CHAPTER 1 – An overview of marketing

TRUE/FALSE

1.	distribution of ideas, goods and organisational goals.	_	_		C- 1
	ANS: T	PTS:	1	DIF:	Easy
	TOP 1: Gain an overview of mark	eting.			
2.	Marketing exchanges can take pla something that the other party value				he exchange have
	ANS: F	PTS:	1	DIF:	Easy
	TOP 2: Explain the marketing exc	hange cor	nditions and the	ir influence or	marketing.
3.	Marketing is a philosophy, a perspursuit customer satisfaction or de		a management	orientation th	at emphasises the
	ANS: T	PTS:	1	DIF:	Difficult
	TOP 1: Gain an overview of mark	eting.			
4.	Marketing can be classified as philosophy, attitude or perspective		business fund	ction applying	g a management
	ANS: F	PTS:	1	DIF:	Easy
	TOP 1: Gain an overview of mark	eting.			
5.	App4U Industries spent consider application allowing customers to single location. The company had was confident that its science and item. Based on this example, Appe	combine not cond technolo	their online ba ucted market re ogy department	inking with di esearch among had provided	fferent banks in a great customers, but it a successful new
	ANS: F	PTS:	1	DIF:	Moderate
	TOP 3: Describe the four competi	ng market	ing managemer	nt orientations	
6.	Initially, when Kodak started its profilm, rather than a way to capture marketing-oriented company.				
	ANS: F	PTS:	1	DIF:	Moderate
	TOP 3: Describe the four competi	ng market	ing managemer	nt orientations	
7.	Marketing focuses on selling prod	ucts and s	ervices to custo	omers.	
	ANS: F	PTS:	1	DIF:	Easy
	TOP 3: Describe the four competi	ng market	ing managemer	nt orientations	

8.	A production-oriented company considers whether the product meets the needs of customers.	
	ANS: F PTS: 1 DIF: Difficult	
	TOP 3: Describe the four competing marketing management orientations.	
9.	Relationship marketing orientation expands the marketing orientation focus from making a sale that meets the needs and wants of the marketplace to the value of the repeat sale.	
	ANS: T PTS: 1 DIF: Difficult	
	TOP 3: Describe the four competing marketing management orientations.	
10.	Silk Air, an airline carrier, has generated loyal consumer and business clients by providing the best customer support in the airline industry. Silk Air also provides direct sales consultation that gives salespeople in-depth knowledge of what makes its customer support successful. This partnership entails relationship marketing.	
	ANS: T PTS: 1 DIF: Difficult	
	TOP 3: Describe the four competing marketing management orientations.	
11.	A competitive advantage is the idea that a product can solve a set of customer problems better than any competitor's product.	
	ANS: T PTS: 1 DIF: Moderate	
	TOP 3: Describe the four competing marketing management orientations.	
12.	Marketing is a job that should be handled by marketers; people in management, accounting and finance should focus on their own specialties.	
	ANS: F PTS: 1 DIF: Easy	
	TOP 3: Describe the four competing marketing management orientations.	
13.	Customer value is the ratio of benefits to what must be forgone to obtain those benefits; and hence entails a tension in the customer's mind regarding what is perceived to be gained, versus what is to be given up in an exchange.	
	ANS: T PTS: 1 DIF: Moderate	
	TOP 3: Describe the four competing marketing management orientations.	
14.	Customer satisfaction (delight) is the customer's feeling that a product or service has met (exceeded) their expectations.	
	ANS: T PTS: 1 DIF: Easy	
	TOP 3: Describe the four competing marketing management orientations.	
15.	The Internet is an effective tool for generating, maintaining and developing relationships with customers because it allows customer interaction, such as on blogs, online communities, social media sites, etc.	
	ANS: T PTS: 1 DIF: Moderate	
	TOP 3: Describe the four competing marketing management orientations.	

16.	Customers value goods and services the prices they are willing to pay.	regarding the quality level the	ney expect, and are sold at
	ANS: T	PTS: 1	DIF: Easy
	TOP 3: Describe the four competing	marketing management orie	ntations.
17.	A production-oriented organisation important.	assumes that each element	of the marketing mix is
	ANS: F	PTS: 1	DIF: Easy
	TOP 3: Describe the four competing	marketing management orie	ntations.
18.	Sales-oriented organisations place a than on making a sale.	higher premium on long-ter	rm customer relationships
	ANS: F; The opposite is true. Sale generating sales volume.	s-oriented organisations plac	e a greater emphasis on
	PTS: 1	DIF: Moderate	
	TOP 3: Describe the four competing	marketing management orie	ntations.
MU	ULTIPLE CHOICE		
1.	The term 'marketing' refers to	·	
	A selling		
	B advertising		
	C planning sales campaigns		
	D new product concepts and impro	evements	
	E a philosophy that stresses custor	ner satisfaction	
	ANS: E	PTS: 1	DIF: Easy
	TOP 1: Gain an overview of market	ing.	
2.	A business is concerned with many the planning and conception of the p strategy. These activities are all a pa	roduct or service, its pricing	
	A engineering		
	B marketing		
	C accounting		
	D production		
	E sales		
	ANS: B	PTS: 1	DIF: Easy
	TOP 1: Gain an overview of market	ing.	
3.	An area which is relatively new in and practitioners understand more al		

	A science marketing
	B science
	C procurement
	D management
	E psychology
	ANS: B PTS: 1 DIF: Easy
	TOP 1: Gain an overview of marketing.
4.	Your friend gave you the <i>Titanic</i> movie and you gave him the <i>Gladiator</i> movie. This is an example of
	A exchange
	B marketing
	C bargaining
	D reciprocity
	E mutuality
	ANS: A PTS: 1 DIF: Easy
	TOP 2: Explain the marketing exchange conditions and their influence on marketing.
5.	For an exchange to occur:
	A money is essential.
	B organisational profit is required.
	C third-party involvement is required.
	D each party must have something that is of value to the other party.
	E the buyer cannot reject the offer once the offer is accepted.
	ANS: D PTS: 1 DIF: Moderate
	TOP 2: Explain the marketing exchange conditions and their influence on marketing.
6.	Exchange can take place only if is given or received.
	A money
	B something of value
	C cost of time
	D cost of travel
	E opportunity cost
	ANS: B PTS: 1 DIF: Moderate
	TOP 2: Explain the marketing exchange conditions and their influence on marketing.

7.	Danny Johnson wants to sell his home. A preliminary investigation has shown that many people would be interested in this type of home. He has taken out an advertisement in his local trade paper and provided customers with a toll-free number to make an appointment to view the home. He has also read in the real estate papers that similar homes to the one that he owns are selling for about \$400 000. Before accepting this opportunity, what else should Johnson find out about?								
	A Production								
	B Customers								
	C Sales								
	D Satisfaction								
	E Value								
	ANS: C; For an exchange to take place, each party the parties must be able to communicate, and each parties with the other.	ty must believe that it is appropriate to							
	PTS: 1 DIF: Difficul								
	TOP 2: Explain the marketing exchange conditions as	nd their influence on marketing.							
8.	oriented companies focus on the internal capa products that are better and cheaper.	bilities of the organisation to develop							
	A Production								
	B Customer								
	C Value								
	D Satisfaction								
	E Sales								
	ANS: A PTS: 1	DIF: Moderate							
	TOP 4: Appreciate the application of the orientation t	to an organisation.							
9.	oriented companies have long-term goals of focusing more on the welfare of the community.	improving products and services by							
	A Production								
	B Societal marketing								
	C Marketing								
	D Satisfaction								
	E Sales								
	ANS: B PTS: 1	DIF: Moderate							
	TOP 3: Describe the four competing marketing mana	gement orientations.							
10.	0. When a company uses its resources to resolve question can our engineers design?' and 'What is easy to prod have a orientation.								

Α	4	sale	3							
Е	3	cust	omer							
C	C	mar	ceting							
Γ)	prod	luction	1						
Е		valu								
A	\N	S:	D			PTS:	1		DIF:	Easy
				be the f	our compe			gement orio		•
tl	he	cant	een du	e to he	alth and sa	fety reasons	. Our tea		ime to fir	to have food from the days of cutting the
A	A	prod	uction	orienta	ation					
Е	3	sale	orien	itation						
C	C	mar	ceting	orienta	tion					
Γ)	cust	omer (orientat	ion					
E	Ξ	prof	it orie	ntation						
Δ		S:				PTS:	1		DIF:	Difficult
12. C	One	e issu	ıe witl	n the	approa		eting is it		consider	whether what th
12. C	One com	e issumpany procesale:	ne with y prod luction s orien	n the uces mo	approa ost effectiv	ach to mark	eting is it	s failure to	consider	whether what th
12. C c	One com	e issumpany prod sales marl	ne with y production sorien keting	n the uces monientant atation orientan	approa ost effective ation	ach to mark	eting is it	s failure to	consider	whether what th
12. C	One com A B	proc sales marl	y production s orien ceting	n the uces me n orienta tation orientat	approa ost effective ation	ach to mark	eting is it	s failure to	consider	whether what th
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12. C c A B C C I B A A T	One com A B C O ANS	processales mark cust profess:	ne with y production sorien setting omer continuation.	n theuces months orientation that ion be the factor where	approast effective ation ation ation ation at the competence of th	PTS: ting market	eting is it ets the ne	s failure to eds of the r	consider marketpla DIF: entations emand e	whether what thace. Easy
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12. C c c A A B A T T 13. If A B B	One com	processales market cust profess: P 3: 1 a sitto market socioretai	le with y production sorien ceting omer continuation riented ceting etal	n the uces me n oriental station oriental oriental ntation be the f	approast effective ation ation ation ation at the competence of th	PTS: ting market	eting is it ets the ne	s failure to eds of the r	consider marketpla DIF: entations emand e	whether what the
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14.	The marketing process commences	with an i	anderstanding of		·
	A a marketing opportunity analysi	S			
	B the marketing mix				
	C environmental scanning				
	D marketing strategy				
	E organisation mission				
	ANS: E	PTS:	1	DIF:	Difficult
	TOP 3: The marketing process				
15.	A firm that lacks an understanding o	f the nee	ds and wants of the n	narketpla	ce may be called:
	A market-oriented or promotional-	oriented	l.		
	B sales-oriented or production-orie	ented.			
	C profit-oriented or sales-oriented				
	D customer relationship-oriented of	or profit-	oriented.		
	E promotional-oriented or marketi	ng-orien	ited.		
	ANS: B		1	DIF:	Easy
	TOP 3: Describe the four competing	g marketi	ing management orie	ntations.	
16.	The philosophy that assumes people necessary is called the orienta		stant to buying produ	icts that a	are not absolutely
	A marketing				
	B sales				
	C moderate				
	D production				
	E discount				
	ANS: B	PTS:	1	DIF:	Easy
	The sales orientation assumes that a		-		
	TOP 3: Describe the four competing	marketi	ing management orie	ntations.	
17.	Understanding your competitive are component of the orientation		ompetitors' strengths	and wea	ıkness is a critical
	A marketing				
	B sales				
	C customer				
	D production				
	E relationship				
	ANS: A	PTS:	1	DIF:	Moderate
	TOP 3: Describe the four competing	marketi	ing management orie	ntations.	

18.	A orientation assumes that customers resist buying items that are not essential and that people will buy more goods and services if aggressive marketing techniques are used.
	A customer
	B production
	C marketing
	D sales
	E marketplace
	ANS: A PTS: 1 DIF: Moderate
	TOP 3: Describe the four competing marketing management orientations.
19.	The philosophy focused on satisfying customer needs and wants, as well as key organisational objectives, is called the orientation.
	A promotion
	B production
	C sales
	D market
	E customer
	ANS: D PTS: 1 DIF: Moderate
	TOP 3: Describe the four competing marketing management orientations.
20.	Successfully handling consumer complaints is an important aspect of business. A company receiving customer complaints and focusing on a sales orientation is likely to:
	A change the product.
	B modify the customer-facing sales presentation.
	C analyse the target market and revise distribution.
	D coordinate feedback into future product offerings.
	E change the pricing structure.
	ANS: B PTS: 1 DIF: Moderate
	TOP 3: Describe the four competing marketing management orientations.
21.	Pear Company has improved the efficiency and productivity of its plant. For the new financial year, the company projects a production increase of 20 per cent and has instructed its sales force to aggressively distribute and promote the product. The CEO is sure that the market will absorb more product if the sales force is determined and assertive. Pear Company appears to have a orientation.
	A marketing
	B production
	C sales
	D customer

	AN	IS:	C			PTS:	1			DIF:	Easy	
	ТО	P 3:	Describe	e the fou	r compet	ing mark	eting 1	nanager	nent orie	entations		
22.	The	e ma	rketing c	oncept a	and mark	eting orie	ntatio	n involv	e each o	f the foll	owing, E	XCEPT:
	A	foci	using on	consum	er needs	and want	s.					
	В	inte	grating a	ıll the ac	tivities o	f the con	npany	to satisf	y custom	er wants	s.	
	C	diff	erentiati	ng a con	npany's p	roducts f	rom it	s compe	etitor's p	roducts.		
	D	fuel	ling sale	s growth	n through	the appl	icatior	ı of aggı	ressive sa	ales tech	niques.	
	E	long	g-term go	oal achie	evement (such as p	orofits	and gro	wth) for	the com	pany.	
	AN	IS:	D			PTS	: 1			DIF:	Easy	
	ТО	P 3:	Describe	e the fou	r compet	ing mark	eting 1	nanager	nent orie	entations	•	
23.	gia	nt re	tailer ref	focused		s on doir	ig a b	etter job				nters, the leeds and
	A	pro	duction									
	В	sale	es									
	C	reta	il									
	D	ma	ırket									
	Е	foci	used									
	AN	IS:	D			PTS:	: 1			DIF:	Easy	
	ТО	P 3:	Describe	e the fou	r compet	ing mark	eting 1	nanager	nent orie	entations	•	
24.	Wh	nich (of the fol	lowing	is NOT a	n elemen	t of th	e marke	ting mix	?		
	A	Pric	ee									
	В	Plac	ce									
	C	Pos	itioning									
	D	Pro	duct									
	Е	Pro	motion									
	AN	IS:	C			PTS	1			DIF:	Easy	
	ТО	P 4:	Appreci	ate the a	pplication	n of the o	orienta	tion to a	n organi	sation.		
25.	a sl onl war cus	kirt t ine s rehor	hat she lastore. Su use, loca er to prov	nad purc zy took ited the	hased made down the	atched the he potent letermine	e red itial cuted they	in a skir Istomer' y did no	t that was s phone ot match	ns being number and ca	offered i , went o lled the	the red in n Myer's ut to the potential ion.
	Α	soci	ıcıaı									

E marketplace

	C	market				
	D	relationship				
	E	production				
	AN	NS: C PT	ΓS:	1	DIF:	Easy
	TO	OP 3: Describe the four competing ma	arketin	ng management orien	tations.	
26.		hich of the following is NOT a via arketing-oriented?	able m	nethod a company c	an use	to become more
	A	Training employees in the latest agg	gressiv	ve selling techniques		
	В	Making sure all employees operate	based	on customer-centric	principl	es
	C	Training employees to understand the	he con	npany, its philosophy	y and pro	ocedures
	D	Implementing empowerment techni	iques t	o help staff make inc	depender	nt decisions
	E	Training employees to focus on cus	stomer	satisfaction		
	AN	NS: A PT	ΓS:	1	DIF:	Easy
	TO	OP 3: Describe the four competing ma	arketin	ng management orien	tations.	
27.	'Fl par	then using a credit card for purchase ly-buys' card. After purchasing a spectricipant earns a free flight or some or equent-flyer programs are practising _	ecific 1 ther re	monetary amount, the	e freque	nt-flyer program
	A	service-dominant logic				
	В	customer-needs marketing				
	C	marketing optimisation				
	D	relationship marketing				
	E	marketing engineering				
					DIF:	Moderate
	TO	OP 3: Describe the four competing ma	arketın	ng management orien	tations.	
28.	the	then a company's focus is on keeping the premise that maintaining existing stracting new ones, it is said to have a	stakeh	olders is less costly,		
	A	marketing				
	В	sales				
	C	customer				
	D	production				
	E	relationship				
			ΓS:			Easy
	TO	OP 3: Describe the four competing ma	arketin	ng management orien	tations.	

B sales

	You are in charge of the marketing program at Leo's Home Products and have been asked to implement the relationship marketing orientation within the company. Which of the following actions are you likely to take first in implementing the relationship marketing concept?									
	A	A Reorganise the company and make marketing the most important department.								
	В									
	C	Expand the advertising be Products new line of bath	oudget so that customers will broom products.	be more aware o	of Leo's Home					
	D	Create a database of cust	omers' buying patterns and o	develop reward p	orograms.					
	Е	Hire a new product-deve ment.	lopment manager and establi	ish a marketing r	research depart-					
	AN	IS: D	PTS: 1	DIF:	Difficult					
	ТО	P 3: Describe the four con	mpeting marketing managem	ent orientations.						
30.	and		believes that it exists nesational objectives, but also to interests.							
	A	Greater-good marketing	strategy							
	В	Society marketing orient	ation							
	C	Societal marketing orien	tation							
	D	Ethical marketing								
	AN	IS: C	PTS: 1	DIF:	Easy					
		(b. e	115. 1	DII.	Easy					
	ТО		mpeting marketing managem		•					
31.	The	P 3: Describe the four con	mpeting marketing managem of which the development	ent orientations.	·					
31.	The	P 3: Describe the four cone philosophical approach	of which the development called	ent orientations.	·					
31.	The	P 3: Describe the four cone philosophical approach abase is an integral part, i	of which the development s called	ent orientations.	·					
31.	The dat	P 3: Describe the four cone philosophical approach abase is an integral part, in the digital marketing philosophical philosophical part, in the digital marketing philosophical philosoph	of which the development s called illosophy ag orientation	ent orientations.	·					
31.	The dat A B	P 3: Describe the four cone philosophical approach abase is an integral part, if the digital marketing phother relationship marketing	of which the development s called illosophy ag orientation	ent orientations.	·					
31.	The dat A B C	P 3: Describe the four cone philosophical approach abase is an integral part, if the digital marketing photon the relationship marketing the ethical business perspective.	of which the development s called iilosophy ag orientation pective	ent orientations.	·					
31.	The dat A B C D	P 3: Describe the four cone philosophical approach abase is an integral part, if the digital marketing photon the relationship marketing the ethical business perspositioning strategy	of which the development s called iilosophy ag orientation pective	ent orientations.	·					
31.	The dat A B C D E AN	P 3: Describe the four contemporary of the philosophical approach abase is an integral part, if the digital marketing photon the relationship marketing the ethical business perspositioning strategy the societal marketing or US: B	of which the development s called iilosophy ag orientation pective	ent orientations. and maintenand DIF:	ce of a customer Moderate					

	В	sales				
	C	product				
	D	marketing				
	Е	business				
	AN	NS: D	PTS:	1	DIF:	Moderate
	TO	OP 3: Describe the four competing	ng market	ing manag	gement orientation	ns.
33.	Th	e philosophy, which focuses or orientation.	n repeat	sales, rath	er than one-time	sales, is called the
	A	bottom line				
	В	relationship marketing				
	C	profitability				
	D	sales				
	E	harvesting				
	AN	NS: B	PTS:	1	DIF:	Moderate
	TO	OP 3: Describe the four competing	ng market	ing manag	gement orientation	ns.
34.	the top	tooh-Mooh Dairy Company asks shop so that it may help in gen be, the larger the donation to localisplaying	erating fi	nances for	local schools. T	he more milk-bottle
	A	marketing recycling				
	В	customer-centric marketing				
	C	marketing planning				
	D	marketing engineering				
	E	societal marketing				
		NS: E	PTS:		DIF:	•
	ТС	OP 3: Describe the four competing	ng market	ing manag	gement orientation	ns.
35.		ost of the successful companies d reusable materials. This is an e				
	A	production				
	В	relationship marketing				
	C	profitability				
	D	sales				
	Е	societal marketing				
	AN	NS: E	PTS:	1	DIF:	Moderate
	TO	P 3: Describe the four competing	ng market	ing manag	gement orientation	ns.

36.	Marketers interested in customer value focus on each of the following, EXCEPT:					
	A offering products that conform to customer expectations.					
	B exceeding customer expectations.					
	C setting a high price to indicate product quality.					
	D acting in a transparent manner, e.g. by providing company facts and figures to customers.					
	E offering organisation-wide commitment in service.					
	ANS: C PTS: 1 DIF: Easy					
	TOP 3: Describe the four competing marketing management orientations.					
37.	Marketers interested in offering customer value can:					
	A offer products that perform.					
	B give consumers more than they expect.					
	C offer organisation-wide commitment to service and after-sales support.					
	D avoid unrealistic pricing.					
	E do all of these things.					
	ANS: E PTS: 1 DIF: Easy					
	TOP 3: Describe the four competing marketing management orientations.					
38.	8. A retail outlet that wishes to offer customer value should:					
	A require customers to pick up and deliver their purchases.					
	B charge a realistic price for the product instead of the inflated price charged by many competitors.					
	C sell inexpensive products.					
	D require that all purchases are made within traditional store opening hours.					
	ANS: B PTS: 1 DIF: Easy					
	TOP 3: Describe the four competing marketing management orientations.					
39.	focus on repeat sales and referrals because this philosophy maintains that keeping customers costs much less than attracting new ones.					
A Relationship-oriented companies B Production-oriented companies						
	D Profitability-oriented companies					
	E Retail companies					
	ANS: A PTS: 1 DIF: Easy					
	TOP 3: Describe the four competing marketing management orientations.					

40.	When a customer's expectations are exceeded, customer occurs.					
	A confirmation					
	B delight					
	C value creation					
	D achievement					
	E empowerment					
	ANS: B PTS: 1 DIF: Easy					
	TOP 3: Describe the four competing marketing management orientations.					
41.	is an (are) effective tool(s) in generating, maintaining and expanding relationships with customers.					
	A Sales personnel					
	B The Internet					
	C Coupons					
	D Publicity					
	E Product placements					
	ANS: B PTS: 1 DIF: Easy					
	TOP 3: Describe the four competing marketing management orientations.					
42.	The final step in the marketing process is					
	A evaluation					
	B implementation					
	C development of marketing strategies					
	D development of marketing objectives					
	ANS: A PTS: 1 DIF: Easy					
	TOP 4: Appreciate the application of the orientation to an organisation.					
43.	. There are many reasons to study marketing. These reasons include each of the following, EXCEPT that marketing:					
	A teaches businesses how to sell products that people do not need.					
	B plays an important role in society, coordinating the huge numbers of transactions needed to provide goods and services.					
	C is a key function in business.					
	D offers outstanding career opportunities.					
	E affects your day-to-day life as a consumer.					
	ANS: A PTS: 1 DIF: Easy					
	TOP 5: Describe the reasons for studying marketing.					

44.	Gathering, analysing and interpreting information about an organisation's environment is called						
	A environmental scanning						
	B market scanning						
	C primary data analysis						
	D environmental scouring						
	ANS: A TOP 4: Appreciate the application	PTS: 1 on of the orientation t	DIF: Moderate o an organisation.				
45.	At the core of every business are the activities that determine survival, profits and growth. Marketing contributes to these activities through five principal means. The first one is assessing the wants of customers, and the other four include each of the following, EXCEPT						
	A aggressive human resource j	practices					
	B pricing policies						
	C communication with customers						
	D distribution strategies						
	E promotional strategies						
	ANS: A	PTS: 1	DIF: Easy				
	TOP 5: Describe the reasons for	studying marketing.	·				
CO	MPLETION						
1.	orientation focuses on to desires, needs and wants that ex-	es of the company, rather than the	ne				
	ANS: Product	PTS: 1	DIF: Easy				
	ANS: Product TOP 4: Appreciate the application		•				
2.	TOP 4: Appreciate the application	on of the orientation to	•	or			
2.	TOP 4: Appreciate the application advantage is the idea that	on of the orientation to	o an organisation.	or			
2.	TOP 4: Appreciate the application advantage is the idea that way, relative to any competitor'	on of the orientation to a product can solve a sproduct. PTS: 1	o an organisation. set of customer problems in a superi DIF: Moderate	or			
2.	TOP 4: Appreciate the application advantage is the idea that way, relative to any competitor? ANS: Competitive TOP 4: Appreciate the application	on of the orientation to a product can solve a set of sproduct. PTS: 1 on of the orientation to the orienta	o an organisation. set of customer problems in a superi DIF: Moderate				
	advantage is the idea that way, relative to any competitor? ANS: Competitive TOP 4: Appreciate the application orientation assumes that	on of the orientation to a product can solve a set of sproduct. PTS: 1 on of the orientation to the orienta	o an organisation. Set of customer problems in a superi DIF: Moderate o an organisation.				
	advantage is the idea that way, relative to any competitor? ANS: Competitive TOP 4: Appreciate the application orientation assumes that offering.	on of the orientation to a product can solve a sist product. PTS: 1 on of the orientation to a sale depends on a PTS: 1	DIF: Difficult				
	advantage is the idea that way, relative to any competitor' ANS: Competitive TOP 4: Appreciate the application orientation assumes that offering. ANS: Marketing TOP 3: Describe the four competition.	on of the orientation to a product can solve a set of sproduct. PTS: 1 on of the orientation to a sale depends on a PTS: 1 or orientation to a sale depends on a product.	DIF: Difficult	an			

TOP 3: Describe the four competing marketing management orientations.

5.		ea that the social and economic er wants and needs while ret.				
		marketing Describe the four competing	PTS: g market			Difficult
6.	:	marketing orientation focuse	s on mai	ntaining existing cus	tomers a	nd suppliers.
		Relationship Describe the four competing	PTS: g market			Difficult
7.	The rat value.	io of benefits to the sacrifice	required	I to obtain those bene	efits is re	ferred to as
		customer Describe the four competing	PTS: g market			Difficult
8.	partner	marketing is a strategy ships with customers, and is				aining long-term
		Relationship Describe the four competing	PTS: g market			Moderate
9.		programs are examples of fige for their continued patron		or other incentives	provideo	d to customers in
		Reward Explain the marketing exchange	PTS:			Difficult marketing.
10.		successful relationship marke g programs, employee empov			pe	rsonnel, effective
	111	customer-oriented Describe the four competing	1 1 2 .	-		2 11110 1111
11. Some organisations practise a orientation by striving to help the less-communities receive fair and reputable payment for their goods and labour, and to deal only with other like-minded organisations.						
		societal marketing Describe the four competing	PTS: g market		DIF: entations.	
12.		core of marketing is, ing else.	an idea	that people will sacr	ifice son	nething to acquire
		exchange Explain the marketing exchange	PTS:	1 ditions and their infl	DIF: uence on	Moderate marketing.

13.	the	marketing is a strategy that cro orientation.	eates end	during partnerships w	1th	_, and is based on
	ANS:	Relationship; customers; ma	arketing			
	PTS:	1	DIF:	Difficult		
	TOP 3	: Describe the four competing	marketi	ing management orie	ntations.	
14. Aoriented organisation seeks to generate sales volume through intensive activities.						intensive
		sales; promotional : Describe the four competing	PTS:	_	DIF: ntations.	Difficult

ESSAY

1. Marketing has two components or facets. Name and describe each of these two facets.

ANS:

- 1 The first facet of marketing is its philosophy. This philosophy is an attitude, perspective or management orientation that stresses the importance of customer satisfaction.
- 2 The second facet of marketing is the set of activities used to implement this philosophy. These activities include (but are not limited to) planning, pricing, promotion, distribution, selling, advertising and inventory management.

PTS: 1 DIF: Moderate

TOP 1: Gain an overview of marketing.

2. The text mentions five orientations/philosophies that strongly influence the role of marketing and marketing activities within an organisation. Name and briefly describe each of these orientations, and give examples to illustrate your answer.

ANS:

- PRODUCTION ORIENTATION: This orientation focuses companies on their internal production capabilities rather than the desires and needs of the marketplace (e.g. traditional companies; this orientation is becoming increasingly uncommon).
- SALES ORIENTATION: This orientation assumes that buyers resist purchasing items that are not essential and that buyers will purchase more of any item if aggressive selling techniques are used. Again, this orientation does not address the needs and wants of the marketplace (e.g. outbound calling by call centres with the aim of selling products to consumers).
- MARKETING ORIENTATION: This orientation is the foundation of contemporary marketing philosophy. It recognises that a sale is dependent on the customer's decision to purchase a product and provides increased responsiveness to customer needs and wants (e.g. the majority of contemporary Western companies are adopting this orientation today).
- RELATIONSHIP MARKETING ORIENTATION: This orientation focuses on marketing activities to keep existing customers and suppliers, based on the premise that keeping an existing customer is less expensive than attracting a new one.

• SOCIETAL MARKETING ORIENTATION: This orientation refines the marketing orientation by stating that the social and economic justification for an organisation's existence is the satisfaction of customer wants and needs while meeting the organisation's objectives and preserving or enhancing both individuals' and society's long-term best interests (e.g. this orientation is becoming increasingly popular, and fits in with the concept of corporate social responsibility).

PTS: 1 DIF: Moderate

TOP 3: Describe the four competing marketing management orientations.

3. Explain the steps in the marketing process.

ANS: The marketing process begins with an understanding of the organisation's mission (e.g. from the mission statement). This is a set of values that the organisation wishes to pursue through its business activities.

The next step is to look for and understand any opportunities that exist in the markets that the organisation currently services or is considering serving (i.e. environmental analysis, e.g. PESTEL).

From there, the organisation sets marketing objectives (aims, goals) and selects a set of consumers (target market) they wish to serve.

Based on this information the company develops their marketing mix (i.e. their product, price, promotion and distribution strategies; or the expanded marketing mix for service offerings, which also includes people, process and physical evidence).

The next stage is to implement the marketing mix strategies (i.e. execution).

Finally, the marketing organisation evaluates its performance against the objectives that were previously set and considers which areas may need amendment in the next round.

PTS: 1 DIF: Difficult

TOP 2: Explain the marketing exchange conditions and their influence on marketing.

4. You are a marketing adviser to a menswear retailer who is interested in applying the marketing concept in her store. What should be the focus of her retail outlet?

ANS: Marketing concepts are said to be market-oriented. When a retailer wants to put marketing concept into practice, she should consider the following:

- Focus on customer wants and needs so that the organisation can distinguish its product(s) from competitors' offerings. For example, if the retail outlet is located in the city centre where a majority of women work, this group of customers will need to purchase formal clothes for work. Therefore, a variety of products like formal pants, shirts, shoes and other accessories (in various colours, designs and sizes) could be offered, catering for the needs of working women.
- Integrate all of the organisation's activities, including production, to satisfy these wants. For example, a sales assistant could be hired who understands the needs of working women, especially in clothing lines. Also, the servicescape (wall colour, flooring, music, scent; i.e. physical evidence in the expanded marketing mix for services) of the shop should be attractive to working women.
- Achieve long-term goals for the organisation by satisfying customer wants and needs, legally and responsibly. For example, the retailer could be socially responsible by donating a few cents per item sold to women's charity organisations.

PTS: 1 DIF: Moderate

TOP 4: Appreciate the application of the orientation to an organisation.

5. You are a luxury car salesperson. What is your business value proposition for your (prospective) customers?

ANS: Your strategy could be outlined as follows:

- Offer products that perform. Your customer could be put off by shoddy cars.
- Give the customer more than expected. Offer promising after-sales service and warranties.
- Avoid unrealistic pricing. Do not increase the prices of small services, like addressing the immediate failure of some car parts, minor repairs and maintenance.
- Give facts to the buyer. Under-promise and over-deliver. Do not exaggerate the quality of the car.
- Offer an organisation-wide commitment to service, including after-sales service. All the employees must have good knowledge of the cars on offer, their features and the procedure of after-sales service.

PTS: 1 DIF: Difficult

TOP 4: Appreciate the application of the orientation to an organisation.

6. Discuss how a cigarette company can ethically promote its product.

ANS: A company that manufactures cigarettes can ethically promote its product. A good example of this was the 2001 launch of the slow-burning cigarette and the non-smoker cigarette by Philip Morris. The slow-burning cigarette was promoted as the cigarette that would restrict the starting of bushfires by smokers who carelessly disposed of their cigarette butts. The second, no- or little-smoke cigarette was promoted as a device that would catch the smoke from a cigarette while it was burning. These two campaigns were successful in the ethical promotion of cigarettes by Philip Morris.

PTS: 1 DIF: Moderate

TOP 2: Explain the marketing exchange conditions and their influence on marketing.

7. Why is marketing important to business?

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

PTS: 1 DIF: Easy

TOP 5: Describe the reasons for studying marketing.

8. What types of marketing careers are there? What is the current percentage of marketing employees in the Australian or New Zealand civilian workforce and what is the future forecast for marketing employment?

ANS: One-fourth to one-third of the Australian and New Zealand civilian workforce performs marketing activities in areas such as professional selling, research, advertising, retail buying, distribution management, product management and development, and wholesaling. Careers also exist in the area of marketing research and analytics (e.g. customer, competitor and product analyses). Marketing career opportunities exist in both business and non-business organisations.

Demand for marketing-educated personnel is growing. Marketing employment is projected

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to grow at a faster rate than that of all other jobs. Additionally, marketing is now the fastest route to the top in today's corporate world.

PTS: 1 DIF: Moderate

TOP 5: Describe the reasons for studying marketing.