 Marketing Practice Midterm by C. Kohn, Waterford WI

Name: Hour Date: Score: /87

1. Which of the following best describes the purpose of marketing? Marketing exists to…
	1. Explain how decisions are made.
	2. Explain how commodities are sold.
	3. Increase the likelihood that a product is sold.
	4. Keep demand low so that it equals supply.
	5. All of the above.
2. This “P” involves the public relations, sales, advertising, etc.
	1. Product b. Place c. Price d. Promotion e. All of the Above
3. This “P” involves refers to how much you charge for your product or service.
	1. Product b. Place c. Price d. Promotion e. All of the Above
4. This “P” involves the quality, features, options, services, warranties, and brand name in addition to the thing actually being purchased.
	1. Product b. Place c. Price d. Promotion e. All of the Above
5. This “P” involves how the product will be distributed to the customers.
	1. Product b. Place c. Price d. Promotion e. All of the Above
6. Options for this “P” include value-based, cost-plus, going-rate, and loss-leader.
	1. Product b. Place c. Price d. Promotion e. All of the Above
7. Options for this “P” include retail or direct sales.
	1. Product b. Place c. Price d. Promotion e. All of the Above
8. A coupon would this “P”.
	1. Product b. Place c. Price d. Promotion e. All of the Above
9. The spot on a shelf in which a product is found involves this “P”.
	1. Product b. Place c. Price d. Promotion e. All of the Above
10. Marketing involves this “P”.
	1. Product b. Place c. Price d. Promotion e. All of the Above
11. This pricing strategy is based solely on the buyer’s perception of the worth of a good.
	1. Cost-plus b. Value-based c. Competitive d. Going-Rate e. Skimming
12. The point of this strategy is to inflate your price to make it appeal to an affluent target market.
	1. Cost-plus b. Value-based c. Competitive d. Going-Rate e. Skimming
13. This is the pricing process in which the price is actually determined by the market (such as for a commodity) and not by the firm.
	1. Cost-plus b. Value-based c. Competitive d. Going-Rate e. Skimming
14. In this strategy, you determine what you think is the ideal profit percentage (e.g. 20%) and add this much once the cost of production is determined.
	1. Cost-plus b. Value-based c. Competitive d. Going-Rate e. Skimming
15. This strategy involves keeping your price similar to your rivals (e.g. usually gas stations that are side by side will have the same price for gas).
	1. Cost-plus b. Value-based c. Competitive d. Going-Rate e. Skimming
16. Abercrombie and Fitch would use this pricing strategy.
	1. Going-Rate b. Skimming c. Discount d. Loss-leader
17. Lobster in a restaurant is usually priced in this way.
	1. Going-Rate b. Skimming c. Discount d. Loss-leader
18. Walmart, Cost-Co, and other “big box’ stores use this strategy.
	1. Going-Rate b. Skimming c. Discount d. Loss-leader
19. Thanksgiving Turkeys are sold using this pricing strategy.
	1. Going-Rate b. Skimming c. Discount d. Loss-leader
20. Selling a product for $4.99 instead of $5.00 is an example of \_\_\_\_\_\_ pricing.
	1. Loss-leader b. Discount c. Psychological d. Skimming
21. This kind of sales involves opening your own store or selling online.
	1. Direct sales b. Retail c. Intensive Distribution d. Selective Distribution e. Exclusive Distribution
22. This kind of sales involves selling your product to another company, who actually sells your product to the customer.
	1. Direct sales b. Retail c. Intensive Distribution d. Selective Distribution e. Exclusive Distribution
23. This kind of coverage is best at making the product seem more prestigious but also limits the volume of sales.
	1. Direct sales b. Retail c. Intensive Distribution d. Selective Distribution e. Exclusive Distribution
24. This kind of coverage involves selling the product in as many places as possible.
	1. Direct sales b. Retail c. Intensive Distribution d. Selective Distribution e. Exclusive Distribution
25. This kind of coverage involves only selling the product at couple kinds of locations.
	1. Direct sales b. Retail c. Intensive Distribution d. Selective Distribution e. Exclusive Distribution
26. This era of marketing occurred between 1920-1940, and involved a shift from one company producing a product to many companies competing to sell similar products.
	1. Simple Trade Era b. Production Era c. Sales Era d. Marketing Dept. Era e. Marketing Co. Era
27. This era of marketing was highlighted by being the first time the customer was the focus of businesses; companies began to seek the needs of their customers leading to heightened levels of branding within the company.
	1. Simple Trade Era b. Production Era c. Sales Era d. Marketing Dept. Era e. Marketing Co. Era
28. This era of marketing involves mostly exploration, bartering, and hand-made items.
	1. Simple Trade Era b. Production Era c. Sales Era d. Marketing Dept. Era e. Marketing Co. Era
29. This era began in the 1960s and involved a shift from companies marketing their own products to companies hiring other companies whose only purpose was to sell someone else’s products.
	1. Simple Trade Era b. Production Era c. Sales Era d. Marketing Dept. Era e. Marketing Co. Era
30. This era of marketing began at the start of the Industrial Revolution and involved marketing the existence of new products and new technologies.
	1. Simple Trade Era b. Production Era c. Sales Era d. Marketing Dept. Era e. Marketing Co. Era
31. This *best* describes the Relationship Marketing Era.
	1. Because companies are large, they need to reach out to separate companies to create their marketing strategies through professionally-made commercials, ads, and promotions (such as sales).
	2. The customer is as much a marketer and has enhanced expectations, wants to be connected to the company and to other users, and use these connected experiences to inform their future purchases.
	3. Customers are no longer loyal to a product and are less responsive to traditional marketing techniques such as commercials; this necessitates that companies reach out personally to their customers.
	4. Companies are focusing on an increase in product options, and heightened levels of branding.
32. This *best* describes the Social/Mobile Marketing Era.
	1. Because companies are large, they need to reach out to separate companies to create their marketing strategies through professionally-made commercials, ads, and promotions (such as sales).
	2. The customer is as much a marketer and has enhanced expectations, wants to be connected to the company and to other users, and use these connected experiences to inform their future purchases.
	3. Customers are no longer loyal to a product and are less responsive to traditional marketing techniques such as commercials; this necessitates that companies reach out personally to their customers.
	4. Companies are focusing on an increase in product options, and heightened levels of branding.
33. Which of the following is NOT associated with changes as a result of the Social/Mobile Marketing Era?
	1. Firms are now less in control of the perception of the value and quality of their products.
	2. Goods that are low quality are less likely to sell than ever before.
	3. Brands are more crucial as a result of an enormous amount of options available.
	4. Customer loyalty is no longer necessary; discounts, privileges, and perks are unlikely to help with the sales of a product.
	5. Marketers will need to constantly learn new techniques as venues for marketing change regularly.
34. Marketing research exists to…
	1. Ensure a product will be as attractive as possible to a specific group of people.
	2. Reduce the likelihood of losing money when starting a business.
	3. Identify new sales opportunities.
	4. All of the above.
	5. None of the above.
35. In a SWOT Analysis, this is an internal attribute of a product that makes a competing product seem like a better choice.
	1. Strength b. Weakness c. Opportunity d. Threat e. All of the above
36. In a SWOT Analysis, this is an external factor that makes it easier to sell a product.
	1. Strength b. Weakness c. Opportunity d. Threat e. All of the above
37. In a SWOT Analysis, this is an internal factor that makes your product more likely to be purchased than a competitor’s.
	1. Strength b. Weakness c. Opportunity d. Threat e. All of the above
38. In a SWOT Analysis, this is an external factor that make you less able to sell your product.
	1. Strength b. Weakness c. Opportunity d. Threat e. All of the above
39. Unique Selling Points (or Points of Differentiation) would fall under this category.
	1. Strength b. Weakness c. Opportunity d. Threat e. All of the above
40. Logistics (distribution channels, existing retailer relationships, etc.) would fall under this category.
	1. Strength b. Weakness c. Opportunity d. Threat e. All of the above
41. Which of the following best describes the benefit of a product’s SWOT analysis?
	1. It will provide you with data from primary research about who you will sell to.
	2. It should help you to understand your target market’s psychographics.
	3. It will provide you with data from external sources about who you will sell to.
	4. It should help you determine how your product should be modified, portrayed, and improved.
	5. All of the above are accurate descriptions of the purpose of a product’s SWOT analysis.
42. This entails data that already exists that was collected by an outside group.
	1. Qualitative Data b. Quantitative Data c. Primary Research d. Secondary Research
43. This entails data that you personally collect and analyze.
	1. Qualitative Data b. Quantitative Data c. Primary Research d. Secondary Research
44. This entails the specific kind of information that can be assigned a number value.
	1. Qualitative Data b. Quantitative Data c. Primary Research d. Secondary Research
45. This involves items such as feelings, beliefs, and opinions.
	1. Qualitative Data b. Quantitative Data c. Primary Research d. Secondary Research
46. This best describes market segmentation.
	1. Marketing to any possible customer type.
	2. Using mass advertising to appeal to as many people as possible.
	3. Dividing a customer base into smaller categories and prioritizing the categories based on likelihood to purchase.
	4. All of the above.
	5. None of the above.
47. This segment base entails values, attitudes, and lifestyles.
	1. Geographic b. Demographic c. Psychographic d. Behavioral e. Benefits Sought
48. This segment base entails age, gender, ethnicity, occupation, income, or family status.
	1. Geographic b. Demographic c. Psychographic d. Behavioral e. Benefits Sought
49. This segment base entails the region, climate, rural/urban, or geographic growth of a population.
	1. Geographic b. Demographic c. Psychographic d. Behavioral e. Benefits Sought
50. This segment base entails the demanded quality, value, and benefits of a product by a group.
	1. Geographic b. Demographic c. Psychographic d. Behavioral e. Benefits Sought
51. This segment base entails usage rate, price, and brand.
	1. Geographic b. Demographic c. Psychographic d. Behavioral e. Benefits Sought
52. This best describes a position statement.
	1. An explanation of how a product will appeal to every kind of customer.
	2. A description of how you want a specific group of people to perceive your product.
	3. A general statement of the value of a product.
	4. A summary of the strategies used to persuade a target market to purchase a product.
	5. None of the above.
53. This best describes a position strategy.
	1. An explanation of how a product will appeal to every kind of customer.
	2. A description of how you want a specific group of people to perceive your product.
	3. A general statement of the value of a product.
	4. A summary of the strategies used to persuade a target market to purchase a product.
	5. None of the above.
54. This is the overall cost for total production of your product given the amount you expect to sell.
	1. Breakeven Point b. Total Fixed Cost c. Variable Unit Cost d. Selling Price Per Unit e. Total Variable Cost
55. This is the volume of sales of a product at a specific price for which total revenue equals total costs
	1. Breakeven Point b. Total Fixed Cost c. Variable Unit Cost d. Selling Price Per Unit e. Total Variable Cost
56. These are the costs per unit of product that increase or decrease as production increases or decreases.
	1. Breakeven Point b. Total Fixed Cost c. Variable Unit Cost d. Selling Price Per Unit e. Total Variable Cost
57. This amount will stay the same no matter how much of a product you produce (even if it’s 0).
	1. Breakeven Point b. Total Fixed Cost c. Variable Unit Cost d. Selling Price Per Unit e. Total Variable Cost
58. This is value that you your product can be purchased at by a consumer.
	1. Breakeven Point b. Total Fixed Cost c. Variable Unit Cost d. Selling Price Per Unit e. Total Variable Cost
59. Paul’s Pigs is an organic pig farm that sells directly to consumers. Paul had to spend $500,000 to acquire the buildings, land, and equipment to acquire his farm (the fixed cost). Based on market research, Paul believes he can sell each whole pig for an average of $600 after slaughter. Right now, it would cost Paul about $350 per pig given the costs of feed, utilities, fuel, labor, and other expenses.

In the space below, show the math necessary to determine how many pigs Paul needs to sell before he makes any money. Use the formula **(Q) = Fixed Cost / (Unit Price - Variable Unit Cost)**
60. Based on the math above, how many pigs does Paul need to sell? pigs need to be sold.

*Use the graph below to answer the following questions.*

1. This represents costs and expenses of selling a product. A B C D E
2. This represents income from selling a product. A B C D E
3. This represents the fixed costs that do not change. A B C D E
4. **This is the breakeven point at which income exceeds cost. A B C D E
5. This represents the minimum number of units of product
that need to be sold in order for the business to make
a profit.
 A B C D E
6. If E was $5000 for a product, and that product cost $50 to
make and sold for $100, this would be D.
	1. $33.33 b. $100 c. 50 d. 100 units e. 50 units
7. Which of the following best describes branding?
	1. The type of product being sold.
	2. The commercials for a product that inform a customer about that particular product.
	3. The name, term, design, symbol, or feature that makes a product distinct from another.
	4. The product’s attributes and functions.
8. Which of the following is NOT a benefit of branding?
	1. It sets your product apart from competitor’s products.
	2. It helps to convey the value of your product.
	3. It helps to create brand loyalty.
	4. It builds pride in a product from both customers and employees.
	5. None of the above – all of these are benefits of branding.
9. Which of the following is NOT true about branding?
	1. It should represent something your customers want but do not receive from your competitors.
	2. It should be changed often to reflect changing tastes and preferences.
	3. It should not be designed to please everyone; it should focus on a market segment.
	4. It should be honest and reflect what you can deliver.
	5. It should simple, clear, and to the point.
10. This is how your product or business is perceived in comparison to your competitors.
	1. Brand equity b. Brand position c. Brand Loyalty d. All of the above e. None of the above
11. This is how committed your customers are to buying your product as opposed to your competitor’s.
	1. Brand equity b. Brand position c. Brand Loyalty d. All of the above e. None of the above
12. This is the benefits and value equated with your product that are beyond the actual product itself.
	1. Brand equity b. Brand position c. Brand Loyalty d. All of the above e. None of the above
13. This summarizes all of the promotions used to communicate about a brand.
	1. Vision Statement b. Mission Statement c. Essence d. Personality e. IMC
14. This defines the purpose of a business.
	1. Vision Statement b. Mission Statement c. Essence d. Personality e. IMC
15. This is a short summary of what you want a business to become based on your abilities and customers’ needs.
	1. Vision Statement b. Mission Statement c. Essence d. Personality e. IMC
16. These are the human characteristics your customers would use to describe your brand.
	1. Vision Statement b. Mission Statement c. Essence d. Personality e. IMC
17. These are the emotions associated with your product.
	1. Vision Statement b. Mission Statement c. Essence d. Personality e. IMC
18. The Three C’s of IMC include…
	1. Customers, Cost, and Competitors
	2. Customers, Communication, and Cost
	3. Communication, Competitors, and Cost
	4. Customers, Competitor, and Communications
19. This summarizes the process in which a consumer makes a decision.
	1. A customer is exposed to a product through IMC, then they process this exposure, the IMC message has its effect on the customer, and the consumer takes action.
	2. The customers seeks out the product, the product has an impact, the IMC message has its effect, and the customer takes action.
	3. The customer seeks out the product, the IMC message is received and processed, the customer buys the product, and the customer makes a decision.
20. This component of IMC consists of creating and maintaining a favorable public image of a brand.
	1. Advertising b. Public Relations c. Customer Service d. All of the above e. None of the above
21. This component of IMC supports the individuals who use a product.
	1. Advertising b. Public Relations c. Customer Service d. All of the above e. None of the above
22. This component of IMC builds brand awareness.
	1. Advertising b. Public Relations c. Customer Service d. All of the above e. None of the above
23. This component of IMC is every contact between a brand and its market.
	1. Advertising b. Public Relations c. Customer Service d. All of the above e. None of the above
24. This stage of advertising is when customers are introduced to a product.
	1. Retentive b. Competitive c. Pioneering d. All of the above e. None of the above
25. This stage of advertising is when brand loyalty is built and the focus shifts to public relations and customer service.
	1. Retentive b. Competitive c. Pioneering d. All of the above e. None of the above
26. This stage of advertising is when a business seeks to convince its target market it is the best choice.
	1. Retentive b. Competitive c. Pioneering d. All of the above e. None of the above
27. This stage of advertising tends to have the highest advertising costs.
	1. Retentive b. Competitive c. Pioneering d. All of the above e. None of the above