

## c1

Student: \_\_\_\_\_

1. Wildplay Element Parks specifically targets each of the following segments except:
  - A. corporate groups seeking team-building activities.
  - B. school and youth groups looking for adventurous field trips.
  - C. consumers looking to host unique birthday parties and other special events.
  - D. cancer survivors
  - E. private groups looking for group fun.
2. Which of the following does not appear to be a consumer trend on which Wildplay Element Parks is capitalizing?
  - A. customer desire for personal and memorable experiences.
  - B. customer desire to reconnect with nature.
  - C. customer desire to engage in more physical activities customer desire to.
  - D. customer desire to support environmentally sensitive firms.
  - E. all of the above are consumer trends that Wildplay wishes to exploit.
3. Based on the initial success of this venture, Wildplay's intent is to continue growth through:
  - A. joint venture opportunities.
  - B. strategic alliances.
  - C. vertical integration.
  - D. franchise opportunities.
  - E. diversification.
4. Marketing can affect:
  - A. all individuals.
  - B. all organizations.
  - C. all industries.
  - D. all countries.
  - E. All of the above.
5. Which of the following is NOT required for marketing to occur:
  - A. two or more parties (individuals or organizations) with unsatisfied needs,
  - B. unsatisfied needs that can only be satisfied by physical products, not services.
  - C. a desire and ability on their part to be satisfied.
  - D. a way for the parties to communicate.
  - E. something to exchange.

6. Marketing that is designed to influence the behaviour of individuals in which the benefits of the behaviour accrue to those individuals or to the society in general and not to the marketer.
- A. organizational marketing.
  - B. future marketing.
  - C. green marketing.
  - D. ethical marketing.
  - E. social marketing.
7. Many people inaccurately associate marketing with:
- A. selling.
  - B. common sense.
  - C. getting the highest ROI.
  - D. advertising.
  - E. A, B & D.
8. Effective marketing requires:
- A. good common sense.
  - B. all departments within an organization to work together.
  - C. intimate knowledge and understanding of consumers and the marketplace.
  - D. selling unwanted things.
  - E. taking the customer's money.
9. Marketing is not merely:
- A. selling.
  - B. common sense.
  - C. promotions.
  - D. advertising.
  - E. all answers are correct.
10. Marketing refers to
- A. the production or provision of goods or services that will generate the highest return on investment.
  - B. the strategies used in the advertising and promotion of goods and services.
  - C. the process of identifying the greatest number of target markets for a good or service.
  - D. 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.
  - E. the activity involved in actually getting a product or service to the ultimate user.
11. The trade of things of value between buyer and seller so that each is better off after the trade is referred to as:
- A. exchange
  - B. acquisition
  - C. consumerism
  - D. utility
  - E. reciprocity

12. To serve both buyers and sellers, marketing seeks to create value through:
- A. selling.
  - B. discovering the needs and wants of prospective customers and satisfying them.
  - C. exchange.
  - D. advertising.
  - E. all answers are correct.
13. People with the desire and ability to buy a specific product are known as:
- A. Prospects.
  - B. Customers.
  - C. Markets.
  - D. Clients.
  - E. Buyers.
14. \_\_\_\_\_ is the activity for creating, communicating, delivering, and exchanging offerings that benefit the organization, its stakeholders, and society at large.
- A. Planning
  - B. Advertising
  - C. Selling
  - D. Marketing
  - E. Consumerism
15. To serve both buyers and sellers, marketing seeks to discover the needs and wants of prospective customers and to:
- A. change them.
  - B. take advantage of them.
  - C. satisfy them.
  - D. manipulate them.
  - E. define real and artificial buying situations.
16. Prospective customers include:
- A. individuals buying for themselves.
  - B. individuals buying for their households.
  - C. organizations that buy for their own use (such as manufacturers).
  - D. organizations that buy for resale (such as wholesalers and retailers).
  - E. all of these answers are correct.
17. Marketing occurs when the transaction takes place. Essential to this process is the idea of exchange. To marketing people, exchange refers to the:
- A. place where people go to do business.
  - B. place where people return unwanted goods.
  - C. process whereby a buyer and seller trade something of value.
  - D. process of locating buyers and sellers.
  - E. acquisition of something of value.

18. \_\_\_\_\_ is a transaction between a buyer and a seller of things of value so that each is better off after the transaction than before.
- A. Exchange
  - B. Needs assessment
  - C. Consumerism
  - D. Utility
  - E. Commerce
19. In BC, there is a marketing campaign called WorkSafeBC designed to encourage young university and college students to keep safe in the workplace. After viewing various advertisements encouraging students to volunteer their time to give safety seminars, Thomas began paying closer attention to safety issues in his chemistry laboratories at university and decided to volunteer his time to get involved in delivering these safety seminars across campus. He felt personally satisfied that he was giving something back to his university. Was this a marketing exchange?
- A. no, because the seller is a non-profit organization.
  - B. yes, because the BC government ran an advertisement.
  - C. yes, because the Thomas' volunteer time and efforts were exchanged for a feeling of satisfaction.
  - D. no, because no money was exchanged.
  - E. no, because the WorkSafeBC did not provide Thomas with a product.
20. A church has put advertisements in its weekly bulletins to encourage members of the church to participate in the services by reading. Jack volunteered and read during a service. He felt satisfied and felt he was contributing to his church. Was this a marketing exchange?
- A. no, because the church is non-profit organization.
  - B. yes, because the church ran an advertisement.
  - C. yes, because reading at the service was exchanged for a feeling of satisfaction.
  - D. no, because no money was exchanged.
  - E. no, because the church did not provide Jack with a product.
21. Those manufacturers, wholesalers, retailers, and government agencies that buy goods and services for their own use or for resale are known as:
- A. original equipment manufacturers.
  - B. organizational consumers.
  - C. ultimate consumers.
  - D. organizational buyers.
  - E. purchasing agents.
22. The \_\_\_\_\_ department is responsible for facilitating relationships, partnerships, and alliances with the organization's customers, its shareholders (or often representatives of groups served by a non-profit organization), its suppliers, and other organizations.
- A. purchasing
  - B. marketing
  - C. human resources
  - D. accounting
  - E. advertising

23. Which of the following statements about marketing departments is true?

- A. It is the responsibility of the marketing department to facilitate relationships with the organization's customers.
- B. It is the responsibility of the marketing department to create partnerships with the organization's suppliers.
- C. The marketing department must work closely with a network of other departments and employees to help provide the customer-satisfying products required for the organization to survive and prosper.
- D. The marketing department is responsible for establishing alliances with the organization's shareholders and other organizations.
- E. All of these statements about marketing departments are true.

24. Which of the following statements about marketing activities is true?

- A. Marketing is affected by society and in return affects society as a whole.
- B. The marketing department works closely with other departments and employees to implement marketing activities.
- C. Marketing activities provide the customer-satisfying products required for the organization to survive and prosper.
- D. Environmental factors affect marketing activities.
- E. All of these statements about marketing activities are true.

25. The four outside stakeholder groups that exert important direct influences on an organization consist of:

- A. politicians, regulators, minority groups, and consumer monitoring groups.
- B. competitors, industry trade associations, non-profit organizations, and governmental agencies.
- C. senior management, the legal department, the marketing department, and other employees of the organization.
- D. other organizations, suppliers, shareholders (owners), and customers.
- E. owners, employees, regulatory groups, and competitors.

26. Which of the following conditions is necessary for marketing to occur?

- A. a physical location for an exchange to occur
- B. a tangible exchange
- C. advertising to express unrealized needs
- D. two or more parties with unsatisfied needs
- E. all of these answers are correct

27. Which of the following conditions must exist in order for marketing to occur?

- A. two or more parties with unsatisfied needs, a desire and ability to satisfy them, a way to communicate, and something to exchange
- B. two or more people, a product, a reasonable price, and a place to make an exchange
- C. two or more people, a method of assessing needs, a way to communicate, and an exchange
- D. two or more parties with unsatisfied needs, a desire to satisfy them, a satisfactory product, and something to exchange
- E. a product, a price, a method of promotion, and a way to place the product with the customer

28. Your father is tired of conventional light beers, and wants something different. Coincidentally, a newly-opened micro-brewery has begun distributing a new organic light beer through local beer stores and liquor stores and it is only slightly more expensive than conventional light beers. Which of the conditions needed for marketing to occur are described in this situation?
- A. the creation of unrealized needs
  - B. two parties with unsatisfied needs
  - C. one-way communication
  - D. a physical location for an exchange to take place
  - E. time and place utility
29. The Shangrila Hotel and Spa in Toronto is setting up a clinic where visiting clients can get a comprehensive physical while staying at the hotel and using the spa facilities. The largest anticipated issue is the possible unwillingness for people to go to doctors that they don't know. Marketing may fail to occur here because:
- A. there may be no desire on the part of the hotel/spa customer to satisfy this need.
  - B. two or more parties have unsatisfied needs.
  - C. there is nothing to exchange.
  - D. there is no way for the parties involved to communicate.
  - E. there has been no assessment of consumer's wants and needs.
30. Candidates are running for office and would very much like to have your vote. They all promise that they will "make the country better." You do not trust any politicians and decide not to vote at all. Marketing will not occur in this situation because:
- A. marketing doesn't apply to the voting process.
  - B. the desire and ability to satisfy needs is missing.
  - C. there is no direct way for the parties to communicate.
  - D. something to exchange is missing.
  - E. the candidate's messages are vague and ambiguous.
31. A single parent would like to hire a nanny, but s/he cannot afford one. Marketing does not occur in this situation because:
- A. two or more parties have unsatisfied needs.
  - B. there is no desire on the part of either party to satisfy the other.
  - C. one of the involved parties does not have the ability to satisfy the other.
  - D. there is no way to communicate.
  - E. there has been no assessment of consumer wants and needs.

32. Suppose you are a university student taking a full course load, working 15-20 hours per week, and finding it necessary to fund the majority of your tuition and living expenses with a student loan. However, you see an ad for a 2-week all-inclusive 'young person' holiday package to a resort in the Caribbean and you would desperately like to purchase a ticket for this vacation. What factor(s) are likely to prevent you from engaging in a marketing transaction?
- A. The promoters of this vacation package have been overwhelmed with responses to the ad and there is now a waiting list.
  - B. You do not have the resources to qualify for a \$3,000 personal loan in order to pay for the ticket.
  - C. You do not have the time to get to the one travel agency in town that requires an appointment to be able to go through the booking process because of your class, work, and study schedule.
  - D. You can't get to the travel agency easily since it is not on a bus route.
  - E. All of these factors are likely to prevent you from engaging in a marketing transaction.
33. In a free-enterprise society, the specific groups that benefit from effective marketing include all of the following EXCEPT:
- A. consumers who buy
  - B. organizations that sell
  - C. society as a whole
  - D. organizations that buy
  - E. all of these answers are correct
34. The Hotel Westcourt in Ottawa is next to Metrocentre, a vast shopping mall. The hotel wants to market its location and many other amenities to convention-goers from other provinces and states. What requirements will be needed for marketing to occur?
- A. a way to communicate with convention attendees
  - B. something to exchange
  - C. two or more parties with unsatisfied needs
  - D. desire and ability to satisfy unmet needs
  - E. all of these answers are correct
35. A marketing student would like to buy a quad-bike, but he cannot afford one. Which of the following reasons explain why marketing fails to occur here?
- A. two or more parties with unsatisfied needs
  - B. a desire on the part of each to satisfy the other
  - C. no assessments of consumer wants and needs
  - D. a way to communicate
  - E. an ability on the part of one party to satisfy the other
36. The following are examples of goods that are marketed except for:
- A. Advice from TD Waterhouse
  - B. Crest toothpaste.
  - C. Nikon cameras.
  - D. Apple computers.
  - E. Bridgestone tires.

37. The text explains that the two central concerns of marketing are:

- A. discovering and satisfying needs.
- B. needs and wants
- C. promotion and sales.
- D. maximizing an organization's sales and products.
- E. market share and customer satisfaction.

38. The first task of marketing is to:

- A. discover the needs of consumers.
- B. discover the needs of competitors.
- C. discover the needs of sellers.
- D. satisfy the needs of regulators.
- E. satisfy the needs of watchdog groups.

39. The first task of marketing is to discover consumer:

- A. diversity.
- B. ability to pay.
- C. objectives.
- D. needs.
- E. synergy.

40. The four controllable Marketing Mix factors include all of the following except:

- A. Product.
- B. Penetration.
- C. Price.
- D. Promotion.
- E. Place.

41. One or more specific groups of potential consumers toward which an organization directs its marketing program is known as a \_\_\_\_\_?

- A. marketing mix
- B. generic market
- C. sub-market
- D. target market
- E. marketplace

42. Which of the following statement best defines needs and wants?

- A. Needs occur when a person feels physiologically deprived of something like food, clothing, and shelter whereas wants are felt needs that are shaped by a person's knowledge, culture, or personality.
- B. Wants are a subset of needs.
- C. Wants occur when a person feels physiologically deprived of something, and needs are determined by a person's knowledge, culture, or personality.
- D. Needs affect marketing, but wants do not.
- E. By definition, wants are more socially responsible than needs.



43. A television advertisement shows several teenagers searching through a store drinks cooler for something to quench their thirst. The refrigerator offers the youngsters many alternatives - soft drinks, fruit drinks, sport drinks, and water. The ad, which shows the teens happily selecting a particular energy drink over all the other product offerings, appeals to the consumers' \_\_\_\_\_ for liquid and attempts to shape consumers' \_\_\_\_\_ for the advertised product.
- A. wants; needs
  - B. wants; preferences
  - C. preferences; needs
  - D. needs; wants
  - E. needs; preferences
44. Alexandra is eight years old and loves chocolate. Her mother will often give her some chocolate along with fresh fruit. To get more chocolate, he must eat his fresh fruit. In marketing terms, the chocolate is an example of a \_\_\_\_\_ because it is something he has learned to like.
- A. desire
  - B. need
  - C. predilection
  - D. preference
  - E. want
45. Which of the following are marketed?
- A. Goods and services only.
  - B. Goods, services, idea and experiences.
  - C. Services and ideas only.
  - D. Goods, services, and ideas.
  - E. Goods only
46. People with both the desire and ability to buy a specific offering are referred to as a
- A. customer pool
  - B. customer base
  - C. market
  - D. sales set
  - E. target segment
47. The market for facial cosmetic surgery (which can cost between \$5,000 to \$10,000 for basic rhinoplasty to chin and cheek implants) is:
- A. children with odd-shaped nostrils.
  - B. all former boxers.
  - C. any adult who has the time, the money, and the desire to undergo the procedures.
  - D. anyone that has ever had any cosmetic dentistry.
  - E. adults who rely on making a good first impression for job success.

48. In marketing, the most common meaning of a market is:

- A. an open-air gathering of farmers selling their produce.
- B. any place consumers can buy groceries.
- C. a particular line of products or specific line of merchandise for sale.
- D. a group of companies that have goods for sale.
- E. people with the desire and with the ability to buy a specific product.

49. Which of the following actively engage in marketing?

- A. politicians like Stephen Harper.
- B. manufacturing firms like General Motors of Canada
- C. not-for-profit organizations like the Toronto Zoo
- D. service firms like Air Canada.
- E. all of the above.

50. Because the organization obviously cannot satisfy all consumer needs, it must concentrate its efforts on certain needs of a specific group of potential consumers. This is the \_\_\_\_\_.

- A. mass market
- B. tangent market
- C. market aggregation
- D. target market
- E. promotional market

51. Books and movies like the Twilight saga are designed to appeal to teens and young adults interested in vampire love stories. This is the \_\_\_\_\_ for these shows.

- A. target market
- B. tangent market
- C. market aggregation
- D. mass market
- E. promotional market

52. One or more specific groups of potential consumers toward which an organization directs its marketing program is a:

- A. mass market.
- B. tangent market.
- C. market aggregation.
- D. target market.
- E. promotional market.

53. Which of the following would be the BEST target market for tickets to the home games of the Ottawa Senators professional hockey team?

- A. all people in the greater Ottawa area.
- B. all people in Canada.
- C. all men in Canada.
- D. people in the Ottawa area with an interest in professional hockey.
- E. all people in the Canada with an interest in professional hockey

54. Which of the following is the BEST description of the target market for the latest Disney movie?
- A. everyone who can afford to buy a movie ticket
  - B. everyone who likes movies
  - C. professionals who are parents of children between the ages of 3 and 12
  - D. people who collect Mickey Mouse memorabilia
  - E. people who live near a movie theatre
55. Which of the following groups should be the LEAST likely target market for a company producing canned foods in single serving sizes?
- A. single adults
  - B. school kitchens
  - C. campers
  - D. senior citizens
  - E. vending machine owners
56. Which of the following groups would be the most likely target market for a company manufacturing briefcases?
- A. police officers
  - B. teachers
  - C. construction workers
  - D. postal workers
  - E. homemakers
57. A local university offers business courses for a specific target market composed of people who are currently working who want to take refresher courses or work toward further degrees. Which of the following would be the most effective way to communicate with the target market, bearing in mind that communication must be both effective and economical?
- A. put announcements on campus bulletin boards.
  - B. distribute promotional materials during classes.
  - C. advertise on national television.
  - D. advertise on local top-40 radio shows.
  - E. advertise in the local newspaper.
58. A marketing manager's controllable factors - product, price, promotion, and place - are the company's:
- A. environmental factors.
  - B. marketing program.
  - C. marketing mix factors.
  - D. marketing concept.
  - E. four utilities.
59. The four Ps are commonly known as:
- A. the environmental or uncontrollable factors.
  - B. the environmental or controllable factors.
  - C. the marketing mix or controllable factors.
  - D. the marketing mix or uncontrollable factors.
  - E. product, price, promotion, and process.

60. Which of the following would a marketer use as a synonym for controllable marketing mix factors?

- A. the five external environmental forces
- B. macromarketing forces
- C. the five Cs
- D. the four Ps
- E. price, product, production, and promotion

61. The four Ps of the marketing mix are:

- A. personnel, priorities, placement, and profits.
- B. promotion, product, personnel, and place.
- C. product, place, distribution, and advertising.
- D. product, promotion, price, and place.
- E. profitability, productivity, personnel, and packaging.

62. Thirkell Farms Gourmet Ice Cream Enhancer is the brand name for a mix designed for use in ice cream machines. The mixes are sold in 500 gram vacu-packs for \$5.99 plus postage. The products are only available through the mail. People learn about the product through word-of-mouth and through ice cream machine demonstrations the company's founder gives to groups in the area of Kingston where he lives. This is a description of the company's:

- A. action plan.
- B. market segmentation strategy.
- C. marketing mix.
- D. mission statement.
- E. target market.

63. The owners of Authentic Indigenous Foods interviewed hundreds of native Canadians in order to identify recipes using the food products the company produces and markets. This statement deals with which part of the marketing mix?

- A. product
- B. process
- C. price
- D. place
- E. promotion

64. Which element of the marketing mix is demonstrated when a company manufactures a low-calorie chocolate chip cookie?

- A. product
- B. price
- C. promotion
- D. place
- E. production

65. The owners of Authentic Indigenous Foods interviewed hundreds of native Canadians in order to identify recipes using the food products the company produces and markets. Concern about the \_\_\_\_\_ element of the marketing mix would make them eager to be featured in an upcoming edition of *Taste of Home* magazine.
- A. product
  - B. promotion
  - C. price
  - D. place
  - E. production
66. The element of the marketing mix demonstrated when a company places an ad in the Yellow Pages is:
- A. product.
  - B. price.
  - C. promotion.
  - D. place.
  - E. process.
67. The element of the marketing mix demonstrated when an art gallery suggests a \$2.00 donation at the door is:
- A. product.
  - B. price.
  - C. promotion.
  - D. place.
  - E. production.
68. To attend an outdoor summer concert festival presented by local musicians, every person attending had to donate one non-perishable food item at the entrance to the location. This statement is most closely related to the \_\_\_\_\_ element of the market mix.
- A. product
  - B. process
  - C. price
  - D. production
  - E. promotion
69. The element of the marketing mix demonstrated when a newspaper carrier throws a paper on the front porch is:
- A. product.
  - B. price.
  - C. promotion.
  - D. place.
  - E. process.

70. The ability to buy a canned soft drink from a vending machine demonstrates which element of the marketing mix?
- A. product
  - B. price
  - C. promotion
  - D. place
  - E. process
71. Forces that are largely beyond the control of the marketing department and its organization are called:
- A. the four Ps.
  - B. the marketing mix.
  - C. controllable factors.
  - D. environmental factors.
  - E. utilities.
72. The five major environmental factors in marketing are:
- A. air, water, soil, mineral, and gas.
  - B. consumer, retailer, manufacturer, organization, and society as a whole.
  - C. product, price, promotion, place, and process.
  - D. social, technological, economic, competitive, and regulatory.
  - E. natural resources, weather, social awareness, economic factors, and regulation.
73. Which of the following statements about environmental factors is true?
- A. Environmental factors may restrict an organization's opportunities.
  - B. Environmental factors may enhance an organization's opportunities.
  - C. Environmental factors are also called uncontrollable factors.
  - D. Environmental factors include social, economic, technological, competitive, and regulatory forces.
  - E. All of these statements about environmental factors are true.
74. Which of the following statements describes an environmental factor?
- A. Tupperware has more than 200,000 independent contractor dealers who market its entire product line.
  - B. A car battery comes with a lifetime guarantee.
  - C. An automobile offers a \$500.00 rebate.
  - D. Several provinces have legislation requiring children under four to use car seats.
  - E. A major bottler offers a 10-cent refund on returnable bottles.
75. Which of the following environmental factor(s) could have caused Toyota to decide to build a manufacturing plant in Canada instead of continuing to export their cars from Japan?
- A. a growing trend in Canada to "Buy Canadian"
  - B. the success of Honda in manufacturing Accords in Alliston, Ontario
  - C. a decline in the value of the Canadian dollar relative to the Japanese yen
  - D. increased pressure from auto makers on the government for more restrictive quotas on Japanese car imports
  - E. all of these answers are correct

76. Government legislation restricting Internet alcohol sales would affect on-line sellers such as Virtual Vineyards. For Virtual Vineyards, this legislation would be an example of a(n) \_\_\_\_\_ factor.
- A. environmental
  - B. promotional
  - C. process
  - D. price
  - E. technological
77. After years of resistance, the People's Republic of China finally allowed Coca-Cola to import soft drinks into the country. The import restriction was an example of what is called in marketing an uncontrollable, or \_\_\_\_\_ factor because it relates to forces outside the marketing company.
- A. epistemological
  - B. technological
  - C. environmental
  - D. heuristic
  - E. synergistic
78. Which of the following statements about environmental forces is most accurate?
- A. Environmental forces are almost always controllable if the marketing department properly balances its marketing mix.
  - B. Organizations that use the marketing concept can exert just as much influence on environmental forces as environmental forces can exert on an organization.
  - C. Environmental forces consistently result in negative outcomes for an organization.
  - D. Although many consider environmental forces a negative impact on a firm's marketing plans, some environmental forces can actually enhance a firm's marketing opportunities.
  - E. Environmental forces can almost always be predicted.
79. The unique combination of benefits received by targeted buyers that include quality, price, convenience, on-time delivery, and both before-sale and after-sale service is called:
- A. target marketing.
  - B. benefit segmentation.
  - C. customer value.
  - D. customer satisfaction.
  - E. product dissonance.
80. Customer value emphasizes:
- A. convenience.
  - B. price.
  - C. quality.
  - D. service (before-sale and after-sale).
  - E. all of these are correct.

81. \_\_\_\_\_ is the process of building and developing long-term relationships with customers by delivering customer value and satisfaction.
- A. Customer Lifetime Value
  - B. Holistic marketing
  - C. Synergistic marketing
  - D. Customer Relationship Management
  - E. Tactical marketing
82. If you ever talk to anyone who has flown on Singapore Air, you will no doubt hear that individual praise the food that was served during the flight, the friendliness of the air stewards, and the comfortable surroundings. From this description, you can surmise Singapore Air creates customer value by providing its customers with:
- A. the best service.
  - B. the most convenient flight schedules.
  - C. the best price.
  - D. the best employees.
  - E. all of these answers are correct.
83. Manugistics and i2 Technologies, two top vendors of supply chain management software, have recently launched their own on-line trading exchange aimed at creating a supply chain for their customers to make distribution of products and ideas easier for all involved. These two organizations hope to benefit from:
- A. eCRM.
  - B. entropy.
  - C. the 80/20 principle.
  - D. customer valuation.
  - E. a marketing chain
84. A business traveler joined the Starwood Preferred Guest Program in order to earn points each time he stayed overnight in a Westin or Sheraton hotel. Once he has accumulated enough points, he can trade his points in for a free night's stay. As a member of this program, the traveler receives periodic updates on new hotels and learns of ways to earn additional points. This is an example of:
- A. customer relationship management.
  - B. entropy.
  - C. the 80/20 principle.
  - D. customer valuation.
  - E. a marketing chain
85. Which of the following statements about customer relationship management is true?
- A. Customer relationship management has a short-term focus on increasing profits.
  - B. Customer relationship management is easy to implement.
  - C. In an ideal setting, customer relationship management is a personal, ongoing relationship.
  - D. Very few companies today are engaged in customer relationship management.
  - E. The Internet is the only ideal forum for customer relationship management.



86. Which of the following businesses is LEAST likely to be able to engage in customer relationship management?
- A. a beach shop that sells tourist mementos
  - B. a local restaurant that specializes in home-cooking
  - C. a convenience store
  - D. a movie theatre
  - E. a veterinarian
87. What element of the marketing mix for WildPlay Element Parks is described by a community outreach program that promotes physical fitness activities and the protection of the natural environment?
- A. price
  - B. place
  - C. product
  - D. promotion
  - E. none of these
88. What element of the marketing mix for WildPlay Element Parks is described by their public relations, publicity, Web site, and personal selling to corporations and groups?
- A. promotion
  - B. place
  - C. product
  - D. price
  - E. none of these
89. \_\_\_\_\_ is the profit generated by the customer's purchase of an organization's product or service over the customer's lifetime.
- A. Customer Lifetime Value
  - B. Holistic profit
  - C. Synergistic profit
  - D. Customer Relationship Management
  - E. Tactical profit
90. A \_\_\_\_\_ is a plan that integrates the elements of the marketing mix to provide goods, services, or ideas to the consumer and prospective buyers.
- A. marketing strategy
  - B. marketing program
  - C. macromarketing program
  - D. micromarketing program
  - E. sales promotion

91. After an assessment of needs, a marketing manager must translate ideas from consumers into concepts for products that a firm may develop. The result is called the:
- A. marketing strategy.
  - B. marketing program.
  - C. macromarketing program.
  - D. micromarketing program.
  - E. marketing concept.
92. After discovering consumers' needs, marketing's next task is to:
- A. create a target market mission statement.
  - B. determine consumer demographics.
  - C. translate information about consumer needs into products that satisfy them.
  - D. design product prototypes.
  - E. develop a value strategy.
93. Rollerblade developed the Junior line of skates that can be modified to fit a child's foot as it grows. The \_\_\_\_\_ for this product line is children.
- A. market aggregation
  - B. mass market
  - C. marketing program
  - D. marketing mix
  - E. target market
94. Magazines such as Time, Sports Illustrated and People have launched kid and teen editions. The \_\_\_\_\_ for this product line is therefore children and teens.
- A. market aggregation
  - B. mass market
  - C. marketing program
  - D. marketing mix
  - E. target market
95. Rollerblade's decision to feature its in-line skates in sports competition and magazines like Shape and Mademoiselle is most closely related to which element of the marketing mix?
- A. process
  - B. promotion
  - C. price
  - D. place
  - E. product
96. When Rollerblade's marketing department designs a strategy to make it easy for in-line skate buyers to buy them at a retail outlet that is convenient to them and where they feel comfortable shopping, it is concerned with the \_\_\_\_\_ element of the marketing mix.
- A. process
  - B. promotion
  - C. price
  - D. place
  - E. product

97. During the \_\_\_\_\_ era, the primary function of the Pillsbury Company was to mill quality flour.
- A. production
  - B. sales
  - C. marketing concept
  - D. societal marketing concept
  - E. market orientation
98. Although it was thought in the 19<sup>th</sup> century that production creates its own demand, in the first third of the 20<sup>th</sup> century, North American companies began to produce more goods than their regular buyers could consume. At the same time, competition became more significant, and the problems of reaching the market became more complex. It was for these reasons the \_\_\_\_\_ era began.
- A. product
  - B. production
  - C. sales
  - D. marketing concept
  - E. market orientation
99. Shortly after World War II, Sam Jackson developed an idea for a biodegradable lubricant that was superior to anything currently on the market. He was excited about his new idea, and he has persuaded a number of his friends to help produce samples. He hired a salesforce to sell the device to manufacturing companies in the area. This is a good example of behaviour one would expect in the \_\_\_\_\_ era.
- A. marketing concept
  - B. market orientation
  - C. production
  - D. sales
  - E. societal marketing concept
100. Which of the following statements is the primary reason that explains why businesses moved from the production era to the sales era?
- A. The population was moving away from urban areas.
  - B. There were too many customers to serve.
  - C. Competition grew as the production of goods increased and firms discovered that they could produce more goods than their regular buyers could consume.
  - D. Advertising was becoming a major marketing force.
  - E. Technology was in a dormant stage.
101. Imagine a confectionary company has introduced a new nutty candy bar during the 1930s (the sales era). How would you expect the company to react if sales of this new candy bar were much lower than expected?
- A. We'd better do some market testing to determine why people are dissatisfied.
  - B. Perhaps, we should make candy bars with raisins.
  - C. Let's put more aggressive salespeople in the field.
  - D. Let's forget the whole thing.
  - E. Don't worry about it; we're the largest candy manufacturer in the area. Sooner or later they'll get hungry enough that they'll come to us.

102. The period of North American business history when firms could produce more than they could sell and the focus was on hiring more salespeople to seek out new markets and customers was the \_\_\_\_\_ era.
- A. marketing concept
  - B. production
  - C. sales
  - D. societal marketing concept
  - E. consumerism
103. The \_\_\_\_\_ is the idea that an organization should seek to satisfy the wants of customers while also trying to achieve the organization's goals.
- A. concept of synergy
  - B. marketing concept
  - C. principle of consumerism
  - D. societal marketing concept
  - E. selling concept
104. In the 1960s, Pillsbury defined its mission as, "We are in the business of satisfying needs and wants of customers." This is a brief statement of what has come to be known as the:
- A. hard-sell strategy.
  - B. soft-sell strategy.
  - C. selling concept.
  - D. marketing concept.
  - E. marketing mix.
105. Many who attend circuses particularly look forward to the performances that use lions, tigers, elephants, monkeys, and other animals and get a great deal of pleasure from watching these acts. There are also a lot of people who enjoy the other circus acts but feel strongly that these animals are being abused because they are forced to perform. This example indicates it is not always easy to act in accordance with the:
- A. marketing concept.
  - B. marketing mix.
  - C. organizational strategy.
  - D. sales quota.
  - E. market aggregation strategy.
106. Which of the following statements about the marketing concept era is true?
- A. During the marketing concept era, companies tried to satisfy the needs of consumers while also achieving the organization's goals.
  - B. During the marketing concept era, companies tried to satisfy the wants of the consumer no matter what.
  - C. During the marketing concept era, companies believed if you produced as much as you can, at the highest quality level, for the lowest price, the product will sell itself.
  - D. All firms are now operating with a marketing concept era philosophy.
  - E. The marketing concept era can actually trace its roots to early Greek culture.

107. What term best describes the marketing concept era?

- A. production oriented
- B. sales oriented
- C. society oriented
- D. consumer oriented
- E. competition oriented

108. The business period that attempts to satisfy consumer needs while achieving organizational goals is called the \_\_\_\_\_ era.

- A. sales
- B. production
- C. marketing concept
- D. societal marketing concept
- E. consumerism

109. Which era of business history does the following statement best describe? "We are in the business of satisfying needs and wants of consumers."

- A. the production era
- B. the sales era
- C. the marketing concept era
- D. the marketing orientation era
- E. the societal marketing era

110. In the \_\_\_\_\_ era of business history, supply exceeded demand, products could be differentiated from each other; and producers have determined different consumer wants and needs.

- A. production
- B. sales
- C. marketing concept
- D. industrial revolution
- E. micromarketing

111. The goal of the \_\_\_\_\_ era is to integrate marketing into all phases of the business process.

- A. production
- B. sales
- C. marketing concept
- D. industrial revolution
- E. micromarketing

112. What element of the marketing mix for WildPlay Element Parks is described by its four British Columbia locations?

- A. product
- B. promotion
- C. place
- D. price
- E. none of these.

113. In the movie, *The Tin Men*, two rival salesmen engaged in a variety of dishonest and unethical practices in order to sell aluminum siding to homeowners. Their job was difficult, in part, because the supply of aluminum siding surpassed the demand for the product and competition was intense. This situation is indicative of the \_\_\_\_\_ era of business history.
- A. production
  - B. sales
  - C. marketing concept
  - D. market orientation
  - E. societal marketing
114. An organization that focuses its efforts on continuously collecting information about customers' needs and competitors' capabilities, sharing this information across departments, and using the information to create customer values is said to:
- A. stress the societal marketing concept.
  - B. have a focus on macromarketing.
  - C. have a nonprofit orientation.
  - D. have a market orientation.
  - E. be utilizing consumerism.
115. A market orientation towards consumers and competitors requires:
- A. the development of multiple target markets and marketing mixes.
  - B. a firm to engage in industrial espionage.
  - C. involvement of managers and employees throughout the firm.
  - D. considerable corporate downsizing.
  - E. the gathering of clandestine competitive intelligence.
116. What element of the marketing mix for WildPlay Element Parks is described by Outdoor adventure experiences including bungee jumping, zip-line rides, Aerial Tree adventure courses, and the King Swing?
- A. product
  - B. price
  - C. promotion
  - D. place
  - E. distribution
117. As organizations have changed their orientation, society's expectations of marketers have also changed. Today, the emphasis of marketing practice has shifted from \_\_\_\_\_ to consumers' interests.
- A. social responsibilities
  - B. government regulation
  - C. producers' interests
  - D. suppliers' interests
  - E. competitive activity

118. \_\_\_\_\_ is the process of identifying prospective buyers, understanding them intimately, and developing favourable long-term perceptions of the organization and its offerings so buyers will choose that company and its products in the marketplace.
- A. A flexible marketing system
  - B. A database warehouse
  - C. Customer relationship management
  - D. Competitive intelligence
  - E. A customer-oriented marketing mix
119. Every day, buyers from large utility companies and sellers from energy companies visit an online exchange dealing in wholesale electricity and gas to negotiate prices for the energy that heats and lights many homes and businesses. The exchange knows there are competitors vying for its customers so it relies heavily on technology to build and retain strong, one-on-one relationships with each customer. The exchange uses \_\_\_\_\_ to know its customer and to win their allegiance.
- A. a flexible marketing system
  - B. a database warehouse
  - C. customer relationship management
  - D. competitive intelligence
  - E. a customer-oriented marketing mix
120. United Way of Greater Toronto (UWGT), like many charities, is sitting on a gold mine of donor data. Locked up in its computer and paper files are records of millions of companies, groups, and individuals that have donated in past years. Also like most philanthropic organizations, UWGT was having a rough time using that information efficiently. It could blanket past donors with generic mailings, but it could not offer its donors anything that would make people donate to it instead of other charities. Which of the following tools would be most useful for the nonprofit organization to use?
- A. a flexible marketing system
  - B. a database warehouse
  - C. customer relationship management
  - D. competitive intelligence
  - E. a customer-oriented marketing mix
121. Customer relationship management (CRM) is most closely related to the \_\_\_\_\_ era in the evolution of marketing.
- A. production
  - B. customer experience management
  - C. sales
  - D. nonprofit orientation
  - E. societal marketing
122. Some suggest that \_\_\_\_\_ is the biggest shift in the economy since the Industrial Revolution.
- A. customer satisfaction
  - B. the marketing concept
  - C. customer relationship management
  - D. ethics
  - E. social media marketing

123. Consumer-generated online marketing efforts to promote brands and companies for which they are fans is known as \_\_\_\_\_.
- A. e-marketing
  - B. interactive marketing
  - C. customer relationship management
  - D. e-commerce
  - E. social media marketing
124. Consumer-generated online marketing efforts to negatively promote brands and companies for which they are non-fans is known as \_\_\_\_\_.
- A. e-marketing
  - B. interactive marketing
  - C. customer relationship management
  - D. e-commerce
  - E. social media marketing
125. The use by marketers of online tools and platforms to promote their brands or organizations is known as \_\_\_\_\_.
- A. e-marketing
  - B. interactive marketing
  - C. customer relationship management
  - D. e-commerce
  - E. social media marketing
126. What are the moral principles and values that govern the actions and decisions of an individual or group called?
- A. societal marketing concepts
  - B. social responsibilities
  - C. modes of behaviour
  - D. legal codes
  - E. ethics
127. Which of the following activities is the LEAST objectionable from the standpoint of ethics?
- A. producing children's toys from a material that causes rashes among many people
  - B. supplying a product that satisfies a natural urge but ultimately becomes an addiction
  - C. producing and selling a product that some medical experts believe has dangerous long run health risks
  - D. running ads that point out the weaknesses of competitive products
  - E. supplying a product that meets a natural need and encourages antisocial behaviour, and perhaps even violence



128. Social responsibility is:

- A. the moral principles and values that govern the actions and decisions of an entire group.
- B. the idea that individuals and organizations are a part of a larger society and are accountable to society for their actions.
- C. actively trying to understand customer needs and satisfying them as well as the firm's goals.
- D. seeking greater influence about the quality of products and the amount of information received from sellers.
- E. the view that an organization should discover and satisfy the needs of its consumers in a way that also provides for society's well-being.

129. Which of the following most directly explains why pharmaceutical giant Pfizer offered low-income senior citizens many of its most widely used prescriptions for \$15 each a month?

- A. the profit motive
- B. the societal marketing concept
- C. its internal environment
- D. its regulatory environment
- E. corporate downsizing

130. When Eastman Kodak Company concerns itself with disposal of its film packages in national parks by promoting the slogan "Take only pictures, leave only footprints," it is acting in accordance with:

- A. the profit motive.
- B. the societal marketing concept.
- C. its internal environment.
- D. its regulatory environment.
- E. corporate downsizing.

131. In the past, Burger King, Wendy's, and McDonald's used to market their burgers in non-biodegradable Styrofoam containers. In response to calls from the public to use more environmentally-friendly materials, most fast food marketers use paper containers for their burgers. Indeed, many such containers are made from recycled materials. This is an example of:

- A. macromarketing by the fast food chains.
- B. the societal marketing concept.
- C. reverse marketing.
- D. consumer advocacy.
- E. repositioning by the fast food chains.

132. 3M innovators developed Scotchbrite Never Rust Wool Soap Pads from recycled plastic bottles. These soap pads are more expensive than competitors (S.O.S. and Brillo) but also superior to them because Scotchbrite Never Rust Wool Soap Pads don't rust or scratch. This solution:

- A. is environmentally friendly, socially responsible, and competitive.
- B. offsets the cost of improving environmental impact.
- C. increases consumer value.
- D. is ethical and socially responsible.
- E. is accurately described by all of these answers.

133. Many environmentally friendly products have been costly to produce, and consumers have not been willing to pay a premium for them. As a result, companies often question if they can be both \_\_\_\_\_ and competitive.
- A. technologically advanced
  - B. fiscally responsible
  - C. socially responsible
  - D. compliant with demand
  - E. customer friendly
134. The societal marketing concept is:
- A. the moral principles and values that govern the actions and decisions of an entire group.
  - B. the idea that organizations are a part of a larger society and are accountable to society for their actions.
  - C. actively trying to understand customer needs and satisfying them as well as the firm's goals.
  - D. seeking greater influence about the quality of products and the amount of information received from sellers.
  - E. the view that an organization should discover and satisfy the needs of its consumers in a way that also provides for society's well-being.
135. The view, which holds that an organization should assess and satisfy the needs of customers in a way that also provides for society's well being is:
- A. the societal marketing concept.
  - B. the marketing concept.
  - C. consumerism.
  - D. a sense of environmental responsibility.
  - E. capitalism.
136. According to the societal marketing concept, who is most important in deciding what needs and wants are good for consumers in the long run?
- A. the organization itself
  - B. the individual consumers
  - C. regulatory bodies
  - D. marketing researchers
  - E. competitive forces
137. The societal marketing concept is most closely related to:
- A. the controllable forces within an organization's environment.
  - B. the sociocultural environment.
  - C. micromarketing.
  - D. the economic infrastructure.
  - E. macromarketing.
138. \_\_\_\_\_ is the aggregate flow of a nation's goods and services to benefit society.
- A. Micromarketing
  - B. Macromarketing
  - C. Societal marketing
  - D. Financial marketing
  - E. Economics

139. The discipline that addresses broad issues such as whether marketing costs too much, whether advertising is wasteful, and what resource scarcities and pollution side effects result from the marketing system is called:

- A. micromarketing.
- B. macromarketing.
- C. societal marketing.
- D. financial marketing.
- E. the marketing concept.

140. Which of the following statements best distinguishes between macromarketing and micromarketing?

- A. Macromarketing uses a marketing program, and micromarketing does not.
- B. Macromarketing is affected by environmental factors, but micromarketing is not.
- C. Micromarketing is affected by environmental factors, but macromarketing is not.
- D. Macromarketing looks at the flow of an entire nation's goods and services, and micromarketing concerns itself with the marketing activities of a single firm.
- E. Micromarketing looks at the flow of an entire nation's goods and services, and macromarketing concerns the marketing activities of a single firm.

141. How an individual organization directs its marketing activities and allocates its resources to benefit its customers is known as:

- A. micromarketing.
- B. market restructuring.
- C. cultural marketing.
- D. macromarketing.
- E. megamarketing.

142. The text concentrates on what is called \_\_\_\_\_, which relates to how an individual organization directs its marketing activities and allocates its resources to benefit its customers.

- A. micromarketing
- B. macromarketing
- C. marketing infrastructure
- D. marketing functionality
- E. the physicality of marketing

143. Which of the following groups would utilize marketing?

- A. professionals such as doctors or lawyers
- B. major corporations
- C. nonprofit organizations
- D. politicians
- E. all of these answers are correct

144. What kinds of organizations engage in marketing?

- A. only those that can afford national advertising
- B. very large and established nonprofit organizations
- C. exclusively Fortune 1000 companies
- D. every organization markets
- E. virtually no organizations

145. The individuals who use the goods and services purchased for a household are collectively referred to as:
- A. organizational buyers.
  - B. household buyers.
  - C. ultimate consumers.
  - D. nonprofessional buyers.
  - E. family members.
146. What is the marketing term for individuals who use goods and services purchased for a household - whether they are 80 years or 8 months old?
- A. situational buyers
  - B. primary buyers
  - C. ultimate consumers
  - D. purchasing agents
  - E. buying groups
147. Which of the following is an example of an ultimate consumer?
- A. a woman buying a new car
  - B. a preschooler eating peanut butter
  - C. a retired steelworker taking a cruise
  - D. a doctor buying a piano
  - E. all of these answers are correct
148. Which of the following is an example of an ultimate consumer?
- A. a newspaper reporter who buys a plane ticket to Washington, D.C., to cover the presidential inauguration
  - B. a school teacher who bought a ticket to the 2002 Winter Olympics opening ceremonies in Salt Lake City
  - C. an office receptionist who renews the magazines that are found in the office waiting room
  - D. a retailer who buys poster board to make signs for an upcoming store sale
  - E. a landscaping firm employee who buys a new wheelbarrow to use to haul mulch at a new job site
149. Units such as manufacturers, retailers, or government agencies that buy for their own use or resale are collectively referred to as:
- A. intermediate buyers.
  - B. purchasing agents.
  - C. organizational buyers.
  - D. professional buyers' organizations.
  - E. manufacturing agents.
150. Organizational buyers are most accurately described as:
- A. buyers of high cost items.
  - B. buyers of household items.
  - C. manufacturers, retailers, or government agencies buying for their own use or resale.
  - D. any individual or group making a purchase worth over \$100,000.
  - E. any man, woman, or child who uses goods purchased for a household.

151. Which of the following is the best example of an organizational buyer?

- A. a mother buying milk for her young son
- B. a computer programmer buying the latest game for his Playstation
- C. a store owner buying hand-painted slate signs to sell in her store
- D. a botanist buying a rose bush for his home garden
- E. a baseball player buying a t-ball set for his daughter

152. What element of the marketing mix for WildPlay Element Parks is described by \$40 aerial tree courses for adults?

- A. product
- B. price
- C. promotion
- D. place
- E. premium

153. To be effective, Customer Relationship Management requires:

- A. the involvement of managers.
- B. the commitment of managers.
- C. the involvement of employees.
- D. application of information technology.
- E. all answers are correct.

154. \_\_\_\_\_ is a Web-centric, personalized approach to managing long-term customer relationships electronically.

- A. CRM.
- B. eCRM.
- C. CR-V.
- D. CLV.
- E. none of these answers are correct.

155. Ethics serve as:

- A. guidelines on how to act correctly and justly.
- B. tools for improving ROI.
- C. guidelines on understanding how potential customers buy.
- D. guidelines on how to allocate resources.
- E. All answers are correct.

156. Ethics are:

- A. the critical-mass point in the collective attitude within many organizations.
- B. tools for improving ROI.
- C. guidelines on understanding how potential customers buy.
- D. moral principles and values.
- E. All answers are correct.

157. Changing the oil in your old vehicle and dumping the oil down a sewer is an illustration of the issue of:

- A. CRM
- B. ethics
- C. macromarketing
- D. micromarketing
- E. social responsibility

158. Flushing unused medication down the toilet is an illustration of the issue of:

- A. CRM
- B. ethics
- C. macromarketing
- D. micromarketing
- E. social responsibility

159. Unnecessarily driving a vehicle that produces a lot of greenhouse gas emissions is an illustration of the issue of:

- A. CRM
- B. ethics
- C. macromarketing
- D. micromarketing
- E. social responsibility

160. Watering your lawn during a water shortage is an illustration of the issue of:

- A. CRM
- B. ethics
- C. macromarketing
- D. micromarketing
- E. social responsibility

161. \_\_\_\_\_ is the view that an organization should discover and satisfy the needs of its consumers in a way that also provides for society's well-being.

- A. Ethics
- B. The societal marketing concept
- C. Customer relationship management
- D. Macromarketing
- E. None of these answers are correct

162. New product development experts estimate that \_\_\_\_\_ percent of the over 30,000 new consumable products (food, beverage, household and pet) introduced in North America annually do not succeed in the long run.

- A. up to 20
- B. up to 50
- C. up to 8
- D. up to 94
- E. None of these answers are correct

163. Coca-Cola's C2 failed failed because:

- A. Many cola drinkers were disappointed in its taste.
- B. they were too expensive.
- C. production costs were too high.
- D. the product name did not put people in a buying mood.
- E. All answers are correct.

164. A \_\_\_\_\_ occurs when a person feels physiologically deprived of basic necessities, such as food, clothing, and shelter.

- A. want.
- B. need.
- C. purchase.
- D. complaint.
- E. None of these answers are correct.

165. A starving person has first and foremost a:

- A. want.
- B. need.
- C. purchase.
- D. complaint.
- E. None of these answers are correct.

166. A person living on the street in Winnipeg during the winter likely has a(n) \_\_\_\_\_ for shelter.

- A. want
- B. need
- C. want and need
- D. ability to pay for
- E. None of these answers are correct

167. The second task of marketing is to:

- A. make profits.
- B. assist organizations in becoming more efficient.
- C. lower advertising costs for organizations.
- D. satisfy consumer needs.
- E. find synergy between organizations and prospective customers.

168. Which of the following is an example of an organization marketing a good?

- A. Greenpeace
- B. McCain Foods
- C. Canadian Museum of Civilization
- D. Toronto Metro Zoo
- E. All answers are correct

169. Which of the following is an example of an organization marketing a service?

- A. WestJet airlines.
- B. Nikon cameras.
- C. Crest toothpaste.
- D. Donating to the Salvation Army.
- E. All answers are correct.

170. Which of the following is an example of an organization marketing an idea?

- A. WestJet airlines.
- B. Nikon cameras.
- C. Crest toothpaste.
- D. Donating to the Salvation Army.
- E. All answers are correct.

171. Which of the following is an example of an organization marketing a good?

- A. Donating to the Salvation Army.
- B. Apple Computers.
- C. Canadian Museum of Civilization.
- D. Financial advice from TD Waterhouse.
- E. None of these answers are correct.

172. Which of the following is an example of an organization marketing a service?

- A. Long-distance telephone calls offered by the Telus Group.
- B. Nikon cameras.
- C. Apple Computers.
- D. Donating to the Trans-Canada Trail project.
- E. None of these answers are correct.

173. Which of the following is an example of an organization marketing an idea?

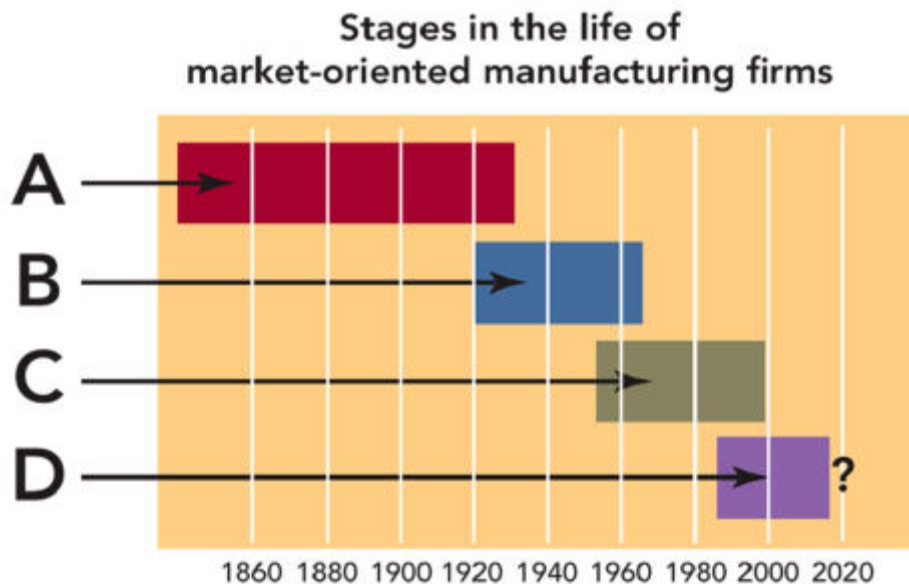
- A. WestJet airlines.
- B. Nikon cameras.
- C. Apple Computers.
- D. Donating to the Trans-Canada Trail project.
- E. None of these answers are correct.

174. \_\_\_\_\_ is managing the customers' interactions with the organization at all levels and at all touchpoints so that the customer has a positive impression of the organization, is satisfied with the experience, and will remain loyal to the organization.

- A. marketing management
- B. customer relationship management
- C. customer experience management
- D. customer loyalty
- E. customer lifetime value



175. West Jet views their customers as guests rather than just travellers or passengers. Because the goal of this strategy is about experience-based differentiation at all touchpoints (websites, in-flight, ticket agents), West Jet can be said to be practicing:
- A. customer relationship management
  - B. the selling orientation
  - C. the marketing orientation
  - D. customer experience management
  - E. the marketing concept
176. Pete's Frotique (independent grocer in Halifax) has a piano player in the store, complimentary boxes of raisins and even individual fresh-cut sunflowers. Because they want customers to have an enjoyable shopping experience they are said to be engaged in:
- A. customer loyalty management.
  - B. customer experience management.
  - C. customer relationship management.
  - D. market relationship management.
  - E. selling relationship management.



**Figure 1-5**

177. In Figure 1-5, letter "A" represents which stage in the life of market-oriented manufacturing firms?
- A. Sales era
  - B. Production era
  - C. Age of consumerism
  - D. Marketing concept era
  - E. Customer relationship era
178. In Figure 1-5, letter "B" represents which stage in the life of market-oriented manufacturing firms?
- A. Sales era
  - B. Production era
  - C. Age of consumerism
  - D. Marketing concept era
  - E. Customer relationship era

179. In Figure 1-5, letter "C" represents which stage in the life of market-oriented manufacturing firms?

- A. Sales era
- B. Production era
- C. Age of consumerism
- D. Marketing concept era
- E. Customer relationship era

180. In Figure 1-5, letter "D" represents which stage in the life of market-oriented manufacturing firms?

- A. Sales era
- B. Production era
- C. Age of consumerism
- D. Marketing concept era
- E. Customer relationship era



**Figure 1-1**

181. In Figure 1-1, "A" represents a firm's alliances with

- A. suppliers
- B. customers
- C. shareholders
- D. other departments
- E. other organizations

182. In Figure 1-1, "B" represents a firm's partnerships with

- A. other organizations
- B. suppliers
- C. shareholders
- D. customers
- E. other departments

183. In Figure 1-1, "C" represents a firm's ownership with

- A. other organizations
- B. suppliers
- C. shareholders
- D. customers
- E. other departments

184. In Figure 1-1, "D" represents a firm's relationship with

- A. other organizations
- B. suppliers
- C. shareholders
- D. customers
- E. other departments

185. According to Robert M. McMath, what are 2 things marketers can do to help new-product launches succeed? Give an example of each.

186. In addition to consumers, what other people, groups, and forces interact to affect marketing activities and results?

187. At least four factors are required for marketing to occur. What are they?

188. How do you define needs and wants?

189. Describe three different target markets, for three different products or services you, your friends, or family have recently purchased or used.
190. Imagine you have the sole marketing rights to a new herbal shampoo that stops hair loss and actually causes new hair growth. You plan to sell your product on an Internet site, which you will advertise on late night television. You are also hoping to obtain free publicity in men's fashion magazines. You are planning on selling a 16-ounce bottle for \$24.99 plus \$7.99 shipping and handling. (A) Using the information provided, identify each element of your marketing mix. (B) Identify the target market for your shampoo. (C) How can you use relationship management to increase sales?
191. What is the marketing concept?
192. In November and December, kiosk stores appear in many malls. Typically the kiosks sell gift boxes of cheese, jewellery, and other items people think are appropriate seasonal gifts. In January these kiosk retailers vanish. Is it possible for such a kiosk retailer to use customer relationship management? Explain your answer.
193. What is the difference between micromarketing and macromarketing?
194. Briefly describe an ultimate consumer versus an organizational buyer dinner bought from a caterer.

195. In our free-enterprise society, what three specific groups benefit from effective marketing?

196. Who benefits from marketing in our society, and how?

197. List and describe marketing's controllable marketing mix factors.

198. Do you think marketing is a good or a bad influence on our society? Explain your position as specifically as you can.

## c1 KEY

1. (p. 4) Wildplay Element Parks specifically targets each of the following segments except:

- A. corporate groups seeking team-building activities.
- B. school and youth groups looking for adventurous field trips.
- C. consumers looking to host unique birthday parties and other special events.
- D. cancer survivors**
- E. private groups looking for group fun.

WildPlay targets corporate groups seeking team-building activities, private groups looking for group fun, and school and youth groups looking for adventurous field trips. It also targets consumers looking to host unique birthday parties and other special events.

*Blooms: Definition  
Crane - Chapter 01 #1  
Difficulty: Medium  
Topic: LO 1*

2. (p. 3 and 4) Which of the following does not appear to be a consumer trend on which Wildplay Element Parks is capitalizing?

- A. customer desire for personal and memorable experiences.
- B. customer desire to reconnect with nature.
- C. customer desire to engage in more physical activities customer desire to.
- D. customer desire to support environmentally sensitive firms.
- E. all of the above are consumer trends that Wildplay wishes to exploit.**

This young entrepreneurial start-up is capitalizing on major consumer trends: customer desire for personal and memorable experiences and customer desire to reconnect with nature. WildPlay is also committed to the environment and to its communities. The activities the parks offer to its customers are built using environmentally sensitive methods that mitigate harm to the forest or other natural settings. The company also has a community outreach program that supports groups that promote physical fitness activities and the protection of the natural environment.

*Blooms: Conceptual  
Crane - Chapter 01 #2  
Difficulty: Easy  
Topic: Chapter Opening Example*

3. (p. 4) Based on the initial success of this venture, Wildplay's intent is to continue growth through:

- A. joint venture opportunities.
- B. strategic alliances.
- C. vertical integration.
- D. franchise opportunities.**
- E. diversification.

Already close to 200,000 people have taken the bungee plunge and over 100,000 have challenged themselves on the Monkido courses! And the company's intent is to continue growth through franchise opportunities across North America!

*Blooms: Conceptual  
Crane - Chapter 01 #3  
Difficulty: Medium  
Topic: Chapter Opening Example*

4. (p. 4) Marketing can affect:

- A. all individuals.
- B. all organizations.
- C. all industries.
- D. all countries.
- E. All of the above.**

Marketing affects all individuals, all organizations, all industries, and all countries.

*Blooms: Conceptual  
Crane - Chapter 01 #4  
Difficulty: Easy  
Topic: Chapter Opening Example*

5. (p. 5) Which of the following is NOT required for marketing to occur:

- A. two or more parties (individuals or organizations) with unsatisfied needs,
- B. unsatisfied needs that can only be satisfied by physical products, not services.**
- C. a desire and ability on their part to be satisfied.
- D. a way for the parties to communicate.
- E. something to exchange.

For marketing to occur, at least four factors are required: (1) two or more parties (individuals or organizations) with unsatisfied needs, (2) a desire and ability on their part to be satisfied, (3) a way for the parties to communicate, and (4) something to exchange.

*Blooms: Conceptual  
Crane - Chapter 01 #5  
Difficulty: Easy  
Topic: LO 1*

6. (p. 7) Marketing that is designed to influence the behaviour of individuals in which the benefits of the behaviour accrue to those individuals or to the society in general and not to the marketer.

- A. organizational marketing.
- B. future marketing.
- C. green marketing.
- D. ethical marketing.
- E. social marketing.**

**Social marketing** is designed to influence the behaviour of individuals by which benefits accrue to those individuals or to society in general and not to the marketer.

*Blooms: Definition  
Crane - Chapter 01 #6  
Difficulty: Easy  
Topic: LO 2*

7. (p. 5) Many people inaccurately associate marketing with:

- A. selling.
- B. common sense.
- C. getting the highest ROI.
- D. advertising.
- E.** A, B & D.

Although advertising and selling are visible aspects of marketing, and marketers utilize common sense and intuition, they alone are not sufficient for making successful marketing decisions.

*Blooms: Definition  
Crane - Chapter 01 #7  
Difficulty: Easy  
Topic: LO 1*

8. (p. 5) Effective marketing requires:

- A. good common sense.
- B. all departments within an organization to work together.
- C.** intimate knowledge and understanding of consumers and the marketplace.
- D. selling unwanted things.
- E. taking the customer's money.

Effective marketing requires intimate knowledge and understanding of consumers and the marketplace, which goes beyond simple common sense.

*Blooms: Conceptual  
Crane - Chapter 01 #8  
Difficulty: Easy  
Topic: LO 1*

9. (p. 5) Marketing is not merely:

- A. selling.
- B. common sense.
- C. promotions.
- D. advertising.
- E.** all answers are correct.

Marketing 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.

*Blooms: Definition  
Crane - Chapter 01 #9  
Difficulty: Easy  
Topic: LO 1*



10. (p. 5) Marketing refers to

- A. the production or provision of goods or services that will generate the highest return on investment.
- B. the strategies used in the advertising and promotion of goods and services.
- C. the process of identifying the greatest number of target markets for a good or service.
- D.** 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.
- E. the activity involved in actually getting a product or service to the ultimate user.

Marketing 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.

*Blooms: Definition  
Crane - Chapter 01 #10  
Difficulty: Easy  
Topic: LO 1*

11. (p. 6) The trade of things of value between buyer and seller so that each is better off after the trade is referred to as:

- A.** exchange
- B. acquisition
- C. consumerism
- D. utility
- E. reciprocity

Marketing occurs when the transaction takes place and both the buyer and seller exchange something of value. In this case, you exchange your money for the bookstore's magazine. Both you and the bookstore have gained something and also given up something, but you are both better off because you have each satisfied your unmet needs.

*Blooms: Definition  
Crane - Chapter 01 #11  
Difficulty: Easy  
Topic: LO 1*

12. (p. 5) To serve both buyers and sellers, marketing seeks to create value through:

- A. selling.
- B.** discovering the needs and wants of prospective customers and satisfying them.
- C. exchange.
- D. advertising.
- E. all answers are correct.

To serve both buyers and sellers, marketing seeks (1) to discover the needs and wants of prospective customers, and (2) to satisfy them.

*Blooms: Definition  
Crane - Chapter 01 #12  
Difficulty: Medium  
Topic: LO 1*

13. (p. 6) People with the desire and ability to buy a specific product are known as:

- A. Prospects.
- B. Customers.
- C. Markets.
- D. Clients.
- E. Buyers.

A **market** is people with the desire and ability to buy a specific product.

*Blooms: Definition  
Crane - Chapter 01 #13  
Difficulty: Medium  
Topic: LO 2*

14. (p. 5) \_\_\_\_\_ is the activity for creating, communicating, delivering, and exchanging offerings that benefit the organization, its stakeholders, and society at large.

- A. Planning
- B. Advertising
- C. Selling
- D. Marketing
- E. Consumerism

Key term definition - marketing

*Blooms: Definition  
Crane - Chapter 01 #14  
Difficulty: Easy  
Topic: LO 1*

15. (p. 5) To serve both buyers and sellers, marketing seeks to discover the needs and wants of prospective customers and to:

- A. change them.
- B. take advantage of them.
- C. satisfy them.
- D. manipulate them.
- E. define real and artificial buying situations.

These prospective customers include both individuals buying for themselves or their households and organizations that buy for their own use (such as manufacturers) or for resale (such as wholesalers and retailers).

*Blooms: Conceptual  
Crane - Chapter 01 #15  
Difficulty: Medium  
Topic: LO 1*

16. (p. 5) Prospective customers include:

- A. individuals buying for themselves.
- B. individuals buying for their households.
- C. organizations that buy for their own use (such as manufacturers).
- D. organizations that buy for resale (such as wholesalers and retailers).
- E. all of these answers are correct.

Prospective customers include both individuals buying for themselves and their households, and organizations that buy for their own use (such as manufacturers) or for resale (such as wholesalers and retailers).

*Blooms: Definition  
Crane - Chapter 01 #16  
Difficulty: Medium  
Topic: LO 1*

17. (p. 6) Marketing occurs when the transaction takes place. Essential to this process is the idea of exchange. To marketing people, exchange refers to the:

- A. place where people go to do business.
- B. place where people return unwanted goods.
- C. process whereby a buyer and seller trade something of value.
- D. process of locating buyers and sellers.
- E. acquisition of something of value.

Key term definition-exchange

*Blooms: Definition  
Crane - Chapter 01 #17  
Difficulty: Difficult  
Topic: LO 1*

18. (p. 6) \_\_\_\_\_ is a transaction between a buyer and a seller of things of value so that each is better off after the transaction than before.

- A. Exchange
- B. Needs assessment
- C. Consumerism
- D. Utility
- E. Commerce

Key term definition-exchange

*Blooms: Definition  
Crane - Chapter 01 #18  
Difficulty: Medium  
Topic: LO 1*

19. (p. 7) In BC, there is a marketing campaign called WorkSafeBC designed to encourage young university and college students to keep safe in the workplace. After viewing various advertisements encouraging students to volunteer their time to give safety seminars, Thomas began paying closer attention to safety issues in his chemistry laboratories at university and decided to volunteer his time to get involved in delivering these safety seminars across campus. He felt personally satisfied that he was giving something back to his university. Was this a marketing exchange?

- A. no, because the seller is a non-profit organization.
- B. yes, because the BC government ran an advertisement.
- C. yes, because the Thomas' volunteer time and efforts were exchanged for a feeling of satisfaction.**
- D. no, because no money was exchanged.
- E. no, because the WorkSafeBC did not provide Thomas with a product.

Marketers seek to discover and satisfy the needs and wants of customers. The key to achieving these objectives is exchange-the trade of things of value between buyer and seller so that each benefits from the exchange. In this instance, Thomas is the customer and the WorkSafeBC is the marketer. An exchange occurs: Thomas exchanges his time and energy for a feeling of satisfaction; WorkSafeBC receives the volunteer time and continues its readiness to promote a safe working environment.

*Blooms: Application  
Crane - Chapter 01 #19  
Difficulty: Difficult  
Topic: LO 2*

20. (p. 7) A church has put advertisements in its weekly bulletins to encourage members of the church to participate in the services by reading. Jack volunteered and read during a service. He felt satisfied and felt he was contributing to his church. Was this a marketing exchange?

- A. no, because the church is non-profit organization.
- B. yes, because the church ran an advertisement.
- C. yes, because reading at the service was exchanged for a feeling of satisfaction.**
- D. no, because no money was exchanged.
- E. no, because the church did not provide Jack with a product.

Marketers seek to discover and satisfy the needs and wants of customers. The key to achieving these objectives is exchange - the trade of things of value between buyer and seller so that each benefits from the exchange. In this instance, Jack is the customer and the church is the marketer. An exchange occurs: Jack exchanges his reading at the service for a feeling of satisfaction; the church receives a person to read at the service and continues its weekly services.

*Blooms: Application  
Crane - Chapter 01 #20  
Difficulty: Medium  
Topic: LO 2*

21. (p. 7-8) Those manufacturers, wholesalers, retailers, and government agencies that buy goods and services for their own use or for resale are known as:

- A. original equipment manufacturers.
- B. organizational consumers.
- C. ultimate consumers.
- D. organizational buyers.**
- E. purchasing agents.

organizational buyers are those manufacturers, wholesalers, retailers, and government agencies that buy goods and services for their own use or for resale.

*Blooms: Definition  
Crane - Chapter 01 #21  
Difficulty: Medium  
Topic: LO 2*

22. (p. 8-9) The \_\_\_\_\_ department is responsible for facilitating relationships, partnerships, and alliances with the organization's customers, its shareholders (or often representatives of groups served by a non-profit organization), its suppliers, and other organizations.

- A. purchasing
- B. marketing**
- C. human resources
- D. accounting
- E. advertising

See Figure 1-1 for an illustration of this idea.

*Blooms: Definition  
Crane - Chapter 01 #22  
Difficulty: Easy  
Topic: LO 2*

23. (p. 9) Which of the following statements about marketing departments is true?

- A. It is the responsibility of the marketing department to facilitate relationships with the organization's customers.
- B. It is the responsibility of the marketing department to create partnerships with the organization's suppliers.
- C. The marketing department must work closely with a network of other departments and employees to help provide the customer-satisfying products required for the organization to survive and prosper.
- D. The marketing department is responsible for establishing alliances with the organization's shareholders and other organizations.
- E. All of these statements about marketing departments are true.**

The marketing department of an organization is responsible for facilitating relationships, partnerships, and alliances with the organization's customers, its shareholders, its suppliers, and other organizations. See also Figure 1-1.

*Blooms: Conceptual  
Crane - Chapter 01 #23  
Difficulty: Medium  
Topic: LO 2*

24. (p. 9) Which of the following statements about marketing activities is true?

- A. Marketing is affected by society and in return affects society as a whole.
- B. The marketing department works closely with other departments and employees to implement marketing activities.
- C. Marketing activities provide the customer-satisfying products required for the organization to survive and prosper.
- D. Environmental factors affect marketing activities.
- E. All of these statements about marketing activities are true.**

The marketing department of an organization is responsible for facilitating relationships, partnerships, and alliances with the organization's customers, its shareholders, its suppliers, and other organizations.

*Blooms: Conceptual  
Crane - Chapter 01 #24  
Difficulty: Medium  
Topic: LO 2*

25. (p. 8) The four outside stakeholder groups that exert important direct influences on an organization consist of:

- A. politicians, regulators, minority groups, and consumer monitoring groups.
- B. competitors, industry trade associations, non-profit organizations, and governmental agencies.
- C. senior management, the legal department, the marketing department, and other employees of the organization.
- D. other organizations, suppliers, shareholders (owners), and customers.**
- E. owners, employees, regulatory groups, and competitors.

See Figure 1-1 for an illustration of the relationships between an organization and these groups.

*Blooms: Conceptual  
Crane - Chapter 01 #25  
Difficulty: Medium  
Topic: LO 2*

26. (p. 5-6) Which of the following conditions is necessary for marketing to occur?

- A. a physical location for an exchange to occur
- B. a tangible exchange
- C. advertising to express unrealized needs
- D. two or more parties with unsatisfied needs**
- E. all of these answers are correct

For marketing to occur, at least four factors are required: (1) two or more parties (individuals or organizations) with unsatisfied needs, (2) a desire and ability on their part to be satisfied, (3) a way for the parties to communicate, and (4) something to exchange.

*Blooms: Conceptual  
Crane - Chapter 01 #26  
Difficulty: Medium  
Topic: LO 1*

27. (p. 5-6) Which of the following conditions must exist in order for marketing to occur?

- A. two or more parties with unsatisfied needs, a desire and ability to satisfy them, a way to communicate, and something to exchange
- B. two or more people, a product, a reasonable price, and a place to make an exchange
- C. two or more people, a method of assessing needs, a way to communicate, and an exchange
- D. two or more parties with unsatisfied needs, a desire to satisfy them, a satisfactory product, and something to exchange
- E. a product, a price, a method of promotion, and a way to place the product with the customer

For marketing to occur, each of these four factors is required.

*Blooms: Conceptual  
Crane - Chapter 01 #27  
Difficulty: Medium  
Topic: LO 1*

28. (p. 5-6) Your father is tired of conventional light beers, and wants something different. Coincidentally, a newly-opened micro-brewery has begun distributing a new organic light beer through local beer stores and liquor stores and it is only slightly more expensive than conventional light beers. Which of the conditions needed for marketing to occur are described in this situation?

- A. the creation of unrealized needs
- B. two parties with unsatisfied needs
- C. one-way communication
- D. a physical location for an exchange to take place
- E. time and place utility

For marketing to occur there must be (1) two or more parties (organizations or individuals) with unsatisfied needs, (2) a desire and an ability to satisfy them, (3) a way for the parties to communicate, and (4) something to exchange. In this example, the needs are: the consumer desires a new beverage, and Cadbury wishes to sell one.

*Blooms: Application  
Crane - Chapter 01 #28  
Difficulty: Medium  
Topic: LO 1*

29. (p. 5-6) The Shangrila Hotel and Spa in Toronto is setting up a clinic where visiting clients can get a comprehensive physical while staying at the hotel and using the spa facilities. The largest anticipated issue is the possible unwillingness for people to go to doctors that they don't know. Marketing may fail to occur here because:

- A. there may be no desire on the part of the hotel/spa customer to satisfy this need.
- B. two or more parties have unsatisfied needs.
- C. there is nothing to exchange.
- D. there is no way for the parties involved to communicate.
- E. there has been no assessment of consumer's wants and needs.

The hotel/spa customers may not have the desire to go to an unknown doctor when staying at this facility.

*Blooms: Application  
Crane - Chapter 01 #29  
Difficulty: Difficult  
Topic: LO 1*

30. (p. 5-6) Candidates are running for office and would very much like to have your vote. They all promise that they will "make the country better." You do not trust any politicians and decide not to vote at all. Marketing will not occur in this situation because:

- A. marketing doesn't apply to the voting process.
- B.** the desire and ability to satisfy needs is missing.
- C. there is no direct way for the parties to communicate.
- D. something to exchange is missing.
- E. the candidate's messages are vague and ambiguous.

For a marketing transaction to occur, both buyer and seller must have the desire and ability to satisfy their needs. The student must have both the time and money to purchase the 'product' while the seller must have the 'product' readily available for sale.

*Blooms: Application*  
*Crane - Chapter 01 #30*  
*Difficulty: Medium*  
*Topic: LO 1*

31. (p. 5-6) A single parent would like to hire a nanny, but s/he cannot afford one. Marketing does not occur in this situation because:

- A. two or more parties have unsatisfied needs.
- B. there is no desire on the part of either party to satisfy the other.
- C.** one of the involved parties does not have the ability to satisfy the other.
- D. there is no way to communicate.
- E. there has been no assessment of consumer wants and needs.

The single parent has the desire but not the ability to participate in the marketing activity-which is to hire a nanny.

*Blooms: Application*  
*Crane - Chapter 01 #31*  
*Difficulty: Medium*  
*Topic: LO 1*



32. (p. 5-6) Suppose you are a university student taking a full course load, working 15-20 hours per week, and finding it necessary to fund the majority of your tuition and living expenses with a student loan. However, you see an ad for a 2-week all-inclusive 'young person' holiday package to a resort in the Caribbean and you would desperately like to purchase a ticket for this vacation. What factor(s) are likely to prevent you from engaging in a marketing transaction?

- A. The promoters of this vacation package have been overwhelmed with responses to the ad and there is now a waiting list.
- B. You do not have the resources to qualify for a \$3,000 personal loan in order to pay for the ticket.
- C. You do not have the time to get to the one travel agency in town that requires an appointment to be able to go through the booking process because of your class, work, and study schedule.
- D. You can't get to the travel agency easily since it is not on a bus route.
- E.** All of these factors are likely to prevent you from engaging in a marketing transaction.

For a marketing transaction to occur, both buyer and seller must have the desire and ability to satisfy their needs. The student must have both the time and money to purchase the 'product' while the seller must have the 'product' readily available for sale.

*Blooms: Application*  
*Crane - Chapter 01 #32*  
*Difficulty: Difficult*  
*Topic: LO 1*

33. (p. 8) In a free-enterprise society, the specific groups that benefit from effective marketing include all of the following EXCEPT:

- A. consumers who buy
- B. organizations that sell
- C. society as a whole
- D. organizations that buy
- E.** all of these answers are correct

In our free-enterprise society, there are three specific groups that benefit from effective marketing: consumers who buy, organizations that sell, and society as a whole.

*Blooms: Conceptual*  
*Crane - Chapter 01 #33*  
*Difficulty: Medium*  
*Topic: LO 2*

34. (p. 5-6) The Hotel Westcourt in Ottawa is next to Metrocentre, a vast shopping mall. The hotel wants to market its location and many other amenities to convention-goers from other provinces and states. What requirements will be needed for marketing to occur?
- A. a way to communicate with convention attendees
  - B. something to exchange
  - C. two or more parties with unsatisfied needs
  - D. desire and ability to satisfy unmet needs
  - E. all of these answers are correct**

For marketing to occur, you must have (1) two or more parties (organizations or individuals) with unsatisfied needs, (2) a desire and an ability to satisfy the needs, (3) a way for the parties to communicate, and (4) something to exchange. This is what Hotel Westcourt will try to do.

*Blooms: Application*  
*Crane - Chapter 01 #34*  
*Difficulty: Medium*  
*Topic: LO 1*

35. (p. 5-6) A marketing student would like to buy a quad-bike, but he cannot afford one. Which of the following reasons explain why marketing fails to occur here?
- A. two or more parties with unsatisfied needs
  - B. a desire on the part of each to satisfy the other
  - C. no assessments of consumer wants and needs
  - D. a way to communicate
  - E. an ability on the part of one party to satisfy the other**

The student has the desire but not the ability (because he doesn't have the money) to participate in the marketing activity, which is to buy the quad-bike.

*Blooms: Application*  
*Crane - Chapter 01 #35*  
*Difficulty: Medium*  
*Topic: LO 1*

36. (p. 7) The following are examples of goods that are marketed except for:

- A. Advice from TD Waterhouse**
- B. Crest toothpaste.
- C. Nikon cameras.
- D. Apple computers.
- E. Bridgestone tires.

Goods, services, ideas, and experiences are marketed. *Goods* are physical objects, such as Crest toothpaste, Nikon cameras, or Apple computers, that satisfy consumer needs.

*Blooms: Definition*  
*Crane - Chapter 01 #36*  
*Difficulty: Easy*  
*Topic: LO 2*

37. (p. 5) The text explains that the two central concerns of marketing are:

- A.** discovering and satisfying needs.
- B. needs and wants
- C. promotion and sales.
- D. maximizing an organization's sales and products.
- E. market share and customer satisfaction.

Marketing seeks to (1) discover the needs of prospective customers, and (2) satisfy those needs.

*Blooms: Conceptual*  
*Crane - Chapter 01 #37*  
*Difficulty: Easy*  
*Topic: LO 1, LO 3*

38. (p. 9) The first task of marketing is to:

- A.** discover the needs of consumers.
- B. discover the needs of competitors.
- C. discover the needs of sellers.
- D. satisfy the needs of regulators.
- E. satisfy the needs of watchdog groups.

The first objective in marketing is discovering the needs of prospective consumers.

*Blooms: Definition*  
*Crane - Chapter 01 #38*  
*Difficulty: Easy*  
*Topic: LO 3*

39. (p. 9) The first task of marketing is to discover consumer:

- A. diversity.
- B. ability to pay.
- C. objectives.
- D.** needs.
- E. synergy.

The first objective in marketing is discovering the needs of prospective consumers.

*Blooms: Definition*  
*Crane - Chapter 01 #39*  
*Difficulty: Easy*  
*Topic: LO 3*

40. (p. 11) The four controllable Marketing Mix factors include all of the following except:

- A. Product.
- B. Penetration.**
- C. Price.
- D. Promotion.
- E. Place.

The marketing manager's controllable factors; the marketing actions of product, price, promotion, and place that he or she can take to create, communicate, and deliver value.

*Blooms: Conceptual  
Crane - Chapter 01 #40  
Difficulty: Medium  
Topic: LO 4*

41. (p. 11) One or more specific groups of potential consumers toward which an organization directs its marketing program is known as a \_\_\_\_\_?

- A. marketing mix
- B. generic market
- C. sub-market
- D. target market**
- E. marketplace

One or more specific groups of potential consumers toward which an organization directs its marketing program is known as a target market.

*Blooms: Definition  
Crane - Chapter 01 #41  
Difficulty: Easy  
Topic: LO 4*

42. (p. 10) Which of the following statement best defines needs and wants?

- A. Needs occur when a person feels physiologically deprived of something like food, clothing, and shelter whereas wants are felt needs that are shaped by a person's knowledge, culture, or personality.**
- B. Wants are a subset of needs.
- C. Wants occur when a person feels physiologically deprived of something, and needs are determined by a person's knowledge, culture, or personality.
- D. Needs affect marketing, but wants do not.
- E. By definition, wants are more socially responsible than needs.

Even though not everyone's needs are the same, needs occur when a person feels physiologically deprived of something such as clothes, food, or shelter. A want is a felt need that is shaped by a person's knowledge, culture, or individual personality.

*Blooms: Conceptual  
Crane - Chapter 01 #42  
Difficulty: Medium  
Topic: LO 3*

43. (p. 10) A television advertisement shows several teenagers searching through a store drinks cooler for something to quench their thirst. The refrigerator offers the youngsters many alternatives - soft drinks, fruit drinks, sport drinks, and water. The ad, which shows the teens happily selecting a particular energy drink over all the other product offerings, appeals to the consumers' \_\_\_\_\_ for liquid and attempts to shape consumers' \_\_\_\_\_ for the advertised product.

- A. wants; needs
- B. wants; preferences
- C. preferences; needs
- D. needs; wants**
- E. needs; preferences

A need occurs when a person feels physiologically deprived of a basic necessity (i.e., food, water, clothing, and shelter). A want is a felt need that is shaped by a person's knowledge, experience, culture, or personality. A need is necessary; a want is a learned preference for a specific item that satisfies the consumer's need.

*Blooms: Application*  
*Crane - Chapter 01 #43*  
*Difficulty: Medium*  
*Topic: LO 3*

44. (p. 10) Alexandra is eight years old and loves chocolate. Her mother will often give her some chocolate along with fresh fruit. To get more chocolate, he must eat his fresh fruit. In marketing terms, the chocolate is an example of a \_\_\_\_\_ because it is something he has learned to like.

- A. desire
- B. need
- C. predilection
- D. preference
- E. want**

A want is a learned preference for a specific item that satisfies the consumer's need (in this case, her hunger).

*Blooms: Application*  
*Crane - Chapter 01 #44*  
*Difficulty: Medium*  
*Topic: LO 3*

45. (p. 7) Which of the following are marketed?

- A. Goods and services only.
- B. Goods, services, idea and experiences.**
- C. Services and ideas only.
- D. Goods, services, and ideas.
- E. Goods only

Goods, services, ideas and experiences are marketed.

*Blooms: Definition*  
*Crane - Chapter 01 #45*  
*Difficulty: Easy*  
*Topic: LO 2*

46. (p. 6) People with both the desire and ability to buy a specific offering are referred to as a

- A. customer pool
- B. customer base
- C. market**
- D. sales set
- E. target segment

Key term definition - marketing

*Blooms: Definition  
Crane - Chapter 01 #46  
Difficulty: Easy  
Topic: LO 2*

47. (p. 6) The market for facial cosmetic surgery (which can cost between \$5,000 to \$10,000 for basic rhinoplasty to chin and cheek implants) is:

- A. children with odd-shaped nostrils.
- B. all former boxers.
- C. any adult who has the time, the money, and the desire to undergo the procedures.**
- D. anyone that has ever had any cosmetic dentistry.
- E. adults who rely on making a good first impression for job success.

Potential customers make up a market, which is (1) people (2) with the desire, and (3) the ability to buy a specific product.

*Blooms: Application  
Crane - Chapter 01 #47  
Difficulty: Medium  
Topic: LO 2*

48. (p. 6) In marketing, the most common meaning of a market is:

- A. an open-air gathering of farmers selling their produce.
- B. any place consumers can buy groceries.
- C. a particular line of products or specific line of merchandise for sale.
- D. a group of companies that have goods for sale.
- E. people with the desire and with the ability to buy a specific product.**

Key term definition - market

*Blooms: Definition  
Crane - Chapter 01 #48  
Difficulty: Easy  
Topic: LO 2*

49. (p. 6) Which of the following actively engage in marketing?

- A. politicians like Stephen Harper.
- B. manufacturing firms like General Motors of Canada
- C. not-for-profit organizations like the Toronto Zoo
- D. service firms like Air Canada.
- E.** all of the above.

Every organization markets as well as individuals.

*Blooms: Conceptual*  
*Crane - Chapter 01 #49*  
*Difficulty: Easy*  
*Topic: LO 2*

50. (p. 11) Because the organization obviously cannot satisfy all consumer needs, it must concentrate its efforts on certain needs of a specific group of potential consumers. This is the \_\_\_\_\_.

- A. mass market
- B. tangent market
- C. market aggregation
- D.** target market
- E. promotional market

A target market is a specific group of potential consumers toward which an organization directs its marketing program.

*Blooms: Application*  
*Crane - Chapter 01 #50*  
*Difficulty: Easy*  
*Topic: LO 3*

51. (p. 11) Books and movies like the Twilight saga are designed to appeal to teens and young adults interested in vampire love stories. This is the \_\_\_\_\_ for these shows.

- A.** target market
- B. tangent market
- C. market aggregation
- D. mass market
- E. promotional market

A target market is a specific group of potential consumers toward which an organization directs its marketing program.

*Blooms: Application*  
*Crane - Chapter 01 #51*  
*Difficulty: Medium*  
*Topic: LO 3*

52. (p. 11) One or more specific groups of potential consumers toward which an organization directs its marketing program is a:

- A. mass market.
- B. tangent market.
- C. market aggregation.
- D. target market.**
- E. promotional market.

Key term definition - target market

*Blooms: Definition  
Crane - Chapter 01 #52  
Difficulty: Easy  
Topic: LO 3*

53. (p. 11) Which of the following would be the BEST target market for tickets to the home games of the Ottawa Senators professional hockey team?

- A. all people in the greater Ottawa area.
- B. all people in Canada.
- C. all men in Canada.
- D. people in the Ottawa area with an interest in professional hockey.**
- E. all people in the Canada with an interest in professional hockey

Only "people in the Ottawa area with an interest in professional hockey" describes people with both the desire and ability to easily attend games in Ottawa, which is the target market toward which the Ottawa Senators will direct its marketing program.

*Blooms: Application  
Crane - Chapter 01 #53  
Difficulty: Medium  
Topic: LO 3*

54. (p. 11) Which of the following is the BEST description of the target market for the latest Disney movie?

- A. everyone who can afford to buy a movie ticket
- B. everyone who likes movies
- C. professionals who are parents of children between the ages of 3 and 12**
- D. people who collect Mickey Mouse memorabilia
- E. people who live near a movie theatre

"Professionals who are parents of children between the ages of 3 and 12" describes people with the ability and the desire to attend the Disney movie.

*Blooms: Application  
Crane - Chapter 01 #54  
Difficulty: Medium  
Topic: LO 3*



55. (p. 11) Which of the following groups should be the LEAST likely target market for a company producing canned foods in single serving sizes?

- A. single adults
- B. school kitchens**
- C. campers
- D. senior citizens
- E. vending machine owners

Of the possible markets listed above single serving cans meet a special need for singles, campers, senior citizens and vending machines, the need being small, compact servings. School kitchens traditionally serve large quantities of food so the small size, though it could be used, would not satisfy a specific need.

*Blooms: Conceptual  
Crane - Chapter 01 #55  
Difficulty: Medium  
Topic: LO 3*

56. (p. 11) Which of the following groups would be the most likely target market for a company manufacturing briefcases?

- A. police officers
- B. teachers**
- C. construction workers
- D. postal workers
- E. homemakers

Any of the people in the alternatives could use a briefcase. However, as a group, teachers would include the greatest number of people with the greatest regular need for a briefcase.

*Blooms: Application  
Crane - Chapter 01 #56  
Difficulty: Medium  
Topic: LO 3*

57. (p. 11) A local university offers business courses for a specific target market composed of people who are currently working who want to take refresher courses or work toward further degrees. Which of the following would be the most effective way to communicate with the target market, bearing in mind that communication must be both effective and economical?

- A. put announcements on campus bulletin boards.
- B. distribute promotional materials during classes.
- C. advertise on national television.
- D. advertise on local top-40 radio shows.
- E. advertise in the local newspaper.**

"Put announcements on campus bulletin boards," "distribute promotional materials during classes," and "advertise on local top-40 radio shows" would miss the target market. "Advertise on national television" would reach a lot of no-potential people and is too costly. "Advertise in the local paper" is the most effective and economical of the alternatives.

*Blooms: Application  
Crane - Chapter 01 #57  
Difficulty: Difficult  
Topic: LO 3*

58. (p. 11) A marketing manager's controllable factors - product, price, promotion, and place - are the company's:

- A. environmental factors.
- B. marketing program.
- C. marketing mix factors.**
- D. marketing concept.
- E. four utilities.

Key term definition - marketing mix

*Blooms: Definition  
Crane - Chapter 01 #58  
Difficulty: Easy  
Topic: LO 4*

59. (p. 11) The four Ps are commonly known as:

- A. the environmental or uncontrollable factors.
- B. the environmental or controllable factors.
- C. the marketing mix or controllable factors.**
- D. the marketing mix or uncontrollable factors.
- E. product, price, promotion, and process.

Key term definition - marketing mix

*Blooms: Definition  
Crane - Chapter 01 #59  
Difficulty: Easy  
Topic: LO 4*

60. (p. 11) Which of the following would a marketer use as a synonym for controllable marketing mix factors?

- A. the five external environmental forces
- B. macromarketing forces
- C. the five Cs
- D. the four Ps**
- E. price, product, production, and promotion

Key term definition - marketing mix

*Blooms: Definition  
Crane - Chapter 01 #60  
Difficulty: Easy  
Topic: LO 4*

61. (p. 11) The four Ps of the marketing mix are:

- A. personnel, priorities, placement, and profits.
- B. promotion, product, personnel, and place.
- C. product, place, distribution, and advertising.
- D. product, promotion, price, and place.**
- E. profitability, productivity, personnel, and packaging.

The four Ps are the marketing manager's controllable factors. The marketing actions of which can be taken to solve a marketing problem.

*Blooms: Definition  
Crane - Chapter 01 #61  
Difficulty: Easy  
Topic: LO 4*

62. (p. 11) Thirkell Farms Gourmet Ice Cream Enhancer is the brand name for a mix designed for use in ice cream machines. The mixes are sold in 500 gram vacu-packs for \$5.99 plus postage. The products are only available through the mail. People learn about the product through word-of-mouth and through ice cream machine demonstrations the company's founder gives to groups in the area of Kingston where he lives. This is a description of the company's:

- A. action plan.
- B. market segmentation strategy.
- C. marketing mix.**
- D. mission statement.
- E. target market.

The ice cream enhancer is the product. The place is through the mail. The price is \$5.99 plus postage. The promotion is word-of-mouth and public demonstrations.

*Blooms: Application  
Crane - Chapter 01 #62  
Difficulty: Medium  
Topic: LO 4*

63. (p. 11) The owners of Authentic Indigenous Foods interviewed hundreds of native Canadians in order to identify recipes using the food products the company produces and markets. This statement deals with which part of the marketing mix?

- A. product**
- B. process
- C. price
- D. place
- E. promotion

A product is a good, service, or idea to satisfy customer needs, so a cookie is an example of a product.

*Blooms: Application  
Crane - Chapter 01 #63  
Difficulty: Medium  
Topic: LO 4*

64. (p. 11) Which element of the marketing mix is demonstrated when a company manufactures a low-calorie chocolate chip cookie?

- A.** product
- B. price
- C. promotion
- D. place
- E. production

A product is a good, service, or idea to satisfy customer needs, so a cookie is an example of a product.

*Blooms: Conceptual*  
*Crane - Chapter 01 #64*  
*Difficulty: Easy*  
*Topic: LO 4*

65. (p. 11) The owners of Authentic Indigenous Foods interviewed hundreds of native Canadians in order to identify recipes using the food products the company produces and markets. Concern about the \_\_\_\_\_ element of the marketing mix would make them eager to be featured in an upcoming edition of *Taste of Home* magazine.

- A. product
- B.** promotion
- C. price
- D. place
- E. production

Promotion is a means of communication between the seller and buyer.

*Blooms: Application*  
*Crane - Chapter 01 #65*  
*Difficulty: Medium*  
*Topic: LO 4*

66. (p. 11) The element of the marketing mix demonstrated when a company places an ad in the Yellow Pages is:

- A. product.
- B. price.
- C.** promotion.
- D. place.
- E. process.

Promotion is a means of communication between the seller and buyer, such as Yellow Pages advertising.

*Blooms: Conceptual*  
*Crane - Chapter 01 #66*  
*Difficulty: Medium*  
*Topic: LO 4*

67. (p. 11) The element of the marketing mix demonstrated when an art gallery suggests a \$2.00 donation at the door is:

- A. product.
- B. price.**
- C. promotion.
- D. place.
- E. production.

Price is what is exchanged for the product - - in this case, access to an art gallery.

*Blooms: Application*  
*Crane - Chapter 01 #67*  
*Difficulty: Easy*  
*Topic: LO 4*

68. (p. 11) To attend an outdoor summer concert festival presented by local musicians, every person attending had to donate one non-perishable food item at the entrance to the location. This statement is most closely related to the \_\_\_\_\_ element of the market mix.

- A. product
- B. process
- C. price**
- D. production
- E. promotion

Price is what is exchanged for the product - in this case, access to the concert. The toy donation was exchanged for the privilege of listening to the music.

*Blooms: Application*  
*Crane - Chapter 01 #68*  
*Difficulty: Medium*  
*Topic: LO 4*

69. (p. 11) The element of the marketing mix demonstrated when a newspaper carrier throws a paper on the front porch is:

- A. product.
- B. price.
- C. promotion.
- D. place.**
- E. process.

Place refers to the means of getting the product into the consumer's hands (or bushes).

*Blooms: Conceptual*  
*Crane - Chapter 01 #69*  
*Difficulty: Medium*  
*Topic: LO 4*

70. (p. 11) The ability to buy a canned soft drink from a vending machine demonstrates which element of the marketing mix?

- A. product
- B. price
- C. promotion
- D. place**
- E. process

Place refers to the means of getting the product into the consumer's hands.

*Blooms: Application*  
*Crane - Chapter 01 #70*  
*Difficulty: Medium*  
*Topic: LO 4*

71. (p. 11) Forces that are largely beyond the control of the marketing department and its organization are called:

- A. the four Ps.
- B. the marketing mix.
- C. controllable factors.
- D. environmental factors.**
- E. utilities.

The environmental factors in a marketing decision are the uncontrollable factors involving social, economic, technological, competitive, and regulatory forces.

*Blooms: Definition*  
*Crane - Chapter 01 #71*  
*Difficulty: Easy*  
*Topic: LO 4*

72. (p. 11) The five major environmental factors in marketing are:

- A. air, water, soil, mineral, and gas.
- B. consumer, retailer, manufacturer, organization, and society as a whole.
- C. product, price, promotion, place, and process.
- D. social, technological, economic, competitive, and regulatory.**
- E. natural resources, weather, social awareness, economic factors, and regulation.

Key term definition - environmental factors

*Blooms: Definition*  
*Crane - Chapter 01 #72*  
*Difficulty: Easy*  
*Topic: LO 4*

73. (p. 11) Which of the following statements about environmental factors is true?

- A. Environmental factors may restrict an organization's opportunities.
- B. Environmental factors may enhance an organization's opportunities.
- C. Environmental factors are also called uncontrollable factors.
- D. Environmental factors include social, economic, technological, competitive, and regulatory forces.
- E. All of these statements about environmental factors are true.**

The five forces may serve as accelerators or brakes on marketing, sometimes expanding an organization's marketing opportunities and other times, restricting them.

*Blooms: Conceptual  
Crane - Chapter 01 #73  
Difficulty: Medium  
Topic: LO 4*

74. (p. 11) Which of the following statements describes an environmental factor?

- A. Tupperware has more than 200,000 independent contractor dealers who market its entire product line.
- B. A car battery comes with a lifetime guarantee.
- C. An automobile offers a \$500.00 rebate.
- D. Several provinces have legislation requiring children under four to use car seats.**
- E. A major bottler offers a 10-cent refund on returnable bottles.

"Several provinces have legislation requiring children under four to use car seats" describes a regulatory environmental factor. It would have a positive effect for manufacturers of car seats. It might have negative (costly) effect for day care centres providing transportation since they would have to purchase car seats for all children in their care under the age of four.

*Blooms: Application  
Crane - Chapter 01 #74  
Difficulty: Medium  
Topic: LO 4*

75. (p. 11) Which of the following environmental factor(s) could have caused Toyota to decide to build a manufacturing plant in Canada instead of continuing to export their cars from Japan?

- A. a growing trend in Canada to "Buy Canadian"
- B. the success of Honda in manufacturing Accords in Alliston, Ontario
- C. a decline in the value of the Canadian dollar relative to the Japanese yen
- D. increased pressure from auto makers on the government for more restrictive quotas on Japanese car imports
- E. all of these answers are correct**

The identified factors represent social, competitive, economic, and regulatory uncontrollable or environmental factors that are not controllable by Toyota but could influence its decision to build a plant in Canada.

*Blooms: Application  
Crane - Chapter 01 #75  
Difficulty: Medium  
Topic: LO 4*

76. (p. 11) Government legislation restricting Internet alcohol sales would affect on-line sellers such as Virtual Vineyards. For Virtual Vineyards, this legislation would be an example of a(n) \_\_\_\_\_ factor.

- A.** environmental
- B. promotional
- C. process
- D. price
- E. technological

Government regulation is generally considered to be one of the uncontrollable or environmental factors that include social, technological, economic, competitive, and regulatory forces.

*Blooms: Application*  
*Crane - Chapter 01 #76*  
*Difficulty: Difficult*  
*Topic: LO 4*

77. (p. 11) After years of resistance, the People's Republic of China finally allowed Coca-Cola to import soft drinks into the country. The import restriction was an example of what is called in marketing an uncontrollable, or \_\_\_\_\_ factor because it relates to forces outside the marketing company.

- A. epistemological
- B. technological
- C.** environmental
- D. heuristic
- E. synergistic

Government regulation is generally considered to be one of the uncontrollable or environmental factors that include social, technological, economic, competitive, and regulatory forces.

*Blooms: Application*  
*Crane - Chapter 01 #77*  
*Difficulty: Easy*  
*Topic: LO 4*

78. (p. 11) Which of the following statements about environmental forces is most accurate?

- A. Environmental forces are almost always controllable if the marketing department properly balances its marketing mix.
- B. Organizations that use the marketing concept can exert just as much influence on environmental forces as environmental forces can exert on an organization.
- C. Environmental forces consistently result in negative outcomes for an organization.
- D.** Although many consider environmental forces a negative impact on a firm's marketing plans, some environmental forces can actually enhance a firm's marketing opportunities.
- E. Environmental forces can almost always be predicted.

Government regulation is generally considered to be one of the uncontrollable or environmental factors that include social, technological, economic, competitive, and regulatory forces.

*Blooms: Application*  
*Crane - Chapter 01 #78*  
*Difficulty: Easy*  
*Topic: LO 4*



79. (p. 15) The unique combination of benefits received by targeted buyers that include quality, price, convenience, on-time delivery, and both before-sale and after-sale service is called:

- A. target marketing.
- B. benefit segmentation.
- C. customer value.**
- D. customer satisfaction.
- E. product dissonance.

Key term definition - customer value

*Blooms: Definition  
Crane - Chapter 01 #79  
Difficulty: Medium  
Topic: LO 5*

80. (p. 15) Customer value emphasizes:

- A. convenience.
- B. price.
- C. quality.
- D. service (before-sale and after-sale).
- E. all of these are correct.**

Customer value is the unique combination of benefits received by targeted buyers that include quality, price, convenience, on-time delivery, and both before-sale and after-sale service.

*Blooms: Conceptual  
Crane - Chapter 01 #80  
Difficulty: Medium  
Topic: LO 5*

81. (p. 16) \_\_\_\_\_ is the process of building and developing long-term relationships with customers by delivering customer value and satisfaction.

- A. Customer Lifetime Value
- B. Holistic marketing
- C. Synergistic marketing
- D. Customer Relationship Management**
- E. Tactical marketing

Key term definition - Customer Relationship Management

*Blooms: Definition  
Crane - Chapter 01 #81  
Difficulty: Medium  
Topic: LO 5*

82. (p. 15-16) If you ever talk to anyone who has flown on Singapore Air, you will no doubt hear that individual praise the food that was served during the flight, the friendliness of the air stewards, and the comfortable surroundings. From this description, you can surmise Singapore Air creates customer value by providing its customers with:

- A. the best service.
- B. the most convenient flight schedules.
- C. the best price.
- D. the best employees.
- E. all of these answers are correct.

Outstanding customer value is delivered through the implementation of one of three value strategies - best price, best value, or best service. Note that this question does not consider price or flight schedules.

*Blooms: Application*  
*Crane - Chapter 01 #82*  
*Difficulty: Difficult*  
*Topic: LO 5*

83. (p. 16) Manugistics and i2 Technologies, two top vendors of supply chain management software, have recently launched their own on-line trading exchange aimed at creating a supply chain for their customers to make distribution of products and ideas easier for all involved. These two organizations hope to benefit from:

- A. eCRM.
- B. entropy.
- C. the 80/20 principle.
- D. customer valuation.
- E. a marketing chain

eCRM is a Web-centric personalized approach to managing long-term customer relationships electronically.

*Blooms: Application*  
*Crane - Chapter 01 #83*  
*Difficulty: Medium*  
*Topic: LO 5*

84. (p. 15-16) A business traveler joined the Starwood Preferred Guest Program in order to earn points each time he stayed overnight in a Westin or Sheraton hotel. Once he has accumulated enough points, he can trade his points in for a free night's stay. As a member of this program, the traveler receives periodic updates on new hotels and learns of ways to earn additional points. This is an example of:

- A. customer relationship management.
- B. entropy.
- C. the 80/20 principle.
- D. customer valuation.
- E. a marketing chain

Customer relationship management is the process of building and developing long-term relationships with customers by delivering customer value and satisfaction.

*Blooms: Application*  
*Crane - Chapter 01 #84*  
*Difficulty: Medium*  
*Topic: LO 5*

85. (p. 15-16) Which of the following statements about customer relationship management is true?

- A. Customer relationship management has a short-term focus on increasing profits.
- B. Customer relationship management is easy to implement.
- C.** In an ideal setting, customer relationship management is a personal, ongoing relationship.
- D. Very few companies today are engaged in customer relationship management.
- E. The Internet is the only ideal forum for customer relationship management.

One of the characteristics of customer relationship management is its long-term focus. Relationship marketing is difficult to implement. Many companies use customer relationship management. It is difficult to engage in relationship marketing on the Internet because it lacks the personal touch, as such it is not the ONLY ideal forum for customer relationship management.

*Blooms: Conceptual  
Crane - Chapter 01 #85  
Difficulty: Easy  
Topic: LO 5*

86. (p. 15-16) Which of the following businesses is LEAST likely to be able to engage in customer relationship management?

- A.** a beach shop that sells tourist mementos
- B. a local restaurant that specializes in home-cooking
- C. a convenience store
- D. a movie theatre
- E. a veterinarian

It is unlikely that a tourist would make more than one or two visits to a shop selling items for the tourist market. The other choices describe businesses that can count on multiple visits from its customers.

*Blooms: Application  
Crane - Chapter 01 #86  
Difficulty: Medium  
Topic: LO 5*

87. (p. 4) What element of the marketing mix for WildPlay Element Parks is described by a community outreach program that promotes physical fitness activities and the protection of the natural environment?

- A. price
- B. place
- C. product
- D.** promotion
- E. none of these

The company also has a community outreach program that supports groups that promote physical fitness activities and the protection of the natural environment.

*Blooms: Conceptual  
Crane - Chapter 01 #87  
Difficulty: Easy  
Topic: Chapter Opening Example*

88. (p. 14) What element of the marketing mix for WildPlay Element Parks is described by their public relations, publicity, Web site, and personal selling to corporations and groups?

- A.** promotion
- B. place
- C. product
- D. price
- E. none of these

The company also has a community outreach program that supports groups that promote physical fitness activities and the protection of the natural environment.

*Blooms: Conceptual  
Crane - Chapter 01 #88*

*Difficulty: Easy*

*Topic: Chapter Opening Example*

89. (p. 16) \_\_\_\_\_ is the profit generated by the customer's purchase of an organization's product or service over the customer's lifetime.

- A.** Customer Lifetime Value
- B. Holistic profit
- C. Synergistic profit
- D. Customer Relationship Management
- E. Tactical profit

Key term definition - Customer Lifetime Value

*Blooms: Definition  
Crane - Chapter 01 #89*

*Difficulty: Difficult*

*Topic: LO 5*

90. (p. 13) A \_\_\_\_\_ is a plan that integrates the elements of the marketing mix to provide goods, services, or ideas to the consumer and prospective buyers.

- A. marketing strategy
- B.** marketing program
- C. macromarketing program
- D. micromarketing program
- E. sales promotion

Key term definition - marketing program

*Blooms: Definition  
Crane - Chapter 01 #90*

*Difficulty: Medium*

*Topic: LO 4*

91. (p. 13) After an assessment of needs, a marketing manager must translate ideas from consumers into concepts for products that a firm may develop. The result is called the:

- A. marketing strategy.
- B. marketing program.**
- C. macromarketing program.
- D. micromarketing program.
- E. marketing concept.

Ideas must be converted into a tangible marketing program - a plan that integrates the marketing mix to provide goods, services, or ideas to potential consumers who are the market.

*Blooms: Conceptual  
Crane - Chapter 01 #91  
Difficulty: Medium  
Topic: LO 4*

92. (p. 13) After discovering consumers' needs, marketing's next task is to:

- A. create a target market mission statement.
- B. determine consumer demographics.
- C. translate information about consumer needs into products that satisfy them.**
- D. design product prototypes.
- E. develop a value strategy.

A marketing program is defined as a plan that integrates the marketing mix to provide a good, service, or idea to prospective buyers.

*Blooms: Definition  
Crane - Chapter 01 #92  
Difficulty: Medium  
Topic: LO 4*

93. (p. 11) Rollerblade developed the Junior line of skates that can be modified to fit a child's foot as it grows. The \_\_\_\_\_ for this product line is children.

- A. market aggregation
- B. mass market
- C. marketing program
- D. marketing mix
- E. target market**

A target market is a specific group of potential consumers toward which an organization directs its marketing program.

*Blooms: Application  
Crane - Chapter 01 #93  
Difficulty: Difficult  
Topic: LO 3*

94. (p. 12) Magazines such as Time, Sports Illustrated and People have launched kid and teen editions. The \_\_\_\_\_ for this product line is therefore children and teens.

- A. market aggregation
- B. mass market
- C. marketing program
- D. marketing mix
- E. target market**

A target market is a specific group of potential consumers toward which an organization directs its marketing program.

*Blooms: Application*  
*Crane - Chapter 01 #94*  
*Difficulty: Difficult*  
*Topic: LO 3*

95. (p. 11) Rollerblade's decision to feature its in-line skates in sports competition and magazines like Shape and Mademoiselle is most closely related to which element of the marketing mix?

- A. process
- B. promotion**
- C. price
- D. place
- E. product

Promotion is a means of communication between the seller and buyer.

*Blooms: Application*  
*Crane - Chapter 01 #95*  
*Difficulty: Medium*  
*Topic: LO 4*

96. (p. 11) When Rollerblade's marketing department designs a strategy to make it easy for in-line skate buyers to buy them at a retail outlet that is convenient to them and where they feel comfortable shopping, it is concerned with the \_\_\_\_\_ element of the marketing mix.

- A. process
- B. promotion
- C. price
- D. place**
- E. product

Place refers to the means of getting the product into the consumer's hands.

*Blooms: Application*  
*Crane - Chapter 01 #96*  
*Difficulty: Easy*  
*Topic: LO 4*

97. (p. 14) During the \_\_\_\_\_ era, the primary function of the Pillsbury Company was to mill quality flour.

- A. production
- B. sales
- C. marketing concept
- D. societal marketing concept
- E. market orientation

Robert Keith, a Pillsbury president, described his company at this stage: "We are professional flour millers. Blessed with a supply of the finest North American wheat, plenty of water power, and excellent milling machinery, we produce flour of the highest quality. Our basic function is to mill quality flour." This sort of thinking typified the production era.

*Blooms: Application*  
*Crane - Chapter 01 #97*  
*Difficulty: Medium*  
*Topic: LO 4*

98. (p. 14-15) Although it was thought in the 19<sup>th</sup> century that production creates its own demand, in the first third of the 20<sup>th</sup> century, North American companies began to produce more goods than their regular buyers could consume. At the same time, competition became more significant, and the problems of reaching the market became more complex. It was for these reasons the \_\_\_\_\_ era began.

- A. product
- B. production
- C. sales
- D. marketing concept
- E. market orientation

During the sales era firms hired more salespeople to find new buyers as a solution to this problem.

*Blooms: Definition*  
*Crane - Chapter 01 #98*  
*Difficulty: Medium*  
*Topic: LO 4*

99. (p. 14-15) Shortly after World War II, Sam Jackson developed an idea for a biodegradable lubricant that was superior to anything currently on the market. He was excited about his new idea, and he has persuaded a number of his friends to help produce samples. He hired a salesforce to sell the device to manufacturing companies in the area. This is a good example of behaviour one would expect in the \_\_\_\_\_ era.

- A. marketing concept
- B. market orientation
- C. production
- D. sales
- E. societal marketing concept

Those businesses in the sales era are concerned mainly with selling products that their company designs - without a serious attempt to understand the wants and needs of people in the target market.

*Blooms: Application*  
*Crane - Chapter 01 #99*  
*Difficulty: Medium*  
*Topic: LO 4*

100. (p. 14) Which of the following statements is the primary reason that explains why businesses moved from the production era to the sales era?

- A. The population was moving away from urban areas.
- B. There were too many customers to serve.
- C.** Competition grew as the production of goods increased and firms discovered that they could produce more goods than their regular buyers could consume.
- D. Advertising was becoming a major marketing force.
- E. Technology was in a dormant stage.

Production techniques improved, and capacity increased. Firms began producing more goods than their regular customers could consume. Competition increased and the thrust was to find new customers and markets to consume surplus goods.

*Blooms: Conceptual  
Crane - Chapter 01 #100  
Difficulty: Medium  
Topic: LO 4*

101. (p. 15) Imagine a confectionary company has introduced a new nutty candy bar during the 1930s (the sales era). How would you expect the company to react if sales of this new candy bar were much lower than expected?

- A. We'd better do some market testing to determine why people are dissatisfied.
- B. Perhaps, we should make candy bars with raisins.
- C.** Let's put more aggressive salespeople in the field.
- D. Let's forget the whole thing.
- E. Don't worry about it; we're the largest candy manufacturer in the area. Sooner or later they'll get hungry enough that they'll come to us.

The central notion of the sales era was that the quality and production of the product was fine. If sales were down, it was the result of a saturated market and all that had to be done was to find a new group of customers or a new market without altering the product itself - a task assigned to the sales force.

*Blooms: Application  
Crane - Chapter 01 #101  
Difficulty: Difficult  
Topic: LO 4*

102. (p. 14-15) The period of North American business history when firms could produce more than they could sell and the focus was on hiring more salespeople to seek out new markets and customers was the \_\_\_\_\_ era.

- A. marketing concept
- B. production
- C.** sales
- D. societal marketing concept
- E. consumerism

Also see Figure 1-5.

*Blooms: Definition  
Crane - Chapter 01 #102  
Difficulty: Medium  
Topic: LO 4*



103. (p. 15) The \_\_\_\_\_ is the idea that an organization should seek to satisfy the wants of customers while also trying to achieve the organization's goals.

- A. concept of synergy
- B. marketing concept**
- C. principle of consumerism
- D. societal marketing concept
- E. selling concept

Key term definition - marketing concept

*Blooms: Definition*  
*Crane - Chapter 01 #103*  
*Difficulty: Easy*  
*Topic: LO 4*

104. (p. 14) In the 1960s, Pillsbury defined its mission as, "We are in the business of satisfying needs and wants of customers." This is a brief statement of what has come to be known as the:

- A. hard-sell strategy.
- B. soft-sell strategy.
- C. selling concept.
- D. marketing concept.**
- E. marketing mix.

Pillsbury is a prime example of a company that adopted the marketing concept since it was among the first to realize the value of the idea.

*Blooms: Application*  
*Crane - Chapter 01 #104*  
*Difficulty: Medium*  
*Topic: LO 4*

105. (p. 15) Many who attend circuses particularly look forward to the performances that use lions, tigers, elephants, monkeys, and other animals and get a great deal of pleasure from watching these acts. There are also a lot of people who enjoy the other circus acts but feel strongly that these animals are being abused because they are forced to perform. This example indicates it is not always easy to act in accordance with the:

- A. marketing concept.**
- B. marketing mix.
- C. organizational strategy.
- D. sales quota.
- E. market aggregation strategy.

The marketing concept is the idea that an organization should seek to satisfy the wants of customers while also trying to achieve the organization's goals.

*Blooms: Application*  
*Crane - Chapter 01 #105*  
*Difficulty: Difficult*  
*Topic: LO 4*

106. (p. 15) Which of the following statements about the marketing concept era is true?

- A. During the marketing concept era, companies tried to satisfy the needs of consumers while also achieving the organization's goals.
- B. During the marketing concept era, companies tried to satisfy the wants of the consumer no matter what.
- C. During the marketing concept era, companies believed if you produced as much as you can, at the highest quality level, for the lowest price, the product will sell itself.
- D. All firms are now operating with a marketing concept era philosophy.
- E. The marketing concept era can actually trace its roots to early Greek culture.

The marketing concept era is the present period of the evolution of the marketing orientation for many firms. It is consumer oriented so organizations strive to produce products that meet consumer needs while achieving organizational objectives. Neither the ancient Greek philosophers nor their city-states alluded to the marketing concept as we know it today.

*Blooms: Conceptual  
Crane - Chapter 01 #106  
Difficulty: Medium  
Topic: LO 4*

107. (p. 15) What term best describes the marketing concept era?

- A. production oriented
- B. sales oriented
- C. society oriented
- D. consumer oriented
- E. competition oriented

The marketing concept era consumer oriented so firms try to produce products that meet consumer needs while also trying to achieve organizational goals.

*Blooms: Conceptual  
Crane - Chapter 01 #107  
Difficulty: Easy  
Topic: LO 4*

108. (p. 15) The business period that attempts to satisfy consumer needs while achieving organizational goals is called the \_\_\_\_\_ era.

- A. sales
- B. production
- C. marketing concept
- D. societal marketing concept
- E. consumerism

In the 1960s, marketing became the motivating force among many American firms. The policy of those seeking to satisfy the needs and wants of customers has come to be known as the marketing concept.

*Blooms: Definition  
Crane - Chapter 01 #108  
Difficulty: Easy  
Topic: LO 4*

109. (p. 15) Which era of business history does the following statement best describe? "We are in the business of satisfying needs and wants of consumers."

- A. the production era
- B. the sales era
- C. the marketing concept era**
- D. the marketing orientation era
- E. the societal marketing era

In the 1960s, marketing became the motivating force among many North American firms.

*Blooms: Definition*  
*Crane - Chapter 01 #109*  
*Difficulty: Easy*  
*Topic: LO 4*

110. (p. 15) In the \_\_\_\_\_ era of business history, supply exceeded demand, products could be differentiated from each other; and producers have determined different consumer wants and needs.

- A. production
- B. sales
- C. marketing concept**
- D. industrial revolution
- E. micromarketing

Producers have sought to discover consumer wants and needs - a characteristic that distinguishes the marketing concept era from the earlier production and sales eras.

*Blooms: Application*  
*Crane - Chapter 01 #110*  
*Difficulty: Difficult*  
*Topic: LO 4*

111. (p. 15) The goal of the \_\_\_\_\_ era is to integrate marketing into all phases of the business process.

- A. production
- B. sales
- C. marketing concept**
- D. industrial revolution
- E. micromarketing

At this time the idea that marketing ideas are fed into the production cycle from after an item is produced to before it is designed helped illustrate that marketing concept is a focus on the consumer.

*Blooms: Definition*  
*Crane - Chapter 01 #111*  
*Difficulty: Difficult*  
*Topic: LO 4*

112. (p. 14) What element of the marketing mix for WildPlay Element Parks is described by its four British Columbia locations?

- A. product
- B. promotion
- C. place**
- D. price
- E. none of these.

Fig 1-4

*Blooms: Application*  
*Crane - Chapter 01 #112*  
*Difficulty: Easy*  
*Topic: LO 4*

113. (p. 14-15) In the movie, *The Tin Men*, two rival salesmen engaged in a variety of dishonest and unethical practices in order to sell aluminum siding to homeowners. Their job was difficult, in part, because the supply of aluminum siding surpassed the demand for the product and competition was intense. This situation is indicative of the \_\_\_\_\_ era of business history.

- A. production
- B. sales**
- C. marketing concept
- D. market orientation
- E. societal marketing

During the sales era, marketing organizations concentrated on selling the products they could most readily produce rather than on developing products designed to satisfy the needs of customers.

*Blooms: Application*  
*Crane - Chapter 01 #113*  
*Difficulty: Medium*  
*Topic: LO 4*

114. (p. 15) An organization that focuses its efforts on continuously collecting information about customers' needs and competitors' capabilities, sharing this information across departments, and using the information to create customer values is said to:

- A. stress the societal marketing concept.
- B. have a focus on macromarketing.
- C. have a nonprofit orientation.
- D. have a market orientation.**
- E. be utilizing consumerism.

Firms have achieved great success by putting huge effort into implementing the marketing concept, giving their firms what has been called market orientation.

*Blooms: Definition*  
*Crane - Chapter 01 #114*  
*Difficulty: Easy*  
*Topic: LO 5*

115. (p. 15) A market orientation towards consumers and competitors requires:

- A. the development of multiple target markets and marketing mixes.
- B. a firm to engage in industrial espionage.
- C. involvement of managers and employees throughout the firm.
- D. considerable corporate downsizing.
- E. the gathering of clandestine competitive intelligence.

Market orientation focuses its efforts on (1) continuously collecting information about customers' needs and competitors' capabilities, (2) sharing this information across departments, and (3) using the information to create customer value.

*Blooms: Definition  
Crane - Chapter 01 #115  
Difficulty: Difficult  
Topic: LO 5*

116. (p. 14) What element of the marketing mix for WildPlay Element Parks is described by Outdoor adventure experiences including bungee jumping, zip-line rides, Aerial Tree adventure courses, and the King Swing?

- A. product
- B. price
- C. promotion
- D. place
- E. distribution

Fig 1-4

*Blooms: Application  
Crane - Chapter 01 #116  
Difficulty: Easy  
Topic: LO 4*

117. (p. 18) As organizations have changed their orientation, society's expectations of marketers have also changed. Today, the emphasis of marketing practice has shifted from \_\_\_\_\_ to consumers' interests.

- A. social responsibilities
- B. government regulation
- C. producers' interests
- D. suppliers' interests
- E. competitive activity

Organizations are increasingly encouraged to consider the social and environmental consequences of their actions.

*Blooms: Definition  
Crane - Chapter 01 #117  
Difficulty: Medium  
Topic: LO 8*

118. (p. 16-17) \_\_\_\_\_ is the process of identifying prospective buyers, understanding them intimately, and developing favourable long-term perceptions of the organization and its offerings so buyers will choose that company and its products in the marketplace.

- A. A flexible marketing system
- B. A database warehouse
- C. Customer relationship management**
- D. Competitive intelligence
- E. A customer-oriented marketing mix

Key term definition - customer relationship management (CRM)

*Blooms: Definition  
Crane - Chapter 01 #118  
Difficulty: Easy  
Topic: LO 6*

119. (p. 16-17) Every day, buyers from large utility companies and sellers from energy companies visit an online exchange dealing in wholesale electricity and gas to negotiate prices for the energy that heats and lights many homes and businesses. The exchange knows there are competitors vying for its customers so it relies heavily on technology to build and retain strong, one-on-one relationships with each customer. The exchange uses \_\_\_\_\_ to know its customer and to win their allegiance.

- A. a flexible marketing system
- B. a database warehouse
- C. customer relationship management**
- D. competitive intelligence
- E. a customer-oriented marketing mix

Customer relationship management is the process of identifying prospective buyers, understanding them intimately, and developing favourable long-term perceptions of the organization and its offerings so buyers will choose it in the marketplace.

*Blooms: Application  
Crane - Chapter 01 #119  
Difficulty: Medium  
Topic: LO 6*

120. (p. 16-17) United Way of Greater Toronto (UWGT), like many charities, is sitting on a gold mine of donor data. Locked up in its computer and paper files are records of millions of companies, groups, and individuals that have donated in past years. Also like most philanthropic organizations, UWGT was having a rough time using that information efficiently. It could blanket past donors with generic mailings, but it could not offer its donors anything that would make people donate to it instead of other charities. Which of the following tools would be most useful for the nonprofit organization to use?

- A. a flexible marketing system
- B. a database warehouse
- C. customer relationship management**
- D. competitive intelligence
- E. a customer-oriented marketing mix

Students may have some difficulty with this question because it has to do with a nonprofit, but they should realize that donors are a type of customer.

*Blooms: Application*  
*Crane - Chapter 01 #120*  
*Difficulty: Difficult*  
*Topic: LO 6*

121. (p. 16) Customer relationship management (CRM) is most closely related to the \_\_\_\_\_ era in the evolution of marketing.

- A. production
- B. customer experience management**
- C. sales
- D. nonprofit orientation
- E. societal marketing

To be effective, CRM must include a **customer experience management (CEM)** strategy.

*Blooms: Conceptual*  
*Crane - Chapter 01 #121*  
*Difficulty: Difficult*  
*Topic: LO 6*

122. (p. 17-18) Some suggest that \_\_\_\_\_ is the biggest shift in the economy since the Industrial Revolution.

- A. customer satisfaction
- B. the marketing concept
- C. customer relationship management
- D. ethics
- E. social media marketing**

Some experts are suggesting that we are also in the midst of the emergence of the social media marketing era. In fact, some suggest that social media marketing is the biggest shift in the economy since the Industrial Revolution.

*Blooms: Definition*  
*Crane - Chapter 01 #122*  
*Difficulty: Difficult*  
*Topic: LO 7*

123. (p. 17) Consumer-generated online marketing efforts to promote brands and companies for which they are fans is known as \_\_\_\_\_.

- A. e-marketing
- B. interactive marketing
- C. customer relationship management
- D. e-commerce
- E.** social media marketing

Definition on page 17

*Blooms: Definition  
Crane - Chapter 01 #123  
Difficulty: Difficult  
Topic: LO 7*

124. (p. 17) Consumer-generated online marketing efforts to negatively promote brands and companies for which they are non-fans is known as \_\_\_\_\_.

- A. e-marketing
- B. interactive marketing
- C. customer relationship management
- D. e-commerce
- E.** social media marketing

Definition on page 17

*Blooms: Definition  
Crane - Chapter 01 #124  
Difficulty: Difficult  
Topic: LO 7*

125. (p. 17) The use by marketers of online tools and platforms to promote their brands or organizations is known as \_\_\_\_\_.

- A. e-marketing
- B. interactive marketing
- C. customer relationship management
- D. e-commerce
- E.** social media marketing

Definition on page 17

*Blooms: Definition  
Crane - Chapter 01 #125  
Difficulty: Difficult  
Topic: LO 7*



126. (p. 18) What are the moral principles and values that govern the actions and decisions of an individual or group called?

- A. societal marketing concepts
- B. social responsibilities
- C. modes of behaviour
- D. legal codes
- E. ethics**

The scope of ethics is broader than societal marketing concepts, and narrower than habits, modes of behaviour, or social responsibility, where the latter relates to society as a whole and not to the decisions made by individual firms or people.

*Blooms: Definition  
Crane - Chapter 01 #126  
Difficulty: Easy  
Topic: LO 8*

127. (p. 18) Which of the following activities is the LEAST objectionable from the standpoint of ethics?

- A. producing children's toys from a material that causes rashes among many people
- B. supplying a product that satisfies a natural urge but ultimately becomes an addiction
- C. producing and selling a product that some medical experts believe has dangerous long run health risks
- D. running ads that point out the weaknesses of competitive products**
- E. supplying a product that meets a natural need and encourages antisocial behaviour, and perhaps even violence

"Running ads that point out the weaknesses of competitive products" is the only answer that is not a threat to physical or social well-being; in fact, it increases available information and should help consumers make more knowledgeable decisions. So only choice D meets the sense of ethics - the moral principles and values that govern the actions and decisions of an entire group.

*Blooms: Application  
Crane - Chapter 01 #127  
Difficulty: Medium  
Topic: LO 8*

128. (p. 18) Social responsibility is:

- A. the moral principles and values that govern the actions and decisions of an entire group.
- B. the idea that individuals and organizations are a part of a larger society and are accountable to society for their actions.**
- C. actively trying to understand customer needs and satisfying them as well as the firm's goals.
- D. seeking greater influence about the quality of products and the amount of information received from sellers.
- E. the view that an organization should discover and satisfy the needs of its consumers in a way that also provides for society's well-being.

While many ethical issues involve only the buyer and seller, others involve society as a whole. Social responsibility is the idea that organizations are accountable to a larger society.

*Blooms: Definition  
Crane - Chapter 01 #128  
Difficulty: Easy  
Topic: LO 8*

129. (p. 18) Which of the following most directly explains why pharmaceutical giant Pfizer offered low-income senior citizens many of its most widely used prescriptions for \$15 each a month?

- A. the profit motive
- B. the societal marketing concept**
- C. its internal environment
- D. its regulatory environment
- E. corporate downsizing

The societal marketing concept is the idea that organizations are a part of a larger society and are accountable to society for their actions.

*Blooms: Application*  
*Crane - Chapter 01 #129*  
*Difficulty: Easy*  
*Topic: LO 8*

130. (p. 18) When Eastman Kodak Company concerns itself with disposal of its film packages in national parks by promoting the slogan "Take only pictures, leave only footprints," it is acting in accordance with:

- A. the profit motive.
- B. the societal marketing concept.**
- C. its internal environment.
- D. its regulatory environment.
- E. corporate downsizing.

This example is similar to the one given in the text about Scotch-Brite Never Rust Wool Soap Pads from 3M.

*Blooms: Application*  
*Crane - Chapter 01 #130*  
*Difficulty: Difficult*  
*Topic: LO 8*

131. (p. 18) In the past, Burger King, Wendy's, and McDonald's used to market their burgers in non-biodegradable Styrofoam containers. In response to calls from the public to use more environmentally-friendly materials, most fast food marketers use paper containers for their burgers. Indeed, many such containers are made from recycled materials. This is an example of:

- A. macromarketing by the fast food chains.
- B. the societal marketing concept.**
- C. reverse marketing.
- D. consumer advocacy.
- E. repositioning by the fast food chains.

Marketing organizations exist in a larger society. As such, the marketing organization's activities and decisions should take into consideration the well-being of society at large. This means that socially responsible marketers seek to satisfy the needs of both the customer and the organization and the needs of society as well.

*Blooms: Application*  
*Crane - Chapter 01 #131*  
*Difficulty: Medium*  
*Topic: LO 8*

132. (p. 18-19) 3M innovators developed Scotchbrite Never Rust Wool Soap Pads from recycled plastic bottles. These soap pads are more expensive than competitors (S.O.S. and Brillo) but also superior to them because Scotchbrite Never Rust Wool Soap Pads don't rust or scratch. This solution:

- A. is environmentally friendly, socially responsible, and competitive.
- B. offsets the cost of improving environmental impact.
- C. increases consumer value.
- D. is ethical and socially responsible.
- E.** is accurately described by all of these answers.

With its innovative product 3M both offsets the costs of recycling and increases consumer value. Thus, consumers have been willing to pay a premium.

*Blooms: Definition  
Crane - Chapter 01 #132  
Difficulty: Easy  
Topic: LO 8*

133. (p. 18-19) Many environmentally friendly products have been costly to produce, and consumers have not been willing to pay a premium for them. As a result, companies often question if they can be both \_\_\_\_\_ and competitive.

- A. technologically advanced
- B. fiscally responsible
- C.** socially responsible
- D. compliant with demand
- E. customer friendly

Social responsibility is the idea that organizations are accountable to a larger society. The well-being of society at large should also be recognized in an organization's marketing decisions.

*Blooms: Conceptual  
Crane - Chapter 01 #133  
Difficulty: Easy  
Topic: LO 8*

134. (p. 18) The societal marketing concept is:

- A. the moral principles and values that govern the actions and decisions of an entire group.
- B. the idea that organizations are a part of a larger society and are accountable to society for their actions.
- C. actively trying to understand customer needs and satisfying them as well as the firm's goals.
- D. seeking greater influence about the quality of products and the amount of information received from sellers.
- E.** the view that an organization should discover and satisfy the needs of its consumers in a way that also provides for society's well-being.

Key term definition - societal marketing concept

*Blooms: Definition  
Crane - Chapter 01 #134  
Difficulty: Medium  
Topic: LO 8*

135. (p. 18) The view, which holds that an organization should assess and satisfy the needs of customers in a way that also provides for society's well being is:

- A. the societal marketing concept.
- B. the marketing concept.
- C. consumerism.
- D. a sense of environmental responsibility.
- E. capitalism.

Key term definition - societal marketing concept

*Blooms: Definition*  
*Crane - Chapter 01 #135*  
*Difficulty: Medium*  
*Topic: LO 8*

136. (p. 18-19) According to the societal marketing concept, who is most important in deciding what needs and wants are good for consumers in the long run?

- A. the organization itself
- B. the individual consumers
- C. regulatory bodies
- D. marketing researchers
- E. competitive forces

The societal marketing concept holds that the organization itself should discover and satisfy the needs of its consumers while also providing for society's well being. There is an admitted problem with adopting this orientation; organizations voluntarily choosing actions that they see as good for consumers and society. Marketing researchers may suggest concerns about society, but they do not make the final decision about what to do.

*Blooms: Conceptual*  
*Crane - Chapter 01 #136*  
*Difficulty: Difficult*  
*Topic: LO 8*

137. (p. 19) The societal marketing concept is most closely related to:

- A. the controllable forces within an organization's environment.
- B. the sociocultural environment.
- C. micromarketing.
- D. the economic infrastructure.
- E. macromarketing.

The societal marketing concept is directly related to macromarketing, which looks at the aggregate flow of a nation's goods and services to benefit society.

*Blooms: Conceptual*  
*Crane - Chapter 01 #137*  
*Difficulty: Easy*  
*Topic: LO 8*

138. (p. 19) \_\_\_\_\_ is the aggregate flow of a nation's goods and services to benefit society.

- A. Micromarketing
- B. Macromarketing**
- C. Societal marketing
- D. Financial marketing
- E. Economics

Key term definition - macromarketing

*Blooms: Definition  
Crane - Chapter 01 #138  
Difficulty: Medium  
Topic: LO 8*

139. (p. 19) The discipline that addresses broad issues such as whether marketing costs too much, whether advertising is wasteful, and what resource scarcities and pollution side effects result from the marketing system is called:

- A. micromarketing.
- B. macromarketing.**
- C. societal marketing.
- D. financial marketing.
- E. the marketing concept.

Key term definition - macromarketing

*Blooms: Definition  
Crane - Chapter 01 #139  
Difficulty: Medium  
Topic: LO 8*

140. (p. 19) Which of the following statements best distinguishes between macromarketing and micromarketing?

- A. Macromarketing uses a marketing program, and micromarketing does not.
- B. Macromarketing is affected by environmental factors, but micromarketing is not.
- C. Micromarketing is affected by environmental factors, but macromarketing is not.
- D. Macromarketing looks at the flow of an entire nation's goods and services, and micromarketing concerns itself with the marketing activities of a single firm.**
- E. Micromarketing looks at the flow of an entire nation's goods and services, and macromarketing concerns the marketing activities of a single firm.

Macromarketing addresses broad issues such as whether marketing costs too much, while micromarketing addresses how an individual organization allocates its resources to benefit its customers.

*Blooms: Definition  
Crane - Chapter 01 #140  
Difficulty: Medium  
Topic: LO 8*

141. (p. 19) How an individual organization directs its marketing activities and allocates its resources to benefit its customers is known as:

- A. micromarketing.
- B. market restructuring.
- C. cultural marketing.
- D. macromarketing.
- E. megamarketing.

Key term definition - micromarketing

*Blooms: Definition  
Crane - Chapter 01 #141  
Difficulty: Easy  
Topic: LO 8*

142. (p. 19) The text concentrates on what is called \_\_\_\_\_, which relates to how an individual organization directs its marketing activities and allocates its resources to benefit its customers.

- A. micromarketing
- B. macromarketing
- C. marketing infrastructure
- D. marketing functionality
- E. the physicality of marketing

Key term definition - micromarketing

*Blooms: Definition  
Crane - Chapter 01 #142  
Difficulty: Medium  
Topic: LO 8*

143. (p. 6) Which of the following groups would utilize marketing?

- A. professionals such as doctors or lawyers
- B. major corporations
- C. nonprofit organizations
- D. politicians
- E. all of these answers are correct

Every organization markets whether it handles goods, services, or ideas. Marketing implies an exchange even if the exchange is neither physical nor monetary.

*Blooms: Conceptual  
Crane - Chapter 01 #143  
Difficulty: Easy  
Topic: LO 2*

144. (p. 6) What kinds of organizations engage in marketing?

- A. only those that can afford national advertising
- B. very large and established nonprofit organizations
- C. exclusively Fortune 1000 companies
- D. every organization markets**
- E. virtually no organizations

Every organization markets, because in some way it is important for it to encourage people either to engage in exchanges with it, or perhaps just to think or behave in a particular way - as in the case of many non-profits such as the Canadian Red Cross or government agencies such as the Ministry of Transportation.

*Blooms: Conceptual  
Crane - Chapter 01 #144  
Difficulty: Easy  
Topic: LO 2*

145. (p. 7-8) The individuals who use the goods and services purchased for a household are collectively referred to as:

- A. organizational buyers.
- B. household buyers.
- C. ultimate consumers.**
- D. nonprofessional buyers.
- E. family members.

Key term definition - organizational buyers

*Blooms: Definition  
Crane - Chapter 01 #145  
Difficulty: Easy  
Topic: LO 2*

146. (p. 7) What is the marketing term for individuals who use goods and services purchased for a household - whether they are 80 years or 8 months old?

- A. situational buyers
- B. primary buyers
- C. ultimate consumers**
- D. purchasing agents
- E. buying groups

Both individuals and organizations buy and use goods and services that are marketed. Ultimate consumers refer to the individuals rather than the organizations.

*Blooms: Definition  
Crane - Chapter 01 #146  
Difficulty: Easy  
Topic: LO 2*

147. (p. 7) Which of the following is an example of an ultimate consumer?

- A. a woman buying a new car
- B. a preschooler eating peanut butter
- C. a retired steelworker taking a cruise
- D. a doctor buying a piano
- E. all of these answers are correct**

An ultimate consumer is the person who uses the goods or services purchased for the household. Any of the people among the answers above, regardless of age or profession, could use the products or services listed.

*Blooms: Application*  
*Crane - Chapter 01 #147*  
*Difficulty: Easy*  
*Topic: LO 2*

148. (p. 7-8) Which of the following is an example of an ultimate consumer?

- A. a newspaper reporter who buys a plane ticket to Washington, D.C., to cover the presidential inauguration
- B. a school teacher who bought a ticket to the 2002 Winter Olympics opening ceremonies in Salt Lake City**
- C. an office receptionist who renews the magazines that are found in the office waiting room
- D. a retailer who buys poster board to make signs for an upcoming store sale
- E. a landscaping firm employee who buys a new wheelbarrow to use to haul mulch at a new job site

An ultimate consumer is the person who uses the goods or services purchased themselves. Only "a school teacher who bought a ticket to the 2002 Winter Olympics opening ceremonies in Salt Lake City" describes an individual who will not be using his or her purchase in a job-related task.

*Blooms: Application*  
*Crane - Chapter 01 #148*  
*Difficulty: Difficult*  
*Topic: LO 2*

149. (p. 7-8) Units such as manufacturers, retailers, or government agencies that buy for their own use or resale are collectively referred to as:

- A. intermediate buyers.
- B. purchasing agents.
- C. organizational buyers.**
- D. professional buyers' organizations.
- E. manufacturing agents.

Key term definition - organizational buyers

*Blooms: Definition*  
*Crane - Chapter 01 #149*  
*Difficulty: Easy*  
*Topic: LO 2*



150. (p. 7-8) Organizational buyers are most accurately described as:

- A. buyers of high cost items.
- B. buyers of household items.
- C.** manufacturers, retailers, or government agencies buying for their own use or resale.
- D. any individual or group making a purchase worth over \$100,000.
- E. any man, woman, or child who uses goods purchased for a household.

Key term definition - organizational buyers

*Blooms: Definition  
Crane - Chapter 01 #150  
Difficulty: Easy  
Topic: LO 2*

151. (p. 7-8) Which of the following is the best example of an organizational buyer?

- A. a mother buying milk for her young son
- B. a computer programmer buying the latest game for his Playstation
- C.** a store owner buying hand-painted slate signs to sell in her store
- D. a botanist buying a rose bush for his home garden
- E. a baseball player buying a t-ball set for his daughter

Organizational buyers are manufacturers, retailers, or government agencies buying for their own use or resale. Only the store owner here describes an individual who will not use his or her purchases for personal use.

*Blooms: Application  
Crane - Chapter 01 #151  
Difficulty: Medium  
Topic: LO 2*

152. (p. 14) What element of the marketing mix for WildPlay Element Parks is described by \$40 aerial tree courses for adults?

- A. product
- B.** price
- C. promotion
- D. place
- E. premium

Fig 1-4

*Blooms: Application  
Crane - Chapter 01 #152  
Difficulty: Medium  
Topic: LO 4*

153. (p. 16) To be effective, Customer Relationship Management requires:

- A. the involvement of managers.
- B. the commitment of managers.
- C. the involvement of employees.
- D. application of information technology.
- E. all answers are correct.**

To be effective, Customer Relationship Management requires the involvement and commitment of managers and employees throughout the organization and the growing application of information technology.

*Blooms: Application*  
*Crane - Chapter 01 #153*  
*Difficulty: Medium*  
*Topic: LO 5*

154. (p. 16) \_\_\_\_\_ is a Web-centric, personalized approach to managing long-term customer relationships electronically.

- A. CRM.
- B. eCRM.**
- C. CR-V.
- D. CLV.
- E. none of these answers are correct.

Key term definition - eCRM

*Blooms: Definition*  
*Crane - Chapter 01 #154*  
*Difficulty: Easy*  
*Topic: LO 6*

155. (p. 18) Ethics serve as:

- A. guidelines on how to act correctly and justly.**
- B. tools for improving ROI.
- C. guidelines on understanding how potential customers buy.
- D. guidelines on how to allocate resources.
- E. All answers are correct.

Ethics are the moral principles and values that govern the actions and decisions of an individual or group. They serve as guidelines on how to act correctly and justly.

*Blooms: Conceptual*  
*Crane - Chapter 01 #155*  
*Difficulty: Easy*  
*Topic: LO 8*

156. (p. 18) Ethics are:

- A. the critical-mass point in the collective attitude within many organizations.
- B. tools for improving ROI.
- C. guidelines on understanding how potential customers buy.
- D. moral principles and values.**
- E. All answers are correct.

Ethics are the moral principles and values that govern the actions and decisions of an individual or group. They serve as guidelines on how to act correctly and justly.

*Blooms: Conceptual*  
*Crane - Chapter 01 #156*  
*Difficulty: Easy*  
*Topic: LO 8*

157. (p. 18-19) Changing the oil in your old vehicle and dumping the oil down a sewer is an illustration of the issue of:

- A. CRM
- B. ethics
- C. macromarketing
- D. micromarketing
- E. social responsibility**

Social responsibility means that individuals and organizations are part of a larger society and are accountable to that society for their actions.

*Blooms: Application*  
*Crane - Chapter 01 #157*  
*Difficulty: Medium*  
*Topic: LO 8*

158. (p. 18-19) Flushing unused medication down the toilet is an illustration of the issue of:

- A. CRM
- B. ethics
- C. macromarketing
- D. micromarketing
- E. social responsibility**

Social responsibility means that individuals and organizations are part of a larger society and are accountable to that society for their actions.

*Blooms: Application*  
*Crane - Chapter 01 #158*  
*Difficulty: Medium*  
*Topic: LO 8*

159. (p. 18-19) Unnecessarily driving a vehicle that produces a lot of greenhouse gas emissions is an illustration of the issue of:

- A. CRM
- B. ethics
- C. macromarketing
- D. micromarketing
- E.** social responsibility

Social responsibility means that individuals and organizations are part of a larger society and are accountable to that society for their actions.

*Blooms: Application*  
*Crane - Chapter 01 #159*  
*Difficulty: Easy*  
*Topic: LO 8*

160. (p. 18-19) Watering your lawn during a water shortage is an illustration of the issue of:

- A. CRM
- B. ethics
- C. macromarketing
- D. micromarketing
- E.** social responsibility

Social responsibility means that individuals and organizations are part of a larger society and are accountable to that society for their actions.

*Blooms: Application*  
*Crane - Chapter 01 #160*  
*Difficulty: Easy*  
*Topic: LO 8*

161. (p. 18) \_\_\_\_\_ is the view that an organization should discover and satisfy the needs of its consumers in a way that also provides for society's well-being.

- A. Ethics
- B.** The societal marketing concept
- C. Customer relationship management
- D. Macromarketing
- E. None of these answers are correct

Societal marketing concept is the view that an organization should discover and satisfy the needs of its consumers in a way that also provides for society's well being.

*Blooms: Definition*  
*Crane - Chapter 01 #161*  
*Difficulty: Easy*  
*Topic: LO 8*

162. (p. 9) New product development experts estimate that \_\_\_\_\_ percent of the over 30,000 new consumable products (food, beverage, household and pet) introduced in North America annually do not succeed in the long run.

- A. up to 20
- B. up to 50
- C. up to 8
- D. up to 94**
- E. None of these answers are correct

80 to 94 percent of the over 30,000 new consumable products introduced in North America annually do not succeed in the long run.

*Blooms: Application*  
*Crane - Chapter 01 #162*  
*Difficulty: Medium*  
*Topic: LO 3*

163. (p. 9) Coca-Cola's C2 failed failed because:

- A. Many cola drinkers were disappointed in its taste.**
- B. they were too expensive.
- C. production costs were too high.
- D. the product name did not put people in a buying mood.
- E. All answers are correct.

Coca-Cola spent more than \$50 million to launch C2, a reduced-carb cola that still contained some sugar to add taste. The company's biggest new product since Diet Coke two decades earlier, C2 was targeted to 20- to 40-year-old customers wanting some sugar in their cola while also watching calories. C2 was also sometimes priced 60 percent higher at retail than Coke, a significant issue to buyers. But the big showstopper: Many cola drinkers were disappointed in C2's taste, complaining it was flat or had an unpleasant taste!

*Blooms: Application*  
*Crane - Chapter 01 #163*  
*Difficulty: Medium*  
*Topic: LO 3*

164. (p. 10) A \_\_\_\_\_ occurs when a person feels physiologically deprived of basic necessities, such as food, clothing, and shelter.

- A. want.
- B. need.**
- C. purchase.
- D. complaint.
- E. None of these answers are correct.

A need occurs when a person feels physiologically deprived of basic necessities, such as food, clothing, and shelter.

*Blooms: Definition*  
*Crane - Chapter 01 #164*  
*Difficulty: Easy*  
*Topic: LO 3*

165. (p. 10) A starving person has first and foremost a:

- A. want.
- B. need.**
- C. purchase.
- D. complaint.
- E. None of these answers are correct.

A need occurs when a person feels physiologically deprived of basic necessities, such as food, clothing, and shelter.

*Blooms: Definition  
Crane - Chapter 01 #165  
Difficulty: Easy  
Topic: LO 3*

166. (p. 10) A person living on the street in Winnipeg during the winter likely has a(n) \_\_\_\_\_ for shelter.

- A. want
- B. need
- C. want and need**
- D. ability to pay for
- E. None of these answers are correct

A need occurs when a person feels physiologically deprived of basic necessities, such as food, clothing, and shelter. A want is a felt need.

*Blooms: Definition  
Crane - Chapter 01 #166  
Difficulty: Easy  
Topic: LO 3*

167. (p. 5) The second task of marketing is to:

- A. make profits.
- B. assist organizations in becoming more efficient.
- C. lower advertising costs for organizations.
- D. satisfy consumer needs.**
- E. find synergy between organizations and prospective customers.

The first objective in marketing is discovering the needs of prospective consumers. The second objective is to satisfy those needs.

*Blooms: Definition  
Crane - Chapter 01 #167  
Difficulty: Easy  
Topic: LO 1*

168. (p. 7) Which of the following is an example of an organization marketing a good?

- A. Greenpeace
- B. McCain Foods**
- C. Canadian Museum of Civilization
- D. Toronto Metro Zoo
- E. All answers are correct

McCain Foods is a business firm involved in manufacturing goods.

*Blooms: Definition  
Crane - Chapter 01 #168  
Difficulty: Easy  
Topic: LO 2*

169. (p. 7) Which of the following is an example of an organization marketing a service?

- A. WestJet airlines.**
- B. Nikon cameras.
- C. Crest toothpaste.
- D. Donating to the Salvation Army.
- E. All answers are correct.

WestJet is a business firm involved in selling airline trips which is a service.

*Blooms: Definition  
Crane - Chapter 01 #169  
Difficulty: Easy  
Topic: LO 2*

170. (p. 7) Which of the following is an example of an organization marketing an idea?

- A. WestJet airlines.
- B. Nikon cameras.
- C. Crest toothpaste.
- D. Donating to the Salvation Army.**
- E. All answers are correct.

Ideas are intangibles involving thoughts about actions or causes, such as donating to the Salvation Army.

*Blooms: Definition  
Crane - Chapter 01 #170  
Difficulty: Medium  
Topic: LO 2*

171. (p. 7) Which of the following is an example of an organization marketing a good?

- A. Donating to the Salvation Army.
- B. Apple Computers.**
- C. Canadian Museum of Civilization.
- D. Financial advice from TD Waterhouse.
- E. None of these answers are correct.

Apple Computers is a business firm involved in manufacturing goods.

*Blooms: Definition  
Crane - Chapter 01 #171  
Difficulty: Easy  
Topic: LO 2*

172. (p. 7) Which of the following is an example of an organization marketing a service?

- A.** Long-distance telephone calls offered by the Telus Group.
- B. Nikon cameras.
- C. Apple Computers.
- D. Donating to the Trans-Canada Trail project.
- E. None of these answers are correct.

Telus Group is a business firm involved in selling long-distance telephone calls which are a service.

*Blooms: Definition  
Crane - Chapter 01 #172  
Difficulty: Easy  
Topic: LO 2*

173. (p. 7) Which of the following is an example of an organization marketing an idea?

- A. WestJet airlines.
- B. Nikon cameras.
- C. Apple Computers.
- D.** Donating to the Trans-Canada Trail project.
- E. None of these answers are correct.

Ideas are intangibles involving thoughts about actions or causes, such as donating to the Trans-Canada Trail project.

*Blooms: Definition  
Crane - Chapter 01 #173  
Difficulty: Medium  
Topic: LO 2*

174. (p. 16-17) \_\_\_\_\_ is managing the customers' interactions with the organization at all levels and at all touchpoints so that the customer has a positive impression of the organization, is satisfied with the experience, and will remain loyal to the organization.

- A. marketing management
- B. customer relationship management
- C.** customer experience management
- D. customer loyalty
- E. customer lifetime value

CEM is managing the customers' interactions with the organization at all levels and at all touchpoints so that the customer has a positive impression of the organization, is satisfied with the experience, and will remain loyal to the organization.

*Blooms: Definition  
Crane - Chapter 01 #174  
Difficulty: Medium  
Topic: LO 6*



175. (p. 16-17) West Jet views their customers as guests rather than just travellers or passengers. Because the goal of this strategy is about experience-based differentiation at all touchpoints (websites, in-flight, ticket agents), West Jet can be said to be practicing:

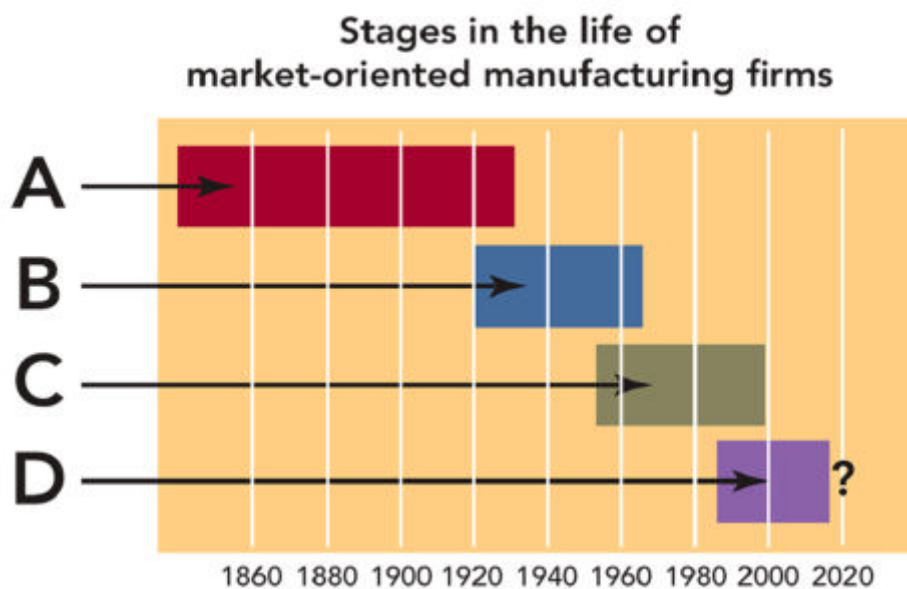
- A. customer relationship management
- B. the selling orientation
- C. the marketing orientation
- D. customer experience management**
- E. the marketing concept

*Blooms: Application*  
*Crane - Chapter 01 #175*  
*Difficulty: Difficult*  
*Topic: LO 6*

176. (p. 16-17) Pete's Frotique (independent grocer in Halifax) has a piano player in the store, complimentary boxes of raisins and even individual fresh-cut sunflowers. Because they want customers to have an enjoyable shopping experience they are said to be engaged in:

- A. customer loyalty management.
- B. customer experience management.**
- C. customer relationship management.
- D. market relationship management.
- E. selling relationship management.

*Blooms: Application*  
*Crane - Chapter 01 #176*  
*Difficulty: Medium*  
*Topic: LO 6*



**Figure 1-5**

*Crane - Chapter 01*

177. (p. 14) In Figure 1-5, letter "A" represents which stage in the life of market-oriented manufacturing firms?

- A. Sales era
- B. Production era**
- C. Age of consumerism
- D. Marketing concept era
- E. Customer relationship era

The first stage, the *production era*, covers the early years of the United States up until the 1920s. Goods were scarce and buyers were willing to accept virtually any goods that were available and make do with them.

*Blooms: Conceptual*  
*Crane - Chapter 01 #177*  
*Difficulty: Medium*  
*Topic: LO 4*

178. (p. 14) In Figure 1-5, letter "B" represents which stage in the life of market-oriented manufacturing firms?

- A. Sales era**
- B. Production era
- C. Age of consumerism
- D. Marketing concept era
- E. Customer relationship era

In the *sales era* from the 1920s to the 1960s, manufacturers found they could produce more goods than buyers could consume. Competition grew. Firms hired more salespeople to find new buyers. This sales era continued into the 1960s for many American firms.

*Blooms: Conceptual*  
*Crane - Chapter 01 #178*  
*Difficulty: Medium*  
*Topic: LO 4*

179. (p. 14) In Figure 1-5, letter "C" represents which stage in the life of market-oriented manufacturing firms?

- A. Sales era
- B. Production era
- C. Age of consumerism
- D. Marketing concept era**
- E. Customer relationship era

Starting in the late 1950s, marketing became the motivating force among many American firms and the *marketing concept era* dawned. The marketing concept is the idea that an organization should (1) strive to satisfy the needs of consumers (2) while also trying to achieve the organization's goals.

*Blooms: Conceptual*  
*Crane - Chapter 01 #179*  
*Difficulty: Medium*  
*Topic: LO 4*

180. (p. 14) In Figure 1-5, letter "D" represents which stage in the life of market-oriented manufacturing firms?

- A. Sales era
- B. Production era
- C. Age of consumerism
- D. Marketing concept era
- E. Customer relationship era

An organization that has a market orientation focuses its efforts on (1) continuously collecting information about customers' needs, (2) sharing this information across departments, and (3) using it to create customer value. The result is today's *customer relationship era* that started in the 1980s, in which firms seek continuously to satisfy the high expectations of customers.

Blooms: Conceptual  
Crane - Chapter 01 #180  
Difficulty: Medium  
Topic: LO 4

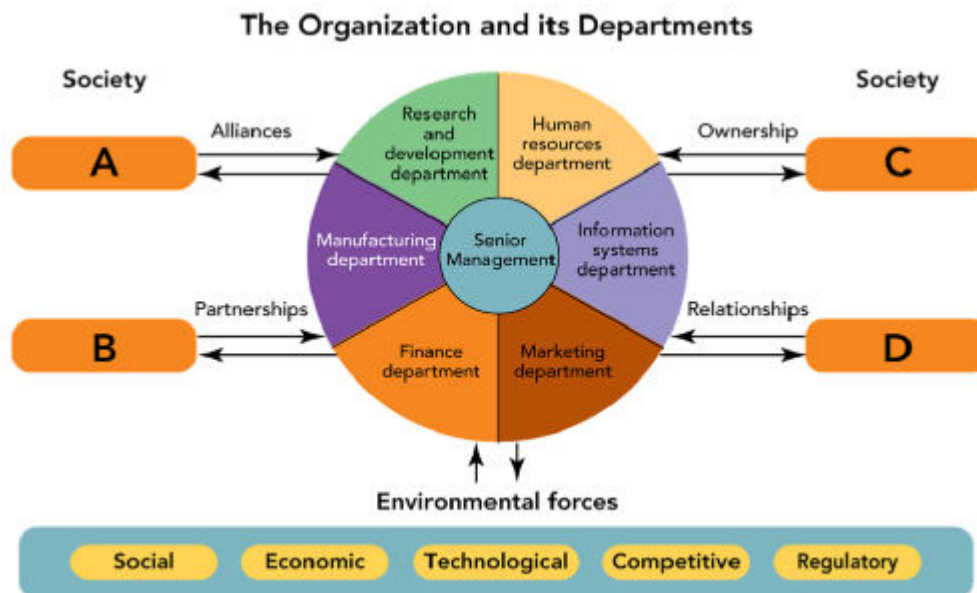


Figure 1-1

Crane - Chapter 01

181. (p. 8-9) In Figure 1-1, "A" represents a firm's alliances with

- A. suppliers
- B. customers
- C. shareholders
- D. other departments
- E. other organizations

An organization marketing department relates to many people, groups, and forces.

Blooms: Conceptual  
Crane - Chapter 01 #181  
Difficulty: Medium  
Topic: LO 2

182. (p. 8-9) In Figure 1-1, "B" represents a firm's partnerships with

- A. other organizations
- B. suppliers**
- C. shareholders
- D. customers
- E. other departments

An organization marketing department relates to many people, groups, and forces.

*Blooms: Conceptual*  
*Crane - Chapter 01 #182*  
*Difficulty: Medium*  
*Topic: LO 2*

183. (p. 8-9) In Figure 1-1, "C" represents a firm's ownership with

- A. other organizations
- B. suppliers
- C. shareholders**
- D. customers
- E. other departments

An organization marketing department relates to many people, groups, and forces.

*Blooms: Conceptual*  
*Crane - Chapter 01 #183*  
*Difficulty: Medium*  
*Topic: LO 2*

184. (p. 8-9) In Figure 1-1, "D" represents a firm's relationship with

- A. other organizations
- B. suppliers
- C. shareholders
- D. customers**
- E. other departments

An organization marketing department relates to many people, groups, and forces.

*Blooms: Conceptual*  
*Crane - Chapter 01 #184*  
*Difficulty: Medium*  
*Topic: LO 2*

185. (p. 9) According to Robert M. McMath, what are 2 things marketers can do to help new-product launches succeed? Give an example of each.

Answers will vary

Feedback: (1) Focus on what the customer benefit is, and (2) learn from the past. Student examples will vary.

*Blooms: Conceptual*  
*Crane - Chapter 01 #185*  
*Difficulty: Difficult*  
*Topic: LO 3*

186. (p. 8) In addition to consumers, what other people, groups, and forces interact to affect marketing activities and results?

Answers will vary

Feedback: Foremost is the organization that is doing the marketing, including its mission, objectives and goals, top management, marketing department, other departments, and employees. In addition to customers there are shareholders or owners of companies, representatives of groups served in the case of nonprofit organizations, and suppliers. Environmental forces include social, economic, technological, competitive, and regulatory. And, lastly, society as a whole must be taken into account with respect to marketing plans and activities. The organization must strike an acceptable balance among all these influences. See also Figure 1-1.

*Blooms: Conceptual  
Crane - Chapter 01 #186  
Difficulty: Medium  
Topic: LO 2*

187. (p. 5-6) At least four factors are required for marketing to occur. What are they?

Answers will vary

Feedback: For marketing to occur, at least four factors are required:

- (1) two or more parties (individuals or organizations) with unsatisfied needs.
- (2) a desire and ability on their parts to satisfy those needs.
- (3) a way for the parties to communicate.
- (4) something to exchange.

*Blooms: Definition  
Crane - Chapter 01 #187  
Difficulty: Medium  
Topic: LO 1*

188. (p. 10) How do you define needs and wants?

Answers will vary

Feedback: A need occurs when a person feels physiologically deprived of basic necessities like food, clothing, and shelter. A want is a felt need that is shaped by a person's knowledge, culture, and personality. Because there is such a debate over the exact meanings of need and want, the terms are used interchangeably in the book.

*Blooms: Definition  
Crane - Chapter 01 #188  
Difficulty: Medium  
Topic: LO 3*

189. (p. 11) Describe three different target markets, for three different products or services you, your friends, or family have recently purchased or used.

Answers will vary

Feedback: A target market is a specific group of potential consumers whose needs and wants the organization can satisfy, and on whom the organization therefore can most efficiently and productively concentrate for marketing purposes. In response to this question, students might define the target market for a local baseball team as people who live in the area, somewhat skewed toward males, perhaps, and heavily 25 to 65 years of age. This question offers a good opportunity for class discussion of the more interesting examples and observations of students.

*Blooms: Application*  
*Crane - Chapter 01 #189*  
*Difficulty: Difficult*  
*Topic: LO 3*

190. (p. 11-12) Imagine you have the sole marketing rights to a new herbal shampoo that stops hair loss and actually causes new hair growth. You plan to sell your product on an Internet site, which you will advertise on late night television. You are also hoping to obtain free publicity in men's fashion magazines. You are planning on selling a 16-ounce bottle for \$24.99 plus \$7.99 shipping and handling. (A) Using the information provided, identify each element of your marketing mix. (B) Identify the target market for your shampoo. (C) How can you use relationship management to increase sales?

Answers will vary

Feedback: (A) The shampoo is the product element. The Internet is the place element. The ads on late night television and the publicity are the promotion element. The price element is the \$24.99 price plus the \$7.99 for shipping and handling.

(B) The target market is obviously men and women with hair loss. Better students will note that not everyone will be able to afford the product and that the target market should also include some kind of an income base.

(C) Since you are selling on the Internet, you could use relationship marketing by sending monthly e-mail information concerning information about issues of interest to your target market. You could also offer a free 11<sup>th</sup> bottle of shampoo after a consumer buys 10 bottles over a period of time. Students, of course, may come up with other equally viable ideas.

*Blooms: Application*  
*Crane - Chapter 01 #190*  
*Difficulty: Difficult*  
*Topic: LO 4*

191. (p. 15) What is the marketing concept?

Answers will vary

Feedback: The marketing concept is the idea that an organization should strive to satisfy the needs of consumers, while also trying to achieve the organization's goals.

*Blooms: Definition*  
*Crane - Chapter 01 #191*  
*Difficulty: Easy*  
*Topic: LO 4*

192. (p. 16) In November and December, kiosk stores appear in many malls. Typically the kiosks sell gift boxes of cheese, jewellery, and other items people think are appropriate seasonal gifts. In January these kiosk retailers vanish. Is it possible for such a kiosk retailer to use customer relationship management? Explain your answer.

Answers will vary

Feedback: Generally, students will say no based on the definition of CRM. The text defines CRM as the process of identifying prospective buyers, understanding them intimately, and developing favourable long-term perceptions of the organization and its offerings so buyers will choose them in the marketplace. However, this idea is based on the idea that the kiosks are not there long enough to establish a long-term relationship. However, very insightful students may see an opportunity for these retailers (who return year after year) to develop long-term multi-year relationships. Databases would allow direct mail notifications that the prized gifts are again available.

*Blooms: Application*  
*Crane - Chapter 01 #192*  
*Difficulty: Medium*  
*Topic: LO 5*

193. (p. 19) What is the difference between micromarketing and macromarketing?

Answers will vary

Micromarketing focuses on how an individual organization uses the strategic marketing process to direct its marketing activities and allocate its resources. Macromarketing looks at the aggregate flow of a nation's goods and services to benefit society. While micromarketing tends to be internal, macromarketing addresses broader societal issues such as whether marketing costs too much or whether advertising is wasteful.

*Blooms: Conceptual*  
*Crane - Chapter 01 #193*  
*Difficulty: Medium*  
*Topic: LO 8*

194. (p. 7-8) Briefly describe an ultimate consumer versus an organizational buyer dinner bought from a caterer.

Answers will vary

Feedback: Students' examples will differ, but each example should be descriptive of the definition. Ultimate consumers are people who use the goods and services purchased for a household. One example might be a wedding reception or a wedding rehearsal dinner. Organizational buyers are units that buy goods for their own use or resale. An example would be an awards banquet for a company's leading salesperson.

*Blooms: Application*  
*Crane - Chapter 01 #194*  
*Difficulty: Easy*  
*Topic: LO 2*

195. (p. 8) In our free-enterprise society, what three specific groups benefit from effective marketing?

Answers will vary

Feedback: The three specific groups that benefit from effective marketing are:

- (1) consumers who buy (they can obtain the best product at the lowest price).
- (2) organizations that sell (receive rewards, profits, growth, etc.).
- (3) society as a whole (through enhanced competition, and a higher standard of living for its citizens).

*Blooms: Conceptual  
Crane - Chapter 01 #195  
Difficulty: Medium  
Topic: LO 2*

196. (p. 8) Who benefits from marketing in our society, and how?

Answers will vary

Feedback: Virtually everyone benefits from marketing in our society: consumers who buy, organizations that sell, and society as a whole. True competition between products and services in the marketplace ensures we as consumers can obtain the best goods and services available at the lowest price. Providing the maximum number of choices leads to the consumer satisfaction and quality of life we have come to expect from our economic system. (An extended answer could relate to utilities of form, place, time, and possession. This question can be used to prompt stimulating class discussion.)

*Blooms: Conceptual  
Crane - Chapter 01 #196  
Difficulty: Medium  
Topic: LO 2*

197. (p. 11) List and describe marketing's controllable marketing mix factors.

Answers will vary

Feedback: Marketers develop a complete marketing program through the use of a combination of four tools, often called the four Ps:

- (1) Product - A good, service, or idea to satisfy the consumer's need.
- (2) Price - What is exchanged for the product.
- (3) Promotion - A means of communication between the seller and the buyer.
- (4) Place - A means of getting the product into the consumer's hands.

*Blooms: Definition  
Crane - Chapter 01 #197  
Difficulty: Easy  
Topic: LO 4*



198. (p. 4-19) Do you think marketing is a good or a bad influence on our society? Explain your position as specifically as you can.

Answers will vary

Feedback: A student may take the position of the ancient Greek sophists and Karl Marx that marketing is the province of the sick and weakly, the dishonest and the exploitative. Or they may take the more modern position that marketing has provided the highest standard of living, and the greatest freedom for the greatest numbers of people that the world has ever known. By the time they have finished reading this chapter, it is to be hoped that more students will take the latter position than the former.

*Blooms: Conceptual*  
*Crane - Chapter 01 #198*  
*Difficulty: Difficult*  
*Topic: LO 1-8*

## **c1 Summary**

<i><u>Category</u></i>	<i><u># of Questions</u></i>
Blooms: Application	69
Blooms: Conceptual	51
Blooms: Definition	78
Crane - Chapter 01	200
Difficulty: Difficult	29
Difficulty: Easy	75
Difficulty: Medium	94
Topic: Chapter Opening Example	5
Topic: LO 1	24
Topic: LO 1, LO 3	1
Topic: LO 1-8	1
Topic: LO 2	39
Topic: LO 3	23
Topic: LO 4	54
Topic: LO 5	13
Topic: LO 6	8
Topic: LO 7	4
Topic: LO 8	26