



# MARKETING CLUSTER CORE

## SAMPLE EXAM QUESTIONS

These test questions were developed by the MBA Research Center. Items have been randomly selected from the MBA Research Center's Test-Item Bank and represent a variety of instructional areas. Performance indicators for these test questions are at the prerequisite, career-sustaining, and specialist levels. A descriptive test key, including question sources and answer rationale, has been provided.

Copyright © 2014 by MBA Research and Curriculum Center®, Columbus, Ohio. Each individual test item contained herein is the exclusive property of MBA Research Center. Items are licensed only for use as configured within this exam, in its entirety. Use of individual items for any purpose other than as specifically authorized in writing by MBA Research Center is prohibited.

Posted online March 2014 by DECA Inc.

## SAMPLE MARKETING CLUSTER EXAM

1. An employer may be liable for an employee's tort when the employee's actions occur
  - A. under emotional stress.
  - B. within the scope of his/her employment.
  - C. within normal operating hours.
  - D. without the employer's knowledge.
  
2. Which of the following statements is true about express contracts:
  - A. They are enforceable when one party is underage.
  - B. They are stated orally or in writing.
  - C. They are usually unilateral agreements.
  - D. They are enforceable if the promises are illegal.
  
3. Which of the following is an aspect of channel management that impacts customer service?
  - A. Advertising
  - B. Taxes
  - C. Protectionism
  - D. Timeliness
  
4. Since most large, industrial goods require installation, the channel of distribution most commonly used by their producers is
  - A. producer to industrial distributor to user.
  - B. producer to agent to retailer.
  - C. producer to agent to industrial user.
  - D. producer to industrial user.
  
5. What type of law is violated when a supplier requires intermediaries to enter into tying agreements?
  - A. Zoning
  - B. Probate
  - C. Antitrust
  - D. Infringement
  
6. Because of their strategic significance in providing place utility, it is usually easier to change price or promotional efforts than to change
  - A. distribution channels.
  - B. target markets.
  - C. market strategies.
  - D. packaging.
  
7. Which of the following is a barrier to effective listening:
  - A. Concentration
  - B. Empathy
  - C. Distractions
  - D. Open-mindedness
  
8. One of the disadvantages of using nonverbal communication is that it
  - A. is not a common form of communication.
  - B. may not be interpreted accurately.
  - C. is not considered courteous.
  - D. may not be noticed by the listener.
  
9. What communication style is most appropriate to use when you are providing a friend with personal advice?
  - A. Judgmental
  - B. Formal
  - C. Empathic
  - D. Businesslike
  
10. Business employees who participate in group discussions should present their ideas and opinions in a(n)
  - A. argumentative way.
  - B. written format.
  - C. assertive manner.
  - D. nonverbal style.
  
11. Which of the following are elements that appear in the heading of a memorandum:
  - A. Company, to, subject, and date
  - B. To, title, from, and date
  - C. Date, title, to, and company
  - D. To, from, date, and subject
  
12. Before sending a professional e-mail message to a business associate, a businessperson should
  - A. code the message's importance as "high priority."
  - B. proofread the message for spelling and grammatical errors.
  - C. make sure that the message is typed in capital letters.
  - D. insert a vague statement in the message subject line.

## SAMPLE MARKETING CLUSTER EXAM

13. Which of the following is a type of simple written report that usually is distributed to employees within a business:
- A. Proposal
  - B. Memorandum
  - C. Handbook
  - D. Newsletter
14. Which of the following is a guideline for employees to use in communicating with coworkers:
- A. Be sure to share rumors and gossip with their coworkers
  - B. Feel free to express their complaints about their jobs
  - C. Think about what they want to say before they say it
  - D. Use a direct approach in speaking to an angry coworker
15. What might result if a business fails to maintain positive customer/client relations?
- A. Decrease in sales
  - B. Reduction in assets
  - C. Loss of advertisers
  - D. Lowering of goals
16. Employees who are unable to respond to questions about the company's goods or services can affect the customer's
- A. image of the business.
  - B. purchasing ability.
  - C. sourcing strategy.
  - D. price fixing.
17. Which of the following is no longer the determining factor in customers' buying decisions for many products:
- A. Quality
  - B. Return policies
  - C. Price
  - D. Customer service
18. Which of the following is one of the deciding factors in determining whether an item is a consumer or industrial good:
- A. Price of the purchase
  - B. How the purchase is made
  - C. Who makes the purchase
  - D. When the purchase is made
19. Businesses are affected by social factors in the external environment because
- A. every business creates consumer products.
  - B. customer needs are affected by these factors as well.
  - C. a business cannot survive without social networking.
  - D. customers no longer value quality.
20. Which of the following provides government protection of business property:
- A. Revenues
  - B. Consumer-protection laws
  - C. Economic incentives
  - D. Patents
21. What is a method that managers can use to motivate employees?
- A. Offering performance-based financial rewards
  - B. Encouraging employees to specialize
  - C. Investing in new technology
  - D. Sharing customer information with employees
22. What is the term for higher levels of output resulting from putting more workers on the job?
- A. Return on revenue
  - B. Increasing returns
  - C. Return on input
  - D. Marginal returns

### SAMPLE MARKETING CLUSTER EXAM

23. Susan's father receives veterans' benefits, and her grandmother gets Social Security. Are these payments counted in GDP?
- A. No, these are transfer payments.
  - B. Yes, these are government purchases.
  - C. Yes, these funds are for personal consumption.
  - D. No, the recipients produce goods and services.
24. What is one reason why the overall unemployment rate understates the actual employment situation?
- A. The rate reflects regional differences.
  - B. The rate is not seasonally adjusted.
  - C. Underemployed people are listed.
  - D. Discouraged workers are not included.
25. What tends to occur when a country is experiencing political instability?
- A. Its currency loses value.
  - B. Unemployment rates decrease.
  - C. Domestic trade improves.
  - D. Commodity trade increases.
26. An individual who lives by an established set of personal ethics is said to have
- A. apathy.
  - B. integrity.
  - C. bravery.
  - D. intelligence.
27. One of the benefits of negative feedback is that it
- A. keeps you from making mistakes.
  - B. tells you what you are doing right.
  - C. lets you know what is expected of you.
  - D. makes you feel good about yourself.
28. An example of governmental change would be a change in
- A. a person's occupation.
  - B. highway speed limits.
  - C. the price of goods.
  - D. the use of automation.
29. What should you develop to persuade others to believe what you say?
- A. Listening skills
  - B. Cultural sensitivity
  - C. Creativity
  - D. Personal credibility
30. Why do many businesses develop programs and activities to help reduce employee stress?
- A. To eliminate conflict
  - B. To encourage creativity
  - C. To maintain productivity
  - D. To exhibit empathy
31. When reaching a consensus by a formal method, why might group members prefer to use questionnaires?
- A. To make sure that everyone participates
  - B. To keep everyone's answers straight
  - C. To remain anonymous
  - D. To prioritize the participants' responses
32. Which of the following is a true statement about visions:
- A. They are intended for the short-term future.
  - B. They are exactly the same as dreams.
  - C. They cannot permanently change the world.
  - D. They require hard work and determination.
33. What is one of a coach's most important tasks?
- A. Accepting change
  - B. Caring for others
  - C. Giving feedback
  - D. Being honest
34. A positive political tactic to use to influence organizational decision making often involves
- A. encouraging workplace competitiveness.
  - B. taking credit for others' work.
  - C. associating with cynical coworkers.
  - D. developing a support base.
35. What form of currency is issued by the federal government?
- A. Certified notes
  - B. Brokerage bills
  - C. Corporate bonds
  - D. Paper money

### SAMPLE MARKETING CLUSTER EXAM

36. The single most important aspect of making a financial plan and setting goals is
- A. getting started now.
  - B. learning to make hard choices.
  - C. making enough money.
  - D. choosing a career path.
37. According to Isaac's pay stub, his total earnings before deductions are \$1,425. His total deductions are \$255. What is Isaac's net income?
- A. \$1,298
  - B. \$1,425
  - C. \$1,680
  - D. \$1,170
38. Monitoring financial accounts and reading bank statements on a regular basis can help detect activities associated with
- A. identity theft.
  - B. property infringement.
  - C. personal hijacking.
  - D. securities fraud.
39. The promoters of the annual Shakespeare Festival include a statement on the back of the event ticket to the effect that they will not be responsible for harm or injury to the ticket holder. The attendees thereby agree to accept liability for their own possible risks by purchasing the ticket. What action is being taken with the risk?
- A. Retaining it
  - B. Eliminating it
  - C. Transferring it
  - D. Avoiding it
40. An insufficient cash flow is one of the main causes of
- A. decreased profits.
  - B. higher prices.
  - C. fiscal stability.
  - D. business failure.
41. One of the roles of ethics in finance is to encourage business employees to
- A. make the right decisions.
  - B. increase company profits.
  - C. sell to customers.
  - D. prepare operating budgets.
42. What might result if a business's merchandising budget called for purchasing more goods than customers wanted?
- A. Surplus profit
  - B. Additional sales
  - C. Increased costs
  - D. Expanded market
43. Which of the following workplace-related safety and health issues would most likely be regulated by law:
- A. Weight-management programs
  - B. Storage and disposal of chemicals
  - C. Smoking cessation support groups
  - D. Health education information sessions
44. Businesses can retrieve external marketing data by accessing
- A. computer-generated sales reports.
  - B. web-based information services.
  - C. accounts receivable summaries.
  - D. inventory management records.
45. When a business collects marketing information from its customers, what should it consider about its consumer-privacy laws?
- A. They relate to health-care data.
  - B. They apply only to children.
  - C. They vary by jurisdiction.
  - D. They are enforceable internationally.
46. A business introduces a new product to mid-sized cities in the southeastern section of the country. The business monitors the product's sales to determine if it should introduce the product nationwide. What marketing-research method is the business using?
- A. Observation
  - B. Test marketing
  - C. Consumer panel
  - D. Survey

## SAMPLE MARKETING CLUSTER EXAM

47. Which of the following is an advantage of secondary research:
- A. It is specific to the research needs.
  - B. It is quick.
  - C. It is up to date.
  - D. It gives marketers control of the study.
48. A company wants to collect information from various sources to determine if it should consider expanding to international markets. What research method should the company use, if it does not want to spend a lot of time or money to obtain the information?
- A. Interview
  - B. Causal
  - C. Exploratory
  - D. Experimental
49. A university is considering changes to its business administration degree. To obtain feedback on the idea from students, the university selects a sample of business majors who are seniors. What type of sampling did the university use?
- A. Cluster
  - B. Proportionate
  - C. Stratified random
  - D. Simple
50. Which of the following statements is true regarding the use of diaries as a marketing-research collection method:
- A. Diaries record repetitive behaviors that occur at frequent intervals.
  - B. Diaries primarily provide quantitative information for researchers.
  - C. The disadvantage to using diaries is that they do not provide in-depth information.
  - D. The advantage to using diaries is that information can be easily tabulated.
51. Which of the following is a source of primary market research:
- A. Government publications
  - B. Search engines
  - C. Focus groups
  - D. Industry periodicals
52. Which of the following questions is worded appropriately to ensure the researcher obtains valid responses?
- A. Where did you buy your computer equipment and software?
  - B. What, if anything, did you like best about the last computer you purchased?
  - C. What did you like best about your last computer purchase?
  - D. Would you buy a computer at a store surrounded by other stores and lots of traffic?
53. When marketing researchers code the various responses on a questionnaire, they are \_\_\_\_\_ to each answer.
- A. computing a total score
  - B. tabulating the response
  - C. rating the agreement
  - D. assigning a numeric value
54. A company works with the Red Cross to help with a hurricane relief effort. What goal does this illustrate?
- A. Improving customer satisfaction
  - B. Developing new products/services
  - C. Expanding
  - D. Supporting a cause
55. Who is responsible for carrying out the tactics to achieve a business's marketing strategies?
- A. Customers
  - B. Employees
  - C. Executives
  - D. Stockholders
56. An effective marketing plan usually contains a section that explains the marketing
- A. concept.
  - B. policy.
  - C. risk.
  - D. mix.
57. The reason businesses usually obtain information is to apply it so that they can
- A. recruit employees.
  - B. develop a database.
  - C. accomplish a task.
  - D. evaluate a source.

## SAMPLE MARKETING CLUSTER EXAM

58. By searching the company's computer records, an employee obtained confidential information about a well-known client, which s/he discussed with a friend. Eventually, the information was leaked to the media, which embarrassed the client and the business. What action could the company have taken to prevent this unethical behavior?
- A. Provide clients with information-tracking capabilities
  - B. Install anti-virus software to protect the computer network
  - C. Use computer passwords to limit access to certain data
  - D. Require the employee to submit his/her resignation
59. A benefit of using an electronic calendar to prepare schedules is that it allows employees to
- A. manage their time.
  - B. communicate with coworkers.
  - C. delegate tasks.
  - D. prioritize a deadline.
60. Holly, Cary, and Rick are working a project together, even though they are geographically far away from each other. They use the Internet to work on documents together, share files, and communicate quickly and easily. What type of software are Holly, Cary, and Rick using?
- A. Spyware
  - B. Shareware
  - C. Groupware
  - D. Freeware
61. What approach to record keeping is Dahlia's business using when it hires a data processing center to handle the record keeping for its accounting information?
- A. Outsourcing the task
  - B. Establishing a department
  - C. Hiring an employee
  - D. Keeping the records personally
62. What is an economic factor that businesses might identify as a result of conducting an environmental scan?
- A. Unemployment rate
  - B. Increased regulation
  - C. Population shift
  - D. Lifestyle adjustment
63. A primary reason for a business to interpret statistical findings is to
- A. influence buyers.
  - B. promote creativity.
  - C. increase production.
  - D. aid decision making.
64. One way that the use of technology benefits the operations process is by
- A. automating the work force.
  - B. computerizing the purchasing function.
  - C. developing a robotics plan.
  - D. organizing a conveyor system.
65. Henry works in a business's receiving room. While working, Henry was lifting and setting down heavy boxes when he experienced back and abdominal pain. What type of workplace injury did Henry receive?
- A. Strain
  - B. Closed wound
  - C. Sprain
  - D. Open wound
66. Why is it important to build in a safety net, or padding, when identifying resources?
- A. To try to cut corners
  - B. To plan for the unexpected
  - C. To find substitutes
  - D. To obtain financial support
67. Which of the following is a technique that a business might use to evaluate the results of a project it completes for a customer:
- A. Analyze the project proposal
  - B. Prepare a satisfaction survey
  - C. Organize the management team
  - D. Determine the contract criteria
68. Which of the following individuals chooses goods for resale, surveys consumer trends, and rates past performance of products and vendors:
- A. Retail buyer
  - B. Durable goods producer
  - C. Receiving manager
  - D. Industry researcher

## SAMPLE MARKETING CLUSTER EXAM

69. When implementing purchasing activities, what do businesses often establish in order to select vendors?
- A. Price sheets
  - B. Contracts
  - C. Purchase orders
  - D. Criteria
70. Which of the following is an area at a business that must be maintained on a regular basis:
- A. Sidewalks
  - B. Furniture
  - C. Shelving
  - D. Fixtures
71. Employees' creative suggestions often result in changes that increase \_\_\_\_\_ and reduce expenses.
- A. losses
  - B. conflict
  - C. efficiency
  - D. costs
72. One of the advantages of discussing career opportunities with employees in specific fields is that you often obtain information about
- A. placement services.
  - B. referral programs.
  - C. job requirements.
  - D. industry statistics.
73. What information is usually best to discuss in person rather than to provide in an employment application?
- A. Personal references
  - B. Job expectations
  - C. Salary requirements
  - D. Special qualifications
74. Ebony is creating her résumé to send to potential employers. Which of the following should Ebony do when describing her work experience:
- A. List the technical training that she has received
  - B. Briefly describe her previous job responsibilities
  - C. Clearly explain her work interests and career goals
  - D. Provide her complete address and telephone information
75. A primary reason that employers often consider hiring a person with internship experience is because it implies that the applicant possesses
- A. a well-rounded educational background.
  - B. the ability to work with financial data.
  - C. traits such as initiative and commitment.
  - D. a network of prospective sales contacts.
76. What might employees read in order to learn about new trends and technology in a specific industry?
- A. News magazine
  - B. Trade journal
  - C. Annual report
  - D. Daily newspaper
77. Price fixing is unethical because it restricts
- A. tariffs.
  - B. loss leaders.
  - C. competition.
  - D. unit pricing.
78. During periods when employment is high and the nation's outlook is optimistic, selling prices of products tend to increase. This is an example of selling prices affected by
- A. economic conditions.
  - B. supply and demand.
  - C. competition.
  - D. government regulation.
79. Costs and available resources are especially important factors for product/service managers to examine during which phase of product/service management?
- A. New-product development
  - B. Elimination of weak products
  - C. Idea generation
  - D. Monitoring of existing products



## SAMPLE MARKETING CLUSTER EXAM

80. What is one way businesses use computer technology to obtain information to improve their product/service mix?
- A. Compiling detailed databases
  - B. Mailing questionnaires to customers
  - C. Tracking visitors to their websites
  - D. Preparing interactive software programs
81. One reason why the planned obsolescence of certain products often is considered an ethical issue is because of the products' short life that has an effect on the
- A. way that customers decide to use them.
  - B. cost of designing and developing them.
  - C. value of training employees to sell them.
  - D. natural resources that are needed to produce them.
82. To identify product opportunities, Corrine tries to make connections between two unrelated items, which is an example of
- A. idea testing.
  - B. creative thinking.
  - C. decision making.
  - D. problem solving.
83. Which of the following statements is true regarding the use of group creative-thinking techniques to facilitate the idea-generation process:
- A. The brainstorming technique usually generates the best ideas.
  - B. Groups are usually more effective when each member uses mind-mapping techniques.
  - C. Group members most often generate new ideas by altering or building upon another idea.
  - D. The Six Thinking Hats technique is generally the most effective idea-generation technique.
84. Which of the following is most likely to result if workers fail to meet time standards:
- A. Reduced number of products available
  - B. Increased promotion
  - C. Reduced costs
  - D. Increased quality of products provided
85. Which of the following may result when products fail to meet government standards:
- A. Request for additional monies from consumers
  - B. Deletion of labels from products
  - C. Redesign of packaging
  - D. Payments for advertisements to promote a product's problems
86. When positioning its corporate brand, it is important for a company to evaluate its competitors so it can determine
- A. points of difference.
  - B. profit margins.
  - C. managerial styles.
  - D. support services.
87. Which of the following are internal factors that affect the way a business uses promotional tools:
- A. Price and competition
  - B. Product and price
  - C. Demand and product
  - D. Place and demand
88. When a company's promotional activities focus on pointing out differences between its well-established product and competing products, the product is in the \_\_\_\_\_ stage of its life cycle.
- A. growth
  - B. maturity
  - C. declining
  - D. introductory
89. One advantage of using the Internet for promotional purposes is that
- A. consumer privacy is secure.
  - B. information is available on demand.
  - C. it can reach less affluent markets.
  - D. businesses don't need to target markets.

## SAMPLE MARKETING CLUSTER EXAM

90. Alexandria has been using Look-So-Good cosmetics for several years and would not consider changing brands. In fact, Alexandria likes the cosmetics so much that she has become an advocate for the cosmetic company. She tells everyone about the features and benefits of Look-So-Good products, and encourages them to try the cosmetics. What type of word-of-mouth marketing is Alexandria using?
- A. Mobile marketing
  - B. Organic marketing
  - C. Skill marketing
  - D. Virtual marketing
91. Which of the following is an example of a direct-marketing channel that a business can use to send personalized promotional information to its customers in real time:
- A. Cell phone
  - B. Catalog
  - C. Scanner
  - D. Television ad
92. One reason why it is important to coordinate the headline and illustrations in an advertisement is to make the reader
- A. aware of the cost involved.
  - B. appreciate the style of layout.
  - C. understand the company name.
  - D. want to read the message.
93. Which of the following are public-relations activities:
- A. Identifying trends, writing press releases, and hiring new staff members
  - B. Holding press conferences, identifying trends, and hiring new staff members
  - C. Sponsoring events, developing new products, and distributing company newsletters
  - D. Writing press releases, distributing company newsletters, and sponsoring events
94. TechnoMedia is attending a regional trade show to introduce its new tablet computer. An effective way for the company to draw traffic to its exhibit booth is by
- A. placing a sign with the company's name and logo on the exhibit table.
  - B. handing out trade-show programs at the facility's entrance.
  - C. using interactive displays that allow attendees to try the tablet.
  - D. requiring staff to wear name badges that have a picture of the tablet on them.
95. One of the first steps a business takes in developing a promotional plan is to
- A. design the advertising message.
  - B. identify the target market.
  - C. prepare an expense budget.
  - D. evaluate the feedback.
96. Which of the following is a factor that affects selling policies over which a business has no control:
- A. Price of goods/services
  - B. Availability of raw materials
  - C. Quality of suppliers
  - D. Number of employees
97. A salesperson says to a customer, "Mr. Michaels, I wouldn't buy from Davenport Electronics. That company buys parts for its products from sweatshops, and the items don't meet safety codes. Its products usually break within six months." In many jurisdictions, the salesperson is violating selling regulations related to
- A. foreign corruption.
  - B. price discrimination.
  - C. business defamation.
  - D. product infringement.
98. What is a type of company promotional material that can be used as a source of information for selling?
- A. Newspaper advertisements
  - B. Professional publications
  - C. Product labels
  - D. Trade magazines
99. Reaching closure is the phase in the selling process when salespeople often need to
- A. identify customer reactions.
  - B. sell product benefits.
  - C. determine buying needs.
  - D. answer remaining objections.

### **SAMPLE MARKETING CLUSTER EXAM**

100. According to Maslow's Hierarchy of Needs, which of the following needs is satisfied when a person purchases products that meet his/her most basic needs:
- A. Esteem
  - B. Physiological
  - C. Safety
  - D. Social

## SAMPLE MARKETING CLUSTER EXAM—KEY

1. B  
Within the scope of his/her employment. Under the doctrine of *respondeat superior*, an employer may be held responsible for an employee's tort if the employee's wrongful or harmful actions are related to his/her job. For example, if an employee causes an accident while driving the company's truck to deliver an order, the company can be held liable for damages and injuries resulting from the accident. Although the employer may not know about the accident at the time that it occurred, the employer is likely to be held liable for the accident because the employee was acting on the employer's behalf. Wrongful actions related to work may occur during or after normal working hours. Although the employee's wrongful actions may be related to his/her emotional stress, the employer can still be held liable for the tort as long as the action is related to the employee's job responsibilities.  
SOURCE: BL:069  
SOURCE: Miller, R.L., & Jentz, G.A. (2006). *Business law today: Standard edition* (7th ed.) [pp. 683-686]. Mason, OH: Thomson Learning.
2. B  
They are stated orally or in writing. A contract involves making a promise to take a specific action. Express contracts involve making promises to take action that are clearly stated either verbally or in writing. Some contracts are not enforceable, such as a contract that is made with a child under the age of 18, or a contract that involves the performance of an illegal activity (e.g., theft). Unilateral agreements are contracts that involve promises made by one party. Express contracts are not always unilateral agreements.  
SOURCE: BL:002  
SOURCE: McAdams, T., Neslund, N., & Neslund, K. (2007). *Law, business, and society* (8<sup>th</sup> ed.) [pp. 210-211]. Boston: McGraw-Hill/Irwin.
3. D  
Timeliness. Channel management is the process of coordinating channel members to move goods and services to the end user. The way that a business manages its channel members impacts customer-service levels. An important aspect of channel management in relation to customer service is making sure that the customers receive their products in a timely manner. In many cases, customers order items for a specific purpose and need them on a certain date. Therefore, it is important for the business to monitor channel members' activities to ensure that the products are moving through the channel in the most efficient manner. Taxes are monies that individuals or businesses must pay to the government. Protectionism is a government's policy to protect domestic industries and businesses against foreign competition. Advertising is any paid form of nonpersonal presentation of ideas, images, goods, or services.  
SOURCE: CM:002  
SOURCE: Kotler, P., & Armstrong, G. (2008). *Principles of marketing* (12th ed.) [p. 347]. Upper Saddle River, NJ: Prentice-Hall.
4. D  
Producer to industrial user. Typically, industrial goods require installation or special servicing that producers feel they are best qualified to provide. The producer to industrial user channel is, therefore, the most efficient one for them to use. The involvement of intermediaries such as agents or industrial distributors is not necessary. A retailer would not be part of industrial distribution.  
SOURCE: CM:003  
SOURCE: CM LAP 1—Channel It (Channels of Distribution)
5. C  
Antitrust. A tying agreement is an illegal arrangement that occurs when a business requires a customer to buy other products in order to obtain the goods and services that the customer really wants. To protect individuals and businesses, many governments develop regulations known as antitrust laws that protect individuals and businesses from unfair practices that restrain trade and competition. Probate laws involve estate issues. Zoning laws regulate property uses. Infringement laws address intellectual property issues.  
SOURCE: CM:005  
SOURCE: Etzel, M.J., Walker, B.J., & Stanton, W.J. (2007). *Marketing* (14th ed.) [p. 402]. Boston: McGraw-Hill/Irwin.

## SAMPLE MARKETING CLUSTER EXAM—KEY

6. A  
Distribution channels. Long-term commitments are made to channel members to insure reliable flow of products to consumers. It is often difficult to change distribution channels without disrupting the flow of goods. Price, promotion, or packaging have no impact on the consumer if the product is not available. Target markets are the consumers and may change if the product changes. Market strategies are designed to be adaptive to current market input.  
SOURCE: CM:007  
SOURCE: Kurtz, D. (2013). *Contemporary marketing: 2013 edition* (pp. 6-7, 414). Mason, OH: South-Western, Cengage Learning.
7. C  
Distractions. Distractions are any occurrences or noises that attract the listener's attention. They can be a major block to effective listening. Concentration is focusing one's attention. Open-mindedness means being receptive to new ideas. Empathy is being able to put yourself in another's place. These alternatives would aid listening, not hinder it.  
SOURCE: CO:017  
SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [p. 12]. Upper Saddle River, NJ: Pearson Prentice Hall.
8. B  
May not be interpreted accurately. There are several interpretations for each form of nonverbal communication. If the listener misinterprets what s/he sees, communication will be inaccurate. For example, folding your arms across your chest could mean that you have reservations about what you are hearing, you disagree with it, you are displeased, or you are defiant.  
SOURCE: CO:059  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [p. 456]. Tinley Park, IL: The Goodheart-Willcox Co.
9. C  
Empathic. Being empathic is acting according to an intellectual identification with the thoughts, feelings, values, attitudes, and/or actions of another person. It is often helpful to imagine yourself in your friend's place, to try to understand how s/he feels. By doing so, you often gain insight and can better help your friend by providing thoughtful advice. If you are too formal, judgmental, or businesslike with a friend, you may come across as uncaring, and you may offend your friend.  
SOURCE: CO:084  
SOURCE: Miculka, J. (2007). *Speaking for success* (2nd ed.) [pp. 39-40]. Mason, OH: Thomson South-Western.
10. C  
Assertive manner. Assertiveness is the ability to express yourself; communicate your point of view; and stand up for your rights, principles, and beliefs. Business employees who participate in group discussions should present their ideas and opinions in an assertive manner so others will know exactly what they think. Being assertive is an effective way to express your point of view in group discussions. Employees should not be argumentative when participating in group discussions because the goal usually is to reach some type of agreement. Employees usually do not present their ideas and opinions in a written format or a nonverbal style when participating in group discussions.  
SOURCE: CO:053  
SOURCE: QS LAP 29—Put in Your Two Cents

## SAMPLE MARKETING CLUSTER EXAM—KEY

11. D  
To, from, date, and subject. When writing a memorandum, businesspeople place a heading at the top of the page to indicate who the letter is to, who the letter is from, what the message is about, and the date the message was written. The company's name and the employee's title do not always appear in the heading.  
SOURCE: CO:088  
SOURCE: Leskiar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [p. 571]. Boston: McGraw-Hill/Irwin.
12. B  
Proofread the message for spelling and grammatical errors. Although many people view e-mail as an informal method of communication, it is a vital communication tool in today's business world. Therefore, it is important to maintain a professional tone when developing business-related e-mails. The text in a professional e-mail should contain proper grammar and correct spelling. To ensure that the message does not contain spelling and grammatical errors, the businessperson should proofread the message and make necessary corrections before sending the message to the intended receiver. Only the most critical e-mail messages should be sent as high priority messages. Capitalizing all of the letters in the text often implies an angry tone, so this practice should be avoided. Although the subject line should be brief, it should contain enough information for the message recipient to determine the message content. If the subject line is too vague, the recipient may delete the message before reading it.  
SOURCE: CO:090  
SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [pp. 184-185]. Upper Saddle River, NJ: Pearson Prentice Hall.
13. B  
Memorandum. Memorandums are a frequently used form of brief, written communication exchanged by people within a business. Memorandums often are distributed to employees within a business to update them on the progress of various projects, or inform them of changes in policies and procedures. They are informal and simple because they are intended only for the use of the business's employees. A proposal usually is a complex written report that is formal and may be distributed to those outside the business. Handbooks and newsletters are internal company publications but they are not memorandums.  
SOURCE: CO:094  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [p. 451]. Tinley Park, IL: The Goodheart-Willcox Co.
14. C  
Think about what they want to say before they say it. Employees should be able to express themselves to their coworkers. However, they should always think about what they want to say before saying it so that they do not cause problems or misunderstandings. Legitimate complaints or problems about the job should be discussed with the supervisor, not coworkers. Rumors and gossip should not be passed on to coworkers as they may not be true and could cause harm. A nondirective approach is best in communicating with angry coworkers as it helps to defuse their anger.  
SOURCE: CO:014  
SOURCE: Leskiar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [pp. 413-414]. Boston: McGraw-Hill/Irwin.
15. A  
Decrease in sales. Maintaining good customer/client relations is important to a business because customers who receive poor treatment may never return to the business. When customers fail to return, businesses often experience a decrease in sales. Also, customers who are poorly treated may tell their friends and others about the treatment, and these people may decide not to buy from the business, thereby adding to the decrease in sales. Failing to maintain positive customer/client relations probably would not result in a loss of advertisers, a reduction in assets, or a lowering of goals.  
SOURCE: CR:003  
SOURCE: CR LAP 1—Accentuate the Positive (Nature of Customer Relations)

## SAMPLE MARKETING CLUSTER EXAM—KEY

16. A  
Image of the business. Customers form an image of a business as they communicate with employees. When employees cannot answer questions, customers receive a negative impression. The customer's purchasing ability is determined by the amount of his/her disposable income or budget. The customer's sourcing strategies are generally determined independent of a specific employee interaction. Price fixing is an illegal activity in which a business charges different prices for similar amounts and types of products.  
SOURCE: CR:006  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [pp. 546-547]. Tinley Park, IL: The Goodheart-Willcox Co.
17. C  
Price. Price is no longer a primary consideration in customers' buying decisions for many products. This is because prices have stabilized to the point where they are relatively the same among competitors. Return policies, quality, and customer service can vary widely; therefore, customers take these factors into account when making buying decisions.  
SOURCE: CR:016  
SOURCE: CR LAP 2—Know When to Hold 'Em (Nature of Customer Relationship Management)
18. C  
Who makes the purchase. The difference between a consumer good or service and an industrial good or service is simply a matter of who buys the item and for what purpose. If a producer buys an item for use in office work, it is an industrial good. If an individual buys an item for personal use, it is a consumer good. How the purchase is made, the price of the purchase, and when the purchase is made are not deciding factors in determining whether an item is a consumer or industrial good.  
SOURCE: EC:002  
SOURCE: EC LAP 10—Get the Goods on Goods and Services (Economic Goods and Services)
19. B  
Customer needs are affected by these factors as well. Businesses are affected by social factors in the external environment because customer needs are affected by these factors as well. And, meeting customer needs is the prime goal of every organization. Not all businesses create consumer products. Businesses need not participate in social networking for survival, though it may help with promotion. Customers' needs are always changing, but they still value quality.  
SOURCE: EC:105  
SOURCE: EC LAP 26—What's Shakin'? (Factors Affecting Business Environment)
20. D  
Patents. Patents are legal protection granted by government to the owners of inventions or processes for a certain number of years. Patents prevent others from appropriating the business's property. Economic incentives are monetary motivations for complying with government regulation. Revenues are income. Consumer-protection laws are government regulations intended to protect consumers.  
SOURCE: EC:008  
SOURCE: EC LAP 16—Regulate and Protect (Government and Business)
21. A  
Offering performance-based financial rewards. Methods for motivating employees include offering financial rewards, treating employees with respect, and praising them for excellence. Encouraging employees to specialize is not a form of motivation. Investing in new technology is capital investment. Sharing customer information with employees is a form of communication.  
SOURCE: EC:013  
SOURCE: EC LAP 18—Make the Most of It (Productivity)

**SAMPLE MARKETING CLUSTER EXAM—KEY**

22. B  
Increasing returns. When there are too few workers, they may not be able to handle resources well. So, companies choose to add workers which makes everyone more efficient and productive. This is called increasing returns. The company may continue to add workers, believing that output will continue to rise, which is not the case. At some point, too many workers will again become inefficient, and although output may still rise, it will be at a diminishing rate. This is known as diminishing returns. Marginal returns, return on revenue, and return on input are all fictitious terms.  
SOURCE: EC:023  
SOURCE: Arnold, R.A. (2004). *Economics* (6th ed.) [pp. 498-501]. Cincinnati: Thomson/South-Western.
23. A  
No, these are transfer payments. Transfer payments are not counted in GDP because they are payments of tax dollars for which the recipients do not produce goods or services. No increase in the total output of the economy is achieved. Transfer payments are part of government spending, but they are not government purchases. The purchases made by the recipients of transfer payments for their own use would be counted under personal consumption expenditures.  
SOURCE: EC:017  
SOURCE: EC LAP 1—Measure Up? (Gross Domestic Product)
24. D  
Discouraged workers are not included. Discouraged workers are those people who want to work but have given up looking for jobs. Most of these people have been out of work for a long time and no longer show up in the records that track people who are looking for work or receiving unemployment benefits. As a result, the unemployment rate usually is higher than indicated because of the people who are not included. The unemployment rate is seasonally adjusted. Underemployed people are not included in the unemployment rate because they are working. The overall unemployment rate does not reflect regional differences; however, there are rates available for specific geographic areas.  
SOURCE: EC:082  
SOURCE: Bureau of Labor Statistics. (2009, October 16). *How the government measures unemployment*. Retrieved August 28, 2013, from [http://www.bls.gov/cps/cps\\_htgm.htm](http://www.bls.gov/cps/cps_htgm.htm)
25. A  
Its currency loses value. Most countries have their own currency. A currency value can change in relation to other countries' currency values. Many factors can affect a currency's value. When a country experiences political instability, its currency value decreases because the country's future is uncertain. High unemployment rates and insufficient trade are factors that can lead to or result from political unrest.  
SOURCE: EC:100  
SOURCE: Miller, R.L. (2005). *Economics: Today and tomorrow* (pp. 481-484). New York: Glencoe/McGraw-Hill.
26. B  
Integrity. Ethics are principles that guide behavior and give an individual a sense of right and wrong. A person with integrity follows these principles. Apathy is indifference or lack of concern. Intelligence is determined by brain power, not ethics. Bravery is courage.  
SOURCE: EI:022  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [p. 84]. Tinley Park, IL: The Goodheart-Willcox Co.
27. C  
Lets you know what is expected of you. No one likes to get negative feedback, but it is valuable because it lets you know what you are doing wrong and what is expected of you. While negative feedback may not make you feel good about yourself at the moment, you must keep in mind that a certain amount of criticism on the job is absolutely necessary. There is no way people can avoid making mistakes from time to time.  
SOURCE: EI:003  
SOURCE: EI LAP 15—Grin and Bear It (Using Feedback for Personal Growth)



## SAMPLE MARKETING CLUSTER EXAM—KEY

28. B  
Highway speed limits. Governmental changes refer to new or revised laws, regulations, policies, public services, and leadership. Changes in highway speed limits are governmental changes. Changes in the use of automation are technological changes. Changes in the price of goods are economic changes. Changes in a person's occupation are personal changes.  
SOURCE: EI:026  
SOURCE: QS LAP 15—Stuff Happens! (Adaptability)
29. D  
Personal credibility. Credibility is believability. When you are credible, others believe what you say. If people get in the habit of believing you, they are more likely to be persuaded to agree with you or follow your lead. Nonverbal, or body, language includes gestures, facial expressions, and any other way of communicating without the use of words. Creativity is the ability to generate unique ideas, goods, or services. Listening skills involve the ability to accurately assess and interpret statements made by others. Although cultural sensitivity, creativity, and listening skills may help you to persuade others, they will not necessarily make others believe what you say.  
SOURCE: EI:012  
SOURCE: QS LAP 10—Win Them Over
30. C  
To maintain productivity. Stress is a mental, physical, or emotional feeling of pressure or tension. Excessive stress can have a negative effect on employees, such as reducing productivity. When employees feel stress, they may not work efficiently. Also, stress may cause employees to miss work because of stress-related illnesses. To maintain productivity, many businesses develop activities and programs that help employees reduce stress. For example, some businesses provide recreational activities such as exercise programs during the work day. Some businesses provide quiet areas for employees to relax or listen to music. The intention is to reduce stress so employees will remain healthy and productive. Businesses do not develop programs and activities to help reduce employee stress to encourage creativity, eliminate conflict, or exhibit empathy.  
SOURCE: EI:028  
SOURCE: Farese, L.S., Kimbrell, G., Woloszyk, C.A. (2012). *Marketing essentials* (p. 235). Columbus, OH: Glencoe/McGraw-Hill.
31. C  
To remain anonymous. When reaching a consensus by a formal method, group members might prefer to use questionnaires to remain anonymous. Keeping everyone's answers straight and making sure that everyone participates are actions that ought to occur whether the process is formal or informal. Prioritizing responses is not the purpose of the consensus (building process), whether formal or informal.  
SOURCE: EI:011  
SOURCE: EI LAP 19—It's a Group Thing (Consensus Building)
32. D  
They require hard work and determination. Visions require hard work and determination if you want to make them into reality. You will most likely encounter many setbacks along the way, and your vision will keep you on track. Visions are not exactly the same as dreams. You might dream of becoming a billionaire by the end of the year, but that isn't a vision because visions are realistically attainable. Many visions can and have permanently changed the world. Visions are not intended for the short-term future; rather, most visions will be turned into reality over a long period of time.  
SOURCE: EI:063  
SOURCE: QS LAP 11—Picture This

**SAMPLE MARKETING CLUSTER EXAM—KEY**

33. C  
Giving feedback. One of a coach's most important tasks is giving feedback. Coachees need to know what they did right, what they did wrong, and how they can improve. By giving feedback or evaluative information, coaches are able to help coachees improve their performance. Caring for others, accepting change, and being honest are characteristics of effective coaches rather than a coach's most important tasks.  
SOURCE: EI:041  
SOURCE: QS LAP 7—Bring Out the Best
34. D  
Developing a support base. Individuals build political relationships in business to help further their career goals, as well the organization's goals. Individuals who respect and work well with others are more likely to have positive relationships with managers and other influential members of the organization. When individuals take action to build these relationships, they are developing a support base. Taking credit for others' work is a negative political tactic. Encouraging workplace competitiveness can create a negative, distrustful environment. Cynical coworkers tend to be negative and distrusting. Fostering relationships with these individuals may hurt a person's political influence.  
SOURCE: EI:034  
SOURCE: DuBrin, A.J. (2007). *Fundamentals of organizational behavior* (4th ed.) [pp. 270-274]. Mason, OH: Thomson South-Western.
35. D  
Paper money. Currency is the paper or metal (coin) money that individuals and businesses use to buy and sell goods and services. Paper money and coins are issued by a country's government. Corporate bonds are bonds issued by corporations to fund operating expenses. Governments do not issue brokerage bills, and certified notes are not forms of currency.  
SOURCE: FI:059  
SOURCE: Giese, B. (2013, July 15). *World paper money: How many countries currently issue paper money?* Retrieved August 28, 2013, from <http://stason.org/TULARC/recreation/paper-money/4-6-World-Paper-Money-How-many-countries-currently-issue-p.html>
36. A  
Getting started now. The single most important aspect of making a financial plan and setting goals is getting started *now*. Learning to make hard choices, making enough money, and choosing a career path are important aspects of goal setting, but they are not as important as simply getting started.  
SOURCE: FI:065  
SOURCE: QS LAP 31—Set Yourself Up (Setting Financial Goals)
37. D  
\$1,170. Isaac's net income is his actual take-home pay, which is equal to his gross income (his total earnings before deductions) less his withholdings (his total deductions). To calculate his net income, subtract his total deductions from his total earnings before deductions ( $\$1,425 - \$255 = \$1,170$ ).  
SOURCE: FI:068  
SOURCE: ClearPoint Credit Counseling Services. (2011). *How to read your paycheck stub*. Retrieved August 28, 2013, from [http://www.clearpointcreditcounselingsolutions.org/credit\\_counseling\\_paystubs.aspx](http://www.clearpointcreditcounselingsolutions.org/credit_counseling_paystubs.aspx)

## SAMPLE MARKETING CLUSTER EXAM—KEY

38. A  
Identity theft. Monitoring financial accounts and reading bank statements helps you identify unusual transactions, purchases, or money withdrawals. If inconsistencies are detected, you can notify your financial-services providers to hold or close your accounts to prevent further use by identity thieves. Intellectual property infringement involves using copyrighted, trademarked, or patented property without the owner's permission. Hijacking is using force to seize a vehicle (e.g., aircraft, car) in transit. Securities fraud involves using deception to convince investors to purchase securities.  
SOURCE: FI:073  
SOURCE: Bell, C. (2013, August 1). *7 ways to protect yourself from identity theft: Monitor credit and bank accounts closely*. Retrieved August 28, 2013, from <http://www.bankrate.com/finance/personal-finance/7-ways-protect-yourself-id-theft.aspx#slide=8>
39. C  
Transferring it. The promoter is transferring the risk to the attendee, though this does not relieve the facility or manager of the event from providing a safe environment. Not offering the event would be avoidance. Elimination of risk is virtually impossible. Retention means the promoter would keep, or retain, the risk.  
SOURCE: FI:084  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [p. 688]. Tinley Park, IL: The Goodheart-Willcox Co.
40. D  
Business failure. Businesses that do not keep a close eye on the movement of funds into and out of their organizations are likely to fail. An insufficient cash flow is the cause of many business failures. An insufficient cash flow does not cause businesses to raise prices. A business may be making a profit even though it has insufficient cash flow. A business that is fiscally stable would have sufficient cash flow.  
SOURCE: FI:091  
SOURCE: FI LAP 6—Count the Cash (Cash Flow Statements)
41. A  
Make the right decisions. Finance is the process of obtaining funds and using them to achieve the goals of the business. As a result, employees involved in finance often have many decisions to make that affect the company and its customers. Making the right decisions is often difficult because employees try to do what is best for the company and for customers. Being ethical and having ethical standards to follow often helps employees make the right decisions. The role of ethics in finance is not to encourage employees to increase company profits, sell to customers, or prepare operating budgets.  
SOURCE: FI:355  
SOURCE: Megginson, W.L. & Smart, S.B. (2006). *Introduction to corporate finance* (pp. 31-32). Mason, OH: Thomson South-Western.
42. C  
Increased costs. Merchandising budgets determine inventory levels by regulating and planning for the amount of products expected to be sold to customers. When there is more merchandise available than customers want, the business's costs increase for storing, protecting, and insuring the excess merchandise. Accurate merchandising budgets help prevent this situation. Purchasing more goods than customers want to buy will not help a business to increase its sales, expand its market, or generate surplus profit.  
SOURCE: FI:106  
SOURCE: FI LAP 3—Money Tracks (Nature of Budgets)

## SAMPLE MARKETING CLUSTER EXAM—KEY

43. B  
Storage and disposal of chemicals. Storage and disposal of chemicals is a workplace-related safety and health issue that is most likely regulated by law. Sometimes, companies go above and beyond their legal obligations to provide safe and healthy work environments and offer optional programs such as weight-management programs, smoking cessation support groups, and health education information sessions.  
SOURCE: HR:410  
SOURCE: HR LAP 35—People Pusher (Nature of Human Resources Management)
44. B  
Web-based information services. External marketing data is information from outside the business. The Internet is a technological tool that allows a business to retrieve external marketing information quickly. Web-based information services, such as online libraries, provide a wide range of information for marketers. Sales reports, accounts receivable summaries, and inventory records are examples of internal sources of marketing information.  
SOURCE: IM:183  
SOURCE: Zikmund, W.G., & Babin, B.J. (2010). *Exploring marketing research* (10<sup>th</sup> ed.) [pp. 174-181]. Mason, OH: South-Western Cengage Learning.
45. C  
They vary by jurisdiction. Businesses have the ability to easily collect information from people who visit their websites and from customers who purchase their goods and services. While collecting this type of information helps a business to determine which products sell and what customers want, the business must be careful not to break consumer-privacy laws, which vary by jurisdiction. Jurisdiction is the authority a court has to resolve a legal issue. Jurisdiction is affected by many factors including geographic location (e.g., state, province, country), customer (e.g., children), and industry (e.g., financial, healthcare). Consumer-privacy laws are not enforceable at an international level.  
SOURCE: IM:419  
SOURCE: ConsumerPrivacyGuide.org. (n.d.). *Your privacy protection under the law*. Retrieved August 28, 2013, from <http://www.consumerprivacyguide.org/law/>
46. B  
Test marketing. Test marketing is the process of introducing a new product to a limited market to determine what its acceptance will be. During the test-marketing process, the business monitors the product's sales to analyze demand and surveys customers to obtain their opinions about the product. If the product is not accepted by the test market, the business may make changes to the product and retest it later, or it may discontinue the product. If the product launch is unsuccessful, the business reduces the risk of financial loss because the testing is done in a limited market rather than nationwide. Observation involves gathering data by watching consumers. Surveys involve asking consumers questions to learn their opinions and the reasons behind those opinions. A consumer panel is a group of consumers formed for the purpose of discussing a specific topic, usually a good or service.  
SOURCE: IM:010  
SOURCE: IM LAP 5—Seek and Find (Marketing Research)
47. B  
It is quick. One of the advantages of secondary research is that it is quick to conduct. The data already exist—marketers just need to access them. However, secondary data can be out of date, and they are not specific to the needs of the particular research study. Also, conducting secondary research gives marketers less control over the study.  
SOURCE: IM:281  
SOURCE: IM LAP 15—What's the Source? (Obtaining Marketing-Research Data)

## SAMPLE MARKETING CLUSTER EXAM—KEY

48. C  
Exploratory. Exploratory research involves collecting information to help the business define its issue, situation, or concern, and decide how to proceed with its research. Causal or conclusive research focuses on cause and effect and tests “what if” theories. Interviews are conversations in which a researcher surveys an individual to obtain research data. An experiment is a research method that tests “cause and effect” by test marketing new products or comparing test groups with control groups.  
SOURCE: IM:284  
SOURCE: Zikmund, W.G., & Babin, B.J. (2010). *Exploring marketing research* (10th ed.) [pp. 50-54]. Mason, OH: South-Western Cengage Learning.
49. D  
Simple. A simple sampling strategy is used when the researchers believe that the population is relatively homogeneous for the characteristic of interest. In this case, the researchers would feel that people sharing the same major, business, would have similar interests. Proportionate sampling is used when subgroups vary dramatically in size in our population. Researchers can select more participants from larger groups to ensure that they are adequately represented. Stratified random sampling is used when subgroups in the population differ a great deal in their responses or behavior. To overcome this issue, researchers treat the population as though it were multiple, separate populations and then randomly sample within each subgroup. Marketers would choose cluster sampling when it would be impossible or impractical to identify every person in the sample. As an example, imagine that a large international business wants to survey its employees but does not have a staff directory from which names could be sampled. It would be easier to sample by department. The researchers could randomly sample a percentage of employees within each randomly selected department rather than trying to sample that percentage of employees companywide.  
SOURCE: IM:285  
SOURCE: IM LAP 16—Take Your Pick (Sampling)
50. A  
Diaries record repetitive behaviors that occur at frequent intervals. When marketing researchers conduct an ongoing study about certain behaviors, they often require the study's participants to keep a diary of their various activities and habits. Diaries, which participants often keep for an extended period of time, record information about commonly performed, repetitive activities such as eating, shopping, television viewing, radio listening, etc. By recording this type of information over time, researchers can obtain detailed information about customer buying habits, brand preferences, spending behavior, television-viewing habits, etc. Because some of the information that the researchers collect from diaries is qualitative in nature, it is often a complex process to convert the data into statistical information for tabulation.  
SOURCE: IM:287  
SOURCE: Zikmund, W.G., & Babin, B.J. (2010). *Exploring marketing research* (10th ed.) [pp. 180-181]. Mason, OH: South-Western Cengage Learning.
51. C  
Focus groups. Primary market research is information that marketers collect for a specific purpose. A focus group is an example of a method for obtaining primary data. A focus group is a group that is formed for the purpose of discussing a specific topic. Businesses use focus groups to obtain direct feedback about their products and image. A search engine is a computer software program that explores the Web looking for information for specific search terms and displays a list of results. Search engines, government publications, and industry periodicals are sources of secondary research.  
SOURCE: IM:289  
SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 602, 612-614). New York: Glencoe/McGraw-Hill.

## SAMPLE MARKETING CLUSTER EXAM—KEY

52. B

What, if anything, did you like best about the last computer you purchased? This question gives participants the option of indicating that they didn't like anything about their last computer rather than forcing them to identify something positive about the computer even if they didn't feel positive about it. Asking where participants bought their last computer equipment and software should be turned into two separate questions since the participants might have purchased the computer equipment and software at two different locations. By doing that, the researcher is addressing one issue at a time rather than asking a question with a multiple focus. Asking participants what they liked best about their last computer purchase is vague and needs to be rewritten. Does the researcher want to know about the purchasing process or the computer, itself? Asking about purchasing a computer at a store surrounded by other stores and lots of traffic is not neutrally stated since most customers do not care for lots of traffic. This question, too, needs to be reworded so that it doesn't bias participant responses.

SOURCE: IM:418

SOURCE: eHow.com. (n.d.). *How to create a market survey*. Retrieved August 28, 2013, from [http://www.ehow.com/how\\_8597\\_create-market-survey.html](http://www.ehow.com/how_8597_create-market-survey.html)

53. D

Assigning a numeric value. Coding is the process of assigning a numeric value to the various responses on a marketing questionnaire or survey. Some questionnaires contain built-in codes such as when the respondent is asked to rate agreement with a question on a scale of one to five. The numbers from one to five are the numeric codes. For other types of questionnaires, researchers often establish a master code. For example, there are six possible responses to a certain question and the third answer has a numeric value of three, but that number is not printed on the questionnaire. Once the responses are coded and individuals complete the questionnaire, researchers are able to tabulate the responses, rate the agreement to each answer, and compute a total score.

SOURCE: IM:062

SOURCE: Zikmund, W.G., & Babin, B.J. (2010). *Exploring marketing research* (10th ed.) [p. 498]. Mason, OH: South-Western Cengage Learning.

54. D

Supporting a cause. When a company works with a non-profit organization such as the Red Cross, it is supporting a cause. It is not developing new products/services, expanding, or improving customer satisfaction, although customers may be pleased to see the company supporting the cause.

SOURCE: MK:015

SOURCE: MK LAP 2—Act Now (Employee Actions)

55. B

Employees. Tactics are specific actions that will be used to carry out strategies. In business, the employees are responsible for carrying out the tactics to achieve the marketing strategies. The executives are responsible for developing the strategies that the employees will follow. The customers are the ones for whom the marketing strategies and tactics are planned. Stockholders of a company are not involved in developing strategies.

SOURCE: MP:001

SOURCE: MP LAP 2—Pick the Mix (Marketing Strategies)

56. D

Mix. A marketing plan is a set of procedures or strategies for attracting the target customer to a business. One section of an effective marketing plan explains the marketing mix, which is the combination of the four elements of marketing—product, place, promotion, and price. A business needs to plan how it will use these elements to reach the target customer and effectively market its goods and services. The marketing concept is a philosophy of conducting business that is based on the belief that all business activities should be aimed toward satisfying consumer wants and needs while achieving company goals. Policies are general rules to be followed by company personnel. Risk is the possibility of loss or failure.

SOURCE: MP:007

SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [p. 29]. Tinley Park, IL: The Goodheart-Willcox Co.

## SAMPLE MARKETING CLUSTER EXAM—KEY

57. C

Accomplish a task. Businesses need information to manage and operate the business. The reason they obtain information is to use it to accomplish a task, such as locating new customers, organizing inventory, or developing a new marketing strategy. Simply obtaining information is not useful unless the business applies it to accomplish a task. Businesses do not obtain information simply to develop a database. They determine a need before obtaining information. They evaluate the source of the information to determine its usefulness before applying it to accomplish a task. Not all of the business's information is used to recruit employees.

SOURCE: NF:080

SOURCE: Bovée, C.L., Thill, J.V., & Mescon, M.H. (2007). *Excellence in business* (3rd ed.) [pp. 132-135]. Upper Saddle River, NJ: Pearson Prentice Hall.

58. C

Use computer passwords to limit access to certain data. Businesses have the responsibility to protect their customers' confidential information. One way to protect confidential information is to limit the access to employees who need or use the information. Requiring qualified employees to use computer passwords to access the confidential information can reduce the risk of unethical behavior—such as snooping or spying. Anti-virus software, client-tracking capabilities, and a resignation request would not prevent the employee from obtaining the information. The business would likely reprimand or fire the employee for his/her unethical behavior after the incident occurred.

SOURCE: NF:111

SOURCE: Pruitt, S. (n.d.). *How to secure customer data from your employees*. Retrieved August 28, 2013, from <http://www.allbusiness.com/technology/software-services-applications-online/7310538-1.html>

59. A

Manage their time. Many employees use electronic calendars to keep track of their activities and prepare schedules. The benefit of using these devices is that it allows employees to manage their time because they can keep a schedule of their activities. They know what they have to do at a certain time on a certain date, such as attend a meeting. They can also list deadlines for projects. This enables them to plan the use of free time in order to accomplish their assigned responsibilities. Employees do not use an electronic calendar to communicate with coworkers or delegate tasks. Employees use electronic calendars to keep track of deadlines; however, managers usually determine the deadline based on the priority of the project.

SOURCE: NF:005

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (pp. 359-361). New York: Glencoe/McGraw-Hill.

60. C

Groupware. Groupware is specialized software that allows users to work on documents together, share files, and communicate quickly and easily. While some groupware requires users to collaborate through an intranet, much of today's groupware is Internet-based, allowing group members in multiple locations to work together online. Many Web 2.0 tools such as Google Apps are groupware applications. Shareware is essentially sample software. It gives consumers an opportunity to try software free-of-charge before purchasing it. Because it is merely a sample, the shareware is likely to be limited in functionality or time. Spyware is malicious software installed on computers to gather users' personal information. Freeware is software available at no cost to consumers.

SOURCE: NF:011

SOURCE: Pinola, M. (n.d.). *What is groupware?* Retrieved August 28, 2013, from <http://mobileoffice.about.com/od/glossary/g/what-is-groupware.htm>

## SAMPLE MARKETING CLUSTER EXAM—KEY

61. A  
Outsourcing the task. Hiring a data processing center to handle record keeping is outsourcing the task of keeping records—one approach to record keeping. Other approaches include keeping the records personally, hiring an employee to do the job, or establishing a department to handle keeping specific records.  
SOURCE: NF:001  
SOURCE: NF LAP 1—Record It (Business Records)
62. A  
Unemployment rate. An environmental scan is an analysis of external forces that influence a business's success. The fluctuation of unemployment rates is an economic factor because unemployment has an effect on consumers' ability to buy goods and services. If consumers are unemployed, they do not have income to spend. As a result, businesses do not sell as much because consumers are not buying. When this situation occurs, businesses often reduce expenses in an attempt to stay in business until the rate of employment starts to rise again. Increased regulation is a political factor. Population shift is a demographic factor. Lifestyle adjustment is a cultural factor.  
SOURCE: NF:015  
SOURCE: NF LAP 2—Get the 411 (Environmental Scans)
63. D  
Aid decision making. Statistics are information presented in numerical form. For the statistics to be useful, businesses must analyze and interpret them. Businesses often base business decisions on statistical information. For example, a business may obtain statistical information that indicates a product is not selling well. Based on the statistical information, the business may decide to phase out or stop making the product. Or, if statistical information indicates that the demand for the product exceeds the available supply of the product, the business may decide to increase production. Businesses use promotional activities to influence people to buy their products. Although analyzing statistical information might spark an employee's creativity (e.g., for problem-solving purposes), it is not a primary reason for interpreting it.  
SOURCE: NF:093  
SOURCE: Winthrop, A. (2007, September 24). *Using statistics to measure business performance*. Retrieved August 28, 2013, from <http://ezinearticles.com/?Using-Statistics-To-Improve-And-Measure-Business-Performance&id=744164>
64. B  
Computerizing the purchasing function. Operations are the day-to-day activities required for continued business functioning. One aspect of operations is the purchasing function which involves obtaining the products for use in the business or for resale. Purchasing is important because employees need materials and supplies to do their jobs. By computerizing the purchasing function, businesses are able to place orders electronically, continually track the level of inventory so orders can be placed automatically, and pay invoices by transferring funds electronically. This technology speeds up the purchasing process and helps to make sure that needed materials and supplies are always available. Technology does not automate the work force or organize a conveyor system. Robotics is a type of technology.  
SOURCE: OP:191  
SOURCE: Pride, W.M., Hughes, R.J., & Kapoor, J.R. (2008). *Business* (9th ed.) [pp. 289-290]. Boston: Houghton Mifflin.



## SAMPLE MARKETING CLUSTER EXAM—KEY

65. A  
Strain. While lifting the heavy boxes, Henry strained his back, which caused pain in his abdomen. A strain is an injury to muscles or tendons caused by stretching or tearing of the ligaments. Back and abdominal strains usually occur during the motions of lifting up and setting down heavy loads. Sprains are injuries caused by stretching or tearing ligaments at a joint in the body. Common types of sprains occur in ankles, fingers, wrists, and knees. Closed wounds are injuries in which the skin is not broken, but the tissue underneath is damaged. Open wounds are injuries involving a break in the skin. Open wounds include such injuries as scrapes, cuts, and punctures.  
SOURCE: OP:009  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [pp. 565-566]. Tinley Park, IL: The Goodheart-Willcox Co.
66. B  
To plan for the unexpected. When identifying resources, it is important to be realistic. This often means planning for the unexpected because it's not a good idea to assume that everything will go correctly. Therefore, it is important to build in a safety net, or padding, in case something happens. For example, allow a little more time in the event that project members need to deal with other activities. It is not a good idea to try to cut corners and get by with less than you really need. Building in a safety net does not involve finding substitutes or obtaining financial support.  
SOURCE: OP:003  
SOURCE: QS LAP 19—Get What You Need
67. B  
Prepare a satisfaction survey. When a business completes a project for a customer, it is important to involve the customer in the evaluation process to determine if the customer is satisfied with the results. One technique to use is to prepare a satisfaction survey, and have the customer complete the survey and include additional comments. For example, the survey might ask about the quality of work or the length of time involved in completing the project. Customers can rate the project based on their expectations in comparison to actual results. Customers often analyze a project proposal before hiring a business to complete a project. A business organizes the management team and determines the contract criteria before beginning a project.  
SOURCE: OP:159  
SOURCE: Docstoc. (2013). *Customer satisfaction survey template*. Retrieved August 28, 2013, from <http://premium.docstoc.com/docs/44026665/Customer-Satisfaction-Survey-Template>
68. A  
Retail buyer. A retail buyer analyzes sales data, trends, and supplies when selecting products for the store to sell. Producers make the goods—they do not buy ready-made goods to resell to the end users. Industry researchers often conduct a variety of studies within a specific industry, which may ultimately aid the buyer in decision making. A receiving manager is responsible for supervising the acceptance, handling, and disbursement of orders.  
SOURCE: OP:015  
SOURCE: OP LAP 2—Buy Right (Purchasing)
69. D  
Criteria. Criteria are the standards that businesses often establish in order to select vendors. Businesses want to make sure that vendors will be able to provide the quality of product that is needed as well as deliver it on time and for a reasonable price. For example, one criterion might be that a vendor is able to provide repair service, if needed. Then, those vendors that do not have that capability will not be considered. A purchase order is the form that a business fills out to order goods. Once a vendor accepts a purchase order, it becomes a contract. Vendors usually prepare price sheets.  
SOURCE: OP:161  
SOURCE: Monczka, R.M., Handfield, R.B., Giunipero, L.C., & Patterson, J.L. (2009). *Purchasing and supply chain management* (4th ed.) [pp. 98-99]. South-Western Cengage Learning.

## SAMPLE MARKETING CLUSTER EXAM—KEY

70. A  
Sidewalks. Properly maintaining sidewalks is important to businesses because customers use them regularly. Most businesses try to keep their sidewalks in good repair in order to prevent uneven surfaces that may cause customers to trip or fall. Businesses also sweep debris from their sidewalks and remove snow and ice in the winter if necessary. Properly maintaining sidewalks helps to prevent injury to customers and employees and presents an orderly image of the business. Fixtures, furniture, and shelving are types of accessories and equipment rather than areas in a business that must be maintained.  
SOURCE: OP:032  
SOURCE: Nolo (2013). *Slip and fall accidents: Proving fault*. Retrieved August 28, 2013, from <http://www.nolo.com/legal-encyclopedia/slip-fall-accidents-proving-fault-29845.html>
71. C  
Efficiency. Creative thinking often results in suggestions for operational changes that serve to increase efficiency and reduce business expenses. Suggestions that tend to bring conflict, increased costs, and increased losses will probably be unwelcome.  
SOURCE: PD:012  
SOURCE: LAN Infotech. (2012, March 16). *The benefits of encouraging creativity in the workplace*. Retrieved August 28, 2013, from <http://blog.laninfotech.com/2012/the-benefits-of-encouraging-creativity-in-the-workplace/>
72. C  
Job requirements. Individuals currently employed in specific occupations are often good sources of information about those jobs and their requirements. These employees perform the required tasks on a daily basis and can explain the jobs to others. They can provide details about what the jobs actually entail and describe an average workday. Employees in specific fields might not have information about referral programs, placement services, or industry statistics.  
SOURCE: PD:022  
SOURCE: Wanat, J.A., Pfeiffer, E.W., & Van Gulik, R. (2012). *Discovering careers* (7th ed.) [p. 90]. Tinley Park, IL: The Goodheart-Willcox Company, Inc.
73. C  
Salary requirements. Some employment applications ask you to indicate your salary expectations or requirements. This type of information is better to discuss in person because the wage you are willing to accept may depend on other factors such as paid benefits, vacation time, tuition reimbursement, etc. It is acceptable to write "open" or "negotiable" in this section which will give you the opportunity to find out more about the position in an interview before making salary decisions. Information that you should routinely provide in an employment application includes your job expectations, personal references, and any special qualifications you may have.  
SOURCE: PD:027  
SOURCE: Bailey, L.J. (2007). *Working* (4th ed) [p. 47]. Mason, OH: South-Western Cengage Learning.
74. B  
Briefly describe her previous job responsibilities. A résumé should briefly present all relevant information that would help an employer select an applicant to interview. In the work-experience portion of the résumé, the applicant should identify all jobs in reverse chronological order, starting with the current or most recent job. The applicant should provide the name and address of the employer, the time period of employment, and the nature of the job responsibilities. Work interests and career goals, technical training, and the applicant's address and telephone information are found in other sections of the résumé.  
SOURCE: PD:031  
SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (pp. 122-124). New York: Glencoe/McGraw-Hill.

## SAMPLE MARKETING CLUSTER EXAM—KEY

75. C  
Traits such as initiative and commitment. A trait is a personal characteristic expressed by a regular pattern of behavior that becomes a part of you over time. An internship is an arrangement in which schools and businesses cooperate to provide on-the-job training or practice for learners. Employers often feel that applicants who have participated in internship programs exhibit initiative (motivation) and commitment to carry out objectives and gain experience to help further their careers. Therefore, traits, such as initiative and commitment, are valuable to employers because they generally want to hire personnel who are committed and motivated in job-related tasks. Internships do not always provide interns with experience in financial matters. A well-rounded education and sales contacts are not personal traits.  
SOURCE: PD:032  
SOURCE: Farese, L.S., Kimbrell, G., Woloszyk, C.A. (2012). *Marketing essentials* (p. 876). Columbus, OH: Glencoe/McGraw-Hill.
76. B  
Trade journal. Trade journals are a type of business magazine aimed at businesspeople interested in particular industries. Trade journals contain information about new trends, technology, and upcoming events related to specific industries. Employees read trade journals in order to keep current on developments in their industries. News magazines and daily newspapers contain information of interest to the general public. An annual report contains information about the financial condition and activities of a certain business.  
SOURCE: PD:036  
SOURCE: Clark, B., Basteri, C.G., Gassen, C., & Walker, M. (2014). *Marketing dynamics* (3rd ed.) [p. 194]. Tinley Park, IL: The Goodheart-Willcox Co.
77. C  
Competition. Price fixing occurs when competing businesses agree on the prices of their goods or services, resulting in little choice for the consumer. Price fixing does not restrict loss leaders, tariffs, or unit pricing. A loss leader is a product that is sold below cost to draw customers into a store. A tariff is a tax on imported goods. Unit pricing is a pricing technique in which consumers are given the price per unit for products.  
SOURCE: PI:015  
SOURCE: Farese, L.S., Kimbrell, G., Woloszyk, C.A. (2012). *Marketing essentials* (p. 595). Columbus, OH: Glencoe/McGraw-Hill.
78. A  
Economic conditions. High employment and an optimistic outlook are characteristic of good economic conditions. When economic conditions are good, selling prices will tend to increase. Competition, government regulation, and supply and demand are other external factors that affect selling prices.  
SOURCE: PI:002  
SOURCE: Soloman, M. R., Marshall, G. W., & Stuart, E. W. (2008). *Marketing: Real people, real choices* (5th ed.) [pp. 350-351]. Upper Saddle River, NJ: Pearson Prentice Hall.
79. A  
New-product development. Costs and available resources are especially important factors for product/service managers to examine during the new-product development phase of product/service management. A company may have a great idea for a new product, but it may not be cost-effective if it is too expensive to develop and produce, or if the needed materials are too scarce to obtain affordably. It is too late by the time the product is already on the market (in the monitoring or elimination phases). Idea generation is just one stage in the new-product development process.  
SOURCE: PM:001  
SOURCE: PM LAP 17—Rapping Up Products (Nature of Product/Service Management)

## SAMPLE MARKETING CLUSTER EXAM—KEY

80. C  
Tracking visitors to their websites. As a result of computer technology, many businesses have developed websites that are accessible to customers. The technology that allows businesses to have websites also makes it possible for those businesses to track the visitors to their websites and obtain information about them such as name, address, type of purchase, amount of sale, etc. Businesses often use this information to improve their product/service mix. For example, if a business determines that customers are not buying a certain product, they might improve the product or replace it. Businesses do not use computer technology to mail questionnaires to customers. Businesses often compile the information they obtain through their websites in databases. However, the information is not useful until the businesses analyze it. Simply preparing interactive software programs will not help businesses to obtain information.  
SOURCE: PM:039  
SOURCE: Roberts, M. (2008). *Internet marketing: Integrating online and offline strategies* (2<sup>nd</sup> ed.) [pp. 12-13]. Mason, OH: Cengage Learning.
81. D  
Natural resources that are needed to produce them. Because of continual advances in technology, some products become obsolete very quickly. Some businesses plan for these products to become obsolete quickly so they can sell new, updated versions. This is often considered an ethical issue because the use of natural resources may be involved in producing goods that have a short life span. Many people believe that it is unethical to waste valuable natural resources to produce products that will be used for only a short time. The cost of designing and developing products, the value of training employees to sell those products, and the way that customers decide to use the products are not reasons why the planned obsolescence of certain products often is considered an ethical issue.  
SOURCE: PM:040  
SOURCE: Etzel, M. J., Walker, B. J., & Stanton, W. J. (2007). *Marketing* (14th ed.) [p. 249]. New York: McGraw-Hill Irwin.
82. B  
Creative thinking. A product opportunity is a favorable circumstance that presents itself to provide a good or service that consumers are willing to buy. Some product opportunities are identified by using creative thinking techniques, one of which involves making a connection between two unrelated items, ideas, or approaches. Decision making and testing take place after the product opportunity has been identified through creative-thinking techniques. Businesspeople often use creative-thinking techniques to solve problems.  
SOURCE: PM:134  
SOURCE: Meyer, E.C., & Allen, K.R. (2006). *Entrepreneurship and small business management* (p. 51). New York: Glencoe/McGraw-Hill.
83. C  
Group members most often generate new ideas by altering or building upon another idea. When more than one person is involved in the creative-thinking process, different types of ideas are often generated because each member has a unique point of view. Often, one member contributes an idea. When this occurs, another member might come up with another idea based on the original idea. The success of group creative-thinking processes depends on many factors, including each member's contribution and the situation requiring idea generation. Therefore, it cannot be assumed that one technique is more effective or generates more ideas than another technique.  
SOURCE: PM:127  
SOURCE: PM LAP 11—Unleash Your Oh! Zone (Techniques for Generating Ideas)
84. A  
Reduced number of products available. Time standards monitor the amount of time needed to complete an activity. Not completing activities on time often results in fewer products being produced or being available for sale. This can increase costs to the point that businesses have a financial loss. The effects on product quality and promotion cannot be determined.  
SOURCE: PM:019  
SOURCE: PM LAP 8—Raising the Bar (Grades and Standards)

**SAMPLE MARKETING CLUSTER EXAM—KEY**

85. C  
Redesign of packaging. When problems with products occur, businesses may be required by federal agencies to redesign the product, its packaging, label, or instructions in order to comply with government rules. The Fair Packaging and Labeling Act requires product labels which identify the product, provide the name and address of the producer or distributor, and describe the contents of the package. Rather than asking consumers for money when a product fails to meet government standards, a business is much more likely to refund the consumers' monies or provide free repairs. A business would not care to pay advertising expenses to make people aware of its product's problems. Problems with products appear in news articles. In addition, the Consumer Product Safety Commission distributes information to the public about hazardous products. It also publishes the names of manufacturers and brands of injurious products as a warning to consumers not to purchase these products.  
SOURCE: PM:017  
SOURCE: PP LAP 7—Consumer Protection in Product Planning
86. A  
Points of difference. Positioning refers to the ways in which a business creates a certain image or impression of itself in the minds of customers. A company evaluates many factors when it positions itself—its target market, its products, and its competitors. By evaluating its competitors, the company can determine ways in which it differs from other companies that provide similar products. By doing so, the business is determining its points of difference with other businesses. By knowing these points of difference, which include the competitors' strengths and weaknesses as well as its own, the business can determine how to set itself apart from the competition. Then, the business can use this information to position itself by emphasizing its uniqueness in comparison to its competitors. Profit margins, managerial styles, and support services might be points of difference.  
SOURCE: PM:207  
SOURCE: Kotler, P., & Lane, K. (2006). *Marketing management* (12th ed.) [pp. 312-313]. Upper Saddle River, NJ: Prentice Hall.
87. B  
Product and price. Promotion is a marketing function that communicates information about goods, services, images, and/or ideas to achieve a desired outcome. Internal factors that affect a company's promotional efforts are product, price, and place. Demand and competition are external factors that affect promotion.  
SOURCE: PR:001  
SOURCE: PR LAP 2—Razzle Dazzle (Nature of Promotion)
88. B  
Maturity. To reach the maturity stage, a product must be well established. Competition increases and focuses on promoting the differences of competing products. During the introductory stage, a product doesn't have much, if any, competition; and the promotional efforts are focused on informing consumers about the product. The growth stage is when competition increases, but the product is not yet well established. Once newer products start taking the place of existing ones, a company's product enters the declining stage and eventually stops production.  
SOURCE: PR:003  
SOURCE: PR LAP 1—Spread the Word (Promotional Mix)
89. B  
Information is available on demand. Internet surfers can access a business's website and obtain product information 24 hours a day, seven days a week—making it available anytime the Internet user wants to see it. The Internet serves as a promotional vehicle that is more likely to be available to affluent markets, or those who can afford Internet services, but it does not ensure that consumers' privacy is secure. Many businesses use the Internet as a supplemental tool to promote products, which does not mean that businesses don't need to include target marketing in their overall business and promotional objectives.  
SOURCE: PR:100  
SOURCE: Clow, K.E., & Baack, D. (2010). *Integrated advertising, promotion, and marketing communications* (4th ed.) [p. 244]. Upper Saddle River, NJ: Prentice Hall.

**SAMPLE MARKETING CLUSTER EXAM—KEY**

90. B

Organic marketing. Word-of-mouth promotion occurs when customers tell others about their satisfaction with the business. Organic word-of-mouth promotion occurs naturally. Because customers are satisfied with the business and its products, they enthusiastically tell others about their satisfaction in the course of normal conversation. In some situations, customers trust and like the product so much that they become product advocates—putting in a good word whenever and wherever they can. Virtual marketing involves communicating product information via the Internet. Mobile marketing involves communicating information via mobile devices and networks (e.g., smartphones). Shill marketing involves employing people to pose as customers who are satisfied with a business's product using word-of-mouth techniques. Shill marketing is unethical behavior, and in some jurisdictions, it is an illegal practice.

SOURCE: PR:247

SOURCE: WordofMouth.org (2008, September 30). *Organic vs. amplified word of mouth*. Retrieved August 28, 2013, from <http://wordofmouth.org/blog/guest-genius/organic-vs-amplified-word-of-mouth>

91. A

Cell phone. With the customer's permission, a business can send promotional text messages directly to the customer's cell phone. Because these customers usually have their cell phone with them at all times, they receive the promotional information immediately (in real time). Businesses send print catalogs to customers through "snail" mail. A scanner is a piece of equipment that copies a document or image to a computer. Television advertising is a form of nonpersonal promotion.

SOURCE: PR:089

SOURCE: Shermach, K. (2006, November 16). *Using cell phones to promote customer loyalty*. Retrieved August 28, 2013, from <http://www.crmbuyer.com/story/54279.html>

92. D

Want to read the message. The headline and the illustrations are two of the main elements in an advertisement. They should be coordinated to make the reader want to read the message in the copy, which is the third element in the ad. For example, the headline should attract attention and lead the reader to the illustration, which supports the headline. The coordinated headline and illustration create a desire in the reader to want to know more about the subject of the ad and, therefore, to read the message. It is not important to coordinate the headline and illustrations to make the reader appreciate the style of layout, understand the company name, or be aware of the cost involved.

SOURCE: PR:251

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (p. 425). New York: Glencoe/McGraw-Hill.

93. D

Writing press releases, distributing company newsletters, and sponsoring events. Public relations are a function of business that is designed to establish good relations between the business and the public. The business can foster goodwill with its various publics—its customers, its investors, its employees, the community—using a variety of tools and activities. Some public-relations tools and activities include writing press releases, distributing company newsletters, sponsoring events, and holding press conferences. Identifying trends is a marketing-research activity. Hiring new staff members is a human-resources activity. Product development is a product/service management activity.

SOURCE: PR:252

SOURCE: Clow, K.E., & Baack, D. (2010). *Integrated advertising, promotion, and marketing communications* (4th ed.) [p. 356]. Upper Saddle River, NJ: Prentice Hall.

## SAMPLE MARKETING CLUSTER EXAM—KEY

94. C

Using interactive displays that allow attendees to try the tablet. Participating in a trade show is a way for a business to communicate with the individuals or businesses most likely to buy the business's products. Because there are many other exhibitors, a business needs to design a visually attractive space, offer sales promotions, and display products in an appealing way to encourage attendees to stop at its booth. When a business's salesperson demonstrates the product, trade-show attendees see the product's attributes and how it works. In some demonstrations, the show attendees have an opportunity to try the product (e.g., tablet computer) themselves. The event's staff members are responsible for handing out the trade-show programs at the facility's entrance. A sign and name badges that depict a photo of the product are not the most effective ways of drawing attention to a trade-show booth.

SOURCE: PR:254

SOURCE: O'Guinn, T.C., Allen, C.T., & Semenik, R.J. (2009). *Advertising & integrated brand promotion* (5th ed.) [p. 579]. Mason, OH: South-Western Cengage Learning.

95. B

Identify the target market. A target market is the particular group of customers a business seeks to attract. A business must identify its target market before it can begin to develop a promotional plan to effectively reach those customers. For example, the promotional plan a business designs to appeal to young adults might be very different from the type of plan it develops to appeal to senior citizens. Evaluating the feedback is the last step in the promotional planning process. Once a business identifies its target market, it will design the advertising message and prepare a promotional budget.

SOURCE: PR:073

SOURCE: Burrow, J.L. (2012). *Marketing* (3rd ed.) [pp. 443-44]. Mason, OH: South-Western, Cengage Learning.

96. B

Availability of raw materials. External factors that influence selling policies are those forces over which the business has little or no control. One of these factors is the availability of raw materials. Businesses have no control over the availability of raw materials needed to manufacture products. Therefore, businesses develop selling policies to deal with both a shortage and an abundance of raw materials. Businesses have control over the prices they charge for their goods or services. Businesses also are able to control the number of employees hired and to buy from quality suppliers.

SOURCE: SE:932

SOURCE: SE LAP 117—Sell Right (Selling Policies)

97. C

Business defamation. Governments regulate selling practices to protect buyers and sellers. Many jurisdictions have business-defamation laws that prohibit untrue or unsubstantiated statements that intend to damage the reputation of another business. Therefore, businesses must take steps to train their salespeople so they know what they can and cannot say to customers. Price discrimination is an illegal activity in which a business charges different customers different prices for similar amounts and types of products. Offering or accepting bribes in a selling situation is a common practice in some foreign countries, but is illegal behavior in other countries that view it as corruption. The example does not involve product infringement.

SOURCE: SE:108

SOURCE: Manning, G.L., Reece, B.L., & Ahearne, M. (2010). *Selling today: Creating customer value* (11th ed.) [pp. 129-131]. Upper Saddle River, NJ: Prentice Hall.

## SAMPLE MARKETING CLUSTER EXAM—KEY

98. A

Newspaper advertisements. Many businesses place advertisements in newspapers that promote their goods and services. These advertisements are a good source of information for selling because they usually contain information about the business's goods and services. The advertisements may describe the goods and services, explain any warranties or guarantees, and list the price and availability. This information can be used by salespeople in selling the goods or services to customers. Professional publications, trade magazines, and product labels may be sources of selling information, but they are not types of company promotional materials.

SOURCE: SE:062

SOURCE: Farese, L.S., Kimbrell, G., Woloszyk, C.A. (2012). *Marketing essentials* (p. 297). Columbus, OH: Glencoe/McGraw-Hill.

99. D

Answer remaining objections. Reaching closure is the fourth phase of the selling process. It often involves answering any remaining objections the customer may have. Salespeople should anticipate objections and learn to use them to their advantage in a sales presentation. When customers are satisfied that their objections have been satisfactorily addressed, they often give off signals that the time has come to close the sale. Salespeople sell product benefits when prescribing solutions to customer needs. Salespeople do not determine buying needs or identify customer reactions during the reaching closure phase of the selling process.

SOURCE: SE:048

SOURCE: SE LAP 126—Set Your Sales (The Selling Process)

100. B

Physiological. Maslow's Hierarchy of Needs Theory suggests that motivation is related to five levels of needs. Maslow's theory states that basic needs must first be met before a person is motivated to fulfill the next level of needs. The most basic level of needs is physiological, which includes needs such as food, shelter, and air. Therefore, Maslow's theory suggests that a person will purchase food to satisfy a physiological need before s/he will be motivated to purchase a product in another level of needs. The rest of the needs in sequential order are safety, social, esteem, and self-actualization.

SOURCE: SE:359

SOURCE: Robbins, S.P., DeCenzo, D.A. (2007). *Supervision today!* (5th ed.) [pp. 220-221]. Upper Saddle River, NJ: Pearson Prentice Hall.