

### Question 1

In most applications of perceptual mapping, over 90 percent of competitor differentiation can be captured in \_\_\_\_\_ dimensions.

- a. one
- b. two
- c. three
- d. four
- e. five

Answer: <https://biology-forums.com/index.php?topic=544767>

### Question 2

New customers \_\_\_\_\_.

- a. are usually the profit driver of a business
- b. are a company's best customers
- c. have no impact on the net marketing contribution
- d. are usually less profitable than retained customers
- e. generally buy more than retained customers

Answer: <https://biology-forums.com/index.php?topic=544475>

### Question 3

The offensive strategic market plan to invest marketing resources to grow the market or market share is known as \_\_\_\_\_.

- a. New Market Entry
- b. Protect Position
- c. Invest to Grow
- d. Harvest/Divest
- e. Improve Position

Answer: <https://biology-forums.com/index.php?topic=545059>

### Question 4

It is never appropriate for a business to attempt to reduce its market share.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545142>

### Question 5

The idea that the advertising effort made in a given period will produce some additional sales response in subsequent sales periods is known as the \_\_\_\_\_.

- a. advertising elasticity effect
- b. pulsing effect
- c. advertising carryover effect
- d. pull effect
- e. push effect

Answer: <https://biology-forums.com/index.php?topic=545018>

### Question 6

If there are 10 manufacturers and 200 retailers, and each manufacturer has 12 interactions per year with each retailer at a cost of \$100 per transaction, the total transaction cost of doing business through this channel method is \_\_\_\_\_.

- a. \$2,000
- b. \$24,000
- c. \$200,000
- d. \$2,400,000
- e. There is not enough information to answer the question without speculation.

Answer: <https://biology-forums.com/index.php?topic=544950>

### Question 7

\_\_\_\_\_ portfolio strategies involve protecting or reducing the market position within existing markets.

- a. Offensive
- b. Defensive
- c. Long-term
- d. Short-term
- e. All

Answer: <https://biology-forums.com/index.php?topic=545072>

### Question 8

Which of the following is NOT a market-based approach to pricing?

- a. skim pricing
- b. floor pricing
- c. value-in-use pricing
- d. segment pricing
- e. strategic-account pricing

Answer: <https://biology-forums.com/index.php?topic=544866>

### Question 9

A business determines that 75% of its customers are satisfied. This business also learns that 80% of a leading competitor's customers are satisfied. If this business implements a program to reach 80% customer satisfaction, this is called \_\_\_\_\_.

- a. competitive parity
- b. focused value proposition
- c. managing to the averages
- d. wide-angle view of customer satisfaction
- e. forward-looking indicator

Answer: <https://biology-forums.com/index.php?topic=544470>

### Question 10

Web portals Explorer, Magellan, Navigator and Safari are examples of names created to subtly communicate the experience of surfing the Web and are examples of \_\_\_\_\_ names.

- a. evocative
- b. experiential
- c. functional
- d. invented
- e. realistic

Answer: <https://biology-forums.com/index.php?topic=544832>

### Question 11

Although the primary purpose of an expanded product line is to attract more customers, product line variations can also allow existing customers to trade-up to higher-quality, higher-priced products.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544789>

### Question 12

The most significant impact of satisfying and retaining customers is \_\_\_\_\_.

- a. that a business can redirect marketing efforts to better serve dissatisfied customers
- b. that a business can redirect marketing efforts to attaining new customers
- c. that a desired increase in the level of profitability requires an increase in sales volume of only half as much
- d. that a business can eliminate the need for advertising
- e. that it can result in tremendous financial leverage

Answer: <https://biology-forums.com/index.php?topic=544480>

### Question 13

Which of the following might be included in a direct channel system?

- a. retailers
- b. brokers
- c. wholesalers
- d. commercial distributors
- e. none of the above

Answer: <https://biology-forums.com/index.php?topic=544934>

### Question 14

In smaller towns, consumers have to travel long distances to find acceptable choices of goods such as clothing and furniture. This is an example of lack of \_\_\_\_\_ limiting the maximum number of potential customers in smaller towns.

- a. awareness
- b. availability

- c. ability to use
- d. benefits
- e. affordability

Answer: <https://biology-forums.com/index.php?topic=544584>

### Question 15

Which of the following is NOT an important area of performance impacted by the choice and management of marketing channels?

- a. customer value
- b. sales revenue
- c. employee retention
- d. profitability
- e. All of the above are important areas of performance impacted by the choice and management of marketing channels.

Answer: <https://biology-forums.com/index.php?topic=544917>

### Question 16

When the overall perceived benefits derived from products, services and brand exceed by a meaningful margin the cost of obtaining these benefits, \_\_\_\_\_.

- a. customers achieve greater value
- b. companies achieve greater value
- c. customers are more satisfied
- d. customers are more loyal
- e. companies are more profitable

Answer: <https://biology-forums.com/index.php?topic=544719>

### Question 17

All customer relationship marketing programs use a mass-personalization strategy.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544687>

### Question 18

A defensive strategy to protect market share means a hold resources constant strategy.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545143>

### Question 19

Ford sells the Ford Taurus automobile. This is an example of using a \_\_\_\_\_ branding strategy.

- a. company name
- b. company and brand name
- c. brand and sub-brand name
- d. company and product name
- e. company, brand and product name

Answer: <https://biology-forums.com/index.php?topic=544826>

### Question 20

Overton Enterprises sells widgets to a marketplace where total demand is 12 million. Overton's market share is 12 ½ percent; the selling price per widget is \$40 and the variable costs per widget are \$25. Overton spends \$7 million on marketing expenses. What is Overton Enterprises's net marketing contribution?

- a. \$12.5 million
- b. \$15.5 million
- c. \$22.5 million
- d. \$37.5 million
- e. \$180 million

Answer: <https://biology-forums.com/index.php?topic=544542>

### Question 21

The market share index is an indicator of \_\_\_\_\_.

- a. factors that influence market share
- b. what market share should be given certain expected levels of market performance
- c. a product's sales at a given stage of the product life cycle
- d. current product awareness

e. actual market share relative to potential market share

Answer: <https://biology-forums.com/index.php?topic=544611>

### Question 22

Which of the following does NOT influence a business' ability to develop and implement a marketing plan?

- a. strong customer focus
- b. past efforts
- c. market-based organization
- d. competitor orientation
- e. works well across functions

Answer: <https://biology-forums.com/index.php?topic=545282>

### Question 23

The rapid growth of database marketing technologies has lured many businesses down a side road where technology is seen as the solution instead of a tool for building a solution. Without a solid commitment to serving individual customer needs, these businesses can fall into a \_\_\_\_\_.

- a. commodity trap
- b. technology trap
- c. customization trap
- d. personalization trap
- e. database trap

Answer: <https://biology-forums.com/index.php?topic=544723>

### Question 24

An essential performance metric is customer satisfaction.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544448>

### Question 25

Which of the following is NOT one of the partners in mass collaboration?

- a. Partners
- b. Employees
- c. Suppliers
- d. Financials
- e. Prosumers

Answer: <https://biology-forums.com/index.php?topic=544643>

### Question 26

Building awareness, comprehension, intentions and action are major steps upward in the \_\_\_\_\_.

- a. customer buying process
- b. consumer thought model
- c. customer motivation complex
- d. dynamic seller model
- e. hierarchy of customer response

Answer: <https://biology-forums.com/index.php?topic=544976>

### Question 27

Discuss the three major forces that contribute to success or failure in implementing a marketing plan.

Answer: <https://biology-forums.com/index.php?topic=545289>

### Question 28

The ratio of maximum market potential to current market demand is known as the Share Development Index (SDI).

True or False?

Answer: <https://biology-forums.com/index.php?topic=544570>

### Question 29

Compare and contrast push and pull communications strategies.

Answer: <https://biology-forums.com/index.php?topic=545026>

### Question 30

Strategies to increase marketing efficiency are related to which part of the net marketing contribution equation?

- a. market demand
- b. market share
- c. marketing expenses
- d. revenue per customer
- e. variable cost per customer

Answer: <https://biology-forums.com/index.php?topic=544552>

### Question 31

The strategic market plan of Invest to Improve Position is an offensive strategic market plan to invest marketing resources to grow the market. True or False?

Answer: <https://biology-forums.com/index.php?topic=545037>

### Question 32

Price regulates the size of a market and how fast the market will grow.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544857>

### Question 33

Which of the following is a key process metric that provides leading signals as to the success of the marketing plan and implementation?

- a. customer awareness
- b. business responsiveness to customer inquiries and problems
- c. intermediary market coverage
- d. customer intentions to buy
- e. all of the above

Answer: <https://biology-forums.com/index.php?topic=545276>

### Question 34

Without result metrics, the business has only an internal measure of performance.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545221>

### Question 35

Net marketing contribution (NMC) normally peaks in the mature stage of the product life cycle.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544573>

### Question 36

In delivering customer value, which of the following is least likely to play a part?

- a. product benefits
- b. price benefits
- c. promotion benefits
- d. brand benefits
- e. service benefits

Answer: <https://biology-forums.com/index.php?topic=544633>

### Question 37

Which of the following is a cost-based approach to pricing?

- a. skim pricing
- b. floor pricing
- c. value-in-use pricing
- d. segment pricing
- e. strategic-account pricing

Answer: <https://biology-forums.com/index.php?topic=544865>

### Question 38

\_\_\_\_\_ involves the management of materials, information and money that flow from suppliers to a business to marketing channel partners who provide the business' products to target customers.

- a. Distribution chain management

- b. Value-added chain management
- c. Customer relationship management
- d. Intermediary chain management
- e. Supply chain management

Answer: <https://biology-forums.com/index.php?topic=544922>

### Question 39

Market return on sales (ROS) and marketing return on investment (ROI) are marketing profitability metrics that allow a business to evaluate its marketing profitability.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544518>

### Question 40

\_\_\_\_\_ is the percentage of target customers who will be exposed to the business' message given a certain combination of media.

- a. Reach
- b. Frequency
- c. Effectiveness
- d. Cost per thousand
- e. Pulse

Answer: <https://biology-forums.com/index.php?topic=544995>

### Question 41

One software manufacturer gained permission from first-time buyers to observe their initial experience with the software in their homes, allowing the product developers to learn what other software applications are running on the customer's system and how that software can interfere with or complement their product. This manufacturer is using the \_\_\_\_\_ design approach to understanding customer needs and discovering customer problems and frustrations that arise when using their product.

- a. ethnographic
- b. empathic
- c. observational
- d. lead user
- e. "staple yourself to an order"

Answer: <https://biology-forums.com/index.php?topic=544634>

### Question 42

Which of the following statements is FALSE?

- a. A marketing plan needs to be adapted to survive changing or unanticipated conditions.
- b. Because market conditions are complex and changing, a business must be flexible in modifying its marketing plan to adapt to the changing market conditions.
- c. Adaptive persistence is the ability to adapt when a marketing plan is not working and to stick with it.
- d. The marketing planning process stops when marketing plan implementation begins.
- e. Measurements of process-oriented market metrics play the role of a sensor in a marketing plan feedback system.

Answer: <https://biology-forums.com/index.php?topic=545274>

### Question 43

Purchase materials, direct labor, packaging, transportation costs, and any other costs associated with making and shipping a product are known as \_\_\_\_\_.

- a. variable costs
- b. manufacturing overhead
- c. cost of goods sold
- d. indirect costs
- e. total costs

Answer: <https://biology-forums.com/index.php?topic=544534>

### Question 44

The transaction value for an intermediary is going to vary based upon margins, efficient use of space, inventory turnover and marketing expenses. True or False?

Answer: <https://biology-forums.com/index.php?topic=544630>

### Question 45

A customer service index (CSI) of 75 or more is an indication of a successful, market-driven organization.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544449>

### Question 46

Which of the following is a brand personality trait related to sincerity?

- a. daring
- b. wholesome
- c. spirited
- d. successful
- e. charming

Answer: <https://biology-forums.com/index.php?topic=544665>

### Question 47

Build-Rite has a 10% market share of a one million customer market, but 10% of Build-Rite's customers are dissatisfied. Statistics suggest that 4% of dissatisfied customers will complain, but 75% of the customers that do complain are retained. However, only 5% of dissatisfied customers who do not complain are likely to be retained. How many of Build-Rite's dissatisfied customers will likely exit?

- a. 92
- b. 100
- c. 780
- d. 9120
- e. 9220

Answer: <https://biology-forums.com/index.php?topic=544473>

### Question 48

What is the net marketing contribution for a product line that generates \$20 million in sales revenues with cost of goods sold equal to \$12 million, marketing and sales expenses equal to \$2 million, and other operating expenses equal to \$2 million?

- a. \$18 million
- b. \$16 million
- c. \$8 million
- d. \$6 million
- e. \$4 million

Answer: <https://biology-forums.com/index.php?topic=544539>

### Question 49

The combination of unattractive markets and weak competitive advantage translates into both weak strategic position and potentially weak profit performance, so an exit strategic market plan is really the only alternative.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545155>

### Question 50

Luscious Lip's market share should have been 8% in the lipstick market, but owing to a variety of other factors, its actual market share was only 5%. Furthermore, it was estimated that the business' market share index potential would be 15% if the business achieved the desired level of customer response along the share development path. What is Luscious Lip's Share Development Index (SDI)?

- a. 20
- b. 33.3
- c. 62.5
- d. 160
- e. 300

Answer: <https://biology-forums.com/index.php?topic=544615>

### Question 51

For products that project a "brand personality," there is an opportunity to create customer value through the delivery of emotional benefits.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544629>

### Question 52

As a business adds products to its product line that have similar purchased materials and manufacturing processes, it is able to lower the average unit cost of all products, producing a \_\_\_\_\_ effect.

- a. scale
- b. scope

- c. learning
- d. marketing cost scope
- e. competitive

Answer: <https://biology-forums.com/index.php?topic=544751>

### Question 53

To conduct an acid test, a business must develop a distinct marketing mix for each segment identified and test each on a small scale in the marketplace.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544684>

### Question 54

A share development index (SDI) equal to 35 means that the maximum market share a business can attain is 35 percent.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545091>

### Question 55

Which type of cost-based pricing approach is used in markets where there is little or no product differentiation, bidders are prequalified and bids must meet product specifications and delivery dates in order to be considered? Of those meeting the required specifications, suppliers are selected on the basis of the lowest price.

- a. low-cost producer pricing
- b. cost-plus pricing
- c. harvest pricing
- d. competitive bid pricing
- e. floor pricing

Answer: <https://biology-forums.com/index.php?topic=544886>

### Question 56

Which is NOT a function of a full service wholesaler?

- a. inventory
- b. delivery
- c. credit
- d. production
- e. stocking

Answer: <https://biology-forums.com/index.php?topic=544940>

### Question 57

At the heart of successful implementation of a marketing plan is a business' \_\_\_\_\_.

- a. commitment
- b. persistence
- c. market orientation
- d. financial position
- e. shareholders

Answer: <https://biology-forums.com/index.php?topic=545281>

### Question 58

In general, businesses in high-share positions in growing or mature markets will use defensive strategic market plans to maintain cash flow that supports short-run profit performance and shareholder value.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545144>

### Question 59

The market in which a business competes for target customers is known as a \_\_\_\_\_.

- a. unique market
- b. customer market
- c. captured market
- d. served market
- e. potential market

Answer: <https://biology-forums.com/index.php?topic=544579>



### Question 60

A portfolio analysis is an evaluation of a business, product, or market with respect to market attractiveness and competitive position as an aid in identifying the kind of strategic plan that would be most appropriate.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545036>

### Question 61

In the "How to Overwhelm Customers and Shareholders" model, a strong market orientation is immediately followed by \_\_\_\_\_.

- a. address sources of satisfaction
- b. passion for customer satisfaction
- c. improve profit performance
- d. improve customer satisfaction and retention
- e. encourage customer complaints

Answer: <https://biology-forums.com/index.php?topic=545308>

### Question 62

A \_\_\_\_\_ approach to developing a marketing budget requires specifying each marketing task and the amount needed to accomplish it.

- a. bottom-up
- b. customer-mix
- c. top-down
- d. customer-metric
- e. percent-of-sales

Answer: <https://biology-forums.com/index.php?topic=545208>

### Question 63

Compare and contrast the three types of Customer Relationship Marketing Strategies.

Answer: <https://biology-forums.com/index.php?topic=544731>

### Question 64

When pioneers can establish a \_\_\_\_\_ in new emerging markets, a standard emerges that followers must follow in order to compete.

- a. competitive lead
- b. standard design
- c. dominant design
- d. functional design
- e. dominant lead

Answer: <https://biology-forums.com/index.php?topic=545132>

### Question 65

If 60% of the target market is exposed to a marketing communication, and 50% of that group is aware of the offering, and 70% understand the message, and 60% of that group intends to purchase, and 90% of that group actually does purchase, what is the Customer Response Index for the buying group.

- a. -1.13%
- b. 1.13%
- c. 11.3%
- d. 90%
- e. 60%

Answer: <https://biology-forums.com/index.php?topic=544987>

### Question 66

The three dimensions of competitive position are \_\_\_\_\_.

- a. business performance, market forces and cost advantage
- b. profitability, market forces and differentiation
- c. market forces, competitive intensity and market access
- d. differentiation position, cost position and marketing position
- e. competitive intensity, business performance and market access

Answer: <https://biology-forums.com/index.php?topic=545053>

### Question 67

Which type of marketing channel typically results in the lowest break-even volume for a manufacturer?

- a. direct channel
- b. indirect channel
- c. mixed channel
- d. original channel
- e. distributor channel

Answer: <https://biology-forums.com/index.php?topic=544956>

### Question 68

The ownership of a market plan can be enhanced with detailed action plans, adequate resource allocation and persistence.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545226>

### Question 69

Which of the following is NOT a critical area of business performance?

- a. share position
- b. sales revenue growth
- c. profit performance
- d. market access
- e. All of the above are critical areas of business performance.

Answer: <https://biology-forums.com/index.php?topic=545048>

### Question 70

Advertising elasticity is normally negative.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544971>

### Question 71

One disadvantage of the Market Share Index is that it does not identify important sources of lost market share opportunity.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544574>

### Question 72

Which of the following is an industry force that shapes competitive position and profitability?

- a. competitor intelligence
- b. cost advantage
- c. marketing advantage
- d. market entry/exit
- e. competitor analysis

Answer: <https://biology-forums.com/index.php?topic=544786>

### Question 73

Arm & Hammer Peroxicare brand of toothpaste, which is manufactured by Church & Dwight, Co., is an example of using a \_\_\_\_\_ branding strategy.

- a. company name
- b. company and brand name
- c. brand and sub-brand name
- d. company and product name
- e. company, brand and product name

Answer: <https://biology-forums.com/index.php?topic=544827>

### Question 74

To manage the "How to Overwhelm Customers and Shareholders" process, a business must first understand all EXCEPT which of the following?

- a. levels of customer satisfaction
- b. shareholder demands
- c. dissatisfaction
- d. complaint recovery
- e. customer retention

Answer: <https://biology-forums.com/index.php?topic=545311>

### Question 75

Compare and contrast skim pricing strategy and penetration pricing strategy.

Answer: <https://biology-forums.com/index.php?topic=544901>

### Question 76

Changes in this type of market metric, positive or negative, precede actual changes in customer behavior.

- a. financial metrics
- b. internal metrics
- c. external metrics
- d. result metrics
- e. process metrics

Answer: <https://biology-forums.com/index.php?topic=545239>

### Question 77

A company that sells its product for a higher price than its competitor can still offer a higher economic value to customers.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544846>

### Question 78

Which of the following does NOT provide key insights into current and future market demand?

- a. potential of a market
- b. market growth rate
- c. shape of the product life cycle
- d. price of the product
- e. All of the above provides key insights into current and future market demand.

Answer: <https://biology-forums.com/index.php?topic=544607>

### Question 79

The book defines "underachiever" customers as not profitable and not loyal.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544460>

### Question 80

Common to most assessments of segment attractiveness is measurements of market growth, competitive intensity and market access.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544682>

### Question 81

Which type of metric allows marketing managers to understand, track, and manage the market-based performance of a marketing strategy?

- a. financial performance metrics
- b. marketing performance metrics
- c. productivity metrics
- d. profitability metrics
- e. cost metrics

Answer: <https://biology-forums.com/index.php?topic=544521>

### Question 82

The customers who are more knowledgeable users and who often extend the application of the product to solve other problems or achieve a more complete customer solution are known as \_\_\_\_\_.

- a. innovators
- b. early adaptors
- c. lead users
- d. new users
- e. opinion leaders

Answer: <https://biology-forums.com/index.php?topic=544635>

### Question 83

Which of the following is NOT a way to implement a new market entry strategy?

- a. enter related new markets
- b. enter unrelated new markets
- c. enter new emerging markets
- d. expand market demand
- e. develop new markets

Answer: <https://biology-forums.com/index.php?topic=545127>

### Question 84

The maximum number of customers who can enter the market given a specific served market definition is known as \_\_\_\_\_.

- a. market penetration
- b. market potential
- c. rate of entry
- d. current market demand
- e. a vertical market

Answer: <https://biology-forums.com/index.php?topic=544589>

### Question 85

Coca-Cola, Caterpillar, Sony and Toyota are well-recognized global brands that use a generic value proposition built around their core customers' needs and the business' generic positioning strategy. The type of segmentation strategy used by these companies can best be described as a(n) \_\_\_\_\_ strategy.

- a. multi-segment
- b. large segment
- c. adjacent segment
- d. niche segment
- e. mass market

Answer: <https://biology-forums.com/index.php?topic=544711>

### Question 86

\_\_\_\_\_ communications are directed at channel intermediaries.

- a. Push
- b. Pull
- c. Consumer
- d. Intermediary
- e. Mass

Answer: <https://biology-forums.com/index.php?topic=545010>

### Question 87

If the manufacturer's price index for a product is 100, the wholesaler's markup based on cost is 40%, and the retailer's markup based on cost is 60%, what will the ultimate buyers' price be?

- a. 1.4 times the manufacturer's price
- b. 1.6 time the manufacturer's price
- c. 1.24 times the manufacturer's price
- d. 2 times the manufacturer's price
- e. 2.24 times the manufacturer's price

Answer: <https://biology-forums.com/index.php?topic=544881>

### Question 88

Invented names are company or brand names that create a direct connection to something real and that can be associated with a direct experience. True or False?

Answer: <https://biology-forums.com/index.php?topic=544799>

### Question 89

\_\_\_\_\_ pricing starts with a good understanding of customer needs and the benefits a product creates relative to competitors' products.

- a. Cost-based
- b. Customer-based
- c. Competitor-based
- d. Market-based
- e. Acquisition-based

Answer: <https://biology-forums.com/index.php?topic=544863>

### Question 90

The first step in the \_\_\_\_\_ process is a careful assessment of current business performance, market attractiveness and competitive position for each product-market a business wishes to consider over a 3- to 5-year planning horizon.

- a. tactical marketing planning
- b. marketing mix planning
- c. strategic market planning
- d. strategic mix planning
- e. overall planning

Answer: <https://biology-forums.com/index.php?topic=545044>

### Question 91

Scale effects, scope effects and learning effects are three names for the same thing.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544733>

### Question 92

Bob is performing a careful assessment of current business performance, market attractiveness and competitive position for each product-market his business wishes to consider over a 3- to 5-year planning horizon. Bob is performing a \_\_\_\_\_ process.

- a. tactical marketing planning
- b. marketing mix planning
- c. strategic market planning
- d. strategic mix planning
- e. overall planning

Answer: <https://biology-forums.com/index.php?topic=545045>

### Question 93

A market mix strategy is a long-term strategy with a 3- to 5-year time horizon and specific performance objectives.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=545040>

### Question 94

Rain for Rent rents agricultural sprinkling equipment to farmers in southeast California. The market is considered very attractive, and Rain for Rent's competitive advantage is moderately high. This position in the marketplace should drive Rain for Rent to use a \_\_\_\_\_ strategy.

- a. Invest to Grow
- b. Harvest/Divest
- c. Monetize
- d. New Market Entry
- e. Optimize

Answer: <https://biology-forums.com/index.php?topic=545063>

### Question 95

One core offensive strategy is Invest to Grow Sales in existing markets served by a company. Name and describe the four fundamental offensive strategic market plans that can be used to increase a business' penetration of an existing market.

Answer: <https://biology-forums.com/index.php?topic=545140>

### Question 96

In which step of the process of building a marketing plan is a thorough examination of market forces, competitive position and current performance assessed?

- a. marketing budget
- b. situation analysis
- c. SWOT analysis
- d. strategic market plan
- e. marketing mix strategy

Answer: <https://biology-forums.com/index.php?topic=545184>

### Question 97

We-Haul-It Moving Company is located in a college town and has its heaviest business during the summer months. It should consider using a \_\_\_\_\_ media schedule.

- a. heavy-up
- b. pulsing
- c. distributed
- d. flighting
- e. continuous

Answer: <https://biology-forums.com/index.php?topic=545007>

### Question 98

Honda motor company started selling small (125-250 cc engines) motorcycles in the U.S. in the 1960s. Since then, Honda has steadily moved up in numbers of models and engine displacement sizes. In 2000, for example, Honda introduced a V-Twin cruiser model that sported an 1800 cc engine. This movement up the scale is which type of market segmentation strategy?

- a. step-up segment strategy
- b. adjacent segment strategy
- c. small segment strategy
- d. niche segment strategy
- e. sub-segment strategy

Answer: <https://biology-forums.com/index.php?topic=544712>

### Question 99

To grow net profits in any given year, a business has two fundamental options: lower operating expenses or grow net marketing contribution. True or False?

Answer: <https://biology-forums.com/index.php?topic=545303>

### Question 100

When the total contribution produced by a pricing strategy is lower, overall profits will also be lower because fixed costs are deducted from the total contribution.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544855>

### Question 101

One of the most important sources of secondary marketing communication is from lead users.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544973>

### Question 102

All of the following are non-price life cycle costs of a product EXCEPT \_\_\_\_\_.

- a. acquisition costs
- b. holding costs
- c. repair costs
- d. financing costs
- e. retail costs

Answer: <https://biology-forums.com/index.php?topic=544860>

### Question 103

The sum of the weighted competitive advantage scores for differentiation advantage, cost advantage and marketing advantage is known as the \_\_\_\_\_.

- a. market attractiveness index
- b. competitive position index
- c. overall market attractiveness score
- d. overall competitive advantage score
- e. diversification index

Answer: <https://biology-forums.com/index.php?topic=545058>

### Question 104

Why is it often difficult for a company to hold a competitive advantage?

- a. Competition and the competitive environment are always changing.
- b. The company has usually lowered quality.
- c. The company has raised their prices.
- d. The company cut back on marketing efforts.
- e. The costs to maintain the competitive advantage resulted in lower profits.

Answer: <https://biology-forums.com/index.php?topic=544765>

### Question 105

The strategic objective in the Protect Position defensive core strategy is to maximize profits.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545146>

### Question 106

A(n) \_\_\_\_\_ advantage allows a business the potential to own the market until other competitors venture to enter.

- a. early
- b. pioneering
- c. competitive
- d. first-mover
- e. untapped

Answer: <https://biology-forums.com/index.php?topic=545138>

### Question 107

Defensive portfolio strategies are most likely to occur in \_\_\_\_\_ markets with \_\_\_\_\_ levels of competitive advantage or in \_\_\_\_\_ markets with \_\_\_\_\_ levels of competitive advantage.

- a. defensive; defensive; offensive; offensive
- b. attractive; strong; unattractive; weak
- c. attractive; weak; unattractive; strong
- d. large; good; small; good
- e. unattractive; unattractive; attractive; attractive

Answer: <https://biology-forums.com/index.php?topic=545071>

### Question 108

What is meant by "new emerging market"?

- a. It is the most promising new market.
- b. Customers have not yet entered.
- c. Technology is making the market potential possible.
- d. Large businesses are entering the market for the first time.
- e. It is a small market with above average profit potential.

Answer: <https://biology-forums.com/index.php?topic=545131>

### Question 109

A strategic market definition includes all potential substitute products.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544566>

### Question 110

The brand encoding system is a hierarchy of possible naming components that starts with the company name, followed by a brand name and further enhanced or modified by sub-brand names, numbers, letters, product names and benefits.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544798>

### Question 111

Which strategy strives to maximize profits and cash flow as a business slowly exits a product-market?

- a. Harvest
- b. Protect Position
- c. Optimize Position
- d. Monetize
- e. Improve Position

Answer: <https://biology-forums.com/index.php?topic=545065>

### Question 112

Although a variety of other influences could create brand assets, the five brand assets of brand awareness, market leadership, reputation for quality, brand relevance and brand loyalty can be found to some degree in all of the top brand names.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544800>

### Question 113

Becoming the market share leader is a key factor in the success of a marketing strategy and directly dependent on the strength of a business' product positioning and marketing effort.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544790>

### Question 114

As the sales force is given more products to sell to the same customers, a \_\_\_\_\_ effect is created.

- a. scale
- b. scope
- c. learning
- d. marketing cost scope
- e. competitive

Answer: <https://biology-forums.com/index.php?topic=544753>

### Question 115

Customers in the mainstream market are \_\_\_\_\_.

- a. less dependent on what other think than are most people
- b. less willing to put up with less-than-complete solutions
- c. more knowledgeable than the average customer
- d. less price sensitive than the average customer
- e. the first set of buyers for a new product or service

Answer: <https://biology-forums.com/index.php?topic=544595>

### Question 116

Which of the following is the best measure of how well the ad reached a target market and how often it was seen?

- a. cost per thousand
- b. reach
- c. frequency
- d. gross rating points
- e. average frequency

Answer: <https://biology-forums.com/index.php?topic=545000>

### Question 117

\_\_\_\_\_ is a channel management activity that helps businesses establish one-on-one marketing relationships with customers, even when channel partners are needed to reach target customers.

- a. Distribution chain management
- b. Value-added chain management
- c. Customer relationship management
- d. Intermediary chain management
- e. Supply chain management

Answer: <https://biology-forums.com/index.php?topic=544923>

### Question 118

Which of the following is the strategic objective of the Optimize Position defensive core strategy?

- a. maintain sales
- b. maximize profits
- c. cash flow
- d. grow share
- e. increase sales

Answer: <https://biology-forums.com/index.php?topic=545164>

### Question 119

Which of the following is NOT a usage behavior force that shapes customer needs?

- a. quantity
- b. time of use
- c. social
- d. frequency of use
- e. interests



Answer: <https://biology-forums.com/index.php?topic=544694>

### Question 120

A well-positioned product with an attractive customer value and a strong marketing channel system is enough to achieve full marketing success.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544962>

### Question 121

The process of how to overwhelm customers and shareholders starts with a strong financial position.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=545290>

### Question 122

What is the first step in a needs-based market segmentation process?

- Using predetermined segment attractiveness criteria, determine the overall attractiveness of a segment.
- Create "segment storyboards" to test the attractiveness of each segment's positioning strategy.
- Determine which demographics, lifestyles and usage behaviors differentiate identifiable segments.
- Group customers into segments based on similar needs and benefits sought by customers in solving a particular consumption problem.
- Determine segment profitability.

Answer: <https://biology-forums.com/index.php?topic=544698>

### Question 123

What is the marketing return on investment (Marketing ROI) for a product line that generates \$800 million in sales revenues with cost of goods sold equal to \$350 million, marketing and sales expenses equal to \$150 million and other operating expenses equal to \$100 million?

- 2%
- 3%
- 133%
- 200%
- 300%

Answer: <https://biology-forums.com/index.php?topic=544557>

### Question 124

The three dimensions of market attractiveness are \_\_\_\_\_.

- business performance, market forces and competitive advantage
- profitability, market forces and differentiation
- market forces, competitive environment and market access
- differentiation advantage, cost advantage and marketing advantage
- competitive intensity, business performance and market access

Answer: <https://biology-forums.com/index.php?topic=545049>

### Question 125

The current market demand for flat-screen TVs is 4 million units per year. It is estimated that the market potential for this industry is expected to be 25 million units. What is the market development index for this industry?

- 21
- 16
- 21
- 84
- 625

Answer: <https://biology-forums.com/index.php?topic=545120>

### Question 126

The longer the rate of customer retention, the longer the average customer life expectancy and the greater the customer value.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544457>

### Question 127

A growth strategy to develop an untapped new-market potential offers both high risk and the potential for high return.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=545098>

### Question 128

Which is NOT a product benefit influenced by the channel system?

- a. product quality
- b. product assortment
- c. product form
- d. after-sale service
- e. All of the above are product benefits influenced by the channel system.

Answer: <https://biology-forums.com/index.php?topic=544946>

### Question 129

The first decision a business must make when determining marketing channel strategy is to decide whether to use a direct, indirect, or alternative channel system.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544908>

### Question 130

Which of the following is NOT considered when determining an overall measure of perceived customer benefits?

- a. product benefits
- b. service benefits
- c. company or brand benefits
- d. relative price
- e. All of the above are considered when determining an overall measure of perceived customer benefits.

Answer: <https://biology-forums.com/index.php?topic=544661>

### Question 131

Lifestyle forces that shape customer needs and market demand include how the product is used, when it is used and how much it is used.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544678>

### Question 132

Which of the following is an objective associated with pull type communications?

- a. fewer stockouts
- b. wider availability
- c. greater merchandising
- d. reduced search costs
- e. greater marketing effort

Answer: <https://biology-forums.com/index.php?topic=545012>

### Question 133

Which step in the market planning process addresses key performance issues and gives specific details with respect to target share, positioning, pricing, channel system and the value proposition to be used in target market communications?

- a. situation analysis
- b. SWOT analysis
- c. strategic market plan
- d. marketing mix strategy
- e. marketing budget

Answer: <https://biology-forums.com/index.php?topic=545201>

### Question 134

The hierarchical categories of product quality are quality killers, quality drivers, quality enhancers and quality aesthetics.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544794>

### Question 135

Which of the following is important in the area of branding and brand management strategies?

- a. product differentiation
- b. service differentiation
- c. umbrella and flanker brands

- d. brand identity
- e. product elimination

Answer: <https://biology-forums.com/index.php?topic=544812>

### Question 136

The total contribution of a pricing strategy is equal to the \_\_\_\_\_.

- a. total sales minus total costs
- b. price minus unit variable costs
- c. unit volume sold times the margin per unit
- d. total sales minus fixed costs
- e. price minus unit total costs

Answer: <https://biology-forums.com/index.php?topic=544890>

### Question 137

Sam is examining his company's financial performance measures. Which of the following would be on the list?

- a. market growth rate
- b. market share
- c. relative product quality
- d. customer satisfaction
- e. marketing and sales expenses

Answer: <https://biology-forums.com/index.php?topic=544528>

### Question 138

\_\_\_\_\_ is (are) deducted from the total contribution to produce net marketing contribution.

- a. Margin per customer
- b. Gross profit
- c. Marketing and sales expenses
- d. Operating expenses
- e. Variable costs

Answer: <https://biology-forums.com/index.php?topic=545326>

### Question 139

Which of the following statements is FALSE?

- a. The cost of acquiring a new customer is 5 to 10 times higher than the cost of retaining a customer.
- b. With an improved competitive position, a business has a better chance to achieve price premiums and high levels of customer retention, which can improve margins and net marketing contribution.
- c. A 2 percent increase in loyal customers has been shown to lower marketing cost by 50 percent.
- d. An offensive strategy to increase customer retention and customer loyalty will have an immediate impact on marketing profits (net marketing contribution).
- e. There are four offensive strategies to improve competitive position.

Answer: <https://biology-forums.com/index.php?topic=545123>

### Question 140

A low level of ad exposure is due to insufficient ad frequency and/or ineffective ad content.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544961>

### Question 141

What is the primary measure of a customer's profitability?

- a. net marketing contribution
- b. profits
- c. customer margin
- d. net profit (before taxes)
- e. accounts receivable

Answer: <https://biology-forums.com/index.php?topic=545318>

### Question 142

An ad campaign that buys a constant amount of GRPs throughout the year but then increases the GRP total during the eight weeks leading up to the most heavy purchasing period of the year is using a \_\_\_\_\_ message reinforcement strategy.

- a. distributed

- b. concentrated
- c. deep line-up
- d. pulsing
- e. heavy-up

Answer: <https://biology-forums.com/index.php?topic=545006>

### Question 143

With the advent of Internet technologies and e-marketing channels, \_\_\_\_\_ allows a business to gain a much better focus on its customers' individual needs and preferences.

- a. distribution chain management
- b. value-added chain management
- c. customer relationship management
- d. intermediary chain management
- e. supply chain management

Answer: <https://biology-forums.com/index.php?topic=544924>

### Question 144

Which of the following is NOT a core offensive strategy?

- a. Protect Position
- b. Invest to Grow Sales
- c. Invest to Improve Competitive Position
- d. Invest to Enter New Markets
- e. All of the above are core offensive strategies.

Answer: <https://biology-forums.com/index.php?topic=545108>

### Question 145

Variance analysis allows the company to isolate the components of marketing performance to understand better how each component contributed to the actual net marketing contribution.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545230>

### Question 146

Without a high degree of management \_\_\_\_\_, there is little chance of successful implementation of the marketing plan, particularly when aspects of the plan need to be modified.

- a. acceptance
- b. commitment
- c. determination
- d. support
- e. persistence

Answer: <https://biology-forums.com/index.php?topic=545278>

### Question 147

Marketing Return on Sales is equal to \_\_\_\_\_.

- a. profits/sales revenues x 100%
- b. gross margin/sales revenues x 100%
- c. net marketing contribution/sales revenues x 100%
- d. net marketing contribution/marketing sales & expenses x 100%
- e. sales revenues x % gross margin

Answer: <https://biology-forums.com/index.php?topic=544554>

### Question 148

Office Solutions, Inc. uses a direct sales force to sell office equipment to its 1,000 target customers. The required rate of customer contact for sales effectiveness and customer satisfaction is two customer visits per month, translating into 24,000 customer contacts per year. Assuming that a salesperson can make three customer visits per day, has 4 days per week to make customer calls, and works 50 weeks per year, how many salespeople does Office Solutions, Inc. have to have to meet these requirements?

- a. 4
- b. 40
- c. 480
- d. 2,000
- e. not enough information to determine

Answer: <https://biology-forums.com/index.php?topic=544952>

### Question 149

The competitive forces that shape competitive position and profitability are industry forces, competitor benchmarking and competitive advantage. True or False?

Answer: <https://biology-forums.com/index.php?topic=544741>

### Question 150

Which type of channel system requires that the manufacturer retains ownership (title) of all products sold?

- a. direct
- b. indirect
- c. mixed
- d. OEM
- e. VAR

Answer: <https://biology-forums.com/index.php?topic=544935>

### Question 151

The objectives of a \_\_\_\_\_ marketing communication are to motivate channel intermediaries to carry a particular product or brand and, in this way, make it more available to consumers.

- a. push
- b. pull
- c. consumer
- d. intermediary
- e. mass

Answer: <https://biology-forums.com/index.php?topic=545011>

### Question 152

More intense competitor rivalry tends to \_\_\_\_\_ prices and margins and \_\_\_\_\_ marketing expenses in the battle to attract and retain customers.

- a. raise; raise
- b. raise; lower
- c. lower; raise
- d. lower; lower
- e. raise; increase at an increasing rate

Answer: <https://biology-forums.com/index.php?topic=544784>

### Question 153

Why are childless couples NOT a good target market for disposable diapers?

- a. product is not affordable
- b. product lacks benefits
- c. customer is unaware of the product's benefits
- d. product is not available
- e. customer is unable to use

Answer: <https://biology-forums.com/index.php?topic=544583>

### Question 154

Within a company's competitive position, which of the following is part of the company's cost position?

- a. product quality
- b. relative price
- c. market share
- d. marketing expenses
- e. sales coverage

Answer: <https://biology-forums.com/index.php?topic=545054>

### Question 155

Push communications are directed at channel intermediaries. True or False?

Answer: <https://biology-forums.com/index.php?topic=544970>

### Question 156

A product-based accounting statement helps a business understand all of the following EXCEPT \_\_\_\_\_.

- a. product unit volume
- b. product volume
- c. revenue per customer
- d. product price
- e. product unit margin

Answer: <https://biology-forums.com/index.php?topic=544549>

### Question 157

Frequently cutting prices to increase volume is a behavior exhibited by a competitor under pressure to improve profits/cash flow.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544745>

### Question 158

Which of the following is most likely to be a barrier to exit?

- a. political barriers
- b. specialized assets
- c. technological barriers
- d. resource barriers
- e. R&D spending

Answer: <https://biology-forums.com/index.php?topic=544780>

### Question 159

A price elasticity of -2.0 means that a price reduction of one percent will result in \_\_\_\_\_.

- a. a decrease in demand by 2%
- b. a decrease in demand by 20%
- c. an increase in demand by 2%
- d. an increase in demand by 20%
- e. a decrease in market share by 2%

Answer: <https://biology-forums.com/index.php?topic=544897>

### Question 160

The foundation of market-based performance is a commitment to metrics that track marketing performance and marketing profitability.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544507>

### Question 161

The objective of most marketing communications is to create awareness among \_\_\_\_\_.

- a. a large number of people
- b. target customers
- c. at least 30% of viewers, listeners, or readers of the medium used
- d. at least 60% of viewers, listeners, or readers of the medium used
- e. the entire viewing, listening, or reading audience of the medium used

Answer: <https://biology-forums.com/index.php?topic=544993>

### Question 162

Which of the following is TRUE regarding an inside the box strategy?

- a. It is an overreaction to customer demands due to limited competitor knowledge.
- b. It leverages a knowledge advantage with respect to customers and competitors.
- c. It is an overreaction to competitor moves due to limited competitor knowledge.
- d. It is based on minimal or limited customer/competitor knowledge.
- e. It is based on extensive competitor knowledge but little or no customer knowledge.

Answer: <https://biology-forums.com/index.php?topic=544760>

### Question 163

Products that have a negative cross elasticity are substitutes.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544859>

### Question 164

If a business is a large purchaser of a commodity product (less important to the buyer) and is in an industry in which switching costs are low, supplier power is generally \_\_\_\_\_.

- a. low
- b. high
- c. greater than customer buying power
- d. equal to customer buying power
- e. impacted more by competitive rivalry

Answer: <https://biology-forums.com/index.php?topic=544783>

### Question 165

Which of the following behavior might be exhibited by competitors that lack marketing leadership/market focus?

- a. frequently cutting prices to increase volume
- b. reducing advertising and not attending trade shows
- c. tightening the terms of sale and payment conditions
- d. pay sales people to collect unpaid bills
- e. cutting investment in research and development

Answer: <https://biology-forums.com/index.php?topic=544771>

### Question 166

Floor pricing is a market-based price computation based on the lowest-priced competitor.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544853>

### Question 167

Which of the following is an advantage of entering unrelated new markets?

- a. reduced market dependency
- b. protected position
- c. enhanced customer value
- d. optimized position
- e. maximize net marketing contribution

Answer: <https://biology-forums.com/index.php?topic=545130>

### Question 168

The strength of a manager's customer focus is correlated to their level of \_\_\_\_\_.

- a. marketing knowledge
- b. marketing imperialism
- c. marketing leadership
- d. employee satisfaction
- e. All of the above are fundamental forces that drive the degree to which a manager possesses a customer focus.

Answer: <https://biology-forums.com/index.php?topic=544501>

### Question 169

Which of the following is least likely to retain even satisfied customers?

- a. water company
- b. hospital
- c. restaurant
- d. company health insurance provider
- e. residential local phone service provider

Answer: <https://biology-forums.com/index.php?topic=544482>

### Question 170

Which marketing channel allows a manufacturer the opportunity to have the highest control over service quality?

- a. indirect
- b. direct
- c. intermediate
- d. mixed
- e. value-added

Answer: <https://biology-forums.com/index.php?topic=544931>

### Question 171

An alternative that has high relative price and above-average relative performance, as plotted on a value map, may be a good value due to \_\_\_\_\_.

- a. the status or reputation of the brand
- b. superior pricing
- c. actual pricing
- d. the measurable nature of the value proposition
- e. the net difference between its actual and psychic price

Answer: <https://biology-forums.com/index.php?topic=544660>

### Question 172

\_\_\_\_\_ is focused more on what happens after a customer is acquired in an effort to build a customer relationship that benefits both the customer and the company.

- a. Customer acquisition
- b. Customer satisfaction
- c. Market-based management
- d. Market segmentation
- e. Customer relationship marketing

Answer: <https://biology-forums.com/index.php?topic=544717>

### Question 173

Total contribution minus fixed expenses, marketing expenses and operating expenses equals \_\_\_\_\_.

- a. gross profit
- b. net marketing contribution
- c. operating income
- d. variable expenses
- e. sales revenue

Answer: <https://biology-forums.com/index.php?topic=544892>

### Question 174

Perhaps the most common reason a marketing plan fails is a lack of ownership.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545225>

### Question 175

What is the first step in developing a good estimate of sales volume?

- a. develop a good estimate of market demand
- b. determine which stage of the product life cycle the product is in
- c. determine the product life cycle profitability index
- d. determine the share development path
- e. determine market share

Answer: <https://biology-forums.com/index.php?topic=544609>

### Question 176

Which core offensive strategy invests marketing resources to grow the market demand, market share, or customer revenue?

- a. Invest to Grow
- b. Improve Position
- c. New Market Entry
- d. Focus
- e. New Product Offering

Answer: <https://biology-forums.com/index.php?topic=545107>

### Question 177

If the following is true: product benefits are of 40% relative importance and the attractiveness rating of this factor is 80 (i.e., attractive); service benefits are of 30% relative importance and scores a rating of 60 (i.e., somewhat attractive); and brand image reputation is of 30% relative importance and scores a rating of 80 (i.e., attractive), then the overall differentiation score for the assessed opportunity is \_\_\_\_\_ if the relative importance of differentiation advantage is 50%.

- a. 37
- b. 74
- c. 110



- d. 146
- e. 220

Answer: <https://biology-forums.com/index.php?topic=545057>

### Question 178

Identify the operational components of channel performance. Explain how each impacts channel performance, and describe how these factors are influenced by the type of channel system used.

Answer: <https://biology-forums.com/index.php?topic=544957>

### Question 179

Which of the following is important in the area of differentiation and product positioning?

- a. low cost of purchase
- b. brand identity
- c. product elimination
- d. bundling and unbundling
- e. product-line extensions

Answer: <https://biology-forums.com/index.php?topic=544813>

### Question 180

Which of the following tactics can be used in implementing an oblique strategy?

- a. subtle but important product innovations
- b. improved product and/or service quality
- c. innovative marketing programs
- d. lowered costs of acquiring, using and disposing of products
- e. all of the above

Answer: <https://biology-forums.com/index.php?topic=544764>

### Question 181

Name and describe the two marketing profitability metrics that allow a business insight into the relative marketing efficiencies of various net marketing contributions.

Answer: <https://biology-forums.com/index.php?topic=544560>

### Question 182

Unique to the consumer market are VARs and OEMs.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544912>

### Question 183

List, in order, and briefly describe the steps in the process of building a marketing plan.

Answer: <https://biology-forums.com/index.php?topic=545215>

### Question 184

The extent to which a manager has a strong market orientation is directly related to his or her level of marketing knowledge.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544461>

### Question 185

\_\_\_\_\_ strategies intend to create awareness of a product and its benefits.

- a. Promotion
- b. Product
- c. Price
- d. Place
- e. Service

Answer: <https://biology-forums.com/index.php?topic=544614>

### Question 186

Carol has determined that along the share-development path, she estimates that her business should perform at a 90% level of product awareness, 50% in product preference, 80% in intentions to purchase, 80% in product availability and 70% in rate of purchase. Carol's actual market share is equal to 9%. What is the approximate market share potential for Carol's business?

- a. 20%
- b. 37%
- c. 45%
- d. 50%
- e. 74%

Answer: <https://biology-forums.com/index.php?topic=545111>

### Question 187

Cash flow is only produced \_\_\_\_\_.

- a. when a company has a competitive advantage
- b. in about one-third of all companies' product lines
- c. when a customer buys a business' product or service
- d. when a company adds product lines
- e. when accounting rules are followed

Answer: <https://biology-forums.com/index.php?topic=544545>

### Question 188

A market-based management approach is to encourage dissatisfied customers to complain.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544452>

### Question 189

Which of the following is NOT a fundamental offensive strategic market plan to increase a business' penetration of an existing market?

- a. Grow Market Share
- b. Grow Revenue per Customer
- c. Enter Related New Markets
- d. Enter New-Market Segment
- e. Expand Market Demand

Answer: <https://biology-forums.com/index.php?topic=545109>

### Question 190

\_\_\_\_\_ strategic market plans are more likely to occur in the latter stages of a product-market life cycle and are often designed to protect important share positions and be large contributors to short-run sales revenues and profits.

- a. Competitive
- b. Defensive
- c. Growth
- d. Emerging
- e. Offensive

Answer: <https://biology-forums.com/index.php?topic=545102>

### Question 191

Trix is a brand of children's cereal and Yoplait is a brand of yogurt. The two teamed up and developed Trix Yoplait yogurt targeted to children. This is an example of \_\_\_\_\_.

- a. ingredient branding
- b. co-branding
- c. mutual-branding
- d. bundling
- e. ingredient co-branding

Answer: <https://biology-forums.com/index.php?topic=544841>

### Question 192

To create an overall customer satisfaction index (CSI) for a given sample of customers, a business \_\_\_\_\_.

- a. computes the average of those customers' satisfaction ratings
- b. sums all of those customers' satisfaction ratings
- c. computes the average of those customers' satisfaction ratings and divides it by the industry average
- d. computes the average of those customers' satisfaction ratings and divides it by a leading competitor's average
- e. sums all of those customers' satisfaction ratings and divides by 100

Answer: <https://biology-forums.com/index.php?topic=544469>

### Question 193

Once a business has conducted a careful assessment of current business performance, market attractiveness and competitive position for each product-market a business wishes to consider over a 3- to 5-year strategic market planning horizon, the business can perform a \_\_\_\_\_ analysis to better understand the current position of each product-market and its performance.

- a. portfolio
- b. matrix
- c. profitability
- d. strategic
- e. offensive/defensive

Answer: <https://biology-forums.com/index.php?topic=545046>

### Question 194

\_\_\_\_\_ represents the total number of customers who have entered a market at a specific point in time.

- a. Market potential
- b. Market penetration
- c. Rate of entry
- d. Lateral market
- e. Vertical market

Answer: <https://biology-forums.com/index.php?topic=544590>

### Question 195

Jane has determined that customers for her business' products can be segmented into three distinct segments differing in primary needs, demographics, lifestyle and purchase behaviors. She now wants to develop a value proposition that delivers value to target customers in each segment. Which stage of the needs-based market segmentation process does this represent?

- a. segment identification
- b. segment attractiveness
- c. segment profitability
- d. segment positioning
- e. marketing mix strategy

Answer: <https://biology-forums.com/index.php?topic=544707>

### Question 196

Which type of exposure pattern would be most appropriate for products that can be purchased more readily at some times of the year such as products consumed most heavily in the summer?

- a. average frequency
- b. gross rating points
- c. pulsing
- d. flighting
- e. heavy up

Answer: <https://biology-forums.com/index.php?topic=545005>

### Question 197

Three fundamental forces that capture the shape of the market growth curve and the rate of market growth are market potential, market penetration and the rate at which new customers enter the market.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544571>

### Question 198

The Reduce Market Focus strategy prescribes a defensive strategic market plan that involves narrowing market focus and trimming market share in an effort to improve profit performance.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545154>

### Question 199

\_\_\_\_\_ refers to expenses for developing new products and/or improving old products.

- a. Variable cost
- b. Manufacturing overhead
- c. Sales, service and support
- d. Research and development
- e. Corporate overhead

Answer: <https://biology-forums.com/index.php?topic=544536>

### Question 200

Carol has determined that along the share-development path, she estimates that her business should perform at a 90% level of product awareness, 50% in product preference, 80% in intentions to purchase, 80% in product availability, and 70% in rate of purchase. Carol's actual market share is equal to 9%. What is the approximate share development index (SDI) for Carol's business?

- a. 20%
- b. 37%
- c. 45%
- d. 50%
- e. 74%

Answer: <https://biology-forums.com/index.php?topic=545115>

### Question 201

A larger production volume allows for production and purchasing economies that lower the unit cost of a product, thereby creating a scope effect. True or False?

Answer: <https://biology-forums.com/index.php?topic=544734>

### Question 202

Kawasaki sells motorcycles at relatively lower prices than the competition, even though the bikes it produces are the virtual equals of competitive products. This price edge could be considered what type of pricing method?

- a. value-in-use pricing
- b. plus-one pricing
- c. strategic-account pricing
- d. cost-plus pricing
- e. skim pricing

Answer: <https://biology-forums.com/index.php?topic=544877>

### Question 203

An oblique strategy requires superior competitor and customer intelligence. True or False?

Answer: <https://biology-forums.com/index.php?topic=544738>

### Question 204

Which is NOT a major component of the current situation?

- a. market demand
- b. customer analysis
- c. competitive position
- d. performance metrics
- e. budget

Answer: <https://biology-forums.com/index.php?topic=545192>

### Question 205

Which type of message frequency would be appropriate for seasonal products, political candidates and special events where the goal is to steadily increase message awareness over a relatively short period of time with no concern about message awareness decay after the messages stop?

- a. concentrated frequency
- b. distributed frequency
- c. gross frequency
- d. effective frequency
- e. seasonal frequency

Answer: <https://biology-forums.com/index.php?topic=544997>

### Question 206

A Value Map plots \_\_\_\_\_ on one axis against \_\_\_\_\_ on the other axis.

- a. price; relative price
- b. performance; relative performance
- c. value; relative value
- d. relative price; relative performance
- e. relative value; relative performance

Answer: <https://biology-forums.com/index.php?topic=544659>

### Question 207

In general, it costs \_\_\_\_\_ times more to replace a customer than it costs to keep a customer.

- a. two
- b. three
- c. four
- d. five
- e. six

Answer: <https://biology-forums.com/index.php?topic=544487>

### Question 208

Which of the following is a type of strategy to implement an Optimize Position defensive core strategy?

- a. Build Customer Retention
- b. Maximize Net Marketing Contribution
- c. Protect Market Share
- d. Manage for Cash Flow
- e. Harvest/Divest for Cash Flow

Answer: <https://biology-forums.com/index.php?topic=545161>

### Question 209

The strategic marketing planning process requires a careful assessment of current business performance, market attractiveness and competitive advantage. Briefly describe what is involved in this assessment and identify three main factors for each.

Answer: <https://biology-forums.com/index.php?topic=545082>

### Question 210

The reputation of a consumer product or service can have a bigger impact on price premiums than a product advantage.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544736>

### Question 211

Which type of intermediary offers an intermediate point of sales and physical distribution between a business and retailers and dealers?

- a. wholesalers
- b. value-added retailers
- c. original equipment manufacturers
- d. sales agents
- e. limited service retailers

Answer: <https://biology-forums.com/index.php?topic=544939>

### Question 212

A primary goal of strategic-account pricing is to maintain a strong business-to-business relationship even when market conditions in an industry change.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544851>

### Question 213

The most important characteristics of effective advertising are for it to be attractive and memorable.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544967>

### Question 214

Which of the following is a demographic force that could influence consumer needs?

- a. marital status
- b. attitudes
- c. interests
- d. time of use
- e. quantity used

Answer: <https://biology-forums.com/index.php?topic=544692>

### Question 215

If four-wheel drive capability is weighed a 40 on relative importance, and your truck scores eight out of 10, while the three competitors score eight, six, and six, respectively, your truck has a relative advantage score of \_\_\_\_.

- a. 4
- b. 12
- c. 27
- d. 40
- e. 80

Answer: <https://biology-forums.com/index.php?topic=544662>

### Question 216

At break-even, operating income is \_\_\_\_.

- a. maximized
- b. equal to zero
- c. equal to industry operating income
- d. equal to variable costs
- e. equal to fixed costs

Answer: <https://biology-forums.com/index.php?topic=544894>

### Question 217

Which of the following pricing methods is likely to be used earlier than the others in the product life cycle?

- a. harvest pricing
- b. competitive bid pricing
- c. floor pricing
- d. segment pricing
- e. strategic-account pricing

Answer: <https://biology-forums.com/index.php?topic=544873>

### Question 218

People that drive Toyota Camrys tend not to be flashy, drive the cars for many years, and very often replace a Camry with another Camry. Camry buyers are probably responding to which of the following brand personalities?

- a. sincerity
- b. excitement
- c. competence
- d. sophistication
- e. ruggedness

Answer: <https://biology-forums.com/index.php?topic=544666>

### Question 219

The present value of \$1.00 received after 1 year if the business has a discount rate of 10 percent is \_\_\_\_.

- a. \$1.10
- b. \$2.00
- c. \$0.10
- d. \$0.91
- e. \$0.75

Answer: <https://biology-forums.com/index.php?topic=544490>

### Question 220

Which of the following is considered an operating expense?

- a. expenses associated with human resources management
- b. expenses associated with the sales effort
- c. expenses associated with marketing communications
- d. cost of goods sold
- e. expenses associated with customer service

Answer: <https://biology-forums.com/index.php?topic=545330>

### Question 221

Which of the following is NOT an industry force that shapes the attractiveness of a competitive environment?

- a. barriers to entry
- b. barriers to exit
- c. customer buying power

- d. supplier selling power
- e. cost advantage

Answer: <https://biology-forums.com/index.php?topic=544781>

### Question 222

A \_\_\_\_\_ is a gradual implementation of a marketing strategy that allows feedback and corrective adjustment.

- a. persistent adaptation
- b. roll out
- c. continuous improvement
- d. slo-mo
- e. stepwise approach

Answer: <https://biology-forums.com/index.php?topic=545279>

### Question 223

Which is NOT a source of competitive advantage?

- a. low cost
- b. product differentiation
- c. brand reputation
- d. service quality
- e. All of the above are sources of competitive advantage.

Answer: <https://biology-forums.com/index.php?topic=544747>

### Question 224

Factors that shape a market's attractiveness are market forces, competitive intensity and market access.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545034>

### Question 225

The intent of overarching branding is to enhance the effectiveness of marketing programs and to increase demand for product extensions by transferring brand awareness and perceptions of quality from the overarching brand.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544802>

### Question 226

Which of the following is NOT a fundamental reason why businesses examine growth opportunities outside the existing markets they serve?

- a. The number of attractive market opportunities within existing markets may be limited.
- b. Their share development index is too low.
- c. New-market opportunities outside existing markets are simply more attractive in terms of meeting the business' overall performance objectives.
- d. A move to new markets helps diversify a business' sources of profitability and, hence, reduces variation in performance.
- e. All of the above are fundamental reasons why businesses need to examine growth opportunities outside the existing markets they serve.

Answer: <https://biology-forums.com/index.php?topic=545126>

### Question 227

Brand equity is equal to \_\_\_\_\_.

- a. brand assets minus brand liabilities
- b. brand assets divided by brand liabilities
- c. company assets minus company liabilities
- d. company assets divided by company liabilities
- e. none of the above

Answer: <https://biology-forums.com/index.php?topic=544837>

### Question 228

The primary goal of a defensive strategy is to protect profitability and key strategic share positions that are worth the investment.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545145>

### Question 229

Which of the following is NOT considered a non-market source of influence in the marketing communications network?

- a. industry gurus

- b. consultants
- c. financial analysts
- d. lead users
- e. trade press

Answer: <https://biology-forums.com/index.php?topic=545023>

### Question 230

Tony Hawk's skateboard equipment company wants to grow financially, but decides that the market for skateboards and gear is fairly saturated. Hawk decides to expand to snowboards, where he figures his brands will have credibility and the market is not as saturated. This type of strategy is called \_\_\_\_\_.

- a. Diversified Strategy
- b. Enter Related New Markets
- c. Develop New Markets
- d. Enter New Emerging Markets
- e. Enter Unrelated New Markets

Answer: <https://biology-forums.com/index.php?topic=545129>

### Question 231

Dell Computer has a very high competitive advantage in a moderate- to high-attractive market. Which type of strategic market plan would be most appropriate for Dell?

- a. offensive
- b. defensive
- c. either offensive or defensive
- d. growth
- e. competitive

Answer: <https://biology-forums.com/index.php?topic=545106>

### Question 232

The first step in understanding market demand is to develop a broad vision of what the market is.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544563>

### Question 233

Which of the following is NOT considered a marketing and sales expense?

- a. cost of goods sold
- b. expenses associated with sales effort
- c. market communication costs
- d. customer service costs
- e. market management costs

Answer: <https://biology-forums.com/index.php?topic=545325>

### Question 234

Marketing plans should not be aggressively communicated either internally or externally to protect competitive position.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545229>

### Question 235

Understanding customer needs is the first step in successful market segmentation.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544675>

### Question 236

Which of the following is NOT a major force that can restrict a market from reaching its full potential?

- a. product awareness
- b. perceived risk
- c. product availability
- d. ability to use the product
- e. affordability

Answer: <https://biology-forums.com/index.php?topic=544581>



### Question 237

New customers will be hard to find, once a market reaches \_\_\_\_.

- a. the growth stage
- b. all of its existing customer base
- c. its estimated potential
- d. its strategic importance
- e. saturation

Answer: <https://biology-forums.com/index.php?topic=544580>

### Question 238

Since most large corporations focus on the mass market, smaller firms might profitably choose the \_\_\_\_.

- a. large segment strategy
- b. adjacent segment strategy
- c. small segment strategy
- d. multi-segment strategy
- e. mass customization strategy

Answer: <https://biology-forums.com/index.php?topic=544714>

### Question 239

Which of the following is NOT a potential marketing communications problem leading to low levels of customer response?

- a. poor media selection
- b. insufficient ad frequency
- c. ineffective ad content
- d. weak value proposition
- e. All of the above are potential marketing communications problem leading to low levels of customer response.

Answer: <https://biology-forums.com/index.php?topic=544992>

### Question 240

A measure used to assess the responsiveness of consumers to advertising expenditures is known as \_\_\_\_.

- a. cost per thousand
- b. gross rating points
- c. advertising elasticity
- d. pull elasticity
- e. push rating

Answer: <https://biology-forums.com/index.php?topic=545014>

### Question 241

Typically, how much more expensive is it to replace a customer than to retain one?

- a. two times
- b. four times
- c. five times
- d. ten times
- e. twenty times

Answer: <https://biology-forums.com/index.php?topic=545307>

### Question 242

The first level of customer relationship marketing is a \_\_\_\_ strategy that recognizes individual customers by name and buying behavior.

- a. mass-personalization
- b. mass-customization
- c. customer relationship management
- d. sub-segment
- e. multi-segment

Answer: <https://biology-forums.com/index.php?topic=544724>

### Question 243

Low levels of ad exposure usually occur because of \_\_\_\_.

- a. insufficient ad frequency
- b. ineffective ad content
- c. weak value proposition

- d. action not clearly specified
- e. poor media selection

Answer: <https://biology-forums.com/index.php?topic=544988>

### Question 244

Oschner Millworks is examining the effectiveness of its performance metrics. Which of the following is a process, external performance measure?

- a. relative product quality
- b. net profit/earnings
- c. billing errors
- d. customer retention
- e. asset turnover

Answer: <https://biology-forums.com/index.php?topic=544531>

### Question 245

Customer reach, as an operational component of channel performance, refers to \_\_\_\_\_.

- a. cost to serve
- b. volume
- c. operating efficiency
- d. service quality
- e. retention

Answer: <https://biology-forums.com/index.php?topic=544928>

### Question 246

For a source of relative advantage to be considered a competitive advantage, it requires \_\_\_\_\_.

- a. that the area of relative advantage be meaningful to target customers
- b. that the relative advantage be sustainable
- c. that the relative advantage be based on a low cost advantage
- d. A and B above
- e. A, B and C above

Answer: <https://biology-forums.com/index.php?topic=544775>

### Question 247

Name the seven types of non-price life cycle costs and explain how an understanding of these costs will enable a business to charge a higher price than the competition.

Answer: <https://biology-forums.com/index.php?topic=544900>

### Question 248

Businesses focused on building volume are likely to consider which type of pricing strategy?

- a. cost-plus pricing
- b. penetration pricing
- c. skim pricing
- d. strategic-account pricing
- e. competitive bid pricing

Answer: <https://biology-forums.com/index.php?topic=544882>

### Question 249

Sub-Zero, with a 2 percent share of the U.S. refrigerator market, competes with industry giants who have large economies of scale and marketing resources. However, Sub-Zero holds 70 percent of the "Super Premium" segment, specializing in very expensive built-in refrigerators that start at \$3,500. What type of market segmentation strategy is Sub-Zero pursuing?

- a. small segment strategy
- b. niche segment strategy
- c. sub-segment strategy
- d. mass customization strategy
- e. selective segment strategy

Answer: <https://biology-forums.com/index.php?topic=544715>

### Question 250

Empathic design uses an observational approach to understanding customer needs and discovering customer problems and frustrations that arise when acquiring, using and disposing of a product.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544619>

### Question 251

The goal of a(n) \_\_\_\_\_ is to create a product-line position that is attractive to target customers and creates a good source of cash flow for the business.

- a. marketing strategy
- b. product strategy
- c. positioning strategy
- d. brand strategy
- e. product line strategy

Answer: <https://biology-forums.com/index.php?topic=544805>

### Question 252

To determine if a channel system is viable, a business has to consider which of the following benefits with respect to a customer's service needs and expectations?

- a. product quality
- b. product assortment
- c. availability/delivery
- d. product form
- e. image benefits

Answer: <https://biology-forums.com/index.php?topic=544948>

### Question 253

The service quality dimension of \_\_\_\_\_ relates to a service obsession to get it right when things go wrong.

- a. reliability
- b. assurance
- c. performance
- d. customer empathy
- e. responsiveness

Answer: <https://biology-forums.com/index.php?topic=544821>

### Question 254

A(n) \_\_\_\_\_ is a long-term strategy with a 3- to 5-year time horizon and specific performance objectives.

- a. tactical marketing strategy
- b. workhorse strategy
- c. bottom-line performance work-up (BPW)
- d. investment strategy
- e. strategic market plan

Answer: <https://biology-forums.com/index.php?topic=545074>

### Question 255

The first step in the customer hierarchy used to determine the customer response index is comprehension.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544960>

### Question 256

The margin per customer is equal to the \_\_\_\_\_.

- a. revenue per customer minus the variable cost per customer
- b. revenue per customer minus the fixed cost per customer
- c. revenue per customer minus the direct marketing expense per customer
- d. revenue per customer minus the total cost per customer
- e. revenue per customer minus operating expenses

Answer: <https://biology-forums.com/index.php?topic=544477>

### Question 257

Which of the following statements is TRUE regarding choosing offensive strategic market plans?

- a. A business may pursue multiple offensive strategies.
- b. A business will often find that it has more resources to fund market opportunities than there are market opportunities.
- c. A business with a long-run need for better profit performance would be inclined to select the share penetration strategy.
- d. The selection of one offensive strategic market plan over another depends on the business' long-run profit needs, strategic position and resources

and opportunities for growth.

e. All of the above are true regarding choosing offensive strategic market plans.

Answer: <https://biology-forums.com/index.php?topic=545139>

### Question 258

Which of the following statements is FALSE?

a. A good marketing plan is an essential part of a proactive market orientation.

b. It is not the plan itself, but the process, that helps a business uncover new opportunities and recognize important threats.

c. One drawback of a marketing plan is that it does not allow greater utilization of existing assets, business and marketing systems and unique capabilities.

d. Market information is often incomplete or inaccurate or both.

e. A well-defined market focus is cost efficient.

Answer: <https://biology-forums.com/index.php?topic=545179>

### Question 259

For a marketing strategy to improve profits for the business, it has to improve \_\_\_\_\_.

a. sales

b. costs

c. revenue

d. net marketing contribution

e. market demand

Answer: <https://biology-forums.com/index.php?topic=545328>

### Question 260

Customer awareness, interest, product trial and customer satisfaction and dissatisfaction, along with perceptions of relative product quality, service quality and customer value, all serve as process market metrics and leading indicators of result performance.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545219>

### Question 261

The primary way to grow revenue per customer is to require them to pay a higher price when they purchase a replacement product from the business they purchased the original product.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545092>

### Question 262

For a new market to move from the early market to the mainstream market requires the development of \_\_\_\_\_.

a. innovative solutions

b. unique features

c. emerging solutions

d. complete solutions

e. more products

Answer: <https://biology-forums.com/index.php?topic=544594>

### Question 263

\_\_\_\_\_ allow market-based businesses to take corrective action before customers switch their purchases to a competitor.

a. Result marketing metrics

b. Process marketing metrics

c. Financial performance metrics

d. Competitive performance metrics

e. Customer performance metrics

Answer: <https://biology-forums.com/index.php?topic=544533>

### Question 264

It is not profitable for a large business to pursue a niche strategic market plan.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545150>

### Question 265

Which is NOT one of the key benefits to a market-based business provided by a broad strategic market definition?

- a. It opens the window of opportunity to a broader set of customer needs.
- b. It creates an awareness of a product and its benefits.
- c. It provides a better understanding of potential substitutes and competitive threats.
- d. It helps a business better understand fundamental customer needs.
- e. All of the above are key benefits provided by a broad strategic market definition.

Answer: <https://biology-forums.com/index.php?topic=544577>

### Question 266

Offensive strategic market plans are geared to deliver above-average performance in all EXCEPT which of the following areas?

- a. short-run profit performance
- b. long-run sales revenue growth
- c. long-run share position
- d. long-run profit performance
- e. All of the above can be achieved at above-average performance levels by offensive strategic market plans.

Answer: <https://biology-forums.com/index.php?topic=545078>

### Question 267

Which of the following is NOT a behavior exhibited by competitor under pressure to improve profits/cash flow?

- a. laying off employees and closing plants or sales offices
- b. reducing advertising and not attending trade shows
- c. taking on more debt/increasing debt-to-equity ratio
- d. frequent new-product failures
- e. pay sales people to collect unpaid bills

Answer: <https://biology-forums.com/index.php?topic=544770>

### Question 268

The first product management effort to create an attractive product position and achieve a desired level of market share and profitability is to \_\_\_\_\_.

- a. develop a brand identity
- b. develop brand and product line strategies
- c. determine brand assets and liabilities
- d. develop a positioning strategy designed around target customers' needs
- e. determine which brands will be bundled and which will be unbundled

Answer: <https://biology-forums.com/index.php?topic=544810>

### Question 269

Max bought a new H2 Hummer vehicle by putting \$10,000 down and arranging to make monthly payments of \$599 for six years. These payments represent the \_\_\_\_\_ of the H2 for Max.

- a. acquisition costs
- b. usage costs
- c. maintenance costs
- d. ownership costs
- e. disposal costs

Answer: <https://biology-forums.com/index.php?topic=544650>

### Question 270

What can be said about a new product that has an overall customer adoption forces index of 80% and an overall product adoption index of 40%?

- a. This product has a below average rate of market penetration.
- b. This product's rate of market penetration is slowed by product forces.
- c. This product's rate of market penetration is slowed by customer forces.
- d. This product has an above average rate of market penetration.
- e. There is not enough information to make a statement about this product's rate of market penetration.

Answer: <https://biology-forums.com/index.php?topic=544600>

### Question 271

Not every business can have a cost advantage.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544735>

### Question 272

The volume in any given year of the product life cycle is derived from \_\_\_\_\_.

- a. profits
- b. market demand
- c. market share
- d. both market demand and market share
- e. the average selling price

Answer: <https://biology-forums.com/index.php?topic=544603>

### Question 273

Television advertising that achieves, for example, 150 GRPs over a 4-week exposure period and is run in alternating 4-week periods in which during the intervening 4-week period no messages are run is an example of which approach to message reinforcement?

- a. average frequency
- b. gross rating points
- c. pulsing
- d. flighting
- e. heavy up

Answer: <https://biology-forums.com/index.php?topic=545003>

### Question 274

Primarily, \_\_\_\_\_ are ongoing measures of market performance.

- a. financial metrics
- b. internal metrics
- c. external metrics
- d. market metrics
- e. in-process metrics

Answer: <https://biology-forums.com/index.php?topic=545234>

### Question 275

How could a "somewhat satisfied" customer (CSI = 65) with a retention value of .90 have a customer loyalty index of 5.85?

- a. This customer has a low likelihood of recommending this brand or company to others.
- b. This customer has a low customer lifetime value.
- c. This customer has a short customer life.
- d. This customer is really more satisfied than what the CSI indicates.
- e. This customer has only a 20% likelihood that he or she will recommend this brand or company to others.

Answer: <https://biology-forums.com/index.php?topic=544494>

### Question 276

In which stage of the product life cycle are maximum market profits attained?

- a. introduction
- b. early growth
- c. late growth
- d. late maturity
- e. early decline

Answer: <https://biology-forums.com/index.php?topic=545175>

### Question 277

The \_\_\_\_\_ is the ratio of current market share to share potential.

- a. share development index (SDI)
- b. market development index (MDI)
- c. business share index (BSI)
- d. market share index (MSI)
- e. sales growth index (SGI)

Answer: <https://biology-forums.com/index.php?topic=545112>

### Question 278

Variance in volume reflects any difference in planned versus actual \_\_\_\_\_ plus any difference in planned versus actual \_\_\_\_\_.

- a. volume; price
- b. market demand; market share
- c. price; cost
- d. volume; margin

e. marketing expense; price

Answer: <https://biology-forums.com/index.php?topic=545287>

### Question 279

\_\_\_\_\_ are the "unpolished gems" of a business's customer portfolio. They are loyal but not highly profitable, some even unprofitable. The appropriate customer relationship marketing strategy is to invest in customer-relationship programs that provide more buying opportunities for these customers.

- a. Top performers
- b. Underachievers
- c. High Potentials
- d. Nonprofits
- e. Spinners

Answer: <https://biology-forums.com/index.php?topic=544498>

### Question 280

Which of the following is TRUE regarding a "prisoner's dilemma"?

- a. Competitors should lower prices in response to another competitor's price decrease.
- b. Competitors should raise prices in response to another competitor's price decrease.
- c. Competitors should hold prices in response to another competitor's price decrease.
- d. All competitors would be better off if none cut prices to begin with.
- e. The worst effect occurs when one competitor cuts prices and the other holds that price in order to maximize profits.

Answer: <https://biology-forums.com/index.php?topic=544785>

### Question 281

James wants to analyze his business's performance from a different and more strategic view than traditional methods of tracking performance. He should use \_\_\_\_\_.

- a. market-based performance metrics
- b. financial-based performance metrics
- c. metrics such as sales revenues, net profits and return on sales
- d. internal performance metrics
- e. out-process metrics

Answer: <https://biology-forums.com/index.php?topic=544522>

### Question 282

The first step in developing a \_\_\_\_\_ is to define the desired product positioning and value proposition for a specific target market.

- a. brand name
- b. brand identity
- c. brand advantage
- d. brand equity
- e. brand extension

Answer: <https://biology-forums.com/index.php?topic=544825>

### Question 283

To complement a business' internal financial performance, a business needs a parallel set of external metrics to track market-based performance. True or False?

Answer: <https://biology-forums.com/index.php?topic=544505>

### Question 284

Which of the following is NOT an internal, result metric?

- a. net profit/earnings
- b. return on sales
- c. asset turnover
- d. market share
- e. accounts receivable

Answer: <https://biology-forums.com/index.php?topic=544530>

### Question 285

With few exceptions cash flows accrue from which two sources?

- a. assets and liabilities
- b. assets and investments
- c. marketing and finance

- d. current customers and new customers
- e. volume and market share

Answer: <https://biology-forums.com/index.php?topic=545310>

### Question 286

New customer growth strategies can focus on growing market demand by bringing new customers into a market.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=545093>

### Question 287

Strategies to grow customer purchases are related to which part of the net marketing contribution equation?

- a. market demand
- b. market share
- c. variable cost per customer
- d. marketing expenses
- e. revenue per customer

Answer: <https://biology-forums.com/index.php?topic=544551>

### Question 288

The best place to start the analysis is with \_\_\_\_\_.

- a. an appraisal of the business performance
- b. customer analysis
- c. competitive position
- d. performance metrics
- e. competitor analysis

Answer: <https://biology-forums.com/index.php?topic=545193>

### Question 289

Which of the following is an offensive strategy?

- a. New Market Entry
- b. Monetize
- c. Harvest/Divest
- d. Optimize Position
- e. Protect Position

Answer: <https://biology-forums.com/index.php?topic=545061>

### Question 290

Dell Computers allows each customer to build a custom product to meet his or her specific needs, personal constraints and price considerations. By doing so, Dell also obtains important information about which features customers prefer, how preferences differ across demographic market segments and how they change over time. Dell is using which type of customer relationship marketing strategy?

- a. mass-personalization
- b. mass-customization
- c. customer relationship management
- d. sub-segment
- e. multi-segment

Answer: <https://biology-forums.com/index.php?topic=544725>

### Question 291

The \_\_\_\_\_ is equal to current market demand divided by market potential.

- a. share development index (SDI)
- b. market development index (MDI)
- c. business share index (BSI)
- d. market share index (MSI)
- e. sales growth index (SGI)

Answer: <https://biology-forums.com/index.php?topic=545118>

### Question 292

Constraints due to price, use compatibility and availability create a large \_\_\_\_\_ potential for many products.

- a. early follower
- b. customer inquiry



- c. untapped new market
- d. experience
- e. reduced vulnerability

Answer: <https://biology-forums.com/index.php?topic=545135>

### Question 293

An overarching brand is the core product of a business and is the most visible embodiment of the brand name from a consumer's point of view. True or False?

Answer: <https://biology-forums.com/index.php?topic=544801>

### Question 294

Which core defensive strategy is appropriate for a business with a very strong competitive advantage operating in a very attractive market?

- a. Harvest
- b. Optimize
- c. Monetize
- d. Protect
- e. Maximize Net Marketing Contribution

Answer: <https://biology-forums.com/index.php?topic=545159>

### Question 295

A business that identifies a key area of competitive weakness and then looks outside its industry to another company that is recognized as a world-class performer in this practice in an attempt to emulate them is engaging in \_\_\_\_\_.

- a. competitor analysis
- b. competitive analysis
- c. competitive benchmarking
- d. perceptual mapping
- e. competitive mapping

Answer: <https://biology-forums.com/index.php?topic=544773>

### Question 296

The share development index (SDI) is the ratio of share potential to actual sales.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545090>

### Question 297

More intense competitor rivalry tends to lower prices and margins and raise marketing expenses in the battle to attract and retain customers.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544742>

### Question 298

Which of the following is NOT characteristic of a company with a strong market orientation?

- a. They are in tune with customers' needs.
- b. They understand competitors' strategies.
- c. They monitor changing environmental conditions.
- d. They have a strong internal focus.
- e. They seek to continuously improve.

Answer: <https://biology-forums.com/index.php?topic=544462>

### Question 299

Marketing channels have a direct impact on margins and marketing expenses and play a critical role in the \_\_\_\_\_ that can be obtained in any given marketing channel.

- a. customer value
- b. sales revenue
- c. profitability
- d. employee retention
- e. channel relationships

Answer: <https://biology-forums.com/index.php?topic=544918>

### Question 300

When profiling the average follower (number two share) business that has achieved above-average profitability and the average follower business with below-average profit performance, it was found that, compared to followers with below-average profits, profitable share followers \_\_\_\_\_.

- a. invest less aggressively in marketing as a percentage of sales as well as on a relative basis when compared with competitors
- b. have comparable product quality when compared with competitors
- c. have comparable levels of customer value, price and unit margin when compared with competitors
- d. were more likely to use offensive strategies
- e. invest more in research and development as a percentage of sales

Answer: <https://biology-forums.com/index.php?topic=545169>

### Question 301

A study of gas station customers revealed that there are five kinds of gas buyers, each a little different and each differently profitable. If BP - Circle K gas and convenience stores focused their attention on the most profitable three segments, this would be an example of a(n) \_\_\_\_\_.

- a. mass market segment strategy
- b. niche segment strategy
- c. adjacent segment strategy
- d. multi-segment strategy
- e. sub-segment strategy

Answer: <https://biology-forums.com/index.php?topic=544713>

### Question 302

Which fundamental marketing communications objective attempts to sustain a desired level of retention with respect to image, key benefits and name recognition?

- a. build awareness
- b. reinforce the message
- c. stimulate action
- d. push
- e. pull

Answer: <https://biology-forums.com/index.php?topic=544975>

### Question 303

Which of the following is NOT part of the Customer Response Index?

- a. awareness
- b. comprehend
- c. search
- d. intentions
- e. action

Answer: <https://biology-forums.com/index.php?topic=544986>

### Question 304

\_\_\_\_\_ are the only source of positive cash flow.

- a. Shareholders
- b. Managers
- c. Customers
- d. Employees
- e. Sales people

Answer: <https://biology-forums.com/index.php?topic=545233>

### Question 305

What two marketing profitability metrics allows a better understanding of how marketing profitability impacts the overall financial performance of a business?

- a. marketing return on sales and marketing return on investment
- b. net marketing contribution and net sales
- c. net profit/earnings and return on assets
- d. return on sales and return on investment capital
- e. gross profit and net profit (before taxes)

Answer: <https://biology-forums.com/index.php?topic=544553>

### Question 306

Marketing channels are a key component of a(n) \_\_\_\_\_ that links manufacturers with end-user customers.

- a. distribution chain

- b. value-added chain
- c. intermediary chain
- d. indirect chain
- e. supply chain

Answer: <https://biology-forums.com/index.php?topic=544921>

### Question 307

Declines in relative product and service quality mean that actual product or service quality declined.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544506>

### Question 308

The average life expectancy of a customer for a company with 75% customer retention is \_\_\_\_\_.

- a. 1 year
- b. 2 years
- c. 3 years
- d. 4 years
- e. 5 years

Answer: <https://biology-forums.com/index.php?topic=544484>

### Question 309

In the early stages of the product life cycle, the marketing and sales expense is greater than gross profits because volumes are \_\_\_\_\_.

- a. very small
- b. in the growth stage
- c. very large
- d. near peak levels
- e. declining

Answer: <https://biology-forums.com/index.php?topic=544604>

### Question 310

Supply conditions, demand conditions and the number substitutes all influence the ease with which a customer can switch from one supplier to another.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544858>

### Question 311

Which of the following is a product adoption force affecting new product penetration?

- a. felt need
- b. personal risk
- c. relative advantage
- d. trialability
- e. observability

Answer: <https://biology-forums.com/index.php?topic=544597>

### Question 312

Dell Computer has a 10 percent of a \$250 billion market. Dell is the low-cost leader and realizes a 20% margin on sales, and marketing, sales and administrative expenses equaling 10% of sales. What is Dell's gross profit?

- a. \$250 billion
- b. \$25 billion
- c. \$5 billion
- d. \$2.5 billion
- e. \$500 million

Answer: <https://biology-forums.com/index.php?topic=545068>

### Question 313

At any point in time, a business has an existing pool of current and potential customers and a \_\_\_\_\_ pool of customers.

- a. potential
- b. forward
- c. lateral
- d. backward

e. adjacent

Answer: <https://biology-forums.com/index.php?topic=544578>

### Question 314

The three fundamental marketing communications objectives are \_\_\_\_\_.

- a. get attention, influence attitudes and stimulate action
- b. get attention, achieve memorability and stimulate action
- c. build awareness, reinforce the message and stimulate action
- d. build awareness, enhance attitudes and influence the trade
- e. influence the trade, influence consumers and influence the media

Answer: <https://biology-forums.com/index.php?topic=544974>

### Question 315

Which of the following is NOT considered a type of operating expense?

- a. human resources management
- b. research and development
- c. administrative expenses
- d. utilities
- e. marketing communications

Answer: <https://biology-forums.com/index.php?topic=545331>

### Question 316

The first step in optimizing net marketing contribution is optimal management of price-volume.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545153>

### Question 317

Which of the following is NOT a market performance metric?

- a. relative price and value
- b. market growth rate
- c. market share
- d. industry attractiveness
- e. market demand to potential

Answer: <https://biology-forums.com/index.php?topic=544524>

### Question 318

Value for the channel intermediary is derived from a combination of (1) profitable use of space, (2) inventory turnover, and (3) \_\_\_\_\_.

- a. the marketing expenses needed to promote the product held in that space
- b. carrying charges
- c. time the product is held
- d. leader discrimination
- e. all marketing expenses

Answer: <https://biology-forums.com/index.php?topic=544672>

### Question 319

The best way to identify groups of similar customers is to segment customers on the basis of demographics, lifestyles and usage behaviors.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544680>

### Question 320

\_\_\_\_\_ pricing starts with the customer, competition and a business' competitive position, and \_\_\_\_\_ pricing starts with the cost of the product and a desired margin.

- a. Customer-based; cost-based
- b. Customer-based; contribution-based
- c. Market-based; contribution-based
- d. Market-based; margin-based
- e. Market-based; cost-based

Answer: <https://biology-forums.com/index.php?topic=544878>

### Question 321

The customers in the \_\_\_\_ are skeptics.

- a. Innovators
- b. Laggards
- c. Early Majority
- d. Late Majority
- e. Early Adopters

Answer: <https://biology-forums.com/index.php?topic=544602>

### Question 322

Which of the following is NOT included in a direct channel approach?

- a. direct sales force
- b. sales agents
- c. brokers
- d. wholesalers
- e. telemarketing

Answer: <https://biology-forums.com/index.php?topic=544933>

### Question 323

When considering the components of profitability, which of the following is true?

- a. There are an infinite number of potential customers in any given market.
- b. There are an infinite number of actual customers in any given market.
- c. Product-based and market-based accounting approaches produce the same total revenue, total contribution, net marketing contribution and net profits.
- d. Market-based accounting does not enlighten the company as to customer demand.
- e. The net marketing contribution of a proposed strategy can contribute to increased profits, regardless of current net marketing contribution.

Answer: <https://biology-forums.com/index.php?topic=544547>

### Question 324

The process of following the steps a customer takes in purchasing a product to gain insight into how products are acquired and used is called \_\_\_\_.

- a. lead user analysis
- b. the Kano method
- c. conjoint analysis
- d. acquisition analysis
- e. "staple yourself to an order"

Answer: <https://biology-forums.com/index.php?topic=544637>

### Question 325

Financing and insurance costs represent which type of product life cycle cost?

- a. acquisition cost
- b. ownership cost
- c. maintenance cost
- d. usage cost
- e. financial cost

Answer: <https://biology-forums.com/index.php?topic=544649>

### Question 326

The first step in estimating market potential is to determine the annual purchase rate.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544569>

### Question 327

A \_\_\_\_ is a specific group of customers with similar needs, purchasing behaviors and identifying characteristics.

- a. customer market
- b. mass market
- c. cohort group
- d. market segment
- e. customer group

Answer: <https://biology-forums.com/index.php?topic=544690>

### Question 328

Achieving a certain level of \_\_\_\_\_ is directly dependent on the strength of a business' product positioning and marketing effort.

- a. profits
- b. market dependency
- c. distributor dependency
- d. market share
- e. marketing "voltage"

Answer: <https://biology-forums.com/index.php?topic=544806>

### Question 329

Overton Enterprises sells widgets to a marketplace where total demand is 12 million. Overton's market share is 12 ½ percent; the selling price per widget is \$40 and the variable costs per widget are \$25. Overton spends \$7 million on marketing expenses and has \$2 million in other operating expenses. What is Overton Enterprises's profit (before tax)?

- a. \$12.5 million
- b. \$13.5 million
- c. \$15.5 million
- d. \$20.5 million
- e. \$180 million

Answer: <https://biology-forums.com/index.php?topic=544543>

### Question 330

What is the customer retention for a company given an average customer life of four years?

- a. 4%
- b. 40%
- c. 80%
- d. 75%
- e. 100%

Answer: <https://biology-forums.com/index.php?topic=544485>

### Question 331

\_\_\_\_\_ forces created by differences in values, attitudes and interests can contribute to differences in consumer needs.

- a. Demographic
- b. Lifestyle
- c. Usage behavior
- d. Cultural
- e. Firm demographic

Answer: <https://biology-forums.com/index.php?topic=544693>

### Question 332

Even though a direct channel system is more expensive than an indirect channel system, it allows the manufacturer to reach the broadest number of customers a business can profitably reach.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544910>

### Question 333

Net profits (before taxes) of a business are normally under the complete control of the marketing function or the marketing management team.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545300>

### Question 334

Which of the following is likely to retain customers, despite poor levels of customer satisfaction?

- a. water company
- b. restaurant
- c. grocery store
- d. bank
- e. gas station

Answer: <https://biology-forums.com/index.php?topic=544481>

### Question 335

Assume a company has a 10% market share of a one million customer market. If 10% of this company's customers are dissatisfied, how many are likely to complain to the company?

- a. 400
- b. 4,000
- c. 40,000
- d. 400,000
- e. not enough information available to determine the answer

Answer: <https://biology-forums.com/index.php?topic=544472>

### Question 336

Customers are adept at describing the frustrations they encounter in the purchase, use and disposal of a product when asked. True or False?

Answer: <https://biology-forums.com/index.php?topic=544618>

### Question 337

All market metrics are leading indicators of business performance. True or False?

Answer: <https://biology-forums.com/index.php?topic=544510>

### Question 338

Low levels of ad content comprehension could be due to \_\_\_\_\_.

- a. insufficient ad frequency
- b. limited media exposure
- c. weak value proposition
- d. action not clearly specified
- e. poor media selection

Answer: <https://biology-forums.com/index.php?topic=544990>

### Question 339

Marketing Return on Investment is equal to \_\_\_\_\_.

- a. profits/marketing & sales expenses x 100%
- b. net marketing contribution/marketing & sales expenses x 100%
- c. gross margin/total expenses x 100%
- d. net marketing contribution/operating expenses x 100%
- e. sales revenues/marketing & sales expenses x 100%

Answer: <https://biology-forums.com/index.php?topic=544556>

### Question 340

A relative measure of performance can be created by \_\_\_\_\_.

- a. dividing the overall rating of a product's performance by the overall average performance rating for all products analyzed
- b. dividing the overall rating of a product's performance by the rating of the top-performing brand
- c. dividing the overall rating of a product's performance by its price
- d. dividing the overall rating of a product's performance by the average price for products in that product category
- e. dividing a measure of the product's benefits by the overall measure of all product's in that category

Answer: <https://biology-forums.com/index.php?topic=544653>

### Question 341

Compared to a direct marketing channel, an indirect marketing channel has lower margins but also lower costs of marketing and channel management.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544907>

### Question 342

Both consumers and businesses have market needs, and the factors influencing their needs are essentially the same.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544676>

### Question 343

Every interaction with a customer or potential customer is known as customer contact points.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544689>

### Question 344

Nautilus was a pioneer in the home-fitness equipment market and sold their products exclusively through a direct marketing approach. Since the majority of sales in this market occurred in retail stores, Nautilus began selling through specialty sports equipment retailers as well as mass market sporting goods stores. Which offensive strategy does this represent?

- a. Grow Revenue per Customer
- b. Build Marketing Advantage
- c. Protect Market Share
- d. Maximize Net Marketing
- e. Lower Costs/Improve Marketing Productivity

Answer: <https://biology-forums.com/index.php?topic=545125>

### Question 345

If the market attractiveness scores for market forces, competitive environment and market access are 10, 24 and 35, respectively, what is the Market Attractiveness Index?

- a. -3
- b. 1
- c. 23
- d. 69
- e. not enough information to determine

Answer: <https://biology-forums.com/index.php?topic=545052>

### Question 346

The gross profit produced by a marketing strategy is the product of \_\_\_\_\_.

- a. price and quantity
- b. customer volume and customer margin
- c. revenue per customer and variable costs per customer
- d. market demand and market share
- e. customer volume it produces and customer margin derived from customer purchases

Answer: <https://biology-forums.com/index.php?topic=545324>

### Question 347

The first step in "How to Underwhelm Customers and Shareholders" is to \_\_\_\_\_.

- a. have low levels of customer satisfaction
- b. have little or no customer loyalty
- c. have little or no customer focus
- d. have high cost of marketing
- e. use accounting maneuvers to drive financial results

Answer: <https://biology-forums.com/index.php?topic=544464>

### Question 348

Which of the following is the strategic objective of the Protect Position defensive core strategy?

- a. maintain sales
- b. maximize profits
- c. cash flow
- d. grow share
- e. increase sales

Answer: <https://biology-forums.com/index.php?topic=545163>

### Question 349

Customer familiarity, channel access and company fit are all measures of the \_\_\_\_\_ assessment of a segment's attractiveness.

- a. competitive intensity
- b. market access
- c. market growth
- d. profitability



e. feasibility

Answer: <https://biology-forums.com/index.php?topic=544704>

### Question 350

Harley-Davidson Motor Company sends consultants to biker rallies to discover how their products are used and modified. Recent visits found that bikers were seeking items, such as bolt-on chrome products, horsepower performance enhancers and improved braking systems. This field research is an example of studying \_\_\_\_\_.

- a. lead users
- b. the early majority
- c. laggards
- d. the late majority
- e. proactive consumers

Answer: <https://biology-forums.com/index.php?topic=544636>

### Question 351

Perhaps the greatest threat to a business's survival is a broad focus on existing product-markets.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544562>

### Question 352

When a new brand attracts new customers but also attracts customers away from the core or umbrella brand, it is said that a \_\_\_\_\_ effect has occurred.

- a. product-line extension
- b. product-line scale
- c. product-line substitution
- d. product-line horizontal
- e. product-line vertical

Answer: <https://biology-forums.com/index.php?topic=544843>

### Question 353

Market demand is made up of current and potential customers.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544561>

### Question 354

The first step in developing a brand identity is to conduct an internal review of product features.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544797>

### Question 355

Dell Computer has a 10 percent of a \$250 billion market. Dell is the low-cost leader and realizes a 20% margin on sales, and marketing, sales and administrative expenses equaling 10% of sales. What are Dell's sales revenues?

- a. \$250 billion
- b. \$25 billion
- c. \$5 billion
- d. \$2.5 billion
- e. \$500 million

Answer: <https://biology-forums.com/index.php?topic=545067>

### Question 356

Name and describe the process that results in "underwhelmed" customers and shareholders.

Answer: <https://biology-forums.com/index.php?topic=544502>

### Question 357

\_\_\_\_\_ names are brand names created to evoke the positioning of a company or product rather than the product function or product experience.

- a. Evocative
- b. Experiential
- c. Functional
- d. Invented

e. Realistic

Answer: <https://biology-forums.com/index.php?topic=544833>

### Question 358

Customers who make up the \_\_\_\_\_ market possess more knowledge, are less price sensitive, more benefit driven and less dependent on what others do or think than most people.

- a. laggard
- b. minority
- c. majority
- d. mainstream
- e. early

Answer: <https://biology-forums.com/index.php?topic=544591>

### Question 359

Which of the following is NOT part of a business' culture?

- a. business sophistication
- b. growth orientation
- c. frequency of purchase
- d. technology
- e. decision making

Answer: <https://biology-forums.com/index.php?topic=544696>

### Question 360

Carla has determined that there are meaningful differences in customer needs within a specific segment that are not being met. What market segmentation strategy would be appropriate for Carla to use to capitalize on this opportunity?

- a. mass market strategy
- b. multi-segment strategy
- c. sub-segment strategy
- d. niche segment strategy
- e. small segment strategy

Answer: <https://biology-forums.com/index.php?topic=544716>

### Question 361

Jose's Mexican restaurant has a margin per unit of \$2.00 for a typical dinner offering on his menu, total fixed expenses of \$10,000, and average variable costs of \$3.00 per dinner. How many dinners must Jose sell to break even?

- a. 2,000
- b. 3,334
- c. 5,000
- d. 20,000
- e. 30,000

Answer: <https://biology-forums.com/index.php?topic=544896>

### Question 362

Number of competitors, ease of entry and the number of substitutes are all measures of the \_\_\_\_\_ assessment of a segment's attractiveness.

- a. competitive intensity
- b. market access
- c. market growth
- d. profitability
- e. feasibility

Answer: <https://biology-forums.com/index.php?topic=544703>

### Question 363

Managing to the average customer satisfaction index (CSI) enhances a business' understanding of customer satisfaction and opportunities for increased profits.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544450>

### Question 364

A gross rating point equals \_\_\_\_\_.

- a. copy multiplied by response

- b. frequency multiplied by impact
- c. impact multiplied by response
- d. reach multiplied by frequency
- e. reach divided by frequency

Answer: <https://biology-forums.com/index.php?topic=544999>

### Question 365

Which of the following statements is FALSE?

- a. The first third of the market potential can generally be served with higher prices and basic benefits.
- b. There is little opportunity for growth in trying to capture the last third of the market.
- c. To bring more customers into the market, businesses have to lower prices, offer a wider range of product alternatives, and expand distribution to increase availability.
- d. Developing the last third of the market requires a more differentiated position and one that competitors find hard to copy.
- e. The reward of market ownership as a result of growing the last third of the market usually outweighs the challenges of reaching that point.

Answer: <https://biology-forums.com/index.php?topic=544587>

### Question 366

Firms with partial intelligence with respect to customers or competitors are likely to employ \_\_\_\_\_.

- a. reactive strategies
- b. inside the box strategies
- c. oblique strategies
- d. flanking strategies
- e. market-based strategies

Answer: <https://biology-forums.com/index.php?topic=544756>

### Question 367

Which of the following is an excellent market-based performance metric and barometer of future revenues and profits?

- a. customer satisfaction
- b. shareholder dividends
- c. sales
- d. market share
- e. ROI

Answer: <https://biology-forums.com/index.php?topic=544471>

### Question 368

Which is NOT part of a SWOT analysis?

- a. strengths
- b. strategies
- c. weaknesses
- d. threats
- e. opportunities

Answer: <https://biology-forums.com/index.php?topic=545197>

### Question 369

Political barriers, technology or low-cost manufacturing, and high expenditures for advertising, R&D, and sale forces are all examples of \_\_\_\_\_.

- a. barriers to entry
- b. barriers to exit
- c. competitive barriers
- d. limiting barriers
- e. barriers to competition

Answer: <https://biology-forums.com/index.php?topic=544779>

### Question 370

Whereas product-focused businesses are providers of products, market-based businesses are \_\_\_\_\_.

- a. providers of services
- b. providers of products
- c. providers of solutions
- d. providers of help
- e. providers of knowledge

Answer: <https://biology-forums.com/index.php?topic=544642>

### Question 371

The primary objective of \_\_\_\_\_ pricing is to build volume that drives down cost.

- a. skim
- b. penetration
- c. floor
- d. cost-plus
- e. harvest

Answer: <https://biology-forums.com/index.php?topic=544884>

### Question 372

Product-markets with low indexes for both market attractiveness and competitive position have the strongest portfolio position and the best opportunities for profit performance.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545030>

### Question 373

Sincerity, excitement, competence, sophistication and ruggedness are all examples of \_\_\_\_\_.

- a. psychological needs
- b. rational needs
- c. brand personality
- d. emotional benefits
- e. value

Answer: <https://biology-forums.com/index.php?topic=544664>

### Question 374

Carl is interested in examining his company's internal, result metrics. Which of the following metrics would he examine?

- a. product defects
- b. relative product quality
- c. asset turnover
- d. revenue per customer
- e. intentions to purchase

Answer: <https://biology-forums.com/index.php?topic=544532>

### Question 375

Within the current situation, this section outlines a profile of each segment served by a business with respect to market size, and growth rates, as well as overall potential.

- a. market demand
- b. competitive position
- c. industry analysis
- d. market share
- e. customer needs

Answer: <https://biology-forums.com/index.php?topic=545213>

### Question 376

A(n) \_\_\_\_\_ includes all the key elements of the situation and the benefits the target customer is looking for in a given purchase.

- a. acid test
- b. value proposition
- c. proposal statement
- d. propositioning statement
- e. marketing mix strategy

Answer: <https://biology-forums.com/index.php?topic=544706>

### Question 377

A broad strategic market definition includes a broader definition of all product markets that are potential substitutes for the product markets currently served by a business.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544564>

### Question 378

A firm should use an offensive strategy when they compete in a \_\_\_\_\_ market and has a(n) \_\_\_\_\_ competitive advantage.

- a. very attractive; very weak
- b. very unattractive; very weak
- c. very unattractive; very strong
- d. very unattractive; average strong
- e. none of the above

Answer: <https://biology-forums.com/index.php?topic=545104>

### Question 379

Which concept is implicit in Japanese marketing plan implementation?

- a. compensation
- b. continuous improvement
- c. feedback
- d. inflexibility
- e. standardization

Answer: <https://biology-forums.com/index.php?topic=545275>

### Question 380

The customer is the only enduring asset a business has.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545295>

### Question 381

Revenue per customer minus variable costs per customer is known as \_\_\_\_\_.

- a. net marketing contribution
- b. profits
- c. customer margin
- d. net profit (before taxes)
- e. accounts receivable

Answer: <https://biology-forums.com/index.php?topic=545317>

### Question 382

With few, if any, competitors in an untapped new market, a business has the opportunity to pioneer a portion of the market largely ignored by competitors. This is known as \_\_\_\_\_.

- a. early advantage
- b. pioneering advantage
- c. competitive advantage
- d. first-mover advantage
- e. untapped advantage

Answer: <https://biology-forums.com/index.php?topic=545137>

### Question 383

Partial knowledge often results in a reactive strategy.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544739>

### Question 384

For a \_\_\_\_\_ marketing budget, the cost of customer acquisition and retention and the combination of new ad retained customers are used to establish the budget.

- a. bottom-up
- b. customer-mix
- c. top-down
- d. customer-metric
- e. percent-of-sales

Answer: <https://biology-forums.com/index.php?topic=545209>

### Question 385

Process marketing metrics are particularly important because \_\_\_\_\_.

- a. they correspond closely to financial performance
- b. they are also leading indicators of financial performance
- c. they are the only metrics that represent an internal perspective
- d. they are the only metrics that represent an external perspective
- e. they provide a business with a broader insight on end-result performance

Answer: <https://biology-forums.com/index.php?topic=544529>

### Question 386

\_\_\_\_\_ are the only enduring asset a business has.

- a. Customers
- b. Buildings
- c. Capital
- d. Technology
- e. Personnel

Answer: <https://biology-forums.com/index.php?topic=545312>

### Question 387

One approach to message reinforcement that maintains awareness, reduces copy wear-out and is cost efficient is \_\_\_\_\_.

- a. average frequency
- b. gross rating points
- c. pulsing
- d. flighting
- e. continuity

Answer: <https://biology-forums.com/index.php?topic=545002>

### Question 388

Microsoft Outlook Express 6 allows buyers and users to quickly identify the Microsoft product and its newness to older versions of the same brand.

This is an example of using a \_\_\_\_\_ branding strategy.

- a. company name
- b. company and brand name
- c. brand and sub-brand name
- d. company, brand and product name
- e. company name, brand name and number

Answer: <https://biology-forums.com/index.php?topic=544828>

### Question 389

Awareness does not only refer to product awareness, but also to \_\_\_\_\_.

- a. unavailability of the product
- b. restricted market demand
- c. product complexity
- d. inability to use the product
- e. complete comprehension of benefits

Answer: <https://biology-forums.com/index.php?topic=544582>

### Question 390

Product differentiation, sales force effort, sales promotion and service quality all contribute to the strength of a business' overall product position.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544792>

### Question 391

Solutions "R" Us is a business that purchases computers, printers, modems, fax machines, software and telecommunications equipment from several manufacturers and resells them as complete (bundled) customized systems to small businesses to meet their specific needs. What type of channel intermediary is Solutions "R" Us?

- a. wholesaler
- b. value-added retailer
- c. original equipment manufacturer
- d. sales agent
- e. distributor

Answer: <https://biology-forums.com/index.php?topic=544943>

### Question 392

If it is true that a company's relative service quality declined over a five-year period, but their actual service quality did not change, then which of the following best accounts for the relative service quality decline?

- a. The company mismeasured its actual quality level.
- b. The company mismeasured its relative quality level.
- c. Competing offerings damaged the company's reputation for product quality.
- d. The competition moved ahead in delivering a higher level of service quality.
- e. There is no way for relative quality to fall while actual quality remains the same.

Answer: <https://biology-forums.com/index.php?topic=544523>

### Question 393

If a market-based business with a strong market orientation is gathering competitor intelligence all the time and, as a result, has continuously evolving competitor profiles from which to evaluate its own competitiveness and competitive advantages, it is engaging in \_\_\_\_\_.

- a. benchmarking competitors
- b. perceptual mapping
- c. competitor intelligence
- d. competitor analysis
- e. competitive advantage

Answer: <https://biology-forums.com/index.php?topic=544768>

### Question 394

In its most basic terms, a business' net profit (before taxes) is simply its revenues minus its cost of goods sold and its expenses. True or False?

Answer: <https://biology-forums.com/index.php?topic=544513>

### Question 395

Name and describe four of the six industry forces that shape the attractiveness of a competitive environment.

Answer: <https://biology-forums.com/index.php?topic=544788>

### Question 396

Which of the following is an objective associated with push type communications?

- a. greater awareness
- b. reduced search effort
- c. greater customer loyalty
- d. customer interest that pushes the product through the channel
- e. greater shelf space

Answer: <https://biology-forums.com/index.php?topic=545013>

### Question 397

An increase from 80% to 90% in customer retention would have what effect on the average customer life?

- a. an increase of 10 years
- b. an increase of 100%
- c. an increase of 50%
- d. an increase of 5%
- e. an increase of 200%

Answer: <https://biology-forums.com/index.php?topic=544486>

### Question 398

The "day-in-the-life-of-a-customer" approach may be described as "stapling yourself to an order."

True or False?

Answer: <https://biology-forums.com/index.php?topic=544625>

### Question 399

Which of the following is a marketing effort factor influencing a business' market share?

- a. price
- b. service quality
- c. product breadth
- d. brand image

e. retailing and merchandising

Answer: <https://biology-forums.com/index.php?topic=544808>

### Question 400

Which of the following is a marketing strategy to improve margin per customer?

- a. attract new customers to grow market share
- b. enter new markets to create new sources of customer volume
- c. grow the market demand by bringing more customers into a market
- d. grow revenue per customer by adding services that enhance customer value
- e. All of the above are marketing strategies to improve margin per customer.

Answer: <https://biology-forums.com/index.php?topic=545319>

### Question 401

For what reason might the percentage of dissatisfied customers not result in an immediate decrease in sales or net profits?

- a. It often takes time for customers to make a change in product or supplier.
- b. Dissatisfied customers do not produce high revenues for the firm to begin with.
- c. They will continue to buy the firm's product or services because their switching costs are usually too high.
- d. Sales and net profits are measured over a 3- to 5- year period.
- e. The measures of sales and net profits are not tied directly to customer satisfaction.

Answer: <https://biology-forums.com/index.php?topic=545232>

### Question 402

Which of the following is NOT part of what a Customer Relationship Management system will help the firm identify?

- a. customers it wants to keep
- b. customers it should strive to abandon
- c. customers it should pursue
- d. customers it should avoid
- e. customers it wishes to partner with

Answer: <https://biology-forums.com/index.php?topic=544496>

### Question 403

Suppose the benchmark competitive product has a price of \$300, costs \$200 to install, and averages \$500 in usage and maintenance costs. Your product is priced at \$400, costs \$100 to install, and averages \$400 in usage and maintenance costs. In this situation, the economic value of your product over the benchmark competitive product is \_\_\_\_\_.

- a. -\$100
- b. \$0
- c. \$100
- d. \$125
- e. \$200

Answer: <https://biology-forums.com/index.php?topic=544651>

### Question 404

Name and describe three offensive strategic market plans and three defensive strategic market plans.

Answer: <https://biology-forums.com/index.php?topic=545083>

### Question 405

Marketing communications targeted to end-user consumers are known as which type of communications strategy?

- a. push
- b. pull
- c. consumer
- d. intermediary
- e. mass

Answer: <https://biology-forums.com/index.php?topic=545008>

### Question 406

A(n) \_\_\_\_\_ is a short-term marketing strategy with a 1-year time horizon.

- a. strategic market plan
- b. marketing mix strategy
- c. defensive strategy
- d. offensive strategy



e. performance plan

Answer: <https://biology-forums.com/index.php?topic=545075>

### Question 407

Value in-use pricing and perceived value pricing are market-based pricing strategies appropriate for the growth stage of the product life cycle. True or False?

Answer: <https://biology-forums.com/index.php?topic=544850>

### Question 408

Which is NOT included in a marketing mix strategy?

- a. product positioning
- b. price
- c. promotion
- d. place
- e. All of the above are included in a marketing mix strategy.

Answer: <https://biology-forums.com/index.php?topic=545076>

### Question 409

A business that dominates markets with a relative advantage in distribution, sales coverage, or marketing communications can control (and often block) market access, creating a source of competitive advantage. Which source of competitive advantage is this?

- a. cost advantage
- b. differentiation advantage
- c. marketing advantage
- d. differential advantage
- e. marketing cost scope advantage

Answer: <https://biology-forums.com/index.php?topic=544754>

### Question 410

A good marketing plan provides a road map both for marketing strategy and expected performance. Included in this map is \_\_\_\_\_.

- a. past market share
- b. former competitors
- c. projected sales revenue
- d. past profits
- e. prior commitments

Answer: <https://biology-forums.com/index.php?topic=545182>

### Question 411

Which of the following is NOT a result of having a strong brand?

- a. high level of product awareness
- b. enhances positive evaluations of a product's quality
- c. provides a consistent image
- d. allows lower prices to be charged
- e. provides for a brand personality

Answer: <https://biology-forums.com/index.php?topic=544822>

### Question 412

Within the dimensions of product quality, which of the following is a "quality killer"?

- a. performance
- b. features
- c. appearance
- d. conformance
- e. durability

Answer: <https://biology-forums.com/index.php?topic=544814>

### Question 413

Net marketing contribution equals \_\_\_\_\_.

- a. (volume/margin per unit) - marketing expenses
- b. volume × margin per unit × marketing expenses
- c. volume × margin per unit - marketing expenses
- d. volume × marketing expense - margin per unit

e. (margin per unit/volume) - marketing expense

Answer: <https://biology-forums.com/index.php?topic=545284>

### Question 414

Which of the following is true regarding a floor pricing strategy?

- a. Floor pricing is a market-based pricing strategy.
- b. The floor price establishes the lowest price the business could charge and still make its financial objective.
- c. The floor price is based only on a desired margin.
- d. Floor pricing is often used in later stages of the product life cycle.
- e. The floor price is based on what customers would pay for the product and what competitors are charging for a comparable product.

Answer: <https://biology-forums.com/index.php?topic=544879>

### Question 415

Net marketing contributions captures the actual profitability of a product line without including any allocated overhead not directly related to the product line itself.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544515>

### Question 416

Which of the following is considered a market force that influences a market's attractiveness?

- a. buyer power
- b. number of competitors
- c. price rivalry
- d. channel access
- e. company fit

Answer: <https://biology-forums.com/index.php?topic=545050>

### Question 417

When Walkman personal stereo systems were introduced, they were an instant hit because it was easy for potential buyers to see how they worked. Based on this information, the success of this product early on was due to \_\_\_\_\_.

- a. observability
- b. relative advantage
- c. innovativeness
- d. perceived risk
- e. ease of use

Answer: <https://biology-forums.com/index.php?topic=544598>

### Question 418

To be successful, a channel system must enhance customer value by either increasing customer benefits or lowering customer cost of purchase, or both.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544913>

### Question 419

A \_\_\_\_\_ market-based pricing strategy product position is one in which a business can equal competitors on all areas of product and service quality but can find one area of meaningful performance in which it is clearly superior.

- a. value-one
- b. point-one
- c. plus-one
- d. top-one
- e. better-one

Answer: <https://biology-forums.com/index.php?topic=544876>

### Question 420

After grouping customers into segments based on similar needs and benefits sought by customers in solving a particular consumption problem, the next step in a needs-based market segmentation process is to \_\_\_\_\_.

- a. determine which demographics, lifestyles and usage behaviors make the segment distinct and identifiable
- b. determine the overall attractiveness of a segment
- c. create "segment storyboards" to test the attractiveness of each segment's positioning strategy
- d. determine the profitability of each segment

e. create a "value proposition" and product-price positioning strategy based on a segment's unique customer needs and characteristics

Answer: <https://biology-forums.com/index.php?topic=544699>

### Question 421

Which of the following is the strategic objective of the Monetize, Harvest and Divest defensive core strategies?

- a. maintain sales
- b. maximize profits
- c. cash flow
- d. grow share
- e. increase sales

Answer: <https://biology-forums.com/index.php?topic=545165>

### Question 422

The ultimate goal of customer relationship management is to build one-on-one customized relationships between a business and individual customers. True or False?

Answer: <https://biology-forums.com/index.php?topic=544688>

### Question 423

Which of the following is TRUE regarding an oblique strategy?

- a. It is an overreaction to customer demands due to limited competitor knowledge.
- b. It leverages a knowledge advantage with respect to customers and competitors.
- c. It is an overreaction to competitor moves due to limited competitor knowledge.
- d. It is based on minimal or limited customer/competitor knowledge.
- e. It is based on extensive competitor knowledge but little or no customer knowledge.

Answer: <https://biology-forums.com/index.php?topic=544762>

### Question 424

Which of the following statements is TRUE?

- a. The average profiles for profitable high-share and profitable low-share businesses are almost identical.
- b. Low-share niche businesses with above-average customer value are more profitable than high-share businesses with above-average customer value.
- c. Low-share niche businesses with above-average customer value are more profitable than other low-share niche businesses with a different customer value profile.
- d. Profitable low-share niche businesses tend to have a wide product breadth.
- e. Profitable low-share niche businesses tend to spend more on advertising relative to the competition.

Answer: <https://biology-forums.com/index.php?topic=545173>

### Question 425

Which step of the processing of building a marketing plan determines the resources necessary to meet the performance objectives of the strategic market plan?

- a. marketing budget
- b. situation analysis
- c. SWOT analysis
- d. strategic market plan
- e. marketing mix strategy

Answer: <https://biology-forums.com/index.php?topic=545188>

### Question 426

Which of the following statements is FALSE?

- a. Price is the most visible cost in any purchase.
- b. The business with the lowest price will always offer customers the best economic value.
- c. A company will tend to remain focused on price until it begins to understand how customers acquire, finance, maintain and dispose or re-sell its product when compared to competing products.
- d. Businesses not engaging in sufficient customer and competitor analyses are more likely to engage in cost-based pricing.
- e. Cost-based pricing ignores what the customer would be willing to pay for a certain level of product performance.

Answer: <https://biology-forums.com/index.php?topic=544861>

### Question 427

Name and describe the seven key steps in a needs-based market segmentation process.

Answer: <https://biology-forums.com/index.php?topic=544730>

### Question 428

Which type of marketing channel results in the lowest net price for a manufacturer?

- a. direct channel
- b. indirect channel
- c. mixed channel
- d. original channel
- e. distributor channel

Answer: <https://biology-forums.com/index.php?topic=544955>

### Question 429

An oblique strategy does not directly attack competitors and is focused more on customers.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544740>

### Question 430

In any competitive environment, knowledge is the key source of competitive advantage.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544737>

### Question 431

Which of the following is NOT true regarding lead users?

- a. They are more knowledgeable than the average user.
- b. They are likely to extend applications of the product or service.
- c. They are always part of the newest user set.
- d. They help uncover new insights into how a product is used or enhanced.
- e. They may solve problems in different ways with the product or service.

Answer: <https://biology-forums.com/index.php?topic=544638>

### Question 432

Research using the American Customer Satisfaction Index (ACSI) revealed that businesses scoring in the top 50 percent in customer satisfaction produced over \_\_\_\_\_ times greater shareholder value than businesses in the bottom 50 percent in customer satisfaction.

- a. 1.5
- b. 2.4
- c. 3.0
- d. 4.5
- e. 5.0

Answer: <https://biology-forums.com/index.php?topic=545309>

### Question 433

What three components combine to form the customer loyalty index (CLI)?

- a. customer lifetime value, customer satisfaction and customer advocacy
- b. net present value, customer value and customer satisfaction
- c. customer life, customer retention and customer recommendation
- d. discount rate, customer lifetime value and customer satisfaction
- e. customer satisfaction, customer retention and customer recommendation

Answer: <https://biology-forums.com/index.php?topic=544493>

### Question 434

Businesses with a low-cost advantage can utilize a low price as a basis for product positioning in virtually every market.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544796>

### Question 435

Customer volume is equal to \_\_\_\_\_.

- a. market share × price
- b. market demand (i.e., customers) × market share (i.e., percentage)
- c. (number of customers)/margin per customer
- d. market share × total contribution

e. total contribution - net marketing contribution

Answer: <https://biology-forums.com/index.php?topic=545314>

### Question 436

Which of the following statements is TRUE based on information gleaned from the Profit Impact of Marketing Strategies (PIMS) database?

- a. The average business will experience approximately a 5 percent annual rate of market share decrease per 1 percent of market growth rate if the effects of market growth are not offset by a defensive strategic market plan.
- b. There is an inverse relationship between market share change and size of market share.
- c. Followers with above-average profits tend to spend less aggressively on marketing as a percent of sales than do followers with below-average profits.
- d. There really are no differences between profitable share leaders and low-share niche businesses.
- e. The impact of market growth on market share erosion varies widely among consumer, business-to-business, commodities and supplies, and service businesses.

Answer: <https://biology-forums.com/index.php?topic=545167>

### Question 437

An indirect marketing channel might include all EXCEPT which of the following?

- a. telemarketing
- b. wholesalers
- c. distributors
- d. retailers
- e. original equipment manufacturers

Answer: <https://biology-forums.com/index.php?topic=544937>

### Question 438

Name and describe the four customer types and discuss strategies for managing customer loyalty and profitability for each.

Answer: <https://biology-forums.com/index.php?topic=544503>

### Question 439

Which of the following is a favorable condition for implementing skim pricing?

- a. no or limited differentiation
- b. many competitors
- c. quality-sensitive customers
- d. many substitutes
- e. easy competitor entry

Answer: <https://biology-forums.com/index.php?topic=544868>

### Question 440

The objectives of a \_\_\_\_\_ marketing communication are to build awareness, attraction, and loyalty and to reduce search costs for consumers.

- a. push
- b. pull
- c. consumer
- d. intermediary
- e. mass

Answer: <https://biology-forums.com/index.php?topic=545009>

### Question 441

Why might a business use a combination of direct, indirect and mixed channel systems?

- a. to have total control over the quality of customer service
- b. to lower the risk of distributing products to end-users
- c. to attain the maximum profits at minimum cost
- d. to reach different target markets cost effectively and to deliver the service level expected by target customers
- e. to comply with legal requirements that limit a business from having too much control over the distribution of products to consumers

Answer: <https://biology-forums.com/index.php?topic=544932>

### Question 442

Dell Computer has a 10 percent of a \$250 billion market. Dell is the low-cost leader and realizes a 20% margin on sales, and marketing, sales and administrative expenses equaling 10% of sales. What is Dell's net marketing contribution?

- a. \$250 billion
- b. \$25 billion

- c. \$5 billion
- d. \$2.5 billion
- e. \$500 million

Answer: <https://biology-forums.com/index.php?topic=545069>

### Question 443

If 75% of consumers are aware of Toyota's Prius hybrid car, and 45% of that group likes the product's benefit, and 44% of that group finds the price acceptable, and 51% of that group is able to easily buy the product in their local market, and 75% of that group has a favorable service experience when dealing with Toyota and its dealers, then the market share index for the Prius is \_\_\_\_\_.

- a. 1.6%
- b. 3.3%
- c. 5.7%
- d. 7.5%
- e. 12.1%

Answer: <https://biology-forums.com/index.php?topic=544612>

### Question 444

A plus-one market-based pricing strategy means a business sets its price 1% higher than competitors' prices.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544852>

### Question 445

Distributors or dealers take over the sales and point-of-purchase distribution in business-to-business markets, and \_\_\_\_\_ perform this function in consumer markets.

- a. brokers
- b. wholesalers
- c. retailers
- d. manufacturers
- e. agents

Answer: <https://biology-forums.com/index.php?topic=544938>

### Question 446

A(n) \_\_\_\_\_ strategy occurs when a business directly challenges a competitor in a battle for market share.

- a. reactive
- b. inside the box
- c. oblique
- d. direct
- e. frontal attack

Answer: <https://biology-forums.com/index.php?topic=544758>

### Question 447

Market share is the product of \_\_\_\_\_ strategies.

- a. promotion, product, price, place and service
- b. product and price
- c. place and service
- d. promotion, product, price and place
- e. none of the above

Answer: <https://biology-forums.com/index.php?topic=544613>

### Question 448

Three key sources of customer benefits include perceived product, service, and company or brand benefits.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544628>

### Question 449

Marketing Return on Investment (Marketing ROI) \_\_\_\_\_.

- a. is another way to grow net profits
- b. allows a manager to evaluate the efficiency of the marketing expenses
- c. controls for the size of sales revenues
- d. is equal to sales revenues/marketing & sales expenses

e. is equal to marketing & sales expenses/invested capital

Answer: <https://biology-forums.com/index.php?topic=544558>

### Question 450

Which of the following is TRUE?

- a. Offensive strategic market plans require investment for growth, which limits long-run profit performance, but does not limit sales revenue.
- b. Defensive strategic market plans promote short-run profit performance but are not that effective in growing sales revenue.
- c. In the long run, a defensive-oriented market strategy will shift from an offensive strategic market plan to a growth-oriented plan.
- d. Offensive strategic market plans are geared to deliver above-average performance in the areas of sales growth, share position, and improved short-run profits.
- e. Defensive strategic market plans are not geared towards the protection of market share.

Answer: <https://biology-forums.com/index.php?topic=545080>

### Question 451

Market-based accounting helps a business understand all of the following EXCEPT \_\_\_\_\_.

- a. customer demand
- b. customer share
- c. customer volume
- d. revenue per customer
- e. product unit margin

Answer: <https://biology-forums.com/index.php?topic=544548>

### Question 452

Which of the following is a customer relationship marketing strategy?

- a. mass market strategy
- b. mass customization strategy
- c. core segment strategy
- d. sub-segment strategy
- e. All of the above are customer relationship marketing strategies.

Answer: <https://biology-forums.com/index.php?topic=544721>

### Question 453

Which of the following is NOT an operational component of channel performance?

- a. customer reach
- b. operating efficiency
- c. service quality
- d. customer value
- e. All of the above are operational components of channel performance.

Answer: <https://biology-forums.com/index.php?topic=544927>

### Question 454

When pursuing a niche segment strategy, a business with limited resources and certain capabilities elects to compete in the smallest segment. True or False?

Answer: <https://biology-forums.com/index.php?topic=544686>

### Question 455

\_\_\_\_\_ are particularly important because they are leading indicators of financial performance.

- a. Market metrics
- b. Process market metrics
- c. Result market metrics
- d. External market metrics
- e. On-going market metrics

Answer: <https://biology-forums.com/index.php?topic=545235>

### Question 456

Hood Industrials received \$800 in sales revenue by an average retained customer. To attain that \$800, the company incurred \$400 in variable costs and \$60 in direct marketing expenses for each retained customer. Each lost customer generated \$200 in sales revenue while costing the company \$150 in variable costs and \$100 in direct marketing costs. Each new customer generated \$400 in sales revenue, but Hood had to incur \$300 in variable costs and \$300 in direct marketing expenses for each new customer attained. If there are 150,000 retained customers, 50,000 lost customers, and 50,000 new customers, which type of customer generates the lowest net marketing contribution?

- a. new
- b. retained
- c. lost
- d. dissatisfied
- e. The net marketing contribution is the same for all types of customers.

Answer: <https://biology-forums.com/index.php?topic=544479>

### Question 457

The first step in optimizing net marketing contribution is optimal management of \_\_\_\_\_.

- a. price-volume
- b. margin-volume
- c. customer relationships
- d. market share
- e. sales

Answer: <https://biology-forums.com/index.php?topic=545177>

### Question 458

The service quality dimension of \_\_\_\_\_ relates to employee competency with respect to knowledge and courtesy.

- a. service reliability
- b. service assurance
- c. service performance
- d. customer empathy
- e. appearance

Answer: <https://biology-forums.com/index.php?topic=544818>

### Question 459

Dell Computer has a 10 percent of a \$250 billion market. Dell is the low-cost leader and realizes a 20% margin on sales, and marketing, sales and administrative expenses equaling 10% of sales. What is Dell's Marketing ROS?

- a. 1%
- b. 10%
- c. 5%
- d. 50%
- e. not enough information to determine

Answer: <https://biology-forums.com/index.php?topic=545070>

### Question 460

A competitor analysis in which a detailed analysis of benchmarked customers is undertaken is relatively simple and should be done on a continuous basis.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544744>

### Question 461

\_\_\_\_\_ purchase a variety of equipment from several manufacturers and package them as a system.

- a. Wholesalers
- b. Value-added retailers
- c. Original equipment manufactures
- d. Sales agents
- e. Distributors

Answer: <https://biology-forums.com/index.php?topic=544942>

### Question 462

A larger production volume allows for production and purchasing economies that lower the unit cost of a product producing a \_\_\_\_\_ effect.

- a. scale
- b. scope
- c. learning
- d. marketing cost scope
- e. competitive

Answer: <https://biology-forums.com/index.php?topic=544750>

### Question 463



Major sources of competitive advantage are cost advantage, differentiation advantage and financial advantage.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544732>

### Question 464

When pursuing a large segment strategy, a business presents a generic value proposition built around the core customer need and the business' generic positioning strategy to the entire market.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544685>

### Question 465

Businesses with a(n) \_\_\_\_\_ are in continuous pursuit of customer, competitor and market intelligence and work cross-functionally to create value-added customer solutions.

- a. top-down approach
- b. open system
- c. bottom-up approach
- d. strong market orientation
- e. competitive position

Answer: <https://biology-forums.com/index.php?topic=545180>

### Question 466

In the \_\_\_\_\_, all elements of a market plan merge into a forecast of percent margins and marketing profitability.

- a. situation analysis
- b. performance review
- c. profit plan
- d. marketing performance plan
- e. adjusting marketing plan

Answer: <https://biology-forums.com/index.php?topic=545211>

### Question 467

A recent Consumer Reports study analyzed toasters and found that the average performance rating for all toasters tested was 69 with an average price of \$33. Krups is a brand of toaster that sells for \$32 and received an overall performance rating of 70. What is Krups's relative price against the other toasters tested?

- a. 4
- b. 38
- c. 97
- d. 98.5
- e. 101

Answer: <https://biology-forums.com/index.php?topic=544656>

### Question 468

"Pocket price" is equal to \_\_\_\_\_.

- a. end-user price minus channel discounts
- b. wholesale price minus volume and cash discounts, rebates, trade allowances and promotional incentives
- c. invoice price minus sales commissions, packaging, freight, and inventory holding cost
- d. net price minus late payments, returns and unpaid freight
- e. end-user price minus lost margin

Answer: <https://biology-forums.com/index.php?topic=544893>

### Question 469

\_\_\_\_\_ names are purely descriptive of what a product or company is or does.

- a. Evocative
- b. Experiential
- c. Functional
- d. Invented
- e. Realistic

Answer: <https://biology-forums.com/index.php?topic=544830>

### Question 470

The goal in creating a pricing strategy should be to determine what price produces a combination of volume and margin that increases the business's

total \_\_\_\_.

- a. contribution
- b. customer value
- c. break even sales
- d. fixed expenses
- e. elasticity

Answer: <https://biology-forums.com/index.php?topic=544889>

### Question 471

Market size, growth rate and market potential are all measures of the \_\_\_\_ assessment of a segment's attractiveness.

- a. competitive intensity
- b. market access
- c. market growth
- d. profitability
- e. feasibility

Answer: <https://biology-forums.com/index.php?topic=544702>

### Question 472

Which type of business can build profits with a defensive strategy to protect share while building customer retention?

- a. high-share market leader
- b. share follower
- c. low-share niche business
- d. A and B above
- e. A, B and C above

Answer: <https://biology-forums.com/index.php?topic=545174>

### Question 473

The cost of acquiring a new customer is 20 times higher than the cost of retaining a customer.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545095>

### Question 474

Marketing channels determine customer reach, which primarily impacts which important area of performance?

- a. customer value
- b. sales revenue
- c. profitability
- d. employee retention
- e. channel relationships

Answer: <https://biology-forums.com/index.php?topic=544919>

### Question 475

Which type of strategy is best utilized when there is no prospect of short-run profits?

- a. Harvest
- b. Optimize
- c. Monetize
- d. Liquidate
- e. Divest

Answer: <https://biology-forums.com/index.php?topic=545066>

### Question 476

Name and discuss the six sources of economic benefit and value creation.

Answer: <https://biology-forums.com/index.php?topic=544673>

### Question 477

Though popular in higher elevation areas, such as Denver and Salt Lake City, all-wheel-drive Subaru vehicles sell less well in flatter areas such as Phoenix and Las Vegas. This is probably due to a perceived lack of \_\_\_\_ to/by potential customers in those areas.

- a. awareness
- b. availability
- c. ability to use
- d. benefit

e. affordability

Answer: <https://biology-forums.com/index.php?topic=544585>

### Question 478

Reverse innovation begins by identifying new product benefits.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544624>

### Question 479

Business sophistication, growth orientation, innovativeness, technology and decision making are all examples of firm demographic forces that can have a profound impact on their needs.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544679>

### Question 480

A business in a market with low entry barriers, high exit barriers, high levels of customer and supplier power, many substitutes and intense rivalry among competitors will have \_\_\_\_\_ than a business with a more favorable set of competitive forces.

- a. lower profits
- b. higher profits
- c. a lower profit potential
- d. a higher profit potential

e. There is not enough information to answer the question.

Answer: <https://biology-forums.com/index.php?topic=544778>

### Question 481

Name the levels in the customer response hierarchy, and for each level describe marketing causes of low levels of customer response.

Answer: <https://biology-forums.com/index.php?topic=545024>

### Question 482

Which of the following is TRUE with respect to offensive strategic market plans and short-run performance?

- a. Offensive strategic market plans require investment for growth, which limits short-run profit performance.
- b. Different performance measures are used to assess the impact of offensive strategic market plans.
- c. Offensive strategic market plans have a considerable/substantial impact on short-run profit performance.
- d. Offensive strategic market plans have a considerable/substantial impact on short-run share position.
- e. Offensive and defensive strategic market plans have the same impact on short-run performance objectives.

Answer: <https://biology-forums.com/index.php?topic=545081>

### Question 483

All products have lead users.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544623>

### Question 484

Indirect channel members provide varying degrees of sales and value-added functions but do not take ownership (title) of products sold.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544909>

### Question 485

A pure product bundling strategy involves the sale of two or more products at an overall price lower than the total price that would be paid if the products were purchased separately.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544803>

### Question 486

Which of the following fundamental offensive strategic market plan might be pursued in the core strategy of Invest to Enter New Markets?

- a. Enter New-Market Segment
- b. Improve Customer Loyalty
- c. Develop New Markets
- d. Build Marketing Advantage

e. Expand Market Demand

Answer: <https://biology-forums.com/index.php?topic=545110>

### Question 487

Customer value is determined by \_\_\_\_\_ in the product category.

- a. subtracting relative price from relative performance
- b. adding performance to enhancement value
- c. dividing product performance by average performance
- d. multiplying the marketing mix's four P's added to the service element
- e. comparing the price-performance matrix entries

Answer: <https://biology-forums.com/index.php?topic=544658>

### Question 488

Process market metrics are particularly important because they correspond more closely to internal financial performance metrics.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545218>

### Question 489

Total contribution minus fixed expenses and marketing expenses equals \_\_\_\_\_.

- a. gross profit
- b. net marketing contribution
- c. operating income
- d. variable expenses
- e. sales revenue

Answer: <https://biology-forums.com/index.php?topic=544891>

### Question 490

Sony found its profit margins were shrinking in consumer electronics as prices eroded faster than manufacturing costs could be lowered. To address this problem and restore margins to more acceptable levels, Sony examined its cost structure closely and identified a number of areas where costs could be cut including standardizing parts, reducing material costs, reducing costs of labor and adding more technology to its manufacturing processes. Which offensive strategy did Sony implement?

- a. Grow Revenue per Customer
- b. Build Marketing Advantage
- c. Protect Market Share
- d. Maximize Net Marketing
- e. Lower Costs/Improve Marketing Productivity

Answer: <https://biology-forums.com/index.php?topic=545124>

### Question 491

Ultimately, whether tracking product revenues and variable product costs or tracking customer volume and margin per customer, the end result will be a \_\_\_\_\_ produced by the marketing strategies that have been developed and implemented.

- a. unit contribution
- b. total contribution
- c. unit profit
- d. total profit
- e. net marketing contribution

Answer: <https://biology-forums.com/index.php?topic=545323>

### Question 492

Advertising effort made in a given period will produce some additional sales response in subsequent sales periods, and the advertising carryover coefficients range from zero to less than one.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544972>

### Question 493

Which measure allows a marketing manager to more readily evaluate the profit impact of a marketing strategy?

- a. net profit (before taxes)
- b. net marketing contribution
- c. sales revenue
- d. gross profit

e. return on sales

Answer: <https://biology-forums.com/index.php?topic=544541>

### Question 494

Which is NOT a factor that a business second in market share needs to consider before deciding whether to challenge the leader with an offensive share penetration strategy or to protect its share position and maximize the profits that can be extracted from its current share position?

- a. strength of the share leader
- b. share leader's commitment to defending its share position
- c. the number of competitors in the market
- d. its own resources
- e. its own short-run profit needs

Answer: <https://biology-forums.com/index.php?topic=545168>

### Question 495

The first job of a marketing communication is to motivate a target customer to take action.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544959>

### Question 496

The primary purpose of a \_\_\_\_\_ is to provide a strategic direction from which to set performance objectives and guide the development of a tactical marketing strategy.

- a. situation analysis
- b. SWOT analysis
- c. strategic market plan
- d. marketing mix strategy
- e. marketing budget

Answer: <https://biology-forums.com/index.php?topic=545199>

### Question 497

The net price a business (i.e., manufacturer) can derive from the use of indirect marketing channels is much higher than with other channel types.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544916>

### Question 498

A product's life cycle costs include the price paid, acquisition costs, usage costs, maintenance costs, ownership costs and disposal costs.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544626>

### Question 499

Discuss three customer forces and three product adoption forces affecting new product market penetration.

Answer: <https://biology-forums.com/index.php?topic=544617>

### Question 500

Potential strategies used to implement offensive strategic marketing plans are Invest to Grow, Improve Position and Optimize/Monetize Position.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545039>

### Question 501

Research using a measure of customer satisfaction revealed that businesses scoring in the top 50 percent in customer satisfaction produced over 20 times greater shareholder value than businesses in the bottom 50 percent in customer satisfaction.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545293>

### Question 502

Which of the following is a favorable condition for implementing a penetration pricing strategy?

- a. price-sensitive customers
- b. quality-sensitive customers
- c. sustainable advantage
- d. few substitutes

e. few competitors

Answer: <https://biology-forums.com/index.php?topic=544883>

### Question 503

If a retailer buys around 80% of its products for resale at promotional prices, the retailer is likely \_\_\_\_\_.

- a. horizontally tied
- b. regionally affiliated
- c. backward dependent
- d. forward buying
- e. overly promotional-reliant

Answer: <https://biology-forums.com/index.php?topic=545022>

### Question 504

A key benefit of market segmentation is identifying segments that should not be pursued.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544683>

### Question 505

Companies seeking \_\_\_\_\_ innovations need more than incremental product improvements that come from lead user analysis.

- a. continual
- b. discontinuous
- c. continuous
- d. dynamically continuous
- e. dynamically discontinuous

Answer: <https://biology-forums.com/index.php?topic=544639>

### Question 506

On the basis of a specific strategic market plan, a \_\_\_\_\_ is developed to accomplish the performance objectives of the strategic market plan.

- a. marketing budget
- b. situation analysis
- c. SWOT analysis
- d. strategic market plan
- e. marketing mix strategy

Answer: <https://biology-forums.com/index.php?topic=545187>

### Question 507

Dissatisfied customers who complain can be retained \_\_\_\_\_.

- a. and remain loyal
- b. but are more likely to switch to competitors' products
- c. but remain vulnerable until the source of their dissatisfaction is adequately addressed
- d. but will most likely leave as soon as new sources to satisfy their needs can be identified
- e. but it is not cost effective for a business to try to do so

Answer: <https://biology-forums.com/index.php?topic=545241>

### Question 508

All of the following are components of the performance plan EXCEPT \_\_\_\_\_.

- a. marketing budget
- b. profit plan
- c. performance scorecard
- d. income statement
- e. All of the above are components of the performance plan.

Answer: <https://biology-forums.com/index.php?topic=545206>

### Question 509

Which of the following is part of the Ease of Switching Index?

- a. supply conditions
- b. substitutes
- c. demand conditions
- d. product differentiation
- e. cross elasticity

Answer: <https://biology-forums.com/index.php?topic=544899>

### Question 510

A primary goal of \_\_\_\_\_ pricing is to maintain a strong business-to-business relationship even when market conditions in an industry change.

- a. value-in-use
- b. strategic-account
- c. penetration
- d. competitive-bid
- e. segment

Answer: <https://biology-forums.com/index.php?topic=544875>

### Question 511

Sally shopped at Dillard's Department store for two years but stopped because she was dissatisfied and started shopping at Parisian's instead. Since Sally was a profitable customer for Dillard's, the store conducted research to learn the reasons for customer dissatisfaction. After conducting research, Dillard's rectified some of the problems that had dissatisfied customers and sent Sally an invitation and a \$10 gift certificate to encourage her to come back. To Dillard's, Sally is a(n) \_\_\_\_\_.

- a. new customer
- b. underachiever customer
- c. high potential customer
- d. win-back customer
- e. top performer

Answer: <https://biology-forums.com/index.php?topic=544499>

### Question 512

A(n) \_\_\_\_\_ brand is the core product of a business, the most visible embodiment of the brand name.

- a. master
- b. extended
- c. flanker
- d. umbrella
- e. generic

Answer: <https://biology-forums.com/index.php?topic=544838>

### Question 513

Mass collaboration relies on the \_\_\_\_\_ to share ideas and gain insights.

- a. Delphi method
- b. suggestion box
- c. consumer
- d. product manufacturer
- e. Internet

Answer: <https://biology-forums.com/index.php?topic=544644>

### Question 514

Which type(s) of core defensive strategy is appropriate when a business is operating in a very unattractive market regardless of the business' competitive advantage?

- a. Harvest
- b. Divest
- c. Protect
- d. A and B above
- e. A, B and C above

Answer: <https://biology-forums.com/index.php?topic=545158>

### Question 515

Which of the following types of features have the potential to result in high levels of customer satisfaction if they are present?

- a. must-be features
- b. attractive features
- c. reverse features
- d. indifferent features
- e. want features

Answer: <https://biology-forums.com/index.php?topic=544645>

### Question 516

Market-based pricing ignores what the customer would be willing to pay for a certain level of product performance.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544847>

### Question 517

\_\_\_\_\_ refers to expenses for corporate staff, legal council, professional services, corporate advertising and the salaries of senior management and their staff.

- a. Variable cost
- b. Manufacturing overhead
- c. Sales, service and support
- d. Research and development
- e. Corporate overhead

Answer: <https://biology-forums.com/index.php?topic=544537>

### Question 518

For a business with several products at different stages of the product life cycle, we can use the percentage of sales at each stage to compute \_\_\_\_\_.

- a. a marketing return on sales index
- b. an overall product life cycle profit index
- c. a marketing return on investment index
- d. market share
- e. market growth rate

Answer: <https://biology-forums.com/index.php?topic=544605>

### Question 519

Uncovering key performance issues that normally might go unnoticed in day-to-day business operations is the primary purpose of which step of the process of building a marketing plan?

- a. current situation
- b. SWOT analysis
- c. performance evaluation
- d. performance gap
- e. marketing budget

Answer: <https://biology-forums.com/index.php?topic=545191>

### Question 520

Life cycle costs of ownership may include price paid, acquisition costs, financing costs, holding costs, installation costs, usage costs, repair/maintenance cost and disposal cost/value.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544845>

### Question 521

Which of the following is an external market measure?

- a. brand awareness
- b. unit cost
- c. order cycle time
- d. delivery costs
- e. accounts receivable

Answer: <https://biology-forums.com/index.php?topic=544776>

### Question 522

A divestment strategy, while unattractive, is always feasible.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545156>

### Question 523

The purpose of a(n) \_\_\_\_\_ is to attract more customers and also allow existing customers to trade-up to higher-quality, higher-priced products.

- a. positioning strategy
- b. expanded product line



- c. concentrated strategy
- d. brand extension strategy
- e. market share strategy

Answer: <https://biology-forums.com/index.php?topic=544804>

### Question 524

Which of the following is NOT a dimension of competitive position?

- a. cost position
- b. market position
- c. marketing position
- d. differentiation position
- e. All of the above are dimensions of competitive position.

Answer: <https://biology-forums.com/index.php?topic=545056>

### Question 525

Forecasting correct unit volumes allows the firm to \_\_\_\_.

- a. build the right level of plant capacity
- b. lose unprofitable production economies
- c. build more capacity than necessary in case demand increases
- d. expand purchase amounts by existing customers
- e. gain new customers

Answer: <https://biology-forums.com/index.php?topic=544608>

### Question 526

A(n) \_\_\_\_ strategy presents a generic value proposition built around the core customer need and the business' generic positioning strategy.

- a. mass market
- b. large segment
- c. adjacent segment
- d. multi-segment
- e. niche segment

Answer: <https://biology-forums.com/index.php?topic=544709>

### Question 527

Carlos is a brand manager at a large consumer goods manufacturer. His unit has extensive knowledge concerning his company's competitors, but they only have limited knowledge concerning their customers. Carlos will most likely use which type of competitive strategy?

- a. oblique strategy
- b. inside the box strategy
- c. reactive strategy
- d. flanking strategy
- e. cost strategy

Answer: <https://biology-forums.com/index.php?topic=544763>

### Question 528

Which strategy would be appropriate for a business with a very high competitive advantage operating in a highly attractive market?

- a. Harvest/Divest
- b. Protect Position
- c. Optimize Position
- d. Monetize
- e. Improve Position

Answer: <https://biology-forums.com/index.php?topic=545062>

### Question 529

Which of the following is a type of strategy to implement a Monetize, Harvest, or Divest defensive core strategy?

- a. Build Customer Retention
- b. Maximize Net Marketing Contribution
- c. Optimize Position
- d. Manage for Cash Flow
- e. Reduce Market Focus

Answer: <https://biology-forums.com/index.php?topic=545162>

### Question 530

Competitive advantage in a channel system can be attained through a sales force advantage by having a sufficient number of salespeople, a higher sales productivity through a more efficient sales force, and/or a larger share of distributor outlets.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544915>

### Question 531

When price is \_\_\_\_\_, all aspects of performance, such as sales revenue, unit margin and total contribution are improved when price is increased.

- a. elastic
- b. inelastic
- c. high
- d. low
- e. unity

Answer: <https://biology-forums.com/index.php?topic=544898>

### Question 532

A business with a passion for customer satisfaction will start with its satisfied customers first.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545291>

### Question 533

The market development index is equal to \_\_\_\_\_.

- a.  $(\text{current market demand}/\text{market potential}) \times 100$
- b.  $(\text{market potential}/\text{current market demand}) \times 100$
- c.  $(\text{current market demand} - \text{market potential}) \times 100$
- d.  $(\text{market potential} - \text{current market demand}) \times 100$
- e.  $((\text{market potential} - \text{current market demand})/\text{market potential}) \times 100$

Answer: <https://biology-forums.com/index.php?topic=545119>

### Question 534

Businesses enter related or unrelated new markets in the pursuit of new sources of market share, sales growth and profit performance.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545097>

### Question 535

Within a company's competitive position, which of the following is part of the company's marketing position?

- a. product quality
- b. relative price
- c. market share
- d. marketing expenses
- e. service quality

Answer: <https://biology-forums.com/index.php?topic=545055>

### Question 536

Break-even volume is equal to \_\_\_\_\_.

- a. operating income minus fixed expenses
- b. margin per unit divided by fixed expenses
- c. fixed plus variable expenses minus sales
- d. fixed expenses divided by margin per unit
- e. company sales divided by industry sales

Answer: <https://biology-forums.com/index.php?topic=544895>

### Question 537

Every strategic market plan a business develops will in some way affect both short- and long-run business performance in each of the three areas of performance, which are share position, sales growth and profit performance.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545084>

### Question 538

The choice and management of marketing channels determines the service quality and the efficiency with which end-user customers are served, which impacts the \_\_\_\_\_ area of performance.

- a. customer value
- b. sales revenue
- c. profitability
- d. employee retention
- e. channel relationships

Answer: <https://biology-forums.com/index.php?topic=544920>

### Question 539

\_\_\_\_\_ of a business is (are) generally beyond the control of the marketing function or the marketing management team.

- a. Sales
- b. Market share
- c. Revenue per customer
- d. Net profit (before taxes)
- e. Customer satisfaction

Answer: <https://biology-forums.com/index.php?topic=545329>

### Question 540

Brands such as Lexus, Perrier and Nordstrom are examples of which type of customer benefit?

- a. product
- b. image
- c. service
- d. rotational
- e. company

Answer: <https://biology-forums.com/index.php?topic=544663>

### Question 541

Which of the following is TRUE regarding a reactive strategy?

- a. It is an overreaction to customer demands due to limited competitor knowledge.
- b. It leverages a knowledge advantage with respect to customers and competitors.
- c. It is an overreaction to competitor moves due to limited competitor knowledge.
- d. It is based on minimal or limited customer/competitor knowledge.
- e. either A or C above

Answer: <https://biology-forums.com/index.php?topic=544761>

### Question 542

\_\_\_\_\_ buy component products from manufacturers to incorporate into their manufactured products.

- a. Wholesalers
- b. Value-added retailers
- c. Original equipment manufacturers
- d. Sales agents
- e. Distributors

Answer: <https://biology-forums.com/index.php?topic=544944>

### Question 543

The choice and management of marketing channels directly impact customer value, sales revenues and profitability.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544902>

### Question 544

Which of the following does diversification across product-markets accomplish to add to the overall performance of a business?

- a. reduces dependence on any single product-market
- b. can smooth performance with offsetting conditions created by the competitive conditions and product life cycles in different product markets
- c. it eliminates all risk to the firm
- d. A and B above
- e. A, B and C above

Answer: <https://biology-forums.com/index.php?topic=545042>

### Question 545

A portfolio analysis allows a business to better understand the current position of each product-market and its performance.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=545032>

### Question 546

Which of the following is NOT a marketing strategy that affects customer volume?

- a. attract new customers to grow market share
- b. reduced market focus
- c. grow market demand by bringing more customer into a market
- d. enter new markets to create new sources of customer volume
- e. All of the above are marketing strategies that affect customer volume.

Answer: <https://biology-forums.com/index.php?topic=545315>

### Question 547

Customer volume is equal to market demand (i.e., customers) multiplied by percentage market share.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545296>

### Question 548

Which of the following statements is FALSE regarding the product life cycle profit index?

- a. Businesses can better plan profits and manage new product introductions to meet both short- and long-run profitability objectives for their businesses or product lines.
- b. A marketing profitability score can be created for each stage of the product life cycle.
- c. A single product would get a single score.
- d. The product life cycle profit index cannot be used by a business with several products at different stages of the product life cycle.
- e. As product sales change over the product life cycle, the product life cycle profit index will shift.

Answer: <https://biology-forums.com/index.php?topic=544606>

### Question 549

Name the hierarchical categories of product quality, and for each, name and describe two dimensions of product quality that can serve as bases for product differentiation.

Answer: <https://biology-forums.com/index.php?topic=544844>

### Question 550

The stronger the benefits \_\_\_\_ and the more \_\_\_\_ the price, the greater the customer value created by the product and the faster the rate of customer market entry.

- a. appear; realistic
- b. availability; affordable
- c. advantages; affordable
- d. appear; generous
- e. advantages; realistic

Answer: <https://biology-forums.com/index.php?topic=544601>

### Question 551

Which of the following statements is FALSE with respect to emerging new markets?

- a. With rapid market growth, many customers are attracted to the market and customer use and experience grow.
- b. During the phase of rapid market growth, as customer needs become more salient and numerous, segments begin to form.
- c. Growth will attract more competitors, many of whom will fill niche markets to serve the unique needs of a subset of customers.
- d. Businesses must remain narrowly focused during the growth stage to maintain market shares.
- e. Market pioneers who can sustain a market leadership position through the growth phase of market development are in the best position to achieve high levels of performance.

Answer: <https://biology-forums.com/index.php?topic=545134>

### Question 552

Which type of budget is derived from considering the cost of customer acquisition and retention and the combination of new and retained customers?

- a. top-down budget
- b. customer mix budget

- c. objective and task budget
- d. annual budget
- e. total budget

Answer: <https://biology-forums.com/index.php?topic=545203>

### Question 553

Process marketing metrics correspond more closely to financial performance than do result marketing metrics.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544511>

### Question 554

Research has shown that the impact of market growth on market share erosion is fairly uniform among different areas of business.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=545148>

### Question 555

List and briefly discuss the four steps in developing new customer solutions with the help of a product's lead users.

Answer: <https://biology-forums.com/index.php?topic=544674>

### Question 556

- Which of the following is NOT one of the benefits of a strong customer focus?
- a. outperforming competition in delivering higher levels of customer satisfaction
  - b. can charge higher prices than competitors
  - c. long-run survival
  - d. create greater shareholder value
  - e. higher profits in the short run

Answer: <https://biology-forums.com/index.php?topic=544463>

### Question 557

- Which of the following is NOT a public and readily available source of competitor intelligence?
- a. dealers
  - b. trade press
  - c. industry consultants
  - d. government documents
  - e. All of the above are public and readily available sources of competitor intelligence.

Answer: <https://biology-forums.com/index.php?topic=544769>

### Question 558

Margin per unit equals \_\_\_\_\_

- a. demand × sales
- b. volume - marketing expenses
- c. price - fixed unit cost
- d. price - variable unit cost
- e. price - total unit cost

Answer: <https://biology-forums.com/index.php?topic=545285>

### Question 559

Entry into emerging markets requires significant investment to develop demand.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=545096>

### Question 560

- Which of the following is NOT a source of differentiation advantage?
- a. product differentiation
  - b. variable costs
  - c. service quality
  - d. brand reputation
  - e. All of the above are sources of differentiation advantage.

Answer: <https://biology-forums.com/index.php?topic=544748>

### Question 561

Which type of portfolio strategy is less likely to generate significant sales revenue growth but are critical sources of short-run cash flow and profit performance?

- a. offensive
- b. defensive
- c. long-term
- d. short-term
- e. competitive

Answer: <https://biology-forums.com/index.php?topic=545073>

### Question 562

Products that create a \_\_\_\_ can create customer value by delivering emotional benefits.

- a. consumer bond
- b. physical personality
- c. performance personality
- d. brand personality
- e. brand bond

Answer: <https://biology-forums.com/index.php?topic=544670>

### Question 563

A logical place to start with offensive strategies is to pursue new markets.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545088>

### Question 564

Which is NOT a factor influencing a product's positioning?

- a. product differentiation
- b. new products
- c. sales promotion
- d. brand image
- e. product breadth

Answer: <https://biology-forums.com/index.php?topic=544807>

### Question 565

The value-in-use pricing method assesses a product's \_\_\_\_ value when determining price.

- a. economic
- b. real
- c. perceived
- d. total
- e. enhanced

Answer: <https://biology-forums.com/index.php?topic=544870>

### Question 566

With demand in the under \$1,000 personal computer segment growing faster than in any other segment, Intel responded with a new product, the Celeron chip, designed for the price-performance needs of the segment. Which offensive strategy is Intel pursuing?

- a. Grow Market Share
- b. Grow Revenue per Customer
- c. Enter New-Market Segments
- d. New-Product Development
- e. Improve Differentiation Advantage

Answer: <https://biology-forums.com/index.php?topic=545117>

### Question 567

It is possible to increase net profit with no change in market share or sales revenue.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544454>

### Question 568

Mercedes has selectively invested to strengthen its competition position in the SUV segment of the automotive market, which is growing in market attractiveness. What strategy is Mercedes using?

- a. Protect Position
- b. Monetize
- c. Invest to Grow
- d. Improve Position
- e. Focus

Answer: <https://biology-forums.com/index.php?topic=545060>

### Question 569

Harley-Davidson derives 77% of its sales from the sale of motorcycles. The other 23% is a result of increased customer purchases of clothing, parts and accessories. The incremental sales of related products have much higher margins, build customer loyalty and enhance their brand awareness and brand equity as wearers of Harley-Davidson merchandise communicate their brand name. Which offensive strategy is Harley-Davidson pursuing?

- a. Grow Market Share
- b. Grow Revenue per Customer
- c. Build Brand Equity
- d. Expand Market Demand
- e. Improve Differentiation Advantage

Answer: <https://biology-forums.com/index.php?topic=545116>

### Question 570

Businesses that understand change and are out in front leading, and often creating, change have a strong external focus.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544447>

### Question 571

Give three reasons why, at some point, every business needs to examine growth opportunities outside the existing markets it serves. Name and describe four fundamental offensive strategic market plans for entering new markets.

Answer: <https://biology-forums.com/index.php?topic=545141>

### Question 572

Which of the following is a supply chain management issue?

- a. customer service
- b. lead generation
- c. order entry
- d. connectivity
- e. relationship marketing

Answer: <https://biology-forums.com/index.php?topic=544925>

### Question 573

Customer performance metrics include measures of customer satisfaction, customer retention, customer loyalty, customer awareness and customer value.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544509>

### Question 574

One common measure of customer satisfaction that is derived from customers' ratings of their overall satisfaction on a six-point scale ranging from very dissatisfied to very satisfied is the \_\_\_\_\_.

- a. leading indicator (LI)
- b. customer life (N)
- c. customer retention (CR)
- d. customer loyalty index (CLI)
- e. customer satisfaction index (CSI)

Answer: <https://biology-forums.com/index.php?topic=544468>

### Question 575

Which of the following statements is FALSE?

- a. If the incremental reach were more expensive than the incremental economic benefit derived from reaching these target customers, then the business should not seek to go beyond its current level of target customer reach.
- b. Using too few messages may prevent information from getting to target customers and will probably result in low levels of awareness and

comprehension.

- c. A business needs to use as many exposures as it can afford because the required level of frequency is infinite.
- d. Too many exposures could irritate target customers and potentially have an adverse effect on retained information and perceptions of the ad, product, or company.
- e. In television advertising, the combined impact of message frequency and reach produces an index called gross rating points (GRPs).

Answer: <https://biology-forums.com/index.php?topic=544996>

### Question 576

Customer-focused marketing strategies to attract new customers to grow market share, grow the market demand by bringing more customers into a market and entering new markets to create new sources of customer volume affect all EXCEPT which of the following outcomes?

- a. net profits
- b. shareholder value
- c. invested assets
- d. cash flow
- e. All of the above are affected by the listed customer-focused marketing strategies.

Answer: <https://biology-forums.com/index.php?topic=545316>

### Question 577

At the break even volume, operating income is equal to zero.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544856>

### Question 578

What are the three classes of marketing performance metrics?

- a. cost metrics, productivity metrics and profitability metrics
- b. cost metrics, market performance metrics and customer performance metrics
- c. market performance metrics, competitive performance metrics and customer performance metrics
- d. internal metrics, external metrics and in-process metrics
- e. end-result metrics, internal metrics and cost metrics

Answer: <https://biology-forums.com/index.php?topic=544520>

### Question 579

Although a market-based business will use several external metrics to track market performance, an essential performance metric is \_\_\_\_\_.

- a. profits
- b. sales
- c. market share
- d. customer satisfaction
- e. customer lifetime value

Answer: <https://biology-forums.com/index.php?topic=544467>

### Question 580

In which step of the process of building a marketing plan is an estimate of market and profit performance made for each year of a 3- to 5-year strategic market planning horizon?

- a. marketing budget
- b. situation analysis
- c. SWOT analysis
- d. strategic market plan
- e. marketing performance plan

Answer: <https://biology-forums.com/index.php?topic=545189>

### Question 581

Low levels of ad awareness could be due to \_\_\_\_\_.

- a. insufficient ad frequency
- b. limited media exposure
- c. weak value proposition
- d. action not clearly specified
- e. poor media selection

Answer: <https://biology-forums.com/index.php?topic=544989>

### Question 582



The later problems occur in the customer order process, the less likely a customer is to initially buy from a business.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544621>

### Question 583

A growth strategy to develop an untapped new-market potential offers both \_\_\_\_\_ and the \_\_\_\_\_.

- a. low risk; potential for high return
- b. high risk; potential for high return
- c. low risk; potential for low return
- d. high risk; potential for low return
- e. low risk; potential for increased competition

Answer: <https://biology-forums.com/index.php?topic=545136>

### Question 584

Which of the following is NOT a fundamental force that shapes differences in consumer needs?

- a. demographic forces
- b. lifestyle forces
- c. firm demographics
- d. usage behaviors
- e. All of the above are fundamental forces that shape differences in consumer needs.

Answer: <https://biology-forums.com/index.php?topic=544691>

### Question 585

Advertising elasticity is calculated as the \_\_\_\_\_.

- a. absolute change in sales divided by the percent change in advertising expenses
- b. percent change in sales divided by the percent change in advertising expenses
- c. absolute change in advertising expenditures divided by the percent change in sales
- d. percent change in advertising expenses divided by the percent change in sales
- e. percent change in sales minus the percent change in advertising expenditures

Answer: <https://biology-forums.com/index.php?topic=545016>

### Question 586

In the long run, a growth-oriented marketing strategy will shift from a(n) \_\_\_\_\_ strategic market plan to a(n) \_\_\_\_\_ strategic market plan.

- a. growth; hold
- b. hold; growth
- c. offensive; defensive
- d. defensive; offensive
- e. ying; yang

Answer: <https://biology-forums.com/index.php?topic=545079>

### Question 587

Costs associated with the acquisition of a product are known as \_\_\_\_\_ costs.

- a. acquisition
- b. transaction
- c. economic
- d. differentiation
- e. price

Answer: <https://biology-forums.com/index.php?topic=544823>

### Question 588

A day in the life of a customer is a product-focused effort to understand how customers acquire, use and replace products and the sources of frustration that occur in these processes.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545292>

### Question 589

If a business has 50,000 customers who generate \$5,000 each and they take 45 days to pay their bills approximately what is the business' accounts receivable at any point in time?

- a. \$20 million
- b. \$25 million

- c. \$31 million
- d. \$50 million
- e. not enough information to determine

Answer: <https://biology-forums.com/index.php?topic=545337>

### Question 590

Which strategy often occurs in the late stages of growth and mature stages of the product life cycle when growth potential is limited and competitive position is set?

- a. Optimize Position
- b. Monetize
- c. Improve Position
- d. Invest to Grow
- e. Focus

Answer: <https://biology-forums.com/index.php?topic=545064>

### Question 591

For a marketing strategy to improve profits for the business, it has to improve net marketing contribution.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545299>

### Question 592

The gross profit is equal to customer volume multiplied by the customer margin.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545298>

### Question 593

Market share of a business is a function of a business' product positioning and its marketing effort.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544791>

### Question 594

The \_\_\_\_\_ represents the ongoing monitoring of marketing and profit performance in light of the market plan's timeline.

- a. marketing budget
- b. industry analysis
- c. marketing mix strategy
- d. performance timeline
- e. performance review

Answer: <https://biology-forums.com/index.php?topic=545214>

### Question 595

When automakers include air bags, cruise control, satellite radio and GPS systems in their consumer products, these features are considered to be quality \_\_\_\_\_.

- a. killers
- b. drivers
- c. enhancers
- d. aesthetics
- e. determinants

Answer: <https://biology-forums.com/index.php?topic=544817>

### Question 596

A Share Development Index is calculated by dividing potential market share by a business' market share index.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544575>

### Question 597

A market-oriented business strives to keep all of its customers.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544459>

### Question 598

Which of the following is part of the market demand component within the current situation?

- a. sales
- b. gap analysis
- c. potential
- d. end users
- e. potential share position

Answer: <https://biology-forums.com/index.php?topic=545195>

### Question 599

The market development index (MDI) is equal to current market demand divided by market potential.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545094>

### Question 600

The strategy of selectively investing in one-on-one relationships to build customer loyalty is recommended for which type of customer?

- a. high potentials
- b. nonprofits
- c. underachievers
- d. core customers
- e. spinners

Answer: <https://biology-forums.com/index.php?topic=544497>

### Question 601

A key performance measure is a problem or unaddressed opportunity that is an underlying cause that limits \_\_\_\_.

- a. market and/or profit performance
- b. competition
- c. growth
- d. customer satisfaction
- e. price

Answer: <https://biology-forums.com/index.php?topic=545196>

### Question 602

To reach target customers effectively, a business has to have a good understanding of their \_\_\_\_.

- a. buying habits
- b. personalities
- c. lifestyles
- d. media habits
- e. buying power

Answer: <https://biology-forums.com/index.php?topic=544994>

### Question 603

Wal-Mart spreads its promotional budget evenly over the year due to the near-constant demand for low prices and wide selection. This is an example of \_\_\_\_.

- a. concentrated frequency
- b. distributed frequency
- c. pulsing
- d. GRP pumping
- e. heavy-up scheduling

Answer: <https://biology-forums.com/index.php?topic=544998>

### Question 604

As a business builds more of the same product, there is greater opportunity for \_\_\_\_ effects.

- a. scale
- b. scope
- c. learning
- d. marketing cost scope
- e. competitive

Answer: <https://biology-forums.com/index.php?topic=544752>

### Question 605

Compare and contrast a narrow market definition and a broad market definition and list three key benefits a broad market definition provides a market-based business.

Answer: <https://biology-forums.com/index.php?topic=544616>

### Question 606

Coca-Cola is still seeking to grow market share by entering the \$1 billion energy drinks market. Which type new market strategy is this?

- a. Enter Unrelated New Markets
- b. Develop New Markets
- c. Enter New Emerging Markets
- d. Expand Market Demand
- e. Enter Related New Markets

Answer: <https://biology-forums.com/index.php?topic=545128>

### Question 607

Which type of strategic market plan is most appropriate for businesses operating in an unattractive market?

- a. competitive
- b. defensive
- c. growth
- d. emerging
- e. offensive

Answer: <https://biology-forums.com/index.php?topic=545105>

### Question 608

Which of the following is a market-based approach to pricing?

- a. skim pricing
- b. floor pricing
- c. penetration pricing
- d. competitive-bid pricing
- e. harvest pricing

Answer: <https://biology-forums.com/index.php?topic=544864>

### Question 609

Customer relationship marketing has different strategies based on different levels of \_\_\_\_\_ for the company and its customers.

- a. benefits
- b. costs
- c. value
- d. segmentation
- e. prices

Answer: <https://biology-forums.com/index.php?topic=544718>

### Question 610

What are the two types of market metrics?

- a. process and product
- b. process and result
- c. internal and external
- d. immediate and delayed
- e. foreign and domestic

Answer: <https://biology-forums.com/index.php?topic=545236>

### Question 611

Which of the following steps in the customer order cycle is done by the firm?

- a. order entry
- b. order planning
- c. order development
- d. order placement
- e. order evaluation

Answer: <https://biology-forums.com/index.php?topic=544640>

### Question 612

What is the first step in competitive benchmarking?

- a. Identify a benchmark company.
- b. Track the benchmark's company's process advantage.
- c. Identify all relevant competitors.
- d. Identify a key area of competitive weakness.
- e. Identify a competitor's key area of competitive strength.

Answer: <https://biology-forums.com/index.php?topic=544774>

### Question 613

Lead users who have enhanced products and/or ideas on how to improve products are know as \_\_\_\_\_.

- a. innovators
- b. prosumers
- c. lead consumers
- d. early adopters
- e. psychologicals

Answer: <https://biology-forums.com/index.php?topic=544646>

### Question 614

\_\_\_\_\_ costs include manufacturing costs and some costs associated with distribution, such as discounts, sales commissions, transportation and other costs that vary with unit volume.

- a. Fixed
- b. Marketing
- c. Variable
- d. Experience
- e. Operating

Answer: <https://biology-forums.com/index.php?topic=544749>

### Question 615

What is the marketing return on sales (Marketing ROS) for a product line that generates \$20 million in sales revenues with cost of goods sold equal to \$12 million, marketing and sales expenses equal to \$2 million, and other operating expenses equal to \$2 million?

- a. 20%
- b. 30%
- c. 40%
- d. 80%
- e. 90%

Answer: <https://biology-forums.com/index.php?topic=544555>

### Question 616

The primary forces that shape the needs of consumers are demographic forces, lifestyle forces and usage behaviors.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544677>

### Question 617

The first priority of market-based management should be \_\_\_\_\_.

- a. to keep good customers
- b. to maximize profit
- c. to keep all customers
- d. to assess customers' profitability
- e. to maximize sales

Answer: <https://biology-forums.com/index.php?topic=544466>

### Question 618

\_\_\_\_\_ is (are) the money owed a business and varies in proportion to sales revenues and customer payment behavior.

- a. Accounts receivable
- b. Accounts payable
- c. Inventory
- d. Fixed assets
- e. Cost of goods sold

Answer: <https://biology-forums.com/index.php?topic=545334>

### Question 619

It is rare that marketing plans are under-resourced since the planning process is so formalized and complete.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545228>

### Question 620

Which core offensive strategy would be appropriate in situations where a business is in an attractive market but with a weak or average competitive position?

- a. Grow Market Share
- b. Grow Revenue per Customer
- c. Enter New-Market Segments
- d. Improve Competitive Position
- e. Improve Differentiation Advantage

Answer: <https://biology-forums.com/index.php?topic=545122>

### Question 621

To achieve a specific higher level of profitability, a firm must improve customer satisfaction and retention by the same magnitude as the desired increase in profitability.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544453>

### Question 622

Which of the following is NOT a fundamental force that captures the shape of the market growth curve and the rate of market growth?

- a. the maximum number of customers who can enter the market given a specific served market definition
- b. the total number of customers who have entered that market at a specific point in time
- c. the number of customers who would buy the product if they knew it was available and accurately understood its benefits
- d. the rate at which new customers enter the market
- e. All of the above are forces that capture the shape of the market growth curve and the rate of market growth.

Answer: <https://biology-forums.com/index.php?topic=544588>

### Question 623

All of the following are considered dominant brand personalities EXCEPT \_\_\_\_.

- a. sincerity
- b. dominance
- c. ruggedness
- d. sophistication
- e. excitement

Answer: <https://biology-forums.com/index.php?topic=544671>

### Question 624

Harvest pricing is usually used in the \_\_\_\_ stage of the product life cycle.

- a. introduction
- b. growth
- c. maturity
- d. decline
- e. third

Answer: <https://biology-forums.com/index.php?topic=544888>

### Question 625

The strategic focus for offensive strategic market plans is investing for growth and position and is more likely to occur in the latter stages of the product-life cycle.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545085>

### Question 626

The assessment of market demand includes a determination of the maximum unit and dollar potential if all potential consuming units entered the market.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544568>

### Question 627

Creating awareness among a large number of people is not the objective of most marketing communications.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544963>

### Question 628

Which of the following is FALSE regarding the way a flanker brand benefits from a strong umbrella brand?

- a. The high level of market awareness attained by the core brand created an umbrella under which related products can be introduced at a much lower cost of advertising.
- b. The quality image of the core brand is conferred to brand-line extensions under the umbrella brand.
- c. Retailers are less inclined to give precious self-space even to well-known brands.
- d. Brand extensions under the umbrella brand provide customers with more variety and the opportunity to buy variations of the core brand without having to switch to competing brands.
- e. All of the above are true regarding the way a flanker brand benefits from a strong umbrella brand.

Answer: <https://biology-forums.com/index.php?topic=544839>

### Question 629

\_\_\_\_\_ strategic market plans are usually growth-oriented and are more likely to occur in the growth stage of a product-market life cycle.

- a. Competitive
- b. Defensive
- c. Growth
- d. Emerging
- e. Offensive

Answer: <https://biology-forums.com/index.php?topic=545101>

### Question 630

Which of the following is a factor influencing market attractiveness?

- a. share position
- b. competitive environment
- c. differentiation
- d. profitability
- e. sales growth

Answer: <https://biology-forums.com/index.php?topic=545047>

### Question 631

Net marketing contribution allows a business to measure the profit impact of a marketing strategy and provides insight into the relative marketing efficiencies of various net marketing contributions.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544517>

### Question 632

Under what conditions are mixed channel systems particularly important?

- a. when there is a large number of customers
- b. when there is a large number of manufacturers
- c. when products are fairly technical and localized availability and service are important
- d. when products are fairly simple but localized availability and service are important
- e. when the manufacturer wants to reduce the risk of the distribution function

Answer: <https://biology-forums.com/index.php?topic=544941>

### Question 633

Which of the following types of costs are an allocated cost based on use of the fixed manufacturing plant, equipment, and other fixed expenses needed to run the production operation?

- a. variable cost
- b. manufacturing overhead
- c. corporate overhead
- d. research and development
- e. sales, service and support

Answer: <https://biology-forums.com/index.php?topic=544535>

### Question 634

An indirect marketing channel might include which of the following?

- a. original equipment manufacturer
- b. telemarketing
- c. e-marketing
- d. direct sales force
- e. none of the above

Answer: <https://biology-forums.com/index.php?topic=544936>

### Question 635

Which of the following would NOT be considered a customer touch point?

- a. service calls
- b. television ads
- c. Web sites
- d. return counters
- e. All of the above are customer touch points.

Answer: <https://biology-forums.com/index.php?topic=544728>

### Question 636

A product's relative measure of performance is calculated by dividing the product's performance by the performance of the leading competitor. True or False?

Answer: <https://biology-forums.com/index.php?topic=544627>

### Question 637

Which of the following is a customer adoption force affecting new product penetration?

- a. felt need
- b. product advantage
- c. easy to use
- d. availability
- e. customer service

Answer: <https://biology-forums.com/index.php?topic=544596>

### Question 638

While the e-marketing channel has the most potential to expand customer reach, the marginal marketing costs to implement it are significant. True or False?

Answer: <https://biology-forums.com/index.php?topic=544906>

### Question 639

Market-based pricing is not possible without extensive customer and competitive intelligence.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544848>

### Question 640

To make effective market-based decisions, a business needs to separate marketing and sales expenses from cost of goods sold.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544514>

### Question 641

Marketing channel performance is based on customer reach, operation efficiency and channel relationships.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544904>

### Question 642

The number of customers who have entered a market at a certain point in time is known as \_\_\_\_.

- a. current market potential
- b. market penetration
- c. maximum market entry



d. market potential

e. rate of entry

Answer: <https://biology-forums.com/index.php?topic=544586>

### Question 643

Heavy-up message frequency involves the use of alternating exposure periods by spending heavily during some periods and not at all during other periods.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544968>

### Question 644

The objectives of a pull-through marketing communication are to build awareness, attraction and loyalty and to reduce search costs.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544969>

### Question 645

Which of the following is considered an external performance benchmark?

a. sales revenues

b. net profits

c. return on sales

d. relative product quality

e. assets as a percentage of sales

Answer: <https://biology-forums.com/index.php?topic=544519>

### Question 646

Which of the following is NOT a benefit to a regional roll out as opposed to a nationwide launch?

a. requires fewer resources

b. problems with distributors, marketing communications and product positioning can more readily be addressed and corrected

c. this is the only way for a plan to succeed because it is rare that a marketing plan will succeed as conceived on paper

d. if the marketing plan is more effective than planned, additions can be made to production capacity without the potential of stockout and the loss of opportunities to capture customers when they want to buy

e. additional marketing insights will result that can be opportunistically integrated into the marketing plan as full marketing plan implementation is pursued

Answer: <https://biology-forums.com/index.php?topic=545280>

### Question 647

\_\_\_\_\_ is used to determine a segment's marketing profitability.

a. Net profit (before taxes)

b. Net profit (after taxes)

c. Gross profit

d. Net Marketing Contribution

e. Gross margin

Answer: <https://biology-forums.com/index.php?topic=544705>

### Question 648

Customer Value equals \_\_\_\_\_.

a. price minus benefits

b. benefits minus price

c. relative price plus relative benefits

d. relative benefits minus relative price

e. relative price minus relative benefits

Answer: <https://biology-forums.com/index.php?topic=545171>

### Question 649

The dimensions of competitive position are differentiation position, cost position and marketing position.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545035>

### Question 650

Which of the following is NOT a marketing strategy to grow the marketing profitability of a customer segment?

- a. grow market demand
- b. increase market share
- c. reduce general operating expenses
- d. grow customer purchases
- e. increase marketing efficiency

Answer: <https://biology-forums.com/index.php?topic=544550>

### Question 651

Accounting systems are generally built around \_\_\_\_\_.

- a. marketing strategies
- b. sales
- c. indirect costs
- d. production
- e. direct costs

Answer: <https://biology-forums.com/index.php?topic=544546>

### Question 652

What is a process-focused effort to understand how customers acquire, use, and replace products and the sources of frustration that occur in these processes?

- a. a day in the life of a customer
- b. customer tracking studies
- c. focus group interviews
- d. survey research
- e. ethnographic research

Answer: <https://biology-forums.com/index.php?topic=545306>

### Question 653

Net marketing contribution is equal to \_\_\_\_\_.

- a. profits
- b. profits - (other operating expenses)
- c. (sales revenues) - (cost of goods sold) - (marketing and sales expenses)
- d. (all revenues) - (all expenses)
- e. (sales revenues) - (cost of goods sold)

Answer: <https://biology-forums.com/index.php?topic=544538>

### Question 654

Which of the following is NOT a variable in determining value for a channel intermediary?

- a. profitable use of space
- b. inventory turnover
- c. marketing expenses
- d. product warranty
- e. All of the above are variables used in determining value for a channel intermediary.

Answer: <https://biology-forums.com/index.php?topic=544667>

### Question 655

Overton Enterprises sells widgets into a marketplace where total demand is 12 million. Overton's market share is 12 ½ percent; the selling price per widget is \$40 and the variable costs per widget are \$25. Overton spends \$7 million on marketing expenses. If Overton lowered its price by 10%, causing a boost in market share to 15%, what would the net marketing contribution be?

- a. \$7 million
- b. \$12.8 million
- c. \$13.95 million
- d. \$19.8 million
- e. \$132 million

Answer: <https://biology-forums.com/index.php?topic=544544>

### Question 656

Alicia is interested in assessing a market segment's attractiveness by analyzing the growth of the market. Which of the following would be a variable she should assess?

- a. number of companies

- b. ease of entry
- c. customer familiarity with her company
- d. market size
- e. All of the above are measures of a market segment's growth.

Answer: <https://biology-forums.com/index.php?topic=544701>

### Question 657

The customer loyalty index (CLI) is a function of customer satisfaction, customer lifetime value and customer recommendation.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544458>

### Question 658

A market-based business looks at customers as \_\_\_\_\_.

- a. lifetime partners
- b. individual purchase transactions
- c. conquests
- d. investments
- e. exchange agents

Answer: <https://biology-forums.com/index.php?topic=544483>

### Question 659

Diversification does not provide any protection to a business due to varying economic conditions.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545029>

### Question 660

Portfolio analysis and strategic market planning focus on gaining an understanding of a business's past and current positions with respect to sales and profit.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545027>

### Question 661

What does a promotional price elasticity equal to -10 mean?

- a. A 5 percent price promotion should yield a 50 percent decrease in unit volume.
- b. A 5 percent price promotion should yield a 50 percent increase in unit volume.
- c. A 5 percent price promotion should yield a 5 percent decrease in unit volume.
- d. A 5 percent price promotion should yield a 5 percent increase in unit volume.
- e. A 5 percent increase in price will yield a 50 percent decrease in unit volume.

Answer: <https://biology-forums.com/index.php?topic=545020>

### Question 662

John is a small business owner who has a master's degree in business, uses sophisticated computer systems to assist in the management of his business and has a passion to grow his business. John is a \_\_\_\_\_.

- a. sophisticated entrepreneur
- b. growth-oriented entrepreneur
- c. cost-focused sustainer
- d. sophisticated sustainer
- e. high-usage entrepreneur

Answer: <https://biology-forums.com/index.php?topic=544697>

### Question 663

The strategic market planning process begins with a careful assessment of current business performance, market attractiveness and competitive advantage for each product-market a business wishes to consider over a 3- to 5-year strategic marketing planning horizon.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545031>

### Question 664

The whole purpose of result market metrics is to track customer perceptions and attitudes that precede changes in customer behavior and financial performance.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545220>

### Question 665

Not all customers use a product the same way.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544622>

### Question 666

Which of the following does NOT affect customer lifetime value?

- a. rate of customer retention
- b. average customer life expectancy
- c. net operating expenses
- d. discount rate
- e. customer cash flow

Answer: <https://biology-forums.com/index.php?topic=544489>

### Question 667

Marketing channel performance is based on which operational components?

- a. customer reach, operating efficiency and service quality
- b. customer value, sales revenues and profitability
- c. direct, indirect and mixed channel systems
- d. product quality, product assortment and product form
- e. after-sale services, availability/delivery and transaction services

Answer: <https://biology-forums.com/index.php?topic=544926>

### Question 668

Observing or probing new or occasional users of a product will yield significantly valuable insight regarding sources of dissatisfaction or opportunities for improvement.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544620>

### Question 669

Which of the following is NOT a way to build a marketing budget?

- a. Percent-of-sales budget
- b. customer mix budget
- c. bottom-up budget
- d. annual budget
- e. all of the above are ways to build a marketing budget

Answer: <https://biology-forums.com/index.php?topic=545204>

### Question 670

In many instances, commitment to a marketing plan weakens when financial performance is not on track.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545227>

### Question 671

The ultimate goal of this customer relationship marketing strategy is to build one-on-one customized relationships between a business and individual customers.

- a. mass-personalization
- b. mass-customization
- c. customer relationship management
- d. sub-segment
- e. multi-segment

Answer: <https://biology-forums.com/index.php?topic=544726>

### Question 672

Which of the following is NOT a segmentation strategy?

- a. mass market strategy

- b. concentrated market strategy
- c. large segment strategy
- d. adjacent segment strategy
- e. sub-segment strategy

Answer: <https://biology-forums.com/index.php?topic=544710>

### Question 673

Which of the following is a financial performance metric?

- a. market growth rate
- b. market share
- c. sales per employee
- d. customer retention
- e. market demand to potential

Answer: <https://biology-forums.com/index.php?topic=544525>

### Question 674

In general, the customers who make up the early market are all of the following EXCEPT \_\_\_\_\_.

- a. more knowledgeable
- b. less price sensitive
- c. more likely to demand customer service
- d. less dependent on what others do or think
- e. critical to a company's early success

Answer: <https://biology-forums.com/index.php?topic=544592>

### Question 675

Poor customer retention has a powerful impact on financial performance only if a business is losing market share.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545222>

### Question 676

Within the dimensions of product quality, which of the following is a "quality enhancer"?

- a. reliability
- b. conformance
- c. durability
- d. features
- e. appearance

Answer: <https://biology-forums.com/index.php?topic=544816>

### Question 677

The marketing mix strategy involves tactics with respect to the product positioning, price, promotion and distribution.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545041>

### Question 678

Which of the following pricing methods is likely to be used later than the others in the product life cycle?

- a. plus-one pricing
- b. skim pricing
- c. cost-plus pricing
- d. segment pricing
- e. value-in-use pricing

Answer: <https://biology-forums.com/index.php?topic=544872>

### Question 679

Which type of marketing channel results in the lowest out-of-pocket marketing expenses (i.e., marketing expenses as a percentage of sales) for a manufacturer?

- a. direct channel
- b. indirect channel
- c. mixed channel
- d. original channel
- e. distributor channel

Answer: <https://biology-forums.com/index.php?topic=544954>

### Question 680

Empirical studies have shown that the relationship between outlet share and market share is \_\_\_\_\_.

- a. inversely related
- b. linear
- c. nonlinear and generally S-shaped
- d. nonlinear and generally U-shaped
- e. nonlinear and generally inverted U-shaped

Answer: <https://biology-forums.com/index.php?topic=544953>

### Question 681

A test in which storyboards delineating a value proposition and segment positioning strategy for distinct segments are shown to potential customers to examine and select the one that best meets their needs is known as a(n) \_\_\_\_\_.

- a. segment test
- b. proposition test
- c. copy test
- d. market test
- e. acid test

Answer: <https://biology-forums.com/index.php?topic=544708>

### Question 682

Gardenburger is a company that manufactures meatless products and markets its core brand as the Original. Gardenburger has since come out with Gardenburger Flame Grilled and Gardenburger Santa Fe offerings. This is an example of \_\_\_\_\_.

- a. vertical brand-line extensions
- b. horizontal brand-line extensions
- c. new product-market brand extensions
- d. co-branding
- e. product bundling

Answer: <https://biology-forums.com/index.php?topic=544840>

### Question 683

Marketing strategies to grow marketing profitability could address market demand, market share, revenue per customer, variable cost per customer, or marketing expenses.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544516>

### Question 684

If customers take an average of 35 days to pay their bills and annual sales were \$100 million, the accounts receivable is approximately \_\_\_\_\_ at any point in time.

- a. \$2.9 million
- b. \$3.5 million
- c. \$9.6 million
- d. \$12.5 million
- e. not enough information to determine

Answer: <https://biology-forums.com/index.php?topic=545335>

### Question 685

Maintaining a high-share position in an attractive, growing market requires only minimal investment to sustain a competitive advantage.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545147>

### Question 686

What are the two levels of diversification?

- a. conglomerate and concentric
- b. product and market
- c. push and pull
- d. offensive and defensive
- e. ying and yang

Answer: <https://biology-forums.com/index.php?topic=545043>

### Question 687

Which of the following statements is TRUE?

- a. While e-marketing channels have increased the reach of a marketing channel, they have not improved the operating efficiency.
- b. A direct marketing channel offers higher margins than an indirect channel, but the company must bear the full cost of channel management and of marketing expenses.
- c. Businesses start out by using a direct marketing channel and then expand into indirect channels.
- d. An indirect channel is often expensive, so it limits the number of customers a business can profitably reach.
- e. Original equipment manufacturers (OEMs) are part of a direct marketing channel system.

Answer: <https://biology-forums.com/index.php?topic=544930>

### Question 688

Benchmark mapping is a technique used to capture customer perceptions of competing products or services.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544743>

### Question 689

One of the basic requirements of service quality is service reliability, which is classified as a service quality driver.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544795>

### Question 690

CVI stands for customer value index.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544632>

### Question 691

Automobile paint and body shops use materials that are considered environmental hazards that are subject to several requirements regarding its disposal. As part of the cost of repair, customers getting their car repaired are assessed a \$1.00 hazardous material handling fee. This is assessed to reduce the auto shop's \_\_\_\_\_.

- a. usage costs
- b. acquisition costs
- c. maintenance costs
- d. ownership costs
- e. disposal costs

Answer: <https://biology-forums.com/index.php?topic=544652>

### Question 692

The combination of market attractiveness and competitive advantage creates a portfolio position for any given product-market.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545086>

### Question 693

Dell buys disk drives from Seagate and computer chips from Intel to incorporate into the computer systems that they manufacture. Which company or companies would be considered an original equipment manufacturer (OEM)?

- a. Dell
- b. Seagate
- c. Intel
- d. Seagate and Intel
- e. Dell, Seagate and Intel

Answer: <https://biology-forums.com/index.php?topic=544945>

### Question 694

A business' sales are the product of \_\_\_\_\_.

- a. product awareness and product attractiveness
- b. promotion, product, price, place and service
- c. market demand in units and price per unit
- d. market share and price per unit
- e. market demand in units and market share

Answer: <https://biology-forums.com/index.php?topic=544610>

### Question 695

If advertising elasticity is equal to 0.35, this means that for every one percent change in advertising expenditures, there will be an estimated \_\_\_\_\_ percent change in volume sold.

- a. 0.0035
- b. 0.035
- c. 0.35
- d. 3.5
- e. 35

Answer: <https://biology-forums.com/index.php?topic=545015>

### Question 696

Marketing strategies do not affect a business' assets.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545301>

### Question 697

A frontal attack strategy in which a business directly challenges a competitor in a battle for market share often results in a \_\_\_\_\_ outcome.

- a. win/win
- b. lose/lose
- c. win/lose
- d. lose/win
- e. none of the above

Answer: <https://biology-forums.com/index.php?topic=544759>

### Question 698

\_\_\_\_\_ names are either built from Greek or Latin words and morphemes or are poetic constructions based on the rhythm or experience of saying them.

- a. Evocative
- b. Experiential
- c. Functional
- d. Invented
- e. Realistic

Answer: <https://biology-forums.com/index.php?topic=544831>

### Question 699

To estimate the lifetime value of a customer at a given rate of customer retention, you need to compute the \_\_\_\_\_ of the customer's cash flow.

- a. net present value
- b. total cash value
- c. future value
- d. highest level
- e. average

Answer: <https://biology-forums.com/index.php?topic=544488>

### Question 700

The combination of \_\_\_\_\_ and \_\_\_\_\_ creates a portfolio position for any given product-market.

- a. market attractiveness; competitive advantage
- b. market attractiveness; marketing advantage
- c. competitive advantage; marketing advantage
- d. differentiation; competitive advantage
- e. marketing advantage; financial advantage

Answer: <https://biology-forums.com/index.php?topic=545103>

### Question 701

Which of the following is NOT a process market metric?

- a. customer awareness
- b. market share
- c. product trial
- d. customer satisfaction and dissatisfaction



e. perceptions of relative product and service quality

Answer: <https://biology-forums.com/index.php?topic=545238>

### Question 702

Which section of the situation analysis summarizes the industry forces that shape segment attractiveness and profit potential, and presents an overall index of industry attractiveness for each?

- a. market demand
- b. market segmentation
- c. competition and industry attractiveness
- d. market share and customer retention
- e. marketing channels and marketing budget

Answer: <https://biology-forums.com/index.php?topic=545212>

### Question 703

A business with a share development index equal to 35 means \_\_\_\_\_.

- a. that the business can only achieve 35 percent of the total market
- b. that the business has achieved a 35 percent market share
- c. that the business has achieved only 35 percent of its potential market share
- d. that the business has achieved only 35 percent of the total market potential for all firms in this product-market
- e. that the business has to achieve 35 percent more in market share to reach its potential market share

Answer: <https://biology-forums.com/index.php?topic=545114>

### Question 704

Which step of the process of building a marketing plan uses a portfolio analysis of market attractiveness and competitive advantage to specify a strategic market plan and performance objectives?

- a. marketing budget
- b. situation analysis
- c. SWOT analysis
- d. strategic market plan
- e. marketing mix strategy

Answer: <https://biology-forums.com/index.php?topic=545186>

### Question 705

A high level of market attractiveness requires an offensive strategic market plan.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545087>

### Question 706

Target market reach is the percentage of target customers who will be exposed to the business' message given a certain combination of media.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544964>

### Question 707

What is the primary unit of focus of market-based management?

- a. customer
- b. product
- c. salesperson
- d. competition
- e. inventory

Answer: <https://biology-forums.com/index.php?topic=545322>

### Question 708

Accounts receivable is a function of all EXCEPT which of the following?

- a. customer volume
- b. variable cost per customer
- c. revenue per customer
- d. customer payment behavior
- e. accounts receivable is a function of all of the above

Answer: <https://biology-forums.com/index.php?topic=545336>

### Question 709

Which step is perhaps the most difficult part of the market planning process?

- a. situation analysis
- b. SWOT analysis
- c. strategic market plan
- d. marketing mix strategy
- e. marketing budget

Answer: <https://biology-forums.com/index.php?topic=545202>

### Question 710

It is not the plan itself, but the \_\_\_\_\_, that helps a business uncover new opportunities and recognize important threats.

- a. process
- b. outcome
- c. thinking
- d. measuring
- e. leverage

Answer: <https://biology-forums.com/index.php?topic=545181>

### Question 711

The closer one market is to another, the less likely the possibility that consumers will substitute products.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544567>

### Question 712

Cost-based pricing by low-cost producers is most likely to occur in which stage of the product life cycle?

- a. introduction
- b. growth
- c. maturity
- d. fortification
- e. elaboration

Answer: <https://biology-forums.com/index.php?topic=544885>

### Question 713

A strategic market plan sets the direction and provides guidelines for resource allocation.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545028>

### Question 714

Consumers can purchase inkjet printers for as little as \$30. However, the price of replacement ink cartridges can be as much or more than the purchase price of the printer. This is part of the \_\_\_\_\_ of using an inkjet printer.

- a. price paid
- b. acquisition costs
- c. usage costs
- d. maintenance costs
- e. ownership costs

Answer: <https://biology-forums.com/index.php?topic=544648>

### Question 715

Which step of the process of building a marketing plan identifies strengths, weaknesses, opportunities and threats with the goal of identifying key issues that drive performance?

- a. marketing budget
- b. situation analysis
- c. SWOT analysis
- d. strategic market plan
- e. marketing mix strategy

Answer: <https://biology-forums.com/index.php?topic=545185>

### Question 716

Within the dimensions of product quality, which of the following is a "quality driver"?

- a. conformance
- b. durability
- c. serviceability
- d. reputation
- e. reliability

Answer: <https://biology-forums.com/index.php?topic=544815>

### Question 717

Which of the following is NOT an element of the brand and product line strategies step of developing product positioning strategies?

- a. product-line extensions
- b. product and/or service differentiation
- c. umbrella and flanker brands
- d. bundling and unbundling
- e. product elimination

Answer: <https://biology-forums.com/index.php?topic=544811>

### Question 718

What does it mean if the market development index is equal to 20?

- a. There is only 20% potential market share available for businesses in this industry.
- b. This is a highly saturated industry and there is little room for growth.
- c. There are many potential customers who have not entered the market.
- d. The average market share for businesses operating in this industry is 20%.
- e. The maximum market share that any business operating in this industry can attain is equal to 20%.

Answer: <https://biology-forums.com/index.php?topic=545121>

### Question 719

The brand equity of many oil companies is lower when associated with oil spills or controversial drilling practices. Which type of brand liability does this best represent?

- a. customer dissatisfaction
- b. environmental problems
- c. product or service failures
- d. lawsuits and boycotts
- e. questionable business practices

Answer: <https://biology-forums.com/index.php?topic=544836>

### Question 720

The first step in the strategic market planning process is a careful assessment of business performance, market attractiveness, and competitive position for each product-market a business serves or is considering serving.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545033>

### Question 721

Which of the following is NOT a basic performance objective of strategic market plans?

- a. share position
- b. sales growth
- c. diversification
- d. profit performance
- e. All of the above are basic performance objectives of strategic market plans.

Answer: <https://biology-forums.com/index.php?topic=545100>

### Question 722

The three classes of marketing performance metrics include cost metrics, competitiveness metrics and customer metrics.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544508>

### Question 723

Businesses with a strong market orientation see current and potential customers as key sources of profitability, cash flow and earnings.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545294>

### Question 724

A potential problem, customer frustration, or opportunity to build value related to order entry is which of the following?

- a. order in process but customer not aware of order status and delivery
- b. product delivered late or damaged
- c. problems after purchase with no one to call or calls not returned
- d. order recorded or priced incorrectly
- e. customer has to fight to get warranty claim resolved

Answer: <https://biology-forums.com/index.php?topic=544641>

### Question 725

An effective customer focus relies on a combination of all of the following EXCEPT \_\_\_\_\_.

- a. marketing attitudes
- b. market-based metrics
- c. internal focus
- d. practices
- e. All of the above are characteristics of a business with a strong customer orientation.

Answer: <https://biology-forums.com/index.php?topic=544500>

### Question 726

Some of John's friends consider him an expert on electronic products such as digital video recorders. He purchased one of these products years before any of his friends did, and he paid four times more for this product than they did. He wanted the benefits of this product and was not concerned that his friends thought he was foolish to buy one when they first came out on the market. John is considered to be a \_\_\_\_\_ customer.

- a. good
- b. lead
- c. mainstream
- d. majority
- e. minority

Answer: <https://biology-forums.com/index.php?topic=544593>

### Question 727

A \_\_\_\_\_ gives an identity to a product or service, providing a way to quickly comprehend the brand's primary benefits whether rational or emotional.

- a. position
- b. competitive advantage
- c. brand name
- d. brand equity
- e. brand identity

Answer: <https://biology-forums.com/index.php?topic=544824>

### Question 728

Positioning strategies should be designed around a product's attributes.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544793>

### Question 729

It is during the early stages of market growth that maximum market profits are obtained.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545152>

### Question 730

All EXCEPT which of the following are marketing strategies to improve margin per customer?

- a. grow revenue per customer by product-line extensions
- b. grow revenue per customer by adding services that enhance customer value
- c. grow the market demand by bringing more customers into a market
- d. develop more cost-efficient marketing systems that lower variable sales and transaction costs
- e. eliminate customers that are not able to produce an acceptable level of customer margin

Answer: <https://biology-forums.com/index.php?topic=545321>

### Question 731

Implemented successfully across a wide range of market situations, a market-based approach to market management will deliver higher levels of profitability, cash flow and shareholder value than will a cost-based approach.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545304>

### Question 732

Harriet repairs, buys and sells old video games to a growing customer base of collectors and fanatics. She finds that as the products get scarcer and scarcer, she can charge higher and higher prices for her services and products. This is an example of \_\_\_\_\_.

- a. competitive bid pricing
- b. ROI pricing
- c. low-cost leader pricing
- d. floor pricing
- e. harvest pricing

Answer: <https://biology-forums.com/index.php?topic=544887>

### Question 733

Which is NOT a favorable condition for implementing skim pricing?

- a. no or limited differentiation
- b. few competitors
- c. quality-sensitive customers
- d. few substitutes
- e. difficult competitor entry

Answer: <https://biology-forums.com/index.php?topic=544869>

### Question 734

The more intermediaries there are in a channel system, the higher the total cost of purchase to the end-user.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544914>

### Question 735

Which of the following is a type of strategy to implement a Protect Position defensive core strategy?

- a. Build Customer Retention
- b. Maximize Net Marketing Contribution
- c. Optimize Position
- d. Manage for Cash Flow
- e. Reduce Market Focus

Answer: <https://biology-forums.com/index.php?topic=545160>

### Question 736

A country's political environment could be considered a barrier to entry.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544746>

### Question 737

There is often a lag between customer dissatisfaction (a market metric) and sales decline (a financial metric).

True or False?

Answer: <https://biology-forums.com/index.php?topic=545217>

### Question 738

Which of the following is NOT a component of customer loyalty?

- a. customer satisfaction
- b. customer retention
- c. customer recommendation
- d. customer lifetime value
- e. All of the above are components of customer loyalty.

Answer: <https://biology-forums.com/index.php?topic=544492>

### Question 739

\_\_\_\_\_ ignores what the customer would be willing to pay for a certain level of product performance and overlooks what the competition is offering

relative to the customer's needs and price affordability.

- a. Cost-based
- b. Customer-based
- c. Competitor-based
- d. Market-based
- e. Acquisition-based

Answer: <https://biology-forums.com/index.php?topic=544862>

### Question 740

Which of the following statements is TRUE about Japanese and American marketing plan implementation?

- a. American managers are not as likely as Japanese managers to drop a marketing strategy and plan when it meets its first bit of resistance.
- b. The whole concept of continuous improvement is implicit in American marketing plan implementation, but it is not in Japanese marketing plan implementation.
- c. Rarely have Japanese marketing strategies worked initially.
- d. One of Japanese management's greatest assets is their ability to abandon a marketing plan quickly when it is not working.
- e. Japanese managers remain committed to a marketing plan because of their dogged determination.

Answer: <https://biology-forums.com/index.php?topic=545277>

### Question 741

Followers with above-average profits tend to invest more aggressively in marketing as a percentage of sales as well as on a relative basis when compared with competitors than do followers with below-average profits.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545149>

### Question 742

Which is NOT a variance examined with respect to net marketing contribution when analyzing planned versus actual performance?

- a. variance between planned and actual volume
- b. variance between planned and actual marketing expenses
- c. variance between planned and actual margin per unit
- d. variance between planned and actual customer retention
- e. All of the above are variances examined with respect to net marketing contribution.

Answer: <https://biology-forums.com/index.php?topic=545286>

### Question 743

The most effective and lowest-cost customer research any business will ever engage in is \_\_\_\_\_.

- a. focus group research
- b. survey research
- c. hearing from dissatisfied customers
- d. listening to its sales people
- e. listening to its customer service representatives

Answer: <https://biology-forums.com/index.php?topic=545305>

### Question 744

All of the following are ways in which retaining dissatisfied customers cost the firm extra resources EXCEPT \_\_\_\_\_.

- a. additional work for the sales forces
- b. price concessions
- c. adjustments to terms of sale
- d. greater customer service
- e. greater replacement costs

Answer: <https://biology-forums.com/index.php?topic=544476>

### Question 745

With respect to message repetition, the more the better.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544965>

### Question 746

The core offensive strategies are Invest to Grow, Build Marketing Advantage and New Market Entry.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545089>

### Question 747

Market metrics are more important than financial metrics.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545223>

### Question 748

Sony's microwave achieved a relative performance rating of 119 relative to other microwaves tested. Its relative price score was 87. This means that according to this test, Sony provides \_\_\_\_\_.

- a. higher prices for equal quality microwaves
- b. lower prices for lower-quality microwaves
- c. average prices and average performance
- d. high relative pricing for above-average quality
- e. above-average performance with below-average prices

Answer: <https://biology-forums.com/index.php?topic=544654>

### Question 749

Which pricing approach is done in response to different groups of customers and their different needs and price sensitivities?

- a. strategic-account pricing
- b. plus-one pricing
- c. harvest pricing
- d. value-in-use pricing
- e. segment pricing

Answer: <https://biology-forums.com/index.php?topic=544871>

### Question 750

Gross rating points (GRPs), a measure of advertising efficiency, is equal to reach divided by frequency.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544966>

### Question 751

New product market penetration is determined by customer and product adoption forces.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544572>

### Question 752

Which marketing channel holds the most potential to expand customer reach?

- a. direct channel
- b. indirect channel
- c. e-marketing channel
- d. value-added channel
- e. mixed channel

Answer: <https://biology-forums.com/index.php?topic=544929>

### Question 753

Explain how channel systems build customer value.

Answer: <https://biology-forums.com/index.php?topic=544958>

### Question 754

In the process of making trade-offs between different combinations of price and benefits we can create a set of preference curves using regression analysis.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544631>

### Question 755

Which of the following is an internal metric?

- a. relative product quality
- b. customer satisfaction
- c. order cycle time

- d. market share
- e. brand awareness

Answer: <https://biology-forums.com/index.php?topic=544777>

### Question 756

The \_\_\_\_\_ stage of a product's life cycle offers the greatest opportunity for sales gains using advertising.

- a. introduction
- b. growth
- c. maturity
- d. decline
- e. fortification

Answer: <https://biology-forums.com/index.php?topic=545017>

### Question 757

Time Works, Inc. incurs \$400 in variable costs and \$60 in marketing expenses for each \$800 in sales revenue generated by a retained customer. If there are 150,000 retained customers, what is Time Works, Inc.'s net marketing contribution from these customers?

- a. \$400
- b. \$340
- c. \$51,000,000
- d. \$60,000,000
- e. \$120,000,000

Answer: <https://biology-forums.com/index.php?topic=544478>

### Question 758

Using \_\_\_\_\_ analysis, a business can more accurately determine what customers value when they make product choices involving several alternative product-price configurations.

- a. conjoint
- b. regression
- c. empathic
- d. focus group
- e. discovery

Answer: <https://biology-forums.com/index.php?topic=544669>

### Question 759

What is the first step in a customer relationship management program?

- a. Qualify potential customers based on attractive levels of potential customer value and company value.
- b. Understand individual customer needs, product preferences and use behaviors.
- c. Build an individualized customer solution based on individual customer needs and establish one-on-one customer touch points in building and sustaining this relationship.
- d. Track customer experiences and all aspects of customer satisfaction to ensure high levels of customer satisfaction and customer loyalty are achieved.
- e. Create a "value proposition" and product-price positioning strategy based on each individual customer's unique needs and characteristics.

Answer: <https://biology-forums.com/index.php?topic=544727>

### Question 760

In general, businesses in high-share positions in growing or mature markets will use which type of strategic market plans to maintain cash flow that supports short-run profit performance and shareholder value?

- a. offensive
- b. defensive
- c. diversification
- d. concentration
- e. multi-segment

Answer: <https://biology-forums.com/index.php?topic=545157>

### Question 761

The degree to which a marketing strategy is successful will be detected first by financial performance in the form of gains in revenue, total contribution, net profit and cash flow.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545216>



### Question 762

Low intentions to take desired action could be due to \_\_\_\_\_.

- a. poor media selection
- b. limited media exposure
- c. weak value proposition
- d. action not clearly specified
- e. poor planning

Answer: <https://biology-forums.com/index.php?topic=544991>

### Question 763

A market definition that is limited to a particular product focus concentrates on \_\_\_\_\_ needs of customers.

- a. unserved
- b. served
- c. articulated
- d. unarticulated
- e. basic

Answer: <https://biology-forums.com/index.php?topic=544576>

### Question 764

Which defensive strategy requires careful margin management and efficient use of marketing resources?

- a. Reduce Market Focus
- b. Monetize
- c. Maximize Net Marketing Contribution
- d. Protect Market Share
- e. Build Customer Retention

Answer: <https://biology-forums.com/index.php?topic=545176>

### Question 765

At the core of customer relationship marketing is \_\_\_\_\_.

- a. mass marketing
- b. segmented marketing
- c. customized marketing
- d. database marketing
- e. personalized marketing

Answer: <https://biology-forums.com/index.php?topic=544722>

### Question 766

When customers walk into Moe's, a southwest franchised grill, they are greeted by the employees yelling, "Welcome to Moe's!" This is best an example of a service quality \_\_\_\_\_.

- a. killer
- b. driver
- c. enhancer
- d. aesthetics
- e. responsiveness

Answer: <https://biology-forums.com/index.php?topic=544820>

### Question 767

The life expectancy of a customer grows linearly as a business moves to higher levels of customer retention.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544456>

### Question 768

A retained customer is a satisfied customer.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544455>

### Question 769

Nancy is examining her company's marketing performance measures. Which of the following would be on the list?

- a. manufacturing overhead
- b. operating expenses
- c. sales per employee
- d. market growth rate
- e. return on assets

Answer: <https://biology-forums.com/index.php?topic=544527>

### Question 770

Lost customers \_\_\_\_\_.

- a. are likely to complain before they leave
- b. are generally dissatisfied or somewhat satisfied customers
- c. have no impact on the net marketing contribution when they leave
- d. are usually more profitable than satisfied customers
- e. are lost forever

Answer: <https://biology-forums.com/index.php?topic=544474>

### Question 771

\_\_\_\_\_ allows the company to isolate the components of marketing performance to understand better how each component contributed to the actual net marketing contribution.

- a. SWOT analysis
- b. Situation analysis
- c. Performance analysis
- d. Post-hoc analysis
- e. Variance analysis

Answer: <https://biology-forums.com/index.php?topic=545283>

### Question 772

What is the first step in the process of building a marketing plan?

- a. marketing budget
- b. situation analysis
- c. SWOT analysis
- d. strategic market plan
- e. marketing mix strategy

Answer: <https://biology-forums.com/index.php?topic=545183>

### Question 773

Every marketing decision affects one or more of the return-on-asset components.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545302>

### Question 774

Which of the following is most likely to occur at the early stages of the product life cycle?

- a. plus-one pricing
- b. low-cost producer pricing
- c. skim pricing
- d. perceived value pricing
- e. harvest pricing

Answer: <https://biology-forums.com/index.php?topic=544867>

### Question 775

Explain the advantage of using marketing performance metrics, and name and describe the three classes of marketing performance metrics. Give two examples of metrics used in each type of marketing performance metric.

Answer: <https://biology-forums.com/index.php?topic=544559>

### Question 776

Which is NOT used by businesses to create additional customer value?

- a. personalized communications
- b. extra services
- c. customized products
- d. special price offerings

e. All of the above are used by businesses to create additional customer value.

Answer: <https://biology-forums.com/index.php?topic=544720>

### Question 777

A recent Consumer Reports study analyzed toasters and found that the average performance rating for all toasters tested was 69 with an average price of \$33. Krups is a brand of toaster that sells for \$32 and received an overall performance rating of 70. What is Krups's relative performance against other toasters tested?

- a. 4
- b. 38
- c. 97
- d. 98.5
- e. 101

Answer: <https://biology-forums.com/index.php?topic=544655>

### Question 778

Lowe's is a home product's retailer that sells appliances. Lowe's devotes 500 square feet of space for appliances and has determined that for major appliances the average margin per square foot is \$25. This means that space is worth \_\_\_\_\_ if customers bought the entire inventory of major appliances in that space.

- a. \$25
- b. \$500
- c. \$10,000
- d. \$12,500
- e. \$125,000

Answer: <https://biology-forums.com/index.php?topic=544668>

### Question 779

Changes in process marketing metrics such as product awareness, product trial, customer satisfaction, and customer perceptions of relative quality and value generally precede actual changes in customer purchase behavior.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544512>

### Question 780

Which of the following is NOT a source of life cycle costs that create economic value for a customer?

- a. transaction cost
- b. price paid
- c. acquisition cost
- d. maintenance cost
- e. ownership cost

Answer: <https://biology-forums.com/index.php?topic=544647>

### Question 781

Which factors influence a channel system's competitive advantage?

- a. sale force size, sales force productivity, and/or share of distributor outlets
- b. customer reach, operating efficiency, and service quality
- c. customer value, sales revenues, and profitability
- d. product quality, product assortment, and product form
- e. after-sale services, availability/delivery, and transaction services

Answer: <https://biology-forums.com/index.php?topic=544951>

### Question 782

Charles recently purchased a Dell computer. Included in his purchase were an inkjet printer, a digital camera and an office software program that included a word processor, a spreadsheet, a database and an email program. The price he paid for the computer, software and accessories was lower than the total price that he would have paid if the products were purchased separately. This is an example of \_\_\_\_\_.

- a. product combining
- b. product unbundling
- c. ingredient branding
- d. product bundling
- e. product-line extensions

Answer: <https://biology-forums.com/index.php?topic=544842>

### Question 783

Customer margin is equal to revenue per customer minus total costs per customer.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=545297>

### Question 784

Which step of the process of building a marketing plan asks if the strategic market plan and the tactical marketing strategy are producing desired levels of performance with respect to market share, sales revenue and profitability?

- a. marketing budget
- b. situation analysis
- c. performance evaluation
- d. strategic market plan
- e. marketing mix strategy

Answer: <https://biology-forums.com/index.php?topic=545190>

### Question 785

A channel system that provides a wide range of products required in order to achieve the desired level of customer appeal is satisfying the product benefit of \_\_\_\_\_.

- a. quality
- b. assortment
- c. form
- d. delivery
- e. after-sale service

Answer: <https://biology-forums.com/index.php?topic=544947>

### Question 786

A market-based strategy that leverages a knowledge advantage with respect to both customers and competitors and can be implemented with a nonconfrontational approach that minimizes losses is known as a(n) \_\_\_\_\_.

- a. reactive strategy
- b. inside the box strategy
- c. oblique strategy
- d. flanking strategy
- e. frontal attack strategy

Answer: <https://biology-forums.com/index.php?topic=544757>

### Question 787

One key benefit provided by a broad strategic market definition is that it concentrates a business' focus on articulated customer needs.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544565>

### Question 788

Every marketing channel is basically the same in its structure and its ability to reach customers.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544905>

### Question 789

Supply chain management is a channel management activity that helps businesses establish one-on-one marketing relationships with customers.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544903>

### Question 790

The strategic market plan called Optimize Position is an offensive strategy often used in the early stages of the product life cycle.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=545038>

### Question 791

Name and describe the three different types of cost advantage a business can achieve to attain a competitive advantage. Be sure to explain how each type results in a competitive advantage.

Answer: <https://biology-forums.com/index.php?topic=544787>

### Question 792

Which of the following would be considered under the competition and industry major component of the current situation?

- a. market size and growth
- b. end users
- c. share position
- d. sales
- e. substitutes

Answer: <https://biology-forums.com/index.php?topic=545194>

### Question 793

Which of the following is NOT a benefit of pulsing?

- a. reduces costs of advertising
- b. reduces the potential for copy wear-out due to overexposure
- c. reduces the potential for overexposure
- d. spreads expenditures evenly over a planning period
- e. All of the above are benefits of pulsing.

Answer: <https://biology-forums.com/index.php?topic=545004>

### Question 794

Cost-plus pricing is also often referred to as \_\_\_\_\_ pricing because the price is determined by using a standard markup on cost.

- a. markup
- b. margin
- c. retail
- d. manufacturer suggested retail
- e. add-up

Answer: <https://biology-forums.com/index.php?topic=544880>

### Question 795

Which of the following is NOT a way an effective channel system builds customer value?

- a. delivering product benefits
- b. delivering service benefits
- c. building brand image
- d. increasing customer reach
- e. improving cost efficiency

Answer: <https://biology-forums.com/index.php?topic=544949>

### Question 796

What is referred to as the "workhorse" that has to succeed to achieve both short- and long-run performance objectives?

- a. strategic market plan
- b. tactical marketing strategy
- c. defensive strategy
- d. offensive strategy
- e. performance plan

Answer: <https://biology-forums.com/index.php?topic=545077>

### Question 797

When a business' product has a considerable and sustainable differential advantage, quality-sensitive customers, many competitors, many substitutes and easy competitor entry, conditions are favorable for a skim pricing strategy.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544849>

### Question 798

Which is not an asset that is part of a business' investment in assets?

- a. accounts receivable
- b. accounts payable
- c. inventory
- d. fixed assets
- e. All of the above are considered part of a business' investment in assets.

Answer: <https://biology-forums.com/index.php?topic=545333>

### Question 799

Mixed channel systems are particularly important when products are fairly technical, and localized availability and service are important.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544911>

### Question 800

Net marketing contribution \_\_\_\_\_.

- a. separates marketing and sales expenses from overall fixed operating expenses
- b. includes allocated overhead not directly related to the product line itself
- c. is an internal in-process market metric
- d. is equal to revenues minus all expenses
- e. includes all operating expenses

Answer: <https://biology-forums.com/index.php?topic=544540>

### Question 801

A business that is able to build a higher level of customer retention can be more profitable than another business, even when both have the same market share.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545151>

### Question 802

Estimate the net present value of the customer cash flow with an 80% customer retention rate and a 10% discount rate if the initial cost to acquire this customer is \$50, and the business receives \$30 in revenues in the first year, \$40 in the second, \$45 in the third, \$50 in the fourth, \$55 in the fifth, and \$0 in the sixth.

- a. \$112
- b. \$162
- c. \$170
- d. \$220
- e. \$90

Answer: <https://biology-forums.com/index.php?topic=544491>

### Question 803

The share development index (SDI) is equal to \_\_\_\_\_.

- a.  $(\text{market share potential} / \text{current market share}) \times 100$
- b.  $(\text{current market share} / \text{market share potential}) \times 100$
- c.  $(\text{market share potential} - \text{current market share}) \times 100$
- d.  $(\text{current market share} - \text{market share potential}) \times 100$
- e.  $((\text{current market share} - \text{market share potential}) / \text{market share potential}) \times 100$

Answer: <https://biology-forums.com/index.php?topic=545113>

### Question 804

Which of the following is NOT a way marketing strategies are generally designed to affect total contribution?

- a. increasing market demand
- b. increasing market share
- c. decreasing operating expenses
- d. increasing revenue per customer
- e. decreasing variable cost per customer

Answer: <https://biology-forums.com/index.php?topic=545327>

### Question 805

The benefits of needs-based market segmentation are that segments are created around specific customer needs and that specific knowledge regarding who these customers are is uncovered.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544681>

### Question 806

Profitable high-share businesses and profitable low-share businesses have which area of performance in common?

- a. relative price
- b. product breadth
- c. relative product quality
- d. relative advertising
- e. product depth

Answer: <https://biology-forums.com/index.php?topic=545170>

### Question 807

To achieve above-average levels of profitability, low-share niche businesses need to focus in order to keep \_\_\_\_\_.

- a. market share high
- b. more new products coming into the market
- c. expenses low
- d. customer value above a 100 rating
- e. new customer acquisition costs below average

Answer: <https://biology-forums.com/index.php?topic=545172>

### Question 808

\_\_\_\_\_ are a business's most important asset.

- a. Accounts receivable
- b. Customers
- c. Factory overhead figures
- d. Profits
- e. Revenues

Answer: <https://biology-forums.com/index.php?topic=544526>

### Question 809

The major forces of owning the marketing plan, supporting the marketing plan, and adapting the marketing plan will shape the behavior and organizational structure in a way that facilitates successful implement of the marketing plan.

True or False?

Answer: <https://biology-forums.com/index.php?topic=545224>

### Question 810

Billabong clothing expects that with its short-run advertising elasticity of 0.22, it can increase sales volume by 160,000 units in the first time period by boosting ad expenditures by 20%. If there is a 0.50 carryover effect, the total sales effect of this ad spending is \_\_\_\_\_ units.

- a. 20,000
- b. 40,000
- c. 80,000
- d. 160,000
- e. 320,000

Answer: <https://biology-forums.com/index.php?topic=545019>

### Question 811

Number of employees, sales volume, number of locations, years in business and financial situation are all examples of \_\_\_\_\_ forces shaping business market needs.

- a. demographic
- b. firm demographic
- c. business culture
- d. usage behavior
- e. lifestyle

Answer: <https://biology-forums.com/index.php?topic=544695>

### Question 812

A low-cost leader is by definition the volume leader.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544854>

### Question 813

Which type of product will have the slowest rate of market penetration?

- a. flat panel TVs
- b. medical savings accounts

- c. personal digital music players
- d. fashionable clothing
- e. new model of automobile

Answer: <https://biology-forums.com/index.php?topic=544599>

### Question 814

The role of the \_\_\_\_ is to document all present and possible future influences on performance.

- a. strategic market plan
- b. SWOT analysis
- c. marketing mix strategy
- d. marketing performance plan
- e. performance evaluation

Answer: <https://biology-forums.com/index.php?topic=545198>

### Question 815

If the following is true: market size is of 40% relative importance and the attractiveness rating of this factor is 80 (i.e., attractive); market growth is of 30% relative importance and scores a rating of 60 (i.e., somewhat attractive); buyer power is of 30% relative importance and scores a rating of 40 (i.e., somewhat unattractive), then the overall market attractiveness score for the assessed opportunity is \_\_\_\_ if the relative importance of market attractiveness is 30%.

- a. 18.6
- b. 54
- c. 60
- d. 62
- e. 207

Answer: <https://biology-forums.com/index.php?topic=545051>

### Question 816

In any competitive environment, what is the key source of competitive advantage?

- a. cost
- b. product
- c. service
- d. knowledge
- e. barriers to entry

Answer: <https://biology-forums.com/index.php?topic=544755>

### Question 817

Brand awareness, market leadership, reputation for quality, brand relevance and brand loyalty are considered to be \_\_\_\_.

- a. brand liabilities
- b. brand assets
- c. brand equity
- d. brand identity
- e. brand value

Answer: <https://biology-forums.com/index.php?topic=544835>

### Question 818

The whole purpose of \_\_\_\_ market metrics is to track customer perceptions and attitudes that precede changes in customer behavior and financial performance.

- a. financial
- b. internal
- c. external
- d. market
- e. process

Answer: <https://biology-forums.com/index.php?topic=545240>

### Question 819

For a \_\_\_\_ marketing budget, the percent of sales used is often based on previous.

- a. bottom-up
- b. customer-mix
- c. top-down
- d. customer-metric



e. percent-of-sales

Answer: <https://biology-forums.com/index.php?topic=545207>

### Question 820

What is a business' only source of positive cash flow?

- a. buildings
- b. products
- c. salespeople
- d. customers
- e. capital

Answer: <https://biology-forums.com/index.php?topic=545313>

### Question 821

\_\_\_\_\_ is best able to attract customers when it is based on customer needs and situations familiar to customers and when it integrates customer needs with product benefits and the business' name.

- a. Media selection
- b. Message frequency
- c. Ad copy
- d. Media response
- e. Media choice

Answer: <https://biology-forums.com/index.php?topic=545001>

### Question 822

A business needs to allocate resources in the form of a \_\_\_\_\_ based on the strategic market plan and the marketing mix strategy.

- a. key performance issue
- b. performance gap
- c. profit plan
- d. break-even analysis
- e. marketing budget

Answer: <https://biology-forums.com/index.php?topic=545210>

### Question 823

\_\_\_\_\_ emulate the dominant design and enter the market after letting the pioneer invest in developing the technology, establishing the design standard and initiating market development.

- a. Lead users
- b. Early majority
- c. Imitators
- d. Early followers
- e. Opinion leaders

Answer: <https://biology-forums.com/index.php?topic=545133>

### Question 824

Which pricing method is market-based and customized to the unique needs of the customer in the context of competitive market conditions?

- a. value-in-use pricing
- b. strategic-account pricing
- c. penetration pricing
- d. competitive-bid pricing
- e. segment pricing

Answer: <https://biology-forums.com/index.php?topic=544874>

### Question 825

Every interaction with a customer or a potential customer is a \_\_\_\_\_.

- a. contact point
- b. relevant contact
- c. service contact
- d. touch point
- e. customization

Answer: <https://biology-forums.com/index.php?topic=544729>

### Question 826

Which of the following behaviors might be exhibited by a competitor under pressure to improve profits/cash flow?

- a. lower-than-average sales per salesperson
- b. uses cost-based pricing/does not understand the value of their products
- c. frequent changes in senior management/marketing management
- d. tightening the terms of sale and payment conditions
- e. frequent new-product failures

Answer: <https://biology-forums.com/index.php?topic=544772>

### Question 827

Which of the following is NOT a common measure of a market segment's attractiveness?

- a. market growth
- b. net marketing contribution
- c. competitive intensity
- d. market access
- e. All of the above are measures of market segment attractiveness.

Answer: <https://biology-forums.com/index.php?topic=544700>

### Question 828

Sales revenues, net profits, return on sales, assets as a percentage of sales, and return on assets are measures of financial performance that provide an external or market-based view of performance.

True or False?

Answer: <https://biology-forums.com/index.php?topic=544504>

### Question 829

Which step is an important step in the market planning process because it requires a careful examination of market attractiveness and the business' competitive advantage based on the information provided in the situation analysis?

- a. situation analysis
- b. SWOT analysis
- c. strategic market plan
- d. marketing mix strategy
- e. marketing budget

Answer: <https://biology-forums.com/index.php?topic=545200>

### Question 830

Procter & Gamble has over 10 brands of laundry detergent, each with a unique focus and product-positioning strategy. Buyers would not know that Procter & Gamble is the manufacturer of a specific brand unless they looked closely at the small print on the package. This is an example of using a \_\_\_\_\_ branding strategy.

- a. company name only
- b. brand name only
- c. company and brand name
- d. brand and sub-brand name
- e. company, brand, and product name

Answer: <https://biology-forums.com/index.php?topic=544829>

### Question 831

Gross Profit equals \_\_\_\_\_.

- a. unit volume multiplied by unit margin
- b. unit volume divided by unit margin
- c. (price minus variable cost) divided by unit volume
- d. unit volume multiplied by price
- e. market demand multiplied by market share

Answer: <https://biology-forums.com/index.php?topic=545178>

### Question 832

The technique used to capture customer perceptions of competing products and services is known as \_\_\_\_\_.

- a. rotational axis mapping
- b. perceptual mapping
- c. ideal points mapping
- d. competitive mapping
- e. benchmark mapping

Answer: <https://biology-forums.com/index.php?topic=544766>

### Question 833

The end result of underwhelming customers and shareholders is \_\_\_\_\_.

- a. unfocused value proposition
- b. pressure for short-run results
- c. disappointing profit performance
- d. high rate of customer turnover
- e. little or no customer loyalty

Answer: <https://biology-forums.com/index.php?topic=544465>

### Question 834

Which of the following is FALSE regarding customer buying power?

- a. Large, concentrated groups of customers possess a buying power that enables them to negotiate lower prices or better terms and conditions.
- b. The more customers in an industry, the larger the excess industry capacity will be.
- c. When customers can easily switch from one supplier to another, they force increased competition, which can lower prices as well as raise the cost of serving customers.
- d. When the purchased product or service is of limited importance to the customer, supplier dependence is much lower.
- e. Relatively low customer buying power enhances the competitive environment and profit potential.

Answer: <https://biology-forums.com/index.php?topic=544782>

### Question 835

Sales force, physical distribution, retailing and merchandising, sales promotion and media advertising are factors that make up a business' \_\_\_\_\_.

- a. product position
- b. marketing effort
- c. service quality
- d. product differentiation
- e. brand identity

Answer: <https://biology-forums.com/index.php?topic=544809>

### Question 836

The degree to which a marketing strategy is successful will be detected first by \_\_\_\_\_.

- a. gains or losses in revenue
- b. market metrics that track customer satisfaction, retention and perceptions of value
- c. the financial performance measure of cash flow
- d. shareholder value
- e. net profit

Answer: <https://biology-forums.com/index.php?topic=545231>

### Question 837

\_\_\_\_\_ markets require a much greater marketing effort and more investment in new products to protect a share leadership position than do \_\_\_\_\_ markets.

- a. Mature; growth
- b. Declining; growth
- c. Domestic; foreign
- d. Growth; mature
- e. Foreign; domestic

Answer: <https://biology-forums.com/index.php?topic=545166>

### Question 838

In which type of marketing budget is each element of the marketing effort budgeted for specific tasks identified in the marketing plan?

- a. top-down budget
- b. customer mix budget
- c. bottom-up budget
- d. annual budget
- e. objective and task

Answer: <https://biology-forums.com/index.php?topic=545205>

### Question 839

Which of the following is NOT a type of inventory?

- a. finished goods inventory
- b. work-in process inventory
- c. raw materials inventories
- d. market inventories
- e. All of the above are types of inventory.

Answer: <https://biology-forums.com/index.php?topic=545338>

### Question 840

Sales and market share are excellent leading indicators of operating performance.  
True or False?

Answer: <https://biology-forums.com/index.php?topic=544451>

### Question 841

\_\_\_\_\_ market metrics correspond more closely to internal financial performance metrics.

- a. External
- b. Process
- c. Result
- d. Immediate
- e. On-going

Answer: <https://biology-forums.com/index.php?topic=545237>

### Question 842

Explain the importance of market metrics, and name and describe the two types of market metrics, providing examples of specific metrics for each.

Answer: <https://biology-forums.com/index.php?topic=545288>

### Question 843

A "captured customer" most likely \_\_\_\_\_.

- a. has a very high customer satisfaction index (CSI)
- b. has a low rate of customer retention
- c. will not to recommend a brand or company to others
- d. has a high customer loyalty index (CLI)
- e. has a very low customer satisfaction index (CSI)

Answer: <https://biology-forums.com/index.php?topic=544495>

### Question 844

Net marketing contribution minus operating expenses is equal to \_\_\_\_\_.

- a. customer volume
- b. margin per customer
- c. total contribution
- d. net profit (before taxes)
- e. net profit (after taxes)

Answer: <https://biology-forums.com/index.php?topic=545332>

### Question 845

Within the dimensions of service quality, which of the following is a "quality enhancer"?

- a. service reliability
- b. performance
- c. customer empathy
- d. appearance
- e. reputation

Answer: <https://biology-forums.com/index.php?topic=544819>

### Question 846

A recent Consumer Reports study analyzed toasters and found that the average performance rating for all toasters tested was 69 with an average price of \$33. Krups is a brand of toaster that sells for \$32 and received an overall performance rating of 70. What is Krups's relative value against the other toasters tested?

- a. 4
- b. 38
- c. 97
- d. 98.5

e. 101

Answer: <https://biology-forums.com/index.php?topic=544657>

### Question 847

Which of the following is NOT considered to be a brand asset?

- a. brand awareness
- b. brand loyalty
- c. brand experiences
- d. market leadership
- e. brand relevance

Answer: <https://biology-forums.com/index.php?topic=544834>

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