Chapter 01

Advertising Today?

**True / False Questions**

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| 1. | IMC helps companies adopt a consumer-centric, rather than marketer-centric, perspective in creating brand messages.    True    False |

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| 2. | No amount of advertising can win back a customer lost from shoddy products or poor service.    True    False |

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| 3. | Defensive marketing typically costs less than offensive marketing because it isn’t easy to lure satisfied customers away from competitors.    True    False |

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| 4. | In a basic transactional relationship, a company sells its product and encourages customers to call if they encounter any problems.    True    False |

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| 5. | In an accountable relationship, a salesperson phones customers shortly after the sale to check whether the product meets expectations and asks for product improvement suggestions and any specific disappointments.    True    False |

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| 6. | High profit margins per customer suggest that the marketer should pursue basic transactional relationships augmented by brand image advertising.    True    False |

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| 7. | IMC is both a concept and a process.    True    False |

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| 8. | Synergy is the principal benefit of IMC.    True    False |

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| 9. | Integrated communications pertains to ensuring all elements of the marketing mix converge on a single idea.    True    False |

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| 10. | Planned messages often have the least impact because they are seen as self-serving.    True    False |

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| 11. | Messages from the product, price, or distribution elements are typically referred to as inferred messages.    True    False |

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| 12. | Planned messages are "do" messages because they represent what a company does.    True    False |

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| 13. | One of the basic differences between advertising and public relations is that many PR activities aren’t openly sponsored.    True    False |

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| 14. | According to the interactive model of communication, marketers dominate the exchange of messages.    True    False |

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| 15. | The sponsor does not usually produce the message.    True    False |

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| 16. | The implied consumers are people in the real world who make up the ad’s target audience and who critically evaluate the arguments made by the ad.    True    False |

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| 17. | Of all the business functions, marketing is the only one whose primary role is to bring in revenue.    True    False |

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| 18. | Most of the advertising we see in the mass media falls under the broad category of business advertising.    True    False |

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| 19. | Companies aim trade advertising at resellers to obtain greater distribution of their products.    True    False |

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| 20. | B2B advertising rarely uses consumer mass media and is typically invisible to consumers.    True    False |

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| 21. | If two brands are equal in quality, the one with the highest price is the best value.    True    False |

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| 22. | Image advertising, which creates a perception of a company or a personality for a brand, is rarely explicit about price.    True    False |

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| 23. | In global advertising, messages are rarely consistent in ads placed around the world.    True    False |

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| 24. | The objectives of awareness advertising are to create an image for a product and to position it competitively with the goal of getting readers or viewers to select the brand the next time they shop.    True    False |

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| 25. | Media advertising is the only promotional tool that companies use to communicate information about themselves and their brands.    True    False |

**Multiple Choice Questions**

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| 26. | When a company deliberately coordinates and integrates messages from a variety of sources about its products or brands, it is practicing \_\_\_\_\_.      |  |  | | --- | --- | | A. | Integrated marketing communications |  |  |  | | --- | --- | | B. | Sales promotion |  |  |  | | --- | --- | | C. | Word-of-mouth advertising |  |  |  | | --- | --- | | D. | Personal selling |  |  |  | | --- | --- | | E. | Viral marketing | |

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| 27. | \_\_\_\_\_ is creating, maintaining, and enhancing long-term bonds with customers and other stakeholders that result in exchanges of information and other things of mutual value.      |  |  | | --- | --- | | A. | Transactional marketing |  |  |  | | --- | --- | | B. | Relationship marketing |  |  |  | | --- | --- | | C. | Mass customization |  |  |  | | --- | --- | | D. | Branding |  |  |  | | --- | --- | | E. | Social marketing | |

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| 28. | Companies that commit to relationship marketing are generally trying to:      |  |  | | --- | --- | | A. | win back customers lost from shoddy products or poor service. |  |  |  | | --- | --- | | B. | make up for the cost of acquiring new customers. |  |  |  | | --- | --- | | C. | develop a full view of the customer by compiling and analyzing customer data. |  |  |  | | --- | --- | | D. | lure customers through offensive marketing. |  |  |  | | --- | --- | | E. | adopt a marketer-centric perspective in creating brand messages. | |

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| 29. | To succeed, companies must focus on managing loyalty among carefully chosen customers and stakeholders because:      |  |  | | --- | --- | | A. | it is easy to lure satisfied customers away from competitors. |  |  |  | | --- | --- | | B. | 90 percent of a manufacturer’s profit comes from trial or sporadic purchasers. |  |  |  | | --- | --- | | C. | offensive marketing typically costs less than defensive marketing. |  |  |  | | --- | --- | | D. | no amount of advertising can win back a customer lost from shoddy products or poor service. |  |  |  | | --- | --- | | E. | reducing customer defections by 25-85 percent can improve profit potential by about 5 percent. | |

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| 30. | A company’s first market should always be its \_\_\_\_\_.      |  |  | | --- | --- | | A. | new customers |  |  |  | | --- | --- | | B. | sponsorial consumers |  |  |  | | --- | --- | | C. | ideal consumers |  |  |  | | --- | --- | | D. | implied consumers |  |  |  | | --- | --- | | E. | current customers | |

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| 31. | The primary benefit of focusing on relationships is:      |  |  | | --- | --- | | A. | increased retention and optimized lifetime customer value. |  |  |  | | --- | --- | | B. | improved basic transactional relationship. |  |  |  | | --- | --- | | C. | enhanced offensive marketing. |  |  |  | | --- | --- | | D. | diminished consumer defense. |  |  |  | | --- | --- | | E. | controlled reactive relationships. | |

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| 32. | When a company sells a product but does not follow up in any way is a(n) \_\_\_\_\_ relationship.      |  |  | | --- | --- | | A. | primary |  |  |  | | --- | --- | | B. | basic transactional |  |  |  | | --- | --- | | C. | reactive |  |  |  | | --- | --- | | D. | accountable |  |  |  | | --- | --- | | E. | proactive | |

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| 33. | In a(n) \_\_\_\_\_, a salesperson sells products and encourages customers to call if they encounter any problems.      |  |  | | --- | --- | | A. | accountable relationship |  |  |  | | --- | --- | | B. | proactive relationship |  |  |  | | --- | --- | | C. | reactive relationship |  |  |  | | --- | --- | | D. | basic transactional relationship |  |  |  | | --- | --- | | E. | partnership | |

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| 34. | In a(n) \_\_\_\_\_, the salesperson phones customers shortly after the sale to check whether the product meets expectations and asks for product improvement suggestions and any specific disappointments.      |  |  | | --- | --- | | A. | secondary relationship |  |  |  | | --- | --- | | B. | proactive relationship |  |  |  | | --- | --- | | C. | basic transactional relationship |  |  |  | | --- | --- | | D. | accountable relationship |  |  |  | | --- | --- | | E. | reactive relationship | |

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| 35. | A(n) \_\_\_\_\_ is one in which the salesperson or company contacts customers from time to time with suggestions about improved product use or helpful new products.      |  |  | | --- | --- | | A. | reactive relationship |  |  |  | | --- | --- | | B. | accountable relationship |  |  |  | | --- | --- | | C. | partnership |  |  |  | | --- | --- | | D. | basic transactional relationship |  |  |  | | --- | --- | | E. | proactive relationship | |

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| 36. | In a(n) \_\_\_\_\_, the company works continuously with customers (and other stakeholders) to discover ways to deliver better value.      |  |  | | --- | --- | | A. | partnership |  |  |  | | --- | --- | | B. | proactive relationship |  |  |  | | --- | --- | | C. | accountable relationship |  |  |  | | --- | --- | | D. | reactive relationship |  |  |  | | --- | --- | | E. | basic transactional relationship | |

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| 37. | Which of the following is true about a company's stakeholders?      |  |  | | --- | --- | | A. | An employee cannot be a stockholder. |  |  |  | | --- | --- | | B. | There is often significant overlap in stakeholder roles. |  |  |  | | --- | --- | | C. | Stakeholders uniformly require reactive relationships. |  |  |  | | --- | --- | | D. | The number of stakeholders is unimportant in marketing. |  |  |  | | --- | --- | | E. | Product messages have negligible influence on a stakeholder’s relationship decision. | |

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| 38. | Which of the following is the principal benefit of IMC?      |  |  | | --- | --- | | A. | High profit |  |  |  | | --- | --- | | B. | Accountability |  |  |  | | --- | --- | | C. | Synergy |  |  |  | | --- | --- | | D. | Customer retention |  |  |  | | --- | --- | | E. | Partnership | |

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| 39. | According to Nowak and Phelps, which of the following tactics does the IMC approach focus on?      |  |  | | --- | --- | | A. | Decreasing reliance on targeted messages |  |  |  | | --- | --- | | B. | Reaching larger segments |  |  |  | | --- | --- | | C. | Lower use of consumer data |  |  |  | | --- | --- | | D. | Less emphasis on advertising via the mass media |  |  |  | | --- | --- | | E. | Extensive use of electronic and mass media | |

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| 40. | Ensuring the various marketing mix elements such as advertising direct-response, sales promotions, and the like, work together is referred to as \_\_\_\_\_.      |  |  | | --- | --- | | A. | viral marketing |  |  |  | | --- | --- | | B. | one voice |  |  |  | | --- | --- | | C. | advertising |  |  |  | | --- | --- | | D. | partnership |  |  |  | | --- | --- | | E. | coordinated marketing communications | |

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| 41. | Which of the following refer to traditional promotional messages?      |  |  | | --- | --- | | A. | Planned messages |  |  |  | | --- | --- | | B. | Product messages |  |  |  | | --- | --- | | C. | Inferred messages |  |  |  | | --- | --- | | D. | Service messages |  |  |  | | --- | --- | | E. | Unplanned messages | |

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| 42. | \_\_\_\_\_ messages often have the least impact because they are seen as self-serving.      |  |  | | --- | --- | | A. | Product |  |  |  | | --- | --- | | B. | Planned |  |  |  | | --- | --- | | C. | Inferred |  |  |  | | --- | --- | | D. | Service |  |  |  | | --- | --- | | E. | Unplanned | |

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| 43. | According to the integration triangle, which of the following are "say" messages ?      |  |  | | --- | --- | | A. | Service messages |  |  |  | | --- | --- | | B. | Inferred messages |  |  |  | | --- | --- | | C. | Planned messages |  |  |  | | --- | --- | | D. | Product messages |  |  |  | | --- | --- | | E. | Unplanned messages | |

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| 44. | According to the integration triangle, which of the following are "confirm" messages?      |  |  | | --- | --- | | A. | Planned messages |  |  |  | | --- | --- | | B. | Inferred messages |  |  |  | | --- | --- | | C. | Product messages |  |  |  | | --- | --- | | D. | Unplanned messages |  |  |  | | --- | --- | | E. | Service messages | |

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| 45. | According to the integration triangle, which of the following are "do" messages?      |  |  | | --- | --- | | A. | Planned messages |  |  |  | | --- | --- | | B. | Event sponsorships |  |  |  | | --- | --- | | C. | Publicity releases |  |  |  | | --- | --- | | D. | Unplanned messages |  |  |  | | --- | --- | | E. | Service messages | |

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| 46. | \_\_\_\_\_ is the structured and composed nonpersonal communication of information, usually paid for and usually persuasive in nature, about products by identified sponsors through various media.      |  |  | | --- | --- | | A. | Advertising |  |  |  | | --- | --- | | B. | Word-of-mouth publicity |  |  |  | | --- | --- | | C. | Sales promotion |  |  |  | | --- | --- | | D. | Direct marketing |  |  |  | | --- | --- | | E. | Public relations | |

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| 47. | The company that is advertising a product or idea is known as the \_\_\_\_\_.      |  |  | | --- | --- | | A. | author |  |  |  | | --- | --- | | B. | sponsor |  |  |  | | --- | --- | | C. | persona |  |  |  | | --- | --- | | D. | actor |  |  |  | | --- | --- | | E. | player | |

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| 48. | A real or imaginary spokesperson who lends some voice or tone to the ad within the text of the ad  is known as a(n) \_\_\_\_\_.      |  |  | | --- | --- | | A. | composer |  |  |  | | --- | --- | | B. | benefactor |  |  |  | | --- | --- | | C. | persona |  |  |  | | --- | --- | | D. | author |  |  |  | | --- | --- | | E. | source | |

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| 49. | In \_\_\_\_\_, a third-person persona tells a story about others to an imagined audience.      |  |  | | --- | --- | | A. | autobiographical messages |  |  |  | | --- | --- | | B. | feedback messages |  |  |  | | --- | --- | | C. | drama messages |  |  |  | | --- | --- | | D. | narrative messages |  |  |  | | --- | --- | | E. | personal messages | |

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| 50. | The \_\_\_\_\_, who are addressed by the ad’s spokesperson, are not real.      |  |  | | --- | --- | | A. | sponsorial consumers |  |  |  | | --- | --- | | B. | actual consumers |  |  |  | | --- | --- | | C. | gatekeepers |  |  |  | | --- | --- | | D. | implied consumers |  |  |  | | --- | --- | | E. | personas | |

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| 51. | The \_\_\_\_\_ are the gatekeepers who decide if the ad will run or not.      |  |  | | --- | --- | | A. | authors |  |  |  | | --- | --- | | B. | actual consumers |  |  |  | | --- | --- | | C. | implied consumers |  |  |  | | --- | --- | | D. | personas |  |  |  | | --- | --- | | E. | sponsorial consumers | |

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| 52. | The hundreds of other commercial and noncommercial messages a sponsor’s advertising message must compete with every day is known as \_\_\_\_\_.      |  |  | | --- | --- | | A. | noise |  |  |  | | --- | --- | | B. | clout |  |  |  | | --- | --- | | C. | jargon |  |  |  | | --- | --- | | D. | feedback |  |  |  | | --- | --- | | E. | cue | |

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| 53. | A bargain barn in the suburbs of Philadelphia placed an ad in the local newspaper to attract consumers with heavy discounts over the Thanksgiving weekend. But, most people missed the ad owing to a spate of promotional ads placed by a newly-opened pizzeria in the same locality. The ads of the pizzeria were colorful and attractive which distracted many potential consumers of the bargain barn. Consequently, there was much less footfall over the Thanksgiving weekend in the bargain barn than expected. The ads of the local pizzeria served as \_\_\_\_\_ for the bargain barn.      |  |  | | --- | --- | | A. | feedback |  |  |  | | --- | --- | | B. | noise |  |  |  | | --- | --- | | C. | information overload |  |  |  | | --- | --- | | D. | a source maze |  |  |  | | --- | --- | | E. | a grapevine | |

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| 54. | A horse stable operator comes across an ad for a worming medicine in the local newspaper. He decides to call the toll-free number provided in the ad to see if the company can deliver 40 doses of its worming medicine before Saturday morning. In the context of the advertising, this is a form of \_\_\_\_\_.      |  |  | | --- | --- | | A. | gatekeeping |  |  |  | | --- | --- | | B. | noise |  |  |  | | --- | --- | | C. | feedback |  |  |  | | --- | --- | | D. | cue |  |  |  | | --- | --- | | E. | relationship marketing | |

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| 55. | A restaurant owner, who, in a magazine, came across an ad for an international trade show for people in the hospitality business, decided to request for further information on the show together with a registration form. In the context of advertising, this is a form of \_\_\_\_\_.      |  |  | | --- | --- | | A. | noise |  |  |  | | --- | --- | | B. | word-of-mouth communication |  |  |  | | --- | --- | | C. | social media marketing |  |  |  | | --- | --- | | D. | feedback |  |  |  | | --- | --- | | E. | relationship marketing | |

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| 56. | Of all the business functions, \_\_\_\_\_ is the only one whose primary role is to bring in revenue.      |  |  | | --- | --- | | A. | marketing |  |  |  | | --- | --- | | B. | research and development |  |  |  | | --- | --- | | C. | human relations management |  |  |  | | --- | --- | | D. | information management |  |  |  | | --- | --- | | E. | accounting | |

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| 57. | \_\_\_\_\_ is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.      |  |  | | --- | --- | | A. | Advertising |  |  |  | | --- | --- | | B. | Market research |  |  |  | | --- | --- | | C. | Profit planning |  |  |  | | --- | --- | | D. | Distribution |  |  |  | | --- | --- | | E. | Marketing | |

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| 58. | A firm’s advertising is always aimed at a particular segment of the population referred to as the \_\_\_\_\_.      |  |  | | --- | --- | | A. | implied consumers |  |  |  | | --- | --- | | B. | target audience |  |  |  | | --- | --- | | C. | sponsorial consumers |  |  |  | | --- | --- | | D. | niche market |  |  |  | | --- | --- | | E. | concentrated market | |

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| 59. | A firm’s marketing activities are always aimed at a particular segment of the population called the \_\_\_\_\_.      |  |  | | --- | --- | | A. | niche market |  |  |  | | --- | --- | | B. | objective market |  |  |  | | --- | --- | | C. | target market |  |  |  | | --- | --- | | D. | implied market |  |  |  | | --- | --- | | E. | concentrated market | |

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| 60. | Which of the following is the most likely to be the potential target market for a clothes manufacturer who is licensed by a wrestling entertainment company to make Halloween costumes based on characters seen in its matches?      |  |  | | --- | --- | | A. | Sports enthusiasts, who enjoy Olympic wrestling |  |  |  | | --- | --- | | B. | Pre-teen males who wish to emulate their favorite wrestlers |  |  |  | | --- | --- | | C. | Authors and researchers, who have published extensively on wrestling |  |  |  | | --- | --- | | D. | Parents who are wrestling enthusiasts and want their children to pursue the sport seriously |  |  |  | | --- | --- | | E. | Retired wrestlers | |

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| 61. | A TV ad for a soft drink falls under the category of \_\_\_\_\_ advertising.      |  |  | | --- | --- | | A. | business |  |  |  | | --- | --- | | B. | professional |  |  |  | | --- | --- | | C. | farm |  |  |  | | --- | --- | | D. | corporate |  |  |  | | --- | --- | | E. | consumer | |

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| 62. | \_\_\_\_\_ advertising is aimed at people who buy the product for their own or someone else’s use.      |  |  | | --- | --- | | A. | Business |  |  |  | | --- | --- | | B. | Trade |  |  |  | | --- | --- | | C. | Consumer |  |  |  | | --- | --- | | D. | Professional |  |  |  | | --- | --- | | E. | Farm | |

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| 63. | \_\_\_\_\_ tends to appear in specialized trade publications or professional journals, in direct-mail pieces sent to businesses, or in trade shows.      |  |  | | --- | --- | | A. | Public service advertising |  |  |  | | --- | --- | | B. | Business advertising |  |  |  | | --- | --- | | C. | Consumer advertising |  |  |  | | --- | --- | | D. | Retail advertising |  |  |  | | --- | --- | | E. | Covert advertising | |

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| 64. | Companies aim \_\_\_\_\_ at resellers to obtain greater distribution of their products.      |  |  | | --- | --- | | A. | in-store advertising |  |  |  | | --- | --- | | B. | professional advertising |  |  |  | | --- | --- | | C. | public service advertising |  |  |  | | --- | --- | | D. | trade advertising |  |  |  | | --- | --- | | E. | consumer advertising | |

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| 65. | Advertising targeted at pet-care stores to increase the distribution of pet food is an example of \_\_\_\_\_.      |  |  | | --- | --- | | A. | trade advertising |  |  |  | | --- | --- | | B. | professional advertising |  |  |  | | --- | --- | | C. | consumer advertising |  |  |  | | --- | --- | | D. | noncommercial advertising |  |  |  | | --- | --- | | E. | farm advertising | |

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| 66. | The type of advertising published in psychiatry journals aimed at practicing psychiatrists is referred to as \_\_\_\_\_.      |  |  | | --- | --- | | A. | trade advertising |  |  |  | | --- | --- | | B. | professional advertising |  |  |  | | --- | --- | | C. | consumer advertising |  |  |  | | --- | --- | | D. | noncommercial advertising |  |  |  | | --- | --- | | E. | retail advertising | |

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| 67. | Some products are publicized using \_\_\_\_\_, in which an ad claims the product is equal in quality to higher priced brands.      |  |  | | --- | --- | | A. | image advertising |  |  |  | | --- | --- | | B. | price advertising |  |  |  | | --- | --- | | C. | sale advertising |  |  |  | | --- | --- | | D. | trade advertising |  |  |  | | --- | --- | | E. | professional advertising | |

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| 68. | Fresh Zone is a supermarket based in New York that has branches in two other states, Ohio and Illinois. It uses \_\_\_\_\_, in which ads are placed in the local media or territorial editions of the national media.      |  |  | | --- | --- | | A. | international advertising |  |  |  | | --- | --- | | B. | local advertising |  |  |  | | --- | --- | | C. | regional advertising |  |  |  | | --- | --- | | D. | national advertising |  |  |  | | --- | --- | | E. | global advertising | |

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| 69. | In 2002, a Swedish home electrical appliance manufacturer decided to use the same advertising message wherever it advertised around the world. In other words, the company decided to use \_\_\_\_\_.      |  |  | | --- | --- | | A. | national advertising |  |  |  | | --- | --- | | B. | international advertising |  |  |  | | --- | --- | | C. | global advertising |  |  |  | | --- | --- | | D. | regional advertising |  |  |  | | --- | --- | | E. | local advertising | |

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| 70. | Retailers that sell within one small trading area typically use \_\_\_\_\_ advertising often placed in direct mail.      |  |  | | --- | --- | | A. | national |  |  |  | | --- | --- | | B. | peripheral |  |  |  | | --- | --- | | C. | local |  |  |  | | --- | --- | | D. | regional |  |  |  | | --- | --- | | E. | global | |

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| 71. | In order to convey the benefits of sponsorship to a potential sponsor, a rodeo show would most likely use \_\_\_\_\_. This enables the marketer to answer the prospect's questions on the spot.      |  |  | | --- | --- | | A. | personal selling |  |  |  | | --- | --- | | B. | social media marketing |  |  |  | | --- | --- | | C. | cold calling |  |  |  | | --- | --- | | D. | professional advertising |  |  |  | | --- | --- | | E. | public service advertising | |

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| 72. | The drawback to personal selling is \_\_\_\_\_.      |  |  | | --- | --- | | A. | its low frequency and reach |  |  |  | | --- | --- | | B. | its high cost |  |  |  | | --- | --- | | C. | its inability to convey information |  |  |  | | --- | --- | | D. | its inability to consummate sale |  |  |  | | --- | --- | | E. | its inability to give demonstrations | |

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| 73. | An ad promoting a company’s mission or philosophy is called \_\_\_\_\_.      |  |  | | --- | --- | | A. | awareness advertising |  |  |  | | --- | --- | | B. | product advertising |  |  |  | | --- | --- | | C. | nonproduct advertising |  |  |  | | --- | --- | | D. | noncommercial advertising |  |  |  | | --- | --- | | E. | action advertising | |

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| 74. | \_\_\_\_\_ is used around the world by governments and nonprofit organizations to seek donations, volunteer support, or changes in consumer behavior.      |  |  | | --- | --- | | A. | Trade advertising |  |  |  | | --- | --- | | B. | Product advertising |  |  |  | | --- | --- | | C. | Nonproduct advertising |  |  |  | | --- | --- | | D. | Noncommercial advertising |  |  |  | | --- | --- | | E. | Professional advertising | |

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| 75. | A direct-mail ad exemplifies \_\_\_\_\_.      |  |  | | --- | --- | | A. | covert advertising |  |  |  | | --- | --- | | B. | public service advertising |  |  |  | | --- | --- | | C. | awareness advertising |  |  |  | | --- | --- | | D. | noncommercial advertising |  |  |  | | --- | --- | | E. | action advertising | |

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| 76. | When an American fast-food chain entered the Chinese market in the 1990s, childhood obesity was threatening to become a major problem in the urban areas. As part of its responsibility for managing its relationships with its customers, the fast-food chain teamed with the Chinese education system and developed a program on nutrition for elementary school students featuring its mascot, Willy the clown. This helped in creating awareness and credibility for the firm at a relatively low cost and is an example of \_\_\_\_\_.      |  |  | | --- | --- | | A. | direct selling |  |  |  | | --- | --- | | B. | public relations |  |  |  | | --- | --- | | C. | noncommercial advertising |  |  |  | | --- | --- | | D. | direct-response advertising |  |  |  | | --- | --- | | E. | personal selling | |

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| 77. | Which of the following types of advertising is considered good at creating awareness and credibility for a business firm at relatively low cost?      |  |  | | --- | --- | | A. | Covert advertising |  |  |  | | --- | --- | | B. | Public relations advertising |  |  |  | | --- | --- | | C. | Direct-response advertising |  |  |  | | --- | --- | | D. | Nonproduct advertising |  |  |  | | --- | --- | | E. | Professional advertising | |

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| 78. | A brochure about a ceiling fan, a pamphlet of recipes from the producers of cranberry juice products, and instructions that come with telephone systems are examples of \_\_\_\_\_.      |  |  | | --- | --- | | A. | sales gimmicks |  |  |  | | --- | --- | | B. | premiums |  |  |  | | --- | --- | | C. | noise |  |  |  | | --- | --- | | D. | bonus goods |  |  |  | | --- | --- | | E. | collateral materials | |

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| 79. | At the reception of a hotel, Tom came across a brochure on the hotel's multi-cuisine restaurant. Which of the following has the hotel used to disseminate information about one of its services?       |  |  | | --- | --- | | A. | Personal selling |  |  |  | | --- | --- | | B. | Public relations |  |  |  | | --- | --- | | C. | Trade fair |  |  |  | | --- | --- | | D. | Collateral materials |  |  |  | | --- | --- | | E. | Sales promotion | |

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| 80. | A car dealer's advertisement inviting people for a test drive is an example of the use of \_\_\_\_\_.      |  |  | | --- | --- | | A. | collateral material |  |  |  | | --- | --- | | B. | public relations |  |  |  | | --- | --- | | C. | personal selling |  |  |  | | --- | --- | | D. | sales promotion |  |  |  | | --- | --- | | E. | awareness advertising | |

**Short Answer Questions**

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| 81. | Define integrated marketing communications. |

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| 82. | State why companies practice IMC. |

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| 83. | What is relationship marketing? |

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| 84. | What are the the three objectives that companies committed to relationship marketing try to accomplish? |

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| 85. | How is IMC both a concept and a process? |

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| 86. | According to Nowak and Phelps, what are the four related tactics the IMC approach focuses on? |

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| 87. | What are the four types of company/brand-related messages that Tom Duncan describes? |

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| 88. | What are the various brand message sources in the integration triangle developed by Duncan and Moriarty? |

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| 89. | What are the three priorities for an organization’s integration process suggested by Duncan? |

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| 90. | What is advertising? |

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| 91. | How is advertising a kind of nonpersonal, or mass communication? |

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| 92. | How does advertising reach people? |

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| 93. | What is noise in the communication process? |

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| 94. | What are the three literary forms used in advertising messages? |

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| 95. | Who are implied consumers? |

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| 96. | Define marketing. |

**Essay Questions**

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| 97. | According to Kotler and Armstrong, what are the five levels of relationships that can be formed between a company and its various stakeholders? |

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| 98. | Describe the traditional human communication process. |

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| 99. | What is the role played by the interactive media in the advertising communication process? |

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| 100. | How does the human communication process relate to the advertising process? |

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| 101. | List and briefly define the three dimensions of advertising communication identified by Barbara Stern. |

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| 102. | What is the ultimate goal of the marketing process? |

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| 103. | Describe how advertising fits into the marketing process. |

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| 104. | What is the difference between consumer and business advertising? |

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| 105. | What is the difference between global advertising and international advertising? |

Chapter 01 Advertising Today? Answer Key

**True / False Questions**

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| 1. *(p. 7)* | IMC helps companies adopt a consumer-centric, rather than marketer-centric, perspective in creating brand messages.    **TRUE**  IMC helps companies adopt a consumer-centric, rather than marketer-centric, perspective in creating brand messages. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-01 Define integrated marketing communications. Topic: Define Integrated Marketing Communications* |

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| 2. *(p. 7)* | No amount of advertising can win back a customer lost from shoddy products or poor service.    **FALSE**  No amount of advertising can win back a customer lost from shoddy products or poor service. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: The Importance of Relationships* |

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| 3. *(p. 8)* | Defensive marketing typically costs less than offensive marketing because it isn’t easy to lure satisfied customers away from competitors.    **TRUE**  Defensive marketing typically costs less than offensive marketing because it isn’t easy to lure satisfied customers away from competitors. In fact, it costs five to eight times as much in marketing, advertising, and promotion to acquire a new customer as it does to keep an existing one. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: The Importance of Relationships* |

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| 4. *(p. 8)* | In a basic transactional relationship, a company sells its product and encourages customers to call if they encounter any problems.    **FALSE**  In a basic transactional relationship a company sells the product but does not follow up in any way. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 5. *(p. 7)* | In an accountable relationship, a salesperson phones customers shortly after the sale to check whether the product meets expectations and asks for product improvement suggestions and any specific disappointments.    **TRUE**  In an accountable relationship, a salesperson phones customers shortly after the sale to check whether the product meets expectations and asks for product improvement suggestions and any specific disappointments. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 6. *(p. 9)* | High profit margins per customer suggest that the marketer should pursue basic transactional relationships augmented by brand image advertising.    **FALSE**  Low profit margins per customer suggest that the marketer should pursue basic transactional relationships augmented by brand image advertising. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 7. *(p. 9)* | IMC is both a concept and a process.    **TRUE**  IMC is both a concept and a process. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 8. *(p. 9)* | Synergy is the principal benefit of IMC.    **TRUE**  The concept of integration is wholeness. Achieving this wholeness in communications creates synergy —the principal benefit of IMC—because each element of the communications mix reinforces the others for greater effect. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 9. *(p. 10)* | Integrated communications pertains to ensuring all elements of the marketing mix converge on a single idea.    **FALSE**  Integrated communications means that advertising can and should achieve both action and awareness objectives simultaneously. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 10. *(p. 10)* | Planned messages often have the least impact because they are seen as self-serving.    **TRUE**  Planned messages are the traditional promotional messages and often have the least impact because they are seen as self-serving. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 11. *(p. 10)* | Messages from the product, price, or distribution elements are typically referred to as inferred messages.    **TRUE**  Messages from the product, price, or distribution elements are typically referred to as product (or inferred) messages. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 12. *(p. 11)* | Planned messages are "do" messages because they represent what a company does.    **FALSE**  Planned messages are "say" messages—what companies say about themselves. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 13. *(p. 12)* | One of the basic differences between advertising and public relations is that many PR activities aren’t openly sponsored.    **TRUE**  One of the basic differences between advertising and public relations is that many PR activities (for example, publicity) aren’t openly sponsored. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-03 Discuss and define advertising and distinguish it from other forms of marketing communications. Topic: What is Advertising?* |

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| 14. *(p. 14)* | According to the interactive model of communication, marketers dominate the exchange of messages.    **FALSE**  According to the interactive model of communication, marketers no longer dominate the exchange of messages. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: The Human Communication Process* |

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| 15. *(p. 14)* | The sponsor does not usually produce the message.    **TRUE**  The sponsor does not usually produce the message. That is the typical role of the sponsor’s ad agency. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 16. *(p. 15)* | The implied consumers are people in the real world who make up the ad’s target audience and who critically evaluate the arguments made by the ad.    **FALSE**  The implied consumers, who are addressed by the ad’s persona, are not real. They are imagined by the ad’s creators to be ideal consumers who accept uncritically the arguments made by the ad. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 17. *(p. 17)* | Of all the business functions, marketing is the only one whose primary role is to bring in revenue.    **TRUE**  Of all the business functions, marketing is the only one whose primary role is to bring in revenue. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Marketing: Determining the Type of Advertising to Use* |

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| 18. *(p. 19)* | Most of the advertising we see in the mass media falls under the broad category of business advertising.    **FALSE**  Most of the advertising we see in the mass media—TV, radio, newspapers, and magazines—falls under the broad category of consumer advertising. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 19. *(p. 20)* | Companies aim trade advertising at resellers to obtain greater distribution of their products.    **TRUE**  Companies aim trade advertising at resellers (wholesalers, dealers, and retailers) to obtain greater distribution of their products. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 20. *(p. 20)* | B2B advertising rarely uses consumer mass media and is typically invisible to consumers.    **TRUE**  Since business advertising (also called business-to-business, or B2B, advertising) rarely uses consumer mass media, it is typically invisible to consumers. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 21. *(p. 21)* | If two brands are equal in quality, the one with the highest price is the best value.    **FALSE**  If two brands are priced similarly, the one highest in quality is the better value. If two brands are equal in quality, the one with the lowest price is the best value. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-06 Illustrate advertising’s role in marketing strategy. Topic: Implementing Marketing Strategy* |

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| 22. *(p. 21)* | Image advertising, which creates a perception of a company or a personality for a brand, is rarely explicit about price.    **TRUE**  Image advertising, which creates a perception of a company or personality for a brand, is rarely explicit about price. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-06 Illustrate advertising’s role in marketing strategy. Topic: Implementing Marketing Strategy* |

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| 23. *(p. 21)* | In global advertising, messages are rarely consistent in ads placed around the world.    **FALSE**  In global advertising, messages are consistent in ads placed around the world. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-06 Illustrate advertising’s role in marketing strategy. Topic: Implementing Marketing Strategy* |

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| 24. *(p. 27)* | The objectives of awareness advertising are to create an image for a product and to position it competitively with the goal of getting readers or viewers to select the brand the next time they shop.    **TRUE**  The objectives of awareness advertising are to create an image for a product and to position it competitively with the goal of getting readers or viewers to select the brand the next time they shop. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

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| 25. *(p. 27)* | Media advertising is the only promotional tool that companies use to communicate information about themselves and their brands.    **FALSE**  Companies use a wide variety of promotional tools other than media advertising to communicate information about themselves and their brands. These collateral materials include fliers, brochures, catalogs, posters, sales kits, product specification sheets, instruction booklets, and so on. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

**Multiple Choice Questions**

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| 26. *(p. 6, 7)* | When a company deliberately coordinates and integrates messages from a variety of sources about its products or brands, it is practicing \_\_\_\_\_.      |  |  | | --- | --- | | **A.** | Integrated marketing communications |  |  |  | | --- | --- | | B. | Sales promotion |  |  |  | | --- | --- | | C. | Word-of-mouth advertising |  |  |  | | --- | --- | | D. | Personal selling |  |  |  | | --- | --- | | E. | Viral marketing |   When a company deliberately coordinates and integrates messages from a variety of sources about its products or brands, it is practicing integrated marketing communications, or IMC. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-01 Define integrated marketing communications. Topic: Define Integrated Marketing Communications* |

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| 27. *(p. 7)* | \_\_\_\_\_ is creating, maintaining, and enhancing long-term bonds with customers and other stakeholders that result in exchanges of information and other things of mutual value.      |  |  | | --- | --- | | A. | Transactional marketing |  |  |  | | --- | --- | | **B.** | Relationship marketing |  |  |  | | --- | --- | | C. | Mass customization |  |  |  | | --- | --- | | D. | Branding |  |  |  | | --- | --- | | E. | Social marketing |   Customers, not products, are the lifeblood of the business. This realization has created a trend away from simple transactional marketing to relationship marketing—creating, maintaining, and enhancing long-term relationships with customers and other stakeholders that result in exchanges of information and other things of mutual value. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Relationship Marketing* |

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| 28. *(p. 7)* | Companies that commit to relationship marketing are generally trying to:      |  |  | | --- | --- | | A. | win back customers lost from shoddy products or poor service. |  |  |  | | --- | --- | | B. | make up for the cost of acquiring new customers. |  |  |  | | --- | --- | | **C.** | develop a full view of the customer by compiling and analyzing customer data. |  |  |  | | --- | --- | | D. | lure customers through offensive marketing. |  |  |  | | --- | --- | | E. | adopt a marketer-centric perspective in creating brand messages. |   Companies that commit to relationship marketing are generally trying to develop a full view of the customer by compiling and analyzing customer data. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Relationship Marketing* |

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| 29. *(p. 7)* | To succeed, companies must focus on managing loyalty among carefully chosen customers and stakeholders because:      |  |  | | --- | --- | | A. | it is easy to lure satisfied customers away from competitors. |  |  |  | | --- | --- | | B. | 90 percent of a manufacturer’s profit comes from trial or sporadic purchasers. |  |  |  | | --- | --- | | C. | offensive marketing typically costs less than defensive marketing. |  |  |  | | --- | --- | | **D.** | no amount of advertising can win back a customer lost from shoddy products or poor service. |  |  |  | | --- | --- | | E. | reducing customer defections by 25-85 percent can improve profit potential by about 5 percent. |   To succeed, companies must focus on managing loyalty among carefully chosen customers and stakeholders for no amount of advertising can win back a customer lost from shoddy products or poor service. The real profit lost is the lifetime customer value (LTCV) to a firm. |

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| *AACSB: Analytic Blooms: Understand Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: The Importance of Relationships* |

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| 30. *(p. 8)* | A company’s first market should always be its \_\_\_\_\_.      |  |  | | --- | --- | | A. | new customers |  |  |  | | --- | --- | | B. | sponsorial consumers |  |  |  | | --- | --- | | C. | ideal consumers |  |  |  | | --- | --- | | D. | implied consumers |  |  |  | | --- | --- | | **E.** | current customers |   A company’s first market should always be its current customers. Successful marketers are shifting their resources to post-sale activities, making customer retention their first line of defense. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: The Importance of Relationships* |

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| 31. *(p. 8)* | The primary benefit of focusing on relationships is:      |  |  | | --- | --- | | **A.** | increased retention and optimized lifetime customer value. |  |  |  | | --- | --- | | B. | improved basic transactional relationship. |  |  |  | | --- | --- | | C. | enhanced offensive marketing. |  |  |  | | --- | --- | | D. | diminished consumer defense. |  |  |  | | --- | --- | | E. | controlled reactive relationships. |   Successful marketers are shifting their resources to post-sale activities, making customer retention their first line of defense. They have discovered the primary benefit of focusing on relationships: increasing retention and optimizing lifetime customer value. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: The Importance of Relationships* |

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| 32. *(p. 8)* | When a company sells a product but does not follow up in any way is a(n) \_\_\_\_\_ relationship.      |  |  | | --- | --- | | A. | primary |  |  |  | | --- | --- | | **B.** | basic transactional |  |  |  | | --- | --- | | C. | reactive |  |  |  | | --- | --- | | D. | accountable |  |  |  | | --- | --- | | E. | proactive |   Basic transactional relationship is when a company sells the product but does not follow up in any way. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 33. *(p. 8)* | In a(n) \_\_\_\_\_, a salesperson sells products and encourages customers to call if they encounter any problems.      |  |  | | --- | --- | | A. | accountable relationship |  |  |  | | --- | --- | | B. | proactive relationship |  |  |  | | --- | --- | | **C.** | reactive relationship |  |  |  | | --- | --- | | D. | basic transactional relationship |  |  |  | | --- | --- | | E. | partnership |   In a reactive relationship, a company or salesperson sells products and encourages customers to call if they encounter any problems. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 34. *(p. 8)* | In a(n) \_\_\_\_\_, the salesperson phones customers shortly after the sale to check whether the product meets expectations and asks for product improvement suggestions and any specific disappointments.      |  |  | | --- | --- | | A. | secondary relationship |  |  |  | | --- | --- | | B. | proactive relationship |  |  |  | | --- | --- | | C. | basic transactional relationship |  |  |  | | --- | --- | | **D.** | accountable relationship |  |  |  | | --- | --- | | E. | reactive relationship |   In an accountable relationship, the salesperson phones customers shortly after the sale to check whether the product meets expectations and asks for product improvement suggestions and any specific disappointments. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 35. *(p. 8)* | A(n) \_\_\_\_\_ is one in which the salesperson or company contacts customers from time to time with suggestions about improved product use or helpful new products.      |  |  | | --- | --- | | A. | reactive relationship |  |  |  | | --- | --- | | B. | accountable relationship |  |  |  | | --- | --- | | C. | partnership |  |  |  | | --- | --- | | D. | basic transactional relationship |  |  |  | | --- | --- | | **E.** | proactive relationship |   A proactive relationship is one in which the salesperson or company contacts customers from time to time with suggestions about improved product use or helpful new products. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 36. *(p. 8)* | In a(n) \_\_\_\_\_, the company works continuously with customers (and other stakeholders) to discover ways to deliver better value.      |  |  | | --- | --- | | **A.** | partnership |  |  |  | | --- | --- | | B. | proactive relationship |  |  |  | | --- | --- | | C. | accountable relationship |  |  |  | | --- | --- | | D. | reactive relationship |  |  |  | | --- | --- | | E. | basic transactional relationship |   In a partnership, the company works continuously with customers (and other stakeholders) to discover ways to deliver better value. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 37. *(p. 8)* | Which of the following is true about a company's stakeholders?      |  |  | | --- | --- | | A. | An employee cannot be a stockholder. |  |  |  | | --- | --- | | **B.** | There is often significant overlap in stakeholder roles. |  |  |  | | --- | --- | | C. | Stakeholders uniformly require reactive relationships. |  |  |  | | --- | --- | | D. | The number of stakeholders is unimportant in marketing. |  |  |  | | --- | --- | | E. | Product messages have negligible influence on a stakeholder’s relationship decision. |   The relationship a company seeks with a customer is different from the one it seeks with the press. However, there is often significant overlap in stakeholder roles. An employee may also be a customer and a stockholder. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 38. *(p. 9)* | Which of the following is the principal benefit of IMC?      |  |  | | --- | --- | | A. | High profit |  |  |  | | --- | --- | | B. | Accountability |  |  |  | | --- | --- | | **C.** | Synergy |  |  |  | | --- | --- | | D. | Customer retention |  |  |  | | --- | --- | | E. | Partnership |   Achieving wholeness in communications creates synergy—the principal benefit of IMC—because each element of the communications mix reinforces the others for greater effect. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 39. *(p. 9)* | According to Nowak and Phelps, which of the following tactics does the IMC approach focus on?      |  |  | | --- | --- | | A. | Decreasing reliance on targeted messages |  |  |  | | --- | --- | | B. | Reaching larger segments |  |  |  | | --- | --- | | C. | Lower use of consumer data |  |  |  | | --- | --- | | **D.** | Less emphasis on advertising via the mass media |  |  |  | | --- | --- | | E. | Extensive use of electronic and mass media |   The IMC approach, according to Nowak and Phelps, focuses on four related tactics: (1) less emphasis on advertising via the mass media, (2) heavier reliance on targeted messages and on reaching smaller segments, (3) increased use of consumer data, and (4) changed expectations for marketing communications suppliers. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 40. *(p. 10)* | Ensuring the various marketing mix elements such as advertising direct-response, sales promotions, and the like, work together is referred to as \_\_\_\_\_.      |  |  | | --- | --- | | A. | viral marketing |  |  |  | | --- | --- | | B. | one voice |  |  |  | | --- | --- | | C. | advertising |  |  |  | | --- | --- | | D. | partnership |  |  |  | | --- | --- | | **E.** | coordinated marketing communications |   Ensuring the various marketing mix elements such as advertising direct-response, sales promotions, and the like, work together is coordinated marketing communications. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 41. *(p. 10)* | Which of the following refer to traditional promotional messages?      |  |  | | --- | --- | | **A.** | Planned messages |  |  |  | | --- | --- | | B. | Product messages |  |  |  | | --- | --- | | C. | Inferred messages |  |  |  | | --- | --- | | D. | Service messages |  |  |  | | --- | --- | | E. | Unplanned messages |   Planned messages are traditional promotional messages—advertising, sales promotion, personal selling, merchandising materials, publicity releases, event sponsorships. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 42. *(p. 10)* | \_\_\_\_\_ messages often have the least impact because they are seen as self-serving.      |  |  | | --- | --- | | A. | Product |  |  |  | | --- | --- | | **B.** | Planned |  |  |  | | --- | --- | | C. | Inferred |  |  |  | | --- | --- | | D. | Service |  |  |  | | --- | --- | | E. | Unplanned |   Planned messages often have the least impact because they are seen as self-serving. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 43. *(p. 11)* | According to the integration triangle, which of the following are "say" messages ?      |  |  | | --- | --- | | A. | Service messages |  |  |  | | --- | --- | | B. | Inferred messages |  |  |  | | --- | --- | | **C.** | Planned messages |  |  |  | | --- | --- | | D. | Product messages |  |  |  | | --- | --- | | E. | Unplanned messages |   Planned messages are "say" messages—what companies say about themselves. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 44. *(p. 11)* | According to the integration triangle, which of the following are "confirm" messages?      |  |  | | --- | --- | | A. | Planned messages |  |  |  | | --- | --- | | B. | Inferred messages |  |  |  | | --- | --- | | C. | Product messages |  |  |  | | --- | --- | | **D.** | Unplanned messages |  |  |  | | --- | --- | | E. | Service messages |   Unplanned messages are "confirm" messages because that’s what others say and confirm (or not) about what the company says and does. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 45. *(p. 11)* | According to the integration triangle, which of the following are "do" messages?      |  |  | | --- | --- | | A. | Planned messages |  |  |  | | --- | --- | | B. | Event sponsorships |  |  |  | | --- | --- | | C. | Publicity releases |  |  |  | | --- | --- | | D. | Unplanned messages |  |  |  | | --- | --- | | **E.** | Service messages |   Product and service messages are "do" messages because they represent what a company does. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 46. *(p. 12)* | \_\_\_\_\_ is the structured and composed nonpersonal communication of information, usually paid for and usually persuasive in nature, about products by identified sponsors through various media.      |  |  | | --- | --- | | **A.** | Advertising |  |  |  | | --- | --- | | B. | Word-of-mouth publicity |  |  |  | | --- | --- | | C. | Sales promotion |  |  |  | | --- | --- | | D. | Direct marketing |  |  |  | | --- | --- | | E. | Public relations |   Advertising is the structured and composed nonpersonal communication of information, usually paid for and usually persuasive in nature, about products (goods, services, and ideas) by identified sponsors through various media. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-03 Discuss and define advertising and distinguish it from other forms of marketing communications. Topic: What is Advertising?* |

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| 47. *(p. 14)* | The company that is advertising a product or idea is known as the \_\_\_\_\_.      |  |  | | --- | --- | | A. | author |  |  |  | | --- | --- | | **B.** | sponsor |  |  |  | | --- | --- | | C. | persona |  |  |  | | --- | --- | | D. | actor |  |  |  | | --- | --- | | E. | player |   The company that is advertising a product or idea is the sponsor. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 48. *(p. 14)* | A real or imaginary spokesperson who lends some voice or tone to the ad within the text of the ad  is known as a(n) \_\_\_\_\_.      |  |  | | --- | --- | | A. | composer |  |  |  | | --- | --- | | B. | benefactor |  |  |  | | --- | --- | | **C.** | persona |  |  |  | | --- | --- | | D. | author |  |  |  | | --- | --- | | E. | source | |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 49. *(p. 15)* | In \_\_\_\_\_, a third-person persona tells a story about others to an imagined audience.      |  |  | | --- | --- | | A. | autobiographical messages |  |  |  | | --- | --- | | B. | feedback messages |  |  |  | | --- | --- | | C. | drama messages |  |  |  | | --- | --- | | **D.** | narrative messages |  |  |  | | --- | --- | | E. | personal messages |   Ads use narrative messages in which a third-person persona tells a story about others to an imagined audience. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 50. *(p. 15)* | The \_\_\_\_\_, who are addressed by the ad’s spokesperson, are not real.      |  |  | | --- | --- | | A. | sponsorial consumers |  |  |  | | --- | --- | | B. | actual consumers |  |  |  | | --- | --- | | C. | gatekeepers |  |  |  | | --- | --- | | **D.** | implied consumers |  |  |  | | --- | --- | | E. | personas |   The receivers of advertising are also multidimensional. Within the text, every ad or commercial presumes an audience. These implied consumers, who are addressed by the ad’s persona, are not real. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 51. *(p. 16, 17)* | The \_\_\_\_\_ are the gatekeepers who decide if the ad will run or not.      |  |  | | --- | --- | | A. | authors |  |  |  | | --- | --- | | B. | actual consumers |  |  |  | | --- | --- | | C. | implied consumers |  |  |  | | --- | --- | | D. | personas |  |  |  | | --- | --- | | **E.** | sponsorial consumers |   When we move outside the text of the ad the first audience is, in fact, a group of decision makers at the sponsor or advertiser. These sponsorial consumers are the gatekeepers who decide if the ad will run or not. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 52. *(p. 17)* | The hundreds of other commercial and noncommercial messages a sponsor’s advertising message must compete with every day is known as \_\_\_\_\_.      |  |  | | --- | --- | | **A.** | noise |  |  |  | | --- | --- | | B. | clout |  |  |  | | --- | --- | | C. | jargon |  |  |  | | --- | --- | | D. | feedback |  |  |  | | --- | --- | | E. | cue |   A sponsor’s advertising message must compete with hundreds of other commercial and noncommercial messages every day. This is referred to as noise. |

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| *AACSB: Communication; Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 53. *(p. 17)* | A bargain barn in the suburbs of Philadelphia placed an ad in the local newspaper to attract consumers with heavy discounts over the Thanksgiving weekend. But, most people missed the ad owing to a spate of promotional ads placed by a newly-opened pizzeria in the same locality. The ads of the pizzeria were colorful and attractive which distracted many potential consumers of the bargain barn. Consequently, there was much less footfall over the Thanksgiving weekend in the bargain barn than expected. The ads of the local pizzeria served as \_\_\_\_\_ for the bargain barn.      |  |  | | --- | --- | | A. | feedback |  |  |  | | --- | --- | | **B.** | noise |  |  |  | | --- | --- | | C. | information overload |  |  |  | | --- | --- | | D. | a source maze |  |  |  | | --- | --- | | E. | a grapevine |   Advertising messages must compete with hundreds of other commercial and noncommercial messages every day. This is referred to as noise. |

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| *AACSB: Reflective Thinking Blooms: Apply Difficulty: 2 Medium Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 54. *(p. 17)* | A horse stable operator comes across an ad for a worming medicine in the local newspaper. He decides to call the toll-free number provided in the ad to see if the company can deliver 40 doses of its worming medicine before Saturday morning. In the context of the advertising, this is a form of \_\_\_\_\_.      |  |  | | --- | --- | | A. | gatekeeping |  |  |  | | --- | --- | | B. | noise |  |  |  | | --- | --- | | **C.** | feedback |  |  |  | | --- | --- | | D. | cue |  |  |  | | --- | --- | | E. | relationship marketing |   In advertising, feedback can take many forms: redeemed coupons, Web site visits, phone inquiries, visits to a store, requests for more information, increased sales, responses to a survey, or e-mail inquiries. |

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| *AACSB: Reflective Thinking Blooms: Apply Difficulty: 2 Medium Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 55. *(p. 17)* | A restaurant owner, who, in a magazine, came across an ad for an international trade show for people in the hospitality business, decided to request for further information on the show together with a registration form. In the context of advertising, this is a form of \_\_\_\_\_.      |  |  | | --- | --- | | A. | noise |  |  |  | | --- | --- | | B. | word-of-mouth communication |  |  |  | | --- | --- | | C. | social media marketing |  |  |  | | --- | --- | | **D.** | feedback |  |  |  | | --- | --- | | E. | relationship marketing |   In advertising, feedback can take many forms: redeemed coupons, Web site visits, phone inquiries, visits to a store, requests for more information, increased sales, responses to a survey, or e-mail inquiries. |

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| *AACSB: Reflective Thinking Blooms: Apply Difficulty: 2 Medium Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 56. *(p. 17)* | Of all the business functions, \_\_\_\_\_ is the only one whose primary role is to bring in revenue.      |  |  | | --- | --- | | **A.** | marketing |  |  |  | | --- | --- | | B. | research and development |  |  |  | | --- | --- | | C. | human relations management |  |  |  | | --- | --- | | D. | information management |  |  |  | | --- | --- | | E. | accounting |   Of all the business functions, marketing is the only one whose primary role is to bring in revenue. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Marketing: Determining the Type of Advertising to Use* |

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| 57. *(p. 18)* | \_\_\_\_\_ is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.      |  |  | | --- | --- | | A. | Advertising |  |  |  | | --- | --- | | B. | Market research |  |  |  | | --- | --- | | C. | Profit planning |  |  |  | | --- | --- | | D. | Distribution |  |  |  | | --- | --- | | **E.** | Marketing |   Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: What is Marketing?* |

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| 58. *(p. 19)* | A firm’s advertising is always aimed at a particular segment of the population referred to as the \_\_\_\_\_.      |  |  | | --- | --- | | A. | implied consumers |  |  |  | | --- | --- | | **B.** | target audience |  |  |  | | --- | --- | | C. | sponsorial consumers |  |  |  | | --- | --- | | D. | niche market |  |  |  | | --- | --- | | E. | concentrated market |   A firm’s marketing activities are always aimed at a particular segment of the population—its target market. Likewise, advertising is aimed at a particular group called the target audience. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 59. *(p. 19)* | A firm’s marketing activities are always aimed at a particular segment of the population called the \_\_\_\_\_.      |  |  | | --- | --- | | A. | niche market |  |  |  | | --- | --- | | B. | objective market |  |  |  | | --- | --- | | **C.** | target market |  |  |  | | --- | --- | | D. | implied market |  |  |  | | --- | --- | | E. | concentrated market |   A firm’s marketing activities are always aimed at a particular segment of the population—its target market. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 60. *(p. 19)* | Which of the following is the most likely to be the potential target market for a clothes manufacturer who is licensed by a wrestling entertainment company to make Halloween costumes based on characters seen in its matches?      |  |  | | --- | --- | | A. | Sports enthusiasts, who enjoy Olympic wrestling |  |  |  | | --- | --- | | **B.** | Pre-teen males who wish to emulate their favorite wrestlers |  |  |  | | --- | --- | | C. | Authors and researchers, who have published extensively on wrestling |  |  |  | | --- | --- | | D. | Parents who are wrestling enthusiasts and want their children to pursue the sport seriously |  |  |  | | --- | --- | | E. | Retired wrestlers |   A firm's marketing activities are always aimed at a particular segment of the population - its target market. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 61. *(p. 19)* | A TV ad for a soft drink falls under the category of \_\_\_\_\_ advertising.      |  |  | | --- | --- | | A. | business |  |  |  | | --- | --- | | B. | professional |  |  |  | | --- | --- | | C. | farm |  |  |  | | --- | --- | | D. | corporate |  |  |  | | --- | --- | | **E.** | consumer |   A firm’s marketing activities are always aimed at a particular segment of the population—its target market. Likewise, advertising is aimed at a particular group called the target audience. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 62. *(p. 19)* | \_\_\_\_\_ advertising is aimed at people who buy the product for their own or someone else’s use.      |  |  | | --- | --- | | A. | Business |  |  |  | | --- | --- | | B. | Trade |  |  |  | | --- | --- | | **C.** | Consumer |  |  |  | | --- | --- | | D. | Professional |  |  |  | | --- | --- | | E. | Farm |   Usually sponsored by the producer (or manufacturer) of the product or service, these ads are typically directed at consumers, people who buy the product for their own or someone else’s personal use. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 63. *(p. 20)* | \_\_\_\_\_ tends to appear in specialized trade publications or professional journals, in direct-mail pieces sent to businesses, or in trade shows.      |  |  | | --- | --- | | A. | Public service advertising |  |  |  | | --- | --- | | **B.** | Business advertising |  |  |  | | --- | --- | | C. | Consumer advertising |  |  |  | | --- | --- | | D. | Retail advertising |  |  |  | | --- | --- | | E. | Covert advertising |   Companies use business advertising to reach people who buy or specify goods and services for business use. It tends to appear in specialized business publications or professional journals, in direct-mail pieces sent to businesses, or in trade shows. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 64. *(p. 20)* | Companies aim \_\_\_\_\_ at resellers to obtain greater distribution of their products.      |  |  | | --- | --- | | A. | in-store advertising |  |  |  | | --- | --- | | B. | professional advertising |  |  |  | | --- | --- | | C. | public service advertising |  |  |  | | --- | --- | | **D.** | trade advertising |  |  |  | | --- | --- | | E. | consumer advertising |   Companies aim trade advertising at resellers (wholesalers, dealers, and retailers) to obtain greater distribution of their products. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 65. *(p. 20)* | Advertising targeted at pet-care stores to increase the distribution of pet food is an example of \_\_\_\_\_.      |  |  | | --- | --- | | **A.** | trade advertising |  |  |  | | --- | --- | | B. | professional advertising |  |  |  | | --- | --- | | C. | consumer advertising |  |  |  | | --- | --- | | D. | noncommercial advertising |  |  |  | | --- | --- | | E. | farm advertising |   Companies aim trade advertising at resellers (wholesalers, dealers, and retailers) to obtain greater distribution of their products. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 66. *(p. 20)* | The type of advertising published in psychiatry journals aimed at practicing psychiatrists is referred to as \_\_\_\_\_.      |  |  | | --- | --- | | A. | trade advertising |  |  |  | | --- | --- | | **B.** | professional advertising |  |  |  | | --- | --- | | C. | consumer advertising |  |  |  | | --- | --- | | D. | noncommercial advertising |  |  |  | | --- | --- | | E. | retail advertising |   Advertising aimed at teachers, accountants, doctors, dentists, architects, engineers, lawyers, and the like is called professional advertising and typically appears in official publications of professional societies. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 67. *(p. 21)* | Some products are publicized using \_\_\_\_\_, in which an ad claims the product is equal in quality to higher priced brands.      |  |  | | --- | --- | | A. | image advertising |  |  |  | | --- | --- | | **B.** | price advertising |  |  |  | | --- | --- | | C. | sale advertising |  |  |  | | --- | --- | | D. | trade advertising |  |  |  | | --- | --- | | E. | professional advertising |   Some products are publicized using price advertising, in which an ad claims the product is equal in quality to higher priced brands. Other goods and services, which do not attempt to compete on price, emphasize product quality. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-06 Illustrate advertising’s role in marketing strategy. Topic: Implementing Marketing Strategy* |

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| 68. *(p. 21)* | Fresh Zone is a supermarket based in New York that has branches in two other states, Ohio and Illinois. It uses \_\_\_\_\_, in which ads are placed in the local media or territorial editions of the national media.      |  |  | | --- | --- | | A. | international advertising |  |  |  | | --- | --- | | B. | local advertising |  |  |  | | --- | --- | | **C.** | regional advertising |  |  |  | | --- | --- | | D. | national advertising |  |  |  | | --- | --- | | E. | global advertising |   Some companies sell only in one part of the country or in two or three states. They use regional advertising, placing their ads in local media or regional editions of national media. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-06 Illustrate advertising’s role in marketing strategy. Topic: Implementing Marketing Strategy* |

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| 69. *(p. 21)* | In 2002, a Swedish home electrical appliance manufacturer decided to use the same advertising message wherever it advertised around the world. In other words, the company decided to use \_\_\_\_\_.      |  |  | | --- | --- | | A. | national advertising |  |  |  | | --- | --- | | B. | international advertising |  |  |  | | --- | --- | | **C.** | global advertising |  |  |  | | --- | --- | | D. | regional advertising |  |  |  | | --- | --- | | E. | local advertising |   Global marketers may use global advertising, in which messages are consistent in ads placed around the world. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-06 Illustrate advertising’s role in marketing strategy. Topic: Implementing Marketing Strategy* |

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| 70. *(p. 26)* | Retailers that sell within one small trading area typically use \_\_\_\_\_ advertising often placed in direct mail.      |  |  | | --- | --- | | A. | national |  |  |  | | --- | --- | | B. | peripheral |  |  |  | | --- | --- | | **C.** | local |  |  |  | | --- | --- | | D. | regional |  |  |  | | --- | --- | | E. | global |   Businesses and retailers that sell within one small trading area typically use local advertising placed in local media or direct mail. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-06 Illustrate advertising’s role in marketing strategy. Topic: Implementing Marketing Strategy* |

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| 71. *(p. 26)* | In order to convey the benefits of sponsorship to a potential sponsor, a rodeo show would most likely use \_\_\_\_\_. This enables the marketer to answer the prospect's questions on the spot.      |  |  | | --- | --- | | **A.** | personal selling |  |  |  | | --- | --- | | B. | social media marketing |  |  |  | | --- | --- | | C. | cold calling |  |  |  | | --- | --- | | D. | professional advertising |  |  |  | | --- | --- | | E. | public service advertising |   In personal selling, salespeople deal directly with customers either face-to-face or via telemarketing. This offers the flexibility possible only through human interaction. Personal selling is ideal for conveying information, giving demonstrations, and consummating the sale. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

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| 72. *(p. 26)* | The drawback to personal selling is \_\_\_\_\_.      |  |  | | --- | --- | | A. | its low frequency and reach |  |  |  | | --- | --- | | **B.** | its high cost |  |  |  | | --- | --- | | C. | its inability to convey information |  |  |  | | --- | --- | | D. | its inability to consummate sale |  |  |  | | --- | --- | | E. | its inability to give demonstrations |   The drawback to personal selling is its high cost, so companies that emphasize personal selling in their marketing mix often spend a lower percentage of sales on advertising than other firms. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

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| 73. *(p. 26)* | An ad promoting a company’s mission or philosophy is called \_\_\_\_\_.      |  |  | | --- | --- | | A. | awareness advertising |  |  |  | | --- | --- | | B. | product advertising |  |  |  | | --- | --- | | **C.** | nonproduct advertising |  |  |  | | --- | --- | | D. | noncommercial advertising |  |  |  | | --- | --- | | E. | action advertising |   To sell ideas, organizations use nonproduct advertising. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

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| 74. *(p. 27)* | \_\_\_\_\_ is used around the world by governments and nonprofit organizations to seek donations, volunteer support, or changes in consumer behavior.      |  |  | | --- | --- | | A. | Trade advertising |  |  |  | | --- | --- | | B. | Product advertising |  |  |  | | --- | --- | | C. | Nonproduct advertising |  |  |  | | --- | --- | | **D.** | Noncommercial advertising |  |  |  | | --- | --- | | E. | Professional advertising |   Noncommercial advertising is used around the world by governments and nonprofit organizations to seek donations, volunteer support, or changes in consumer behavior. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

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| 75. *(p. 27)* | A direct-mail ad exemplifies \_\_\_\_\_.      |  |  | | --- | --- | | A. | covert advertising |  |  |  | | --- | --- | | B. | public service advertising |  |  |  | | --- | --- | | C. | awareness advertising |  |  |  | | --- | --- | | D. | noncommercial advertising |  |  |  | | --- | --- | | **E.** | action advertising |   A direct-mail ad exemplifies action (or direct-response) advertising because it seeks an immediate, direct response from the reader. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

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| 76. *(p. 27)* | When an American fast-food chain entered the Chinese market in the 1990s, childhood obesity was threatening to become a major problem in the urban areas. As part of its responsibility for managing its relationships with its customers, the fast-food chain teamed with the Chinese education system and developed a program on nutrition for elementary school students featuring its mascot, Willy the clown. This helped in creating awareness and credibility for the firm at a relatively low cost and is an example of \_\_\_\_\_.      |  |  | | --- | --- | | A. | direct selling |  |  |  | | --- | --- | | **B.** | public relations |  |  |  | | --- | --- | | C. | noncommercial advertising |  |  |  | | --- | --- | | D. | direct-response advertising |  |  |  | | --- | --- | | E. | personal selling |   Public relations (PR) is an umbrella process—much like marketing—responsible for managing the firm’s relationships with its various publics. These publics may include customers but are not limited to them. Public relations is also concerned with employees, stockholders, vendors and suppliers, government regulators, interest groups, and the press. So PR is much larger than just a tool of marketing communications. However, as part of their marketing mix, marketers use a number of public relations activities because they are so good at creating awareness and credibility for the firm at relatively low cost. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

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| 77. *(p. 27)* | Which of the following types of advertising is considered good at creating awareness and credibility for a business firm at relatively low cost?      |  |  | | --- | --- | | A. | Covert advertising |  |  |  | | --- | --- | | **B.** | Public relations advertising |  |  |  | | --- | --- | | C. | Direct-response advertising |  |  |  | | --- | --- | | D. | Nonproduct advertising |  |  |  | | --- | --- | | E. | Professional advertising |   Marketers use a number of public relations advertising because they are so good at creating awareness and credibility for the firm at relatively low cost. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

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| 78. *(p. 27)* | A brochure about a ceiling fan, a pamphlet of recipes from the producers of cranberry juice products, and instructions that come with telephone systems are examples of \_\_\_\_\_.      |  |  | | --- | --- | | A. | sales gimmicks |  |  |  | | --- | --- | | B. | premiums |  |  |  | | --- | --- | | C. | noise |  |  |  | | --- | --- | | D. | bonus goods |  |  |  | | --- | --- | | **E.** | collateral materials |   Companies use a wide variety of promotional tools other than media advertising to communicate information about themselves and their brands. These collateral materials include fliers, brochures, catalogs, posters, sales kits, product specification sheets, instruction booklets, and so on. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

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| 79. *(p. 27)* | At the reception of a hotel, Tom came across a brochure on the hotel's multi-cuisine restaurant. Which of the following has the hotel used to disseminate information about one of its services?       |  |  | | --- | --- | | A. | Personal selling |  |  |  | | --- | --- | | B. | Public relations |  |  |  | | --- | --- | | C. | Trade fair |  |  |  | | --- | --- | | **D.** | Collateral materials |  |  |  | | --- | --- | | E. | Sales promotion |   Collateral materials include fliers, brochures, catalogs, posters, sales kits, product specification sheets, instruction booklets, and so on. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

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| 80. *(p. 27)* | A car dealer's advertisement inviting people for a test drive is an example of the use of \_\_\_\_\_.      |  |  | | --- | --- | | A. | collateral material |  |  |  | | --- | --- | | B. | public relations |  |  |  | | --- | --- | | C. | personal selling |  |  |  | | --- | --- | | **D.** | sales promotion |  |  |  | | --- | --- | | E. | awareness advertising |   Sales promotion is a communication tool that offers special incentives to motivate people to act right away. The incentives may be coupons, free samples, contests, or rebates on the purchase price. |

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| *AACSB: Reflective Thinking Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-07 Identify important categories under promotion: the communication element of strategy. Topic: Promotion: The Communication Element* |

**Short Answer Questions**

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| 81. *(p. 5, 7)* | Define integrated marketing communications.     Smart organizations work hard to ensure that all company- or brand-related messages reinforce a strategically designed idea. When a company deliberately coordinates and integrates messages from a variety of sources about its products or brands, it is practicing integrated marketing communications, or IMC. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-01 Define integrated marketing communications. Topic: Define Integrated Marketing Communications* |

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| 82. *(p. 7)* | State why companies practice IMC.     Companies practice IMC because IMC helps companies adopt a consumer-centric, rather than marketer-centric, perspective in creating brand messages. IMC helps companies to initiate, develop, and nurture relationships with important groups, especially customers. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-01 Define integrated marketing communications. Topic: Define Integrated Marketing Communications* |

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| 83. *(p. 7)* | What is relationship marketing?     Relationship marketing is creating, maintaining, and enhancing long-term relationships with customers and other stakeholders that result in exchanges of information and other things of mutual value. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Relationship Marketing* |

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| 84. *(p. 7)* | What are the the three objectives that companies committed to relationship marketing try to accomplish?     Companies that commit to relationship marketing are generally trying to accomplish three things: (1) identify, satisfy, retain, and maximize the value of profitable customers; (2) manage the contacts between the customer and the company to ensure their effectiveness; and (3) develop a full view of the customer by compiling and analyzing customer data. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Relationship Marketing* |

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| 85. *(p. 9)* | How is IMC both a concept and a process?     IMC is both a concept and a process. The concept of integration is wholeness. Achieving this wholeness in communications creates synergy —the principal benefit of IMC—because each element of the communications mix reinforces the others for greater effect. IMC is also a process in which communication becomes the driving, integrating force in the marketing mix and throughout the organization. When a company commits to IMC, it is doing more than adopting a catchy slogan that appears in every message. It is adopting a core principle that affects the service, product, and pricing decisions at the company. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 86. *(p. 9)* | According to Nowak and Phelps, what are the four related tactics the IMC approach focuses on?     The IMC approach, according to Nowak and Phelps, focuses on four related tactics: (1) less emphasis on advertising via the mass media, (2) heavier reliance on targeted messages and on reaching smaller segments, (3) increased use of consumer data, and (4) changed expectations for marketing communications suppliers. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 87. *(p. 10)* | What are the four types of company/brand-related messages that Tom Duncan describes?     Tom Duncan describes four types of company/brand-related messages stakeholders receive: planned, product, service, and unplanned. Each of these influences a stakeholder’s relationship decision, so marketers must know where these messages originate, what effect they have, and the costs to influence them. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 88. *(p. 11)* | What are the various brand message sources in the integration triangle developed by Duncan and Moriarty?      Planned messages are "say" messages—what companies say about themselves. Product and service messages are "do" messages because they represent what a company does. Unplanned messages are "confirm" messages because that’s what others say and confirm (or not) about what the company says and does. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 89. *(p. 11)* | What are the three priorities for an organization’s integration process suggested by Duncan?     To maximize the synergy benefits of IMC, Duncan suggests three priorities for an organization’s integration process. It should first ensure consistent positioning, then facilitate purposeful interactivity between the company and its customers or other stakeholders, and finally actively incorporate a socially responsible mission in its relationships with its stakeholders. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: The Dimensions of IMC* |

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| 90. *(p. 12)* | What is advertising?     Advertising is the structured and composed nonpersonal communication of information, usually paid for and usually persuasive in nature, about products (goods, services, and ideas) by identified sponsors through various media. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-03 Discuss and define advertising and distinguish it from other forms of marketing communications. Topic: What is Advertising?* |

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| 91. *(p. 12)* | How is advertising a kind of nonpersonal, or mass communication?     Advertising is directed to groups of people, usually referred to as audiences, rather than to individuals. These people could be consumers, who buy products like cars, deodorant, or food for their personal use. Or they might be businesspeople who buy fleets of cars for commercial or government use. The messages are delivered via media, such as television or the Internet, rather than through direct, personal contact between a seller and a buyer. Advertising is, therefore, a kind of nonpersonal, or mass communication. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-03 Discuss and define advertising and distinguish it from other forms of marketing communications. Topic: What is Advertising?* |

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| 92. *(p. 12)* | How does advertising reach people?     Advertising reaches people through a channel of communication referred to as a medium. An advertising medium is any nonpersonal means used to present an ad to a large audience. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-03 Discuss and define advertising and distinguish it from other forms of marketing communications. Topic: What is Advertising?* |

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| 93. *(p. 14)* | What is noise in the communication process?     Noise refers to the distracting cacophony of many other messages being sent at the same time by other sources. |

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| *AACSB: Communication; Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: The Human Communication Process* |

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| 94. *(p. 15)* | What are the three literary forms used in advertising messages?     Advertising messages typically use one or a blend of three literary forms: autobiography, narrative, or drama. |

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| *AACSB: Communication; Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 95. *(p. 15)* | Who are implied consumers?     The receivers of advertising are also multidimensional. Within the text, every ad or commercial presumes an audience. These implied consumers, who are addressed by the ad’s persona, are not real. They are imagined by the ad’s creators to be ideal consumers who accept uncritically the arguments made by the ad. |

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| *AACSB: Communication; Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 96. *(p. 18)* | Define marketing.     Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: What is Marketing?* |

**Essay Questions**

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| 97. *(p. 8)* | According to Kotler and Armstrong, what are the five levels of relationships that can be formed between a company and its various stakeholders?     Basic transactional relationship:The company sells the product but does not follow up in any way.  Reactive relationship:The company (or salesperson) sells the product and encourages customers to call if they encounter any problems.  Accountable relationship:The salesperson phones customers shortly after the sale to check whether the product meets expectations and asks for product improvement suggestions and any specific disappointments. This information helps the company continuously improve its offering.  Proactive relationship:The salesperson or company contacts customers from time to time with suggestions about improved product use or helpful new products.  Partnership--The company works continuously with customers (and other stakeholders) to discover ways to deliver better value. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 2 Medium Learning Objective: 01-02 Explain the importance of relationship marketing. Topic: Levels of Relationships* |

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| 98. *(p. 13, 14)* | Describe the traditional human communication process.     The process begins when one party, called the source, formulates an idea, encodes it as a message, and sends it via some channel to another party, called the receiver. The receiver must decode the message in order to understand it. To respond, the receiver formulates a new idea, encodes it, and then sends the new message back through some channel. A message that acknowledges or responds to the original message constitutes feedback, which also affects the encoding of a new message. And, of course, all this takes place in an environment characterized by noise —the distracting cacophony of many other messages being sent at the same time by other sources. |

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| *AACSB: Communication; Analytic Blooms: Remember Difficulty: 2 Medium Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: The Human Communication Process* |

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| 99. *(p. 14)* | What is the role played by the interactive media in the advertising communication process?     The interactive media allows consumers to participate in the communication by extracting the information they need, manipulating what they see on their computers or TV screens in real time, and responding in real time. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 2 Medium Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: The Human Communication Process* |

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| 100. *(p. 14)* | How does the human communication process relate to the advertising process?     Applying this model to advertising, we could say that the source is the sponsor, the message is the ad, the channel is the medium, the receiver is the customer or prospect, and the noise is the din of competing messages, including other ads. |

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| *AACSB: Communication; Analytic Blooms: Remember Difficulty: 2 Medium Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: The Human Communication Process* |

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| 101. *(p. 14, 15, 17)* | List and briefly define the three dimensions of advertising communication identified by Barbara Stern.     (1) The source dimension includes the sponsor, who is legally responsible for the communication, the author, who is typically either a copywriter or an art director, and the persona or the person who lends some voice or tome to the ads. (2) The message dimension includes how the ad uses or blends the autobiographical message, the narrative message, and the drama message. (3) The receiver dimension includes the implied consumers, who are addressed by the persona, the sponsorial consumers, who decide if the ad will run or not, and the actual consumers, who are equivalent to the receivers in oral communications. |

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| *AACSB: Communication; Analytic Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-04 Depict the human communication process and demonstrate its usefulness in understanding how advertising communicates. Topic: Applying the Communication Process to Advertising* |

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| 102. *(p. 18)* | What is the ultimate goal of the marketing process?     The ultimate goal of the marketing process is to earn a profit by consummating the exchange of goods or services with those customers who need or want them. |

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| *AACSB: Analytic Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: What is Marketing?* |

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| 103. *(p. 18-19)* | Describe how advertising fits into the marketing process.     Advertising helps the organization achieve its marketing goals. Marketing functions such as marketing research have an impact on the type of advertising a company employs. Companies and organizations use many different types of advertising, depending on their particular marketing strategy. The marketing strategy will determine who the targets of advertising are, where the advertising should appear, what media should be used, and what purposes the advertising should accomplish. |

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| *AACSB: Analytic Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Advertising and the Marketing Process* |

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| 104. *(p. 19-20)* | What is the difference between consumer and business advertising?     Usually sponsored by the producer (or manufacturer) of the product or service, consumer ads are typically directed at people who buy the product for their own or someone else's personal use. Companies use business advertising to reach people who buy or specify goods and services for business use. It tends to appear in specialized business publications or professional journals, in direct mail pieces sent to businesses, or in trade shows. Since business advertising rarely uses consumer mass media, it is typically invisible to consumers. |

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| *AACSB: Analytic Blooms: Understand Difficulty: 2 Medium Learning Objective: 01-05 Define marketing and identify the four elements of marketing strategy. Topic: Identifying Target Markets and Target Audiences* |

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| 105. *(p. 21)* | What is the difference between global advertising and international advertising?     Global advertising uses messages that are consistent around the world. On the other hand, international advertising may contain different messages and even be created in each geographic market. |

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| *AACSB: Analytic Blooms: Remember Difficulty: 1 Easy Learning Objective: 01-06 Illustrate advertising’s role in marketing strategy. Topic: Implementing Marketing Strategy* |