSPROG: Reflective Thinking

**STATE STANDARDS:** United States - OH - DISC: Promotion

**KEYWORDS:** Bloom's: Application

**DATE CREATED:** 12/8/2017 4:38 AM

**DATE MODIFIED:** 12/8/2017 4:40 AM

87. (Scenario 2-6) Glamour is an example of a \_\_\_\_\_.

- a. media specialist

- b. direct marketing agency
- c. creative boutique
- d. digital/interactive agency

ANSWER: c  
 POINTS: 1  
 DIFFICULTY: Moderate  
 QUESTION TYPE: Multiple Choice  
 HAS VARIABLES: False  
 LEARNING OBJECTIVES: AIBP.OGUI.19.2-3  
 NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking  
 STATE STANDARDS: United States - OH - DISC: Creativity  
 KEYWORDS: Bloom's: Application  
 DATE CREATED: 12/8/2017 4:41 AM  
 DATE MODIFIED: 12/8/2017 4:42 AM

88. (Scenario 2-6) Glamour follows a \_\_\_ system of compensation.

- a. commission
- b. cost-plus
- c. markup charge
- d. fee

ANSWER: d  
 POINTS: 1  
 DIFFICULTY: Moderate  
 QUESTION TYPE: Multiple Choice  
 HAS VARIABLES: False  
 LEARNING OBJECTIVES: AIBP.OGUI.19.2-3  
 NATIONAL STANDARDS: United States - BUSPROG: Analytic  
 STATE STANDARDS: United States - OH - DISC: Pricing  
 KEYWORDS: Bloom's: Comprehension  
 DATE CREATED: 12/8/2017 4:53 AM  
 DATE MODIFIED: 12/8/2017 4:53 AM

89. (Scenario 2-6) Pink Inc. has chosen to advertise using key chains and complementary pens with the firm's logos on them. The type of media chosen by Pink Inc. is referred to as \_\_\_\_\_.

- a. infomercials
- b. print media
- c. interactive media
- d. support media

ANSWER: d  
 POINTS: 1  
 DIFFICULTY: Moderate  
 QUESTION TYPE: Multiple Choice  
 HAS VARIABLES: False  
 LEARNING OBJECTIVES: AIBP.OGUI.19.2-3  
 NATIONAL STANDARDS: United States - BUSPROG: Reflective Thinking

**STATE STANDARDS:** United States - OH - DISC: Promotion  
**KEYWORDS:** Bloom's: Comprehension  
**DATE CREATED:** 12/8/2017 4:55 AM  
**DATE MODIFIED:** 12/8/2017 4:55 AM

90. What is crowdsourcing? Explain.

**ANSWER:** Crowdsourcing involves the online distribution of certain tasks to groups (crowds) of experts, enthusiasts, or even consumers. The idea behind crowdsourcing is to get consumers more involved with and committed to a brand in a way that passive, intrusive advertising simply cannot. Consumers help “build the brand” with recommendations for features or even advertising campaign images. They also can communicate about the brand to audiences in ways that seem natural and credible— something corporate-launched advertising struggles with.

**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Essay  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-1  
**NATIONAL STANDARDS:** United States - BUSPROG: Technology  
**STATE STANDARDS:** United States - OH - DISC: Online/Computer  
**KEYWORDS:** Bloom's: Comprehension  
**DATE CREATED:** 12/8/2017 4:57 AM  
**DATE MODIFIED:** 12/8/2017 4:58 AM

91. Describe the role that advertisers play for trade resellers.

**ANSWER:** A trade reseller is a general description for all organizations in the marketing channel of distribution that buy products to resell to customers. Resellers can be retailers, wholesalers, or distributors. These resellers deal with both household consumers and business buyers at all geographic market levels.

Retailers that sell in national or global markets are the most visible reseller advertisers and promotion users. Regional retail chains, typically grocery chains or department stores serve multistate markets and use advertising suited to their regional customers. At the local level, small retail shops of all sorts rely on social and digital media, newspaper, radio, television, and are a completely different breed of reseller. Technically, these types of companies deal only with business customers, since their position in the distribution channel dictates that they sell products either to producers (who buy goods to produce other goods) or to retailers (who resell goods to household consumers). Wholesalers and distributors have little need for mass media advertising over media such as television and radio. Rather, they use trade publications, directory advertising such as the Yellow Pages and trade directories, direct mail, personal selling, and their Internet websites as their main advertising media. This has been revolutionized by digital media, which has in some cases largely replaced much printed material.

**POINTS:** 1  
**DIFFICULTY:** Moderate  
**QUESTION TYPE:** Essay  
**HAS VARIABLES:** False  
**LEARNING OBJECTIVES:** AIBP.OGUI.19.2-2  
**NATIONAL STANDARDS:** United States - BUSPROG: Analytic

STATE STANDARDS: United States - OH - DISC: Promotion  
KEYWORDS: Bloom's: Comprehension  
DATE CREATED: 12/8/2017 4:59 AM  
DATE MODIFIED: 12/8/2017 5:00 AM

92. Describe any three types of services commonly offered by advertising and promotion agencies.

ANSWER: The types of services commonly offered by advertising and promotion agencies are as follows:

**Account Services:** These services are offered by managers who have titles such as account executive, account supervisor, or account manager and who work with clients to determine how the brand can benefit most from advertising and IBP. Account services entail identifying the benefits a brand offers, its target audiences, and the best competitive positioning, and then developing a complete plan.

**Marketing Research Services:** Research conducted by an agency for a client usually consists of the agency locating studies (conducted by commercial research organizations) that have bearing on a client's market or advertising and IBP objectives. The research group will help the client interpret the research and communicate these interpretations to the creative and media people.

**Creative Services:** The creative services group in an agency comes up with the concepts that express the value of a company's brand in interesting and memorable ways. In simple terms, the creative services group develops the message that will be delivered through advertising, sales promotion, direct marketing, social networks, mobile marketing, event sponsorship, or public relations.

POINTS: 1  
DIFFICULTY: Moderate  
QUESTION TYPE: Essay  
HAS VARIABLES: False  
LEARNING OBJECTIVES: AIBP. OGUI.19.2-3  
NATIONAL STANDARDS: United States - BUSPROG: Analytic  
STATE STANDARDS: United States - OH - DISC: Promotion  
KEYWORDS: Bloom's: Comprehension  
DATE CREATED: 12/8/2017 5:01 AM  
DATE MODIFIED: 12/8/2017 5:02 AM

93. List and describe the four methods of agency compensation.

ANSWER: **Commission system:** The traditional method of agency compensation is the commission system, which is based on the amount of money the advertiser spends on media. Under this method, 19 percent of the total amount billed by a media organization is retained by the advertising or promotion agency as compensation for all costs in creating advertising/promotion for the advertiser. The only variation is that the rate typically changes to 16 percent for outdoor media. This is a traditional system, and not all agencies use it.

**Markup charges:** This method of agency compensation adds a percentage markup charge (sometimes referred to as cost-plus) to a variety of services the agency purchases from outside suppliers. In many cases, an agency will turn to outside contractors for art, illustration, photography, printing, research, and production. The agency then, in

agreement with the client, adds a markup charge to these services.

**Fee system:** A fee system is much like that used by consultants or attorneys, whereby the advertiser and the agency agree on an hourly rate for different services provided. The hourly rate can be based on average salaries within departments or on some agreed-on hourly rate across all services. This is the most common basis for promotion agency compensation.

**Pay-for-results:** Many advertisers and agencies alike have been working on compensation programs called pay -for-results or incentive-based compensation that base the agency's fee on the achievement of agreed on results.

*POINTS:* 1  
*DIFFICULTY:* Difficult  
*QUESTION TYPE:* Essay  
*HAS VARIABLES:* False  
*LEARNING OBJECTIVES:* AIBP.OGUI.19.2-3  
*NATIONAL STANDARDS:* United States - BUSPROG: Analytic  
*STATE STANDARDS:* United States - OH - DISC: Pricing  
*KEYWORDS:* Bloom's: Comprehension  
*DATE CREATED:* 12/8/2017 5:04 AM  
*DATE MODIFIED:* 12/8/2017 5:04 AM